

CABINET

MONDAY 16 NOVEMBER 2020
10.00 AM

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AGENDA

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**MINUTES OF THE SHAREHOLDER CABINET COMMITTEE MEETING
HELD AT 10:00AM, ON
MONDAY, 14 SEPTEMBER 2020
VIA ZOOM**

Members Present: Councillor Fitzgerald (Chair), Councillor Allen, Councillor Cereste, Councillor Seaton

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Walsh.

2. DECLARATIONS OF INTEREST

There were no declarations of interest received.

3. MINUTES OF THE MEETING HELD ON 2 MARCH 2020

The minutes of the Shareholder Cabinet Committee meeting held on 2 March 2020 were referred to Cabinet for approval.

4. REVIEW OF VIVACITY TRANSITION ARRANGEMENTS

The Shareholder Cabinet Committee received a report in relation to the progress of the Vivacity transition arrangements.

The purpose of this report was to set out the process made to date relating to the transition of Vivacity services to Peterborough Ltd and City College Peterborough.

The Acting Corporate Director for Resources, addressed the Shareholder Cabinet Committee and advised that the date of transfer for Vivacity Services to the City Council had been deferred to 1 October 2020. Within the report it was identified what services would be open, when. It was considered that the services would need to run for at least a year before the Council could have a full understanding of the running costs. Additionally, further time would be needed to understand the significant impact of the Coronavirus on the industry. It was advised that a high number of third party services across the country remained closed.

The Committee were advised that 'Lost World' would transfer to the Nene Park Trust, rather than the Council. Plans were also afoot for the Key Theatre to open over the winter period.

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

- The Acting Director of Resources would circulate an update on the opening of football pitches in the area ahead of the football season.

- A third party had been brought in to provide valuations on all fixtures and fittings, including equipment, ahead of the transfer of services. Such details were covered within the funding management agreement.
- It was advised that the deferment of the transfer for a further two weeks was to enable a smoother transfer for staff, for example, to avoid the issuing of two separate payslips.
- It was considered that Members would need to see evidence that the transfer of services back to the Council would be beneficial.
- It was noted that Coronavirus restrictions were significantly curtailing income in these services areas.
- Queries were raised as to why 'Lost World' was transferring to the Nene Park Trust and not the Council, if this was a reliable income generator, and Members were advised that 'Lost World' was outside the funding management agreement. Further detail would be circulated to the Committee following the meeting.

The Shareholder Cabinet Committee considered the report and **RESOLVED** to note and commented upon the progress being made to secure the safe transition of services from Vivacity, specifically referencing any points that need to be considered as part of the transition or following transition, relating to the other services overseen by Shareholder Cabinet Committee.

REASONS FOR THE DECISION

The process to transfer services from Vivacity to the new arrangements was complex and dynamic, and the decision, and the verbal update which was provided at the meeting, sought to ensure that the Shareholder Cabinet Committee members were fully appraised and reassured of the process being followed.

ALTERNATIVE OPTIONS CONSIDERED

No alternative options were considered.

5. OPPORTUNITY PETERBOROUGH

Councillor Cereste left the meeting at this point.

The Shareholder Cabinet Committee received a report in relation to the activities of Opportunity Peterborough.

The purpose of this report was to provide an update on the activities and achievements of Opportunity Peterborough, to provide an overview of the opportunities and challenges that face the company in the very near future, and to provide information to the Committee for its consideration regarding the continued funding of the company.

Tom Hennessy, the Chief Executive of Opportunity Peterborough, addressed the Shareholder Cabinet Committee and gave an overview of the 2019/2020 year, and introduced the business plan for the current financial year. With the past year Opportunity Peterborough had made a successful bid for a smart manufacturing association within the area. The company had also been instrumental in working with the Council and the Combined Authority in disseminating business grants and information to local business, the Committee were advised. Additionally, following the closure of schools in the area due to the Coronavirus pandemic, Opportunity

Peterborough had extended its work with schools around digital infrastructure, and were looking to roll out a programme on a national level.

The Committee were informed that the company had created 338 jobs in 2019/20, contributing £10 million to the local economy. It was therefore felt that the Council's investment was worthwhile. Opportunity Peterborough was currently working towards a bid for a growth services contract with the Combined Authority. This contract would replace much of the work currently undertaken by the company and, therefore, should the bid be unsuccessful, the company may see a reduction in income. A reserve for this had been included in the business plan. However, if it was considered that if the Council were to withdraw its funding, there would be some services that Opportunity Peterborough would no longer be able to provide.

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

- The Committee were advised that Opportunity Peterborough provided services to the 'greater Peterborough' area to support the Peterborough economy, However, the company also looked to enhance the talent pool and economy of area that Peterborough would benefit from.
- The value of Opportunity Peterborough was emphasised to Members, while also seeking consideration of future budgetary implications.
- It was suggested that the Committee make a recommendation to Cabinet to take into account the continuing benefits of the company when considering the Council's budget.
- It was noted that a greater focus on communication by Opportunity Peterborough to Members may ensure that Members had a greater understanding of the company's value.
- The Committee emphasised the importance of the visitor economy and expressed a wish to see further work carried out on how to sell the city and its assets as a more tourist-centric asset.
- Officers agreed with this point and referenced work undertaken by London and Partners and Making Manchester as successful models.
- The Committee requested that Opportunity Peterborough circulate information to Members of the Committee on a bi-monthly basis, or as often as possible, to keep them informed of future developments.

The Shareholder Cabinet Committee considered the report and **RESOLVED** to:

- Note the achievements and impact of Opportunity Peterborough with regards to support for the local economy and jobs creation.
- Note the opportunities for enhancing its services, and thus its impact, as laid out in the Business Plan in Appendix A.
- Note the challenges that the company will face should it be unsuccessful in securing a new contract with the CPCA.
- Recommend that Cabinet consider the continuing benefits of Opportunity Peterborough as a valued asset, and to pursue the potential to share costs and service outcomes with neighbouring authorities such as Cambridgeshire County Council and South Kesteven District Council.

REASONS FOR THE DECISION

It was recommended that the Shareholder Cabinet Committee consider the benefits of continued funding for Opportunity Peterborough to enable the company to continue delivering valuable services to the city, particularly in the time of economic uncertainty.

ALTERNATIVE OPTIONS CONSIDERED

Peterborough City Council could withdraw funding for Opportunity Peterborough from 2021/22 with the associated loss of the benefits.

Peterborough City Council could contract Opportunity Peterborough to deliver specific services to the Council on a case by case basis. However, without a long term commitment to levels of funding it would be difficult to retain resources to enable delivery.

Given that Cambridgeshire County Council and Peterborough City Council enjoyed a close relationship sharing many officers, and given that CCC did not have its own economic development function, services could be further enhanced or a cost saving could be realised if costs were shared with CCC and both organisations were provided with access to OP's services. Likewise, an approach by PCC to South Kesteven District Council suggesting a merging of OP with InvestSK, which had recently been through a streamlining process, could again provide some costs savings to PCC whilst retaining access to services currently provided by OP. Such arrangements would not have to be mutually exclusive and could provide increased efficiencies and collaborative working across Cambridgeshire, Peterborough and South Lincolnshire providing ongoing benefits to all involved.

6. GUIDANCE FOR MEMBERS AND OFFICERS WHO SERVE ON OUTSIDE BODIES

The Monitoring Officer advised the Shareholder Cabinet Committee that the 'Guidance for Members and Officers who Served on Outside Bodies' had not been updated, as the guidance remained the same.

7. SHAREHOLDER CABINET COMMITTEE WORK PROGRAMME

The Shareholder Cabinet Committee received the Shareholder Cabinet Committee work programme for the 2020/2021 municipal year.

The Shareholder Cabinet Committee considered the report and **RESOLVED** to note the latest version of the work programme.

Chairman
10:00am – 11:04am
14 September 2020

**MINUTES OF THE CABINET MEETING
HELD AT 10:00AM, ON
MONDAY 21 SEPTEMBER 2020
VIRTUAL MEETING VIA ZOOM**

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

15. APOLOGIES FOR ABSENCE

There were no apologies for absence.

16. DECLARATIONS OF INTEREST

Agenda Item 4

Councillor Holdich and Councillor Hiller declared a non-pecuniary interest in agenda item 4 'University of Peterborough Project: Land Transfer and Delivery Arrangements', as that they were Board Members of the Peterborough Investment Partnership.

17. MINUTES OF MEETINGS HELD ON 13 JULY 2020

The minutes of the Cabinet meeting held on 13 July 2020 were agreed as a true and accurate record.

STRATEGIC DECISIONS

18. UNIVERSITY OF PETERBOROUGH PROJECT: LAND TRANSFER AND DELIVERY ARRANGEMENTS

The Cabinet received a report in relation to the appointment of Anglia Ruskin University (ARU) as Academic Partner to the University of Peterborough project.

The purpose of the report was to inform Cabinet of proposed changes to the planned implementation of the University of Peterborough project, including the arrangements for the proposed transfer of Council owned land into a special purpose joint venture (JVCo) to develop the new campus and the associated issues of the Council's shareholding arrangements in the JVCo and issues including Board Membership, voting rights and control.

The Cabinet Member for Strategic Planning, Commercial Strategy and Investments introduced the report and explained that the Joint Venture would be a limited company, with Anglia Ruskin University and Peterborough City Council purchasing shares. The proposal would enable the Council to work efficiently with partners towards a common objective and represented the beginning of making the university in Peterborough a reality.

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

1. Note the approval by the Cambridgeshire and Peterborough Combined Authority, at its Board meeting of 20 July 2020, of the final business case for the University of Peterborough project.
2. Note the selection by CPCA of Anglia Ruskin University (ARU) as the academic delivery partner for the new University and the intention of ARU to invest directly in the development of the University.
3. Approve the formation of a special purpose joint venture vehicle with CPCA and ARU in which the Council will retain shares of equivalent value to the land transferred into this company.
4. Authorise the transfer of around 4 acres of Council-owned land (edged in red in the site map at appendix 1) to a special purpose joint venture vehicle to be formed among the Council, the Cambridgeshire and Peterborough Combined Authority and Anglia Ruskin University for the purpose of delivering phase one of the University.
5. Delegate authority to the Executive Director Place and Economy and Director of Law and Governance to finalise the necessary legal and related documents needed to execute the recommendations and approach outlined in this report.
6. Delegate authority to the Executive Director Place and Economy and Director of Law and Governance to agree the transfer of further tranches of land to the joint venture company as may be needed to facilitate the delivery of further phases of the University subject to such land being identified for Higher Education related use within the local plan and suitable for development taking due account of the emerging University masterplan.
7. Authorise the Council to enter into a Subscription and Project Management Agreement to enable delivery of the University in Peterborough.
8. Approve the amendment of the 'Appointments to External Organisations' list to include the joint venture company within the 'key partnerships' category, to enable the Leader to appoint a Member to take up the position of non-Executive Director on the Board of the company.
9. Recommend to Full Council:
 - a) amends the Capital Strategy and Asset Management Plan to take account of the proposed transfer of this land to the special purpose joint venture vehicle.

REASONS FOR THE DECISION

The proposed recommendations would enable the Council to work with CPCA and ARU through a dedicated joint venture delivery vehicle that would enable the development of the University project to progress in a timely manner while respecting the needs and interests of the three principal partners. A focused joint venture delivery vehicle would ensure decisions can be made in a speedy and efficient way ensuring that the pace of the delivery programme can be maintained.

ALTERNATIVE OPTIONS CONSIDERED

The option to sell the land to CPCA was considered. However, this was discounted on the basis that it would reduce the funding available for construction of the first phase of the Campus and leave the Council with less control and influence over future development. The option to enter a JV solely with CPCA was proposed in the March report but has been superseded following the appointment of ARU as academic partner and their commitment to invest their own resources in the Campus. By taking shares in the JVCo the Council would have an ongoing interest in the development of the Campus; the ability to receive income from dividend payments on its shares; and the potential opportunity to benefit from any private investment made on the Campus e.g. in student residences, or commercial offices for R&D and spin out businesses.

19. PETERBOROUGH LIMITED ARTICLES OF ASSOCIATION

The Cabinet received a report in relation to Peterborough Limited Articles of Association.

The purpose of the report was to seek Cabinet's approval to alter Peterborough Limited's Articles of Association (Articles) and list of Reserved Matters.

The Cabinet Member for Waste, Street Scene and Environment introduced the report and explained that the changes proposed to the company's Articles of Association were minor, but important for the Council, giving shareholders and auditors the right to access documents they need.

Cabinet Members debated the report and in summary responses to questions raised included:

- It was noted that there was no issue in practice with access to any Aragon documents, the report was simply to resolve a technical issue.

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

1. Alterations to Peterborough Limited's (trading as Aragon Direct Services) Articles of Association ("Articles") to allow inspection by the Council and its auditors of documents relating to Peterborough Limited and the supply of such documents as set out in Appendix A;
2. Alterations to the Reserved Matters, Appendix B to allow Peterborough Limited to swiftly pursue commercial opportunities.

REASONS FOR THE DECISION

The Council required the ability to access Peterborough Limited's documents regarding the business affairs of Peterborough Limited to enable the Council to make informed decisions as owner and ensure Peterborough Limited is fully accountable to the Council. Model Article 50 adopted in the Articles constrains the Council's ability to such access, unless authorised by Peterborough Limited.

The alterations to Model Article 50 as set out in Annex A gave the Council such access, and will avoid the need for Peterborough Limited to obtain its directors' approvals or a resolution on a case by case basis where it chooses to authorise such access to the Council.

Furthermore, this alteration would align the Council's access to Peterborough Limited's documents with another Council company, NPS Peterborough Limited.

Alterations to Reserved Matters Appendix B to allow for Peterborough Limited to pursue commercial ventures swiftly whilst still ensuring Peterborough City Council were kept fully updated on any proposals.

ALTERNATIVE OPTIONS CONSIDERED

Not to amend Model Article 50. This would impede the Council from making informed decisions within its purview as owner of Peterborough Limited.

20. AMENDMENT TO ARRANGEMENTS WITH EMPOWER

The Cabinet received a report in relation to arrangements with Empower Community Management LLP.

The purpose of the report was to receive an update on the progress of the refinancing of the Council's loan facility provided to ECS Peterborough and to authorise the amendment of the current loan facility from a construction loan facility to a long term loan facility.

The Cabinet Member for Finance introduced the report and explained that the Council had previously been looking for a refinancing partner, however this had been put on hold due to the Covid-19 pandemic. The construction phase of the project had come to an end and, as such, the loan arrangements required remodelling in order to reflect this.

Cabinet Members debated the report and in summary responses to questions raised included:

- Members were advised that the arrangement would ensure capital repayment on a yearly basis.
- It was considered to be a long term solution, which places the overall loan portfolio in a more attractive position.
- Members noted that a mini-tender process had been undertaken by officers, with the arrangement proposals reviewed by Deloitte and Pinsent Masons to ensure its viability in the short to medium term.
- Reassurance was provided by officers that the Council's investments were sufficiently protected, with a possibility of accelerated capital repayment.

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

1. Approve the amendment of the terms of the Strategic Partnership with Empower Community Management LLP.
2. Approve the amendment of the financing agreement with ECS Peterborough 1 LLP.
3. Delegate to the Acting Corporate Director Resources and Director of Law and Governance the ability to finalise matters 1 and 2 above.

REASONS FOR THE DECISION

Due to the unprecedented effects on the financial markets arising from the COVID-19 pandemic, there was an opportunity for the Council to protect its investment in ECSP1

by re-modelling the loan on to a long-term funding basis. This would then allow the Council to either continue to receive a long term income from its investment and exploit any future benefit deriving from this source of renewable energy and its location on roofs of 7,700 properties while placing itself in a position to sell the loan when market conditions stabilise.

ALTERNATIVE OPTIONS CONSIDERED

Take control of the assets

If the Council failed to extend the loan, then on 1 October 2020 the loan repayment would be due in full and if it was not paid, ECSP1 would be placed into default and the Council would be required to exercise its security and take over the assets of the company. At this point the Council would then have to operate the company which was not considered to be in the Council's best interests at this time for the following reasons:

1. The Council does not have experience of operating in this market and would therefore need time to acquire the additional skills and personnel required to operate the ECSP1 business.
2. It would require considerable additional advice from its legal and financial advisors Pinsent Masons LLP and Deloitte LLP and would need to procure a specialist technical advisor for this process.

Do Nothing

This was not an option as the current construction loan facility no longer reflected the portfolio position. The loan must be remodelled to reflect the completion of the construction phase of the project and to start the scheduled repayment of the outstanding loan.

21. FORMATION OF A CYCLING AND WALKING MEMBER WORKING GROUP

The Cabinet received a report in relation to the formation of a Cycling and Walking Member Working Group.

The purpose of the report was to seek Cabinet's approval to form a Cycling and Walking Member Working Group and to review / approve the terms of reference in Appendix A to the report. The recommendation has come from a recent Group Leaders meeting and the Working Group will be made up of one Member from each party.

The Cabinet Member for Strategic Planning, Commercial Strategy and Investments introduced the report and explained that the Council had received £175,000 of funding as part of an emergency travel fund, with instruction to reallocate road space for pedestrians and cyclists in the city centre. The schemes currently in place were temporary with no decision taken yet on whether these would be removed. An application had been submitted to the Combined Authority for an additional £652,000 of funding, for the second stage of the programme. The proposed Cross Party Working Group would aid in increasing the Council's understanding and work on recommendations for future schemes.

Cabinet Members debated the report and in summary responses to questions raised included:

- It was noted that £500,000 would be invested into improving the Green Wheel.

- Members were advised that cycle counters had been installed in the temporary cycle lanes, so traffic flow within the city council could be monitored.
- Following a query in relation to an initiative increasing cycling lanes near schools, officers confirmed that 12 expression of interests had been received from schools so far. Officers hoped to have 10 schemes running by half term.
- Cabinet noted that the working group would be able to invite expert witnesses on any area they felt would be beneficial to the work of the group.
- It was noted that the Council's Cycling and Walking Infrastructure Plan was still in its draft phase and still needed to go out to consultation.
- The Cabinet Member advised that the second tranche of funding would need to be spent in the current financial year.

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

1. Agree to form a Cycling and Walking Member Working Group.
2. Approve the draft terms of reference for the Working Group.

REASONS FOR THE DECISION

Group Leaders had stated that they wanted the Working Group established in order to aid the delivery of the Emergency Active Travel Fund schemes.

ALTERNATIVE OPTIONS CONSIDERED

Not to establish the Working Group. This had been discounted because the Working Group would assist in the successful delivery of the fund.

22. BUDGET CONTROL REPORT JULY 2020

The Cabinet received a report in relation to the Budget Control Report for July 2020.

The purpose of the report was to provide Cabinet with the forecast for 2020/21 as at June 2020 budgetary control position.

The Cabinet Member for Finance introduced the report and explained that all local authorities were providing regular finance updates to the Ministry for Housing, Communities and Local Government in relation to Covid-19 expenditure. Funding of £13 million received from Government left pressure on the budget of £11.8 million. The Council would continue to focus on transformative work and lobbying the Government for additional Covid-19 funding. Specific issues to be highlighted in relation to the 2021/2022 budget were the uncertainties around being able to deliver a balance budget due to the additional Covid-19 costs, reduced income generation, diminishing reserves, and future funding. It was noted, however, that many other local authorities were in a similar position.

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

1. The Budgetary Control position for 2020/21 as at July 2020 is a forecast overspend of £9.6m against budget. This includes the current estimated impact of COVID-19;
2. The specific impact COVID-19 on the Councils expenditure and income and the additional funding being received;
3. The reduction in collection rates in respect of Council Tax and National Non-Domestic Rates, in comparison to the levels achieved in 2019/20, as outlined in section 4;

4. The additional funding that has been made available and allocated to the business community and households due to COVID-19, as outlined in section 4;
5. An update on the Medium Term Financial Strategy 2021/22 process as set out in section 4;
6. The key variance analysis and explanations are contained in Appendix A;
7. The Council's reserves position, as outlined within Appendix A.

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

8. The Capital virements contained in Appendix B, which include the purchase of 62-68 Bridge Street, and a contribution to a new access to the parkway as part of the University development which require additional borrowing to the existing capital programme.

REASONS FOR THE DECISION

The report updated Cabinet on the December budgetary control position.

ALTERNATIVE OPTIONS CONSIDERED

There had been no alternative options considered.

MONITORING ITEMS

23. OUTCOME OF PETITIONS

The Cabinet received a report in relation to the outcome of the submission of petitions, the presentation of petitions to Council officers, and the presentation of petitions at Council meetings.

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 was reported to Cabinet.

ALTERNATIVE OPTIONS CONSIDERED

There had been no alternative options considered.

Chairman
10.00am to 10.45am
21 September 2020

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**MINUTES OF THE BUDGET CABINET MEETING
HELD AT 10:00AM, ON
MONDAY 26 OCTOBER 2020
VIRTUAL MEETING VIA ZOOM**

Cabinet Members Present: Councillor Holdich (Chair), Councillor Allen, Councillor Ayres, Councillor Cereste, Councillor Farooq, Councillor Fitzgerald, Councillor Hiller.

24. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Walsh and Councillor Bashir.

25. DECLARATIONS OF INTEREST

No declarations of interest were received.

Councillor Fitzgerald made an announcement in relation to Free School Meals, advising that no family or child would go hungry in Peterborough.

26. PETITIONS PRESENTED TO CABINET

There were no petitions presented to Cabinet.

STRATEGIC DECISIONS

27. MEDIUM TERM FINANCIAL STRATEGY 2021/22 TO 2023/24 – PHASE ONE

The Cabinet received a report as part of the Council's formal budget setting process as set out within the constitution and as per legislative requirements to set a balanced and sustainable budget for 2021/22-2023/24.

The purpose of this report was to:

- Recommend that Cabinet approve the Phase One service proposals;
- Recommend that Cabinet approve the budget assumptions to update the Medium-Term Financial Strategy (MTFS), to ensure estimates reflect the most up to date information available;
- Outline the financial impact of C-19 and other financial challenges facing the Council, in setting balanced budget for the MTFS 2021/22-2023/24;
- Outline the strategic approach and actions taken by the Council to deliver a balanced budget in 2021/22.

The Cabinet Member for Finance introduced the report and raised a number of key points, including the pressures resulting from the Covid-19 pandemic in excess of £11 billion nationally, the increase in reporting the Ministry of Housing, Communities and Local Government, and the formal approach by the Council to the Ministry on 1 October in order to ensure a balanced budget for the 2021/2022 financial year. The Cabinet Member emphasized the Council's desire to be open and transparent with its stakeholders, and therefore open consultation on the first stage of the budget.

Cabinet Members debated the report and in summary responses to questions raised included:

- Members congratulated the Acting Corporate Director of Resources and his team for their work in relation to the budget.
- The Cabinet were reassured that the Council was not alone in approaching the Ministry of Housing, Communities and Local Government, following advice from the Section 151 officer that this was a pre-emptive and prudent course of action.
- Confirmation had been received in the week just past that the Government settlement would cover a period of one year only this year. The MHCLG were in negotiation with the Treasury to determine what each department would receive, so this was not yet known.
- It was noted that the reduction in receipt of Council Tax and Business Rates due to Covid-19 measure had resulted in significant pressure for the Council. The resulting shortfall would be funding over a three year period.
- While it was noted that newer homes being developed in the area mainly fell into high Council Tax bands, any change to the base level in the area would be a long term process.
- Key pressures within the budget were identified in Adult Social Care, Safeguarding, and Aragon Limited.
- Following queries in relation to Aragon, officers confirmed that the operating figures for the services were not able to be understood prior to taking on the service. It had become apparent that Amey had been subsidising the overheads of the service quite significantly.
- It was considered that the MHCLG were reviewing the finances of local authorities in a level of detail that had not been seen previously, with monthly reports being submitted. It was hoped that this would help their understanding for the future and would be reflected in future plans and assistance from central Government.

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

1. The Phase One service proposals outlined in Appendix C as the basis for public consultation.
2. The updated budget assumptions, to be incorporated within the Medium-Term Financial Strategy 2020/21 – 2022/23. These are outlined in sections 5.2 and 5.3.
3. The revised capital programme outlined in section 5.5 and referencing Appendix B.
4. The Medium-Term Financial Strategy 2021/22 to 2023/24- Phase One, as set out in the body of the report and the following appendices:
 - Appendix A – 2021/22- 2023/24 MTFs Detailed Budget Position-Phase One
 - Appendix B – Capital Programme Schemes 2021/22- 2023/24
 - Appendix C – Budget Consultation Document, including Phase One Budget Proposal detail
 - Appendix D – Financial Strategy pre-C-19
 - Appendix E – Financial Risk Register
 - Appendix F – Equality Impact Assessments
 - Appendix G – Carbon Impact Assessments

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

5. The strategic financial approach taken by Council outlined in section 5.4 of the report.
6. The forecast reserves position, and the statutory advice of the Chief Finance Officer outlined in Section 6, The Robustness Statement.

REASONS FOR THE DECISION

The Council must set a lawful and balanced budget. The approach outlined in this report worked towards this requirement.

ALTERNATIVE OPTIONS CONSIDERED

No alternative option had been considered as the Cabinet was responsible under the constitution for initiating budget proposals and the Council was statutorily obliged to set a lawful and balanced budget by 11 March annually.

MONITORING ITEMS

28. BUDGET CONTROL REPORT AUGUST 2020

The Cabinet received a report in relation to the Budget Control Report for August 2020.

The purpose of the report was to provide Cabinet with the forecast for 2020/21 as at the August budgetary control position.

The Cabinet Member for Finance introduced the report and explained internal tracking was taking place on a weekly basis, with updates from all Cambridgeshire Council's being fed into the Joint Management Team. It was highlighted that the Capital Programme spend was only £1.83 million at that current time, as projects had had to be shut down due to Covid-19 restrictions. The Council's reserves were at a low level, but the £5.7 million grant from central Government would improve the situation substantially. Lobbying would continue for additional funding to minimise any impact from Covid-19.

Cabinet Members debated the report and in summary responses to questions raised included:

- It was noted that Cabinet received a Budget Control Report month, the resolution of which was referred to Council for questions only.
- Concern was raised in relation to the Capital Programme and it was advised that officers would be reassessing the schemes within the programme for in-year delivery. The most important point, Members were advised, was that any projects that involved match funding would continue to do so if they were deferred for a year.
- It was considered that, currently, the month by month financial position was prudent, however the position over the winter months would be depend on what was requested the Council by the Ministry of Housing, Communities and Local Government.
- Members were advised that 86% of spending related to Covid-19 pressures had been funded via grants from Government. This had reduced the budget gap from £11 million to £5.4 million.
- Members noted that the financial year was only half-way completed, and that there was time to make further savings, or for further grant announcements to be made.

- It was suggested that a review of the Capital Programme be included within the next month's Budget Control Report.
- The Section 151 Officer advised that the Council was entering the 2021/2022 municipal year in a significant deficit position and it would only become apparent how this could be dealt with following the Government settlement announcement in November or December.
- It was noted that providing a forecast for the future was particularly difficult at the current time, as the position of the Council and central Government was changing on a weekly basis.
- Members expressed their gratitude to staff across the Council for their hard work under difficult circumstances.

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

1. The Budgetary Control position for 2020/21 as at August 2020 is a forecast overspend of £11.3m against budget. This includes the current estimated impact of C-19 and the additional C-19 response funding.
2. Included in this report is a forecast £38.9m of additional pressure due to C-19, as reported to the Ministry of Housing Communities and Local Government, within the September return, as outlined in section 4.
3. The reduction in collection rates in respect of Council Tax and National Non-Domestic Rates, in comparison to the levels achieved in 2019/20, as outlined in section 4;
4. The additional funding that has been made available and allocated to the business community due to C-19, as outlined in section 4;
5. The key variance analysis and explanations are contained in Appendix A;
6. The Council's reserves position, as outlined within Appendix A.

REASONS FOR THE DECISION

The report updated Cabinet on the December budgetary control position.

ALTERNATIVE OPTIONS CONSIDERED

There had been no alternative options considered.

Chairman
10.00am to 10.59am
26 October 2020

CABINET	AGENDA ITEM No. 5
16 NOVEMBER 2020	PUBLIC REPORT

Report of:	Wendi Ogle-Welbourn (Executive Director People and Communities)	
Cabinet Member(s) responsible:	Cllr Ayres (Cabinet Member for Education, Skills and University)	
Contact Officer(s):	Clare Buckingham (Strategic Education Place Planning Manager CCC and PCC) Michael Soper, Research Team Manager, Business Intelligence Service (CCC and PCC)	Tel. 01223 699779 01223 715312

CHILD YIELD MULTIPLIERS

RECOMMENDATIONS	
FROM: Service Director: Education	Deadline date: N/A
<p>It is recommended that Cabinet adopts the proposed revised child yield multipliers to be used to calculate the level and type of education infrastructure required to mitigate the impact of new developments.</p>	

1. ORIGIN OF REPORT

- 1.1 This report is submitted to Cabinet following a request from the Cabinet Member for Education Skills and University.

2. PURPOSE AND REASON FOR REPORT

- 2.1 The purpose of this report is to provide Cabinet with an understanding of:
- (a) how the numbers of children arising from new developments is calculated and
(b) how the multipliers are used to determine the education infrastructure required to mitigate the impact of new developments
- 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 In order to plan appropriately for new housing developments, the Council's Business Intelligence Service provides forecasts of pupil numbers to inform planning for early education and school

places. The multipliers are used to forecast the numbers of children for a given number of new homes. There is a multiplier for each of the following age ranges:

- pre-school aged children (0 - 3 years)
- primary age children (4-10 years)
- secondary age pupils (11-16 years)

4.2 The multipliers which underpin the forecasts, have not been reviewed since 1998 when Peterborough became a unitary authority. Officers' understanding is that in the interim period the multipliers used at the time in Cambridgeshire continued to be used by Peterborough. These were 20-30 primary children per 100 dwellings, 15-20 secondary pupils per 100 dwellings and 4 0-3 year olds per 100 dwellings. The forecasts form the basis for either negotiation with housing developers as part of a S106 Agreement or for calculating the allocation of Community Infrastructure Levy (CIL) to support the funding of infrastructure requirements.

4.3 In larger developments the number of school places required may necessitate provision of new schools and sufficient land to accommodate buildings and outdoor space. These requirements feed into the planning process. Given the significance of the multipliers in the planning of the provision of new communities, it is important that they are approved by elected members and this, in turn, lends weight to the Council's case whenever it is challenged by developers.

4.4 Since 2018, the 0-19 Education Place Planning Service has been working with the Business Intelligence Service (BIS) to replicate for Peterborough the same set of forecasting and place planning tools which are integral to the place planning strategies used in Cambridgeshire. The child yield multipliers are the final element of this work.

4.5 Given the current and projected level of growth in the City a review of the multipliers will take place every three years.

4.6 **Methodology**

Forecasting the number of children that will live in a new development is a complex evidence-led process. The Research Team within the BIS has developed a methodology over many years, based on:

- analysis of administrative data such as PLASC (pupil level annual school census)
- local surveys of new developments
- whole population analysis such as local population estimates, and where relevant
- the national Census and GP registrations

These data are then applied to a selection of recent case studies for new developments in the area; in this case The Hamptons (post 2010 build), Cardea / Stanground South and Paston.

4.7 Together, these sources indicate the average number of children that might be expected to live in individual properties, depending on the number of bedrooms and tenure. However, while some key variables e.g. dwelling size and tenure mix can be factored into forecasts, there remain many intangibles to do with location and design, the state of the housing market and government policy that affect the types of people and households attracted to an individual development.

4.8 **GENERAL AND DETAILED MULTIPLIERS**

The multipliers are broken into two categories. Where the housing mix is unknown a general multiplier is applied. Where a detailed mix is known a detailed multiplier is used.

4.9 **General multipliers**

When discussions with a developer begin, the intended housing mix may be unknown, not yet confirmed or known in broad terms only. In these situations it is necessary to apply a "general multiplier" range that indicates the lowest and highest number of children that might reasonably be expected to live in the development.

4.10 For planning purposes, BIS officers advise greater use is made of the full range rather than a single mid-point figure, particularly during early discussions. At all points it is important to be clear that any particular child forecast is based on a set of assumptions regarding the nature of the proposed development. If these assumptions change so too will the child forecasts. Whilst a multiplier range is proposed for calculating child yield, for the purpose of calculating developer contributions where a detailed housing mix is not yet known, the top end of the range must always be used to guarantee that the Council can cover its statutory obligations with regard to the provision of early years and school places.

4.11 **Evidence**

The Research Team have carried out three new development surveys to gather further data.

4.12 Table 1: Details of New Developments Survey, 2020.

	The Hamptons (Dwellings built since 2010)	Cardea / Stanground South	Paston	Total Peterboro' 2020 surveys
Number of surveys mailed to households	2,065	1,439	562	4,066
Number of responses*	443	249	90	782
Response rate %	21.5%	17.3%	16.0%	19.2%
% of surveys sent to affordable homes	19%	19%	30%	21%
% of surveys received from affordable homes	11%	10%	24%	12%

* note that surveys were mailed a total of three times to non-respondents.

4.13 A total of 782, responses were achieved; enough to understand the pupil yield compared to the characteristics of bedroom size and tenure. Further desk-based work was undertaken to consider these results in the light of the differing ages of the developments and consistency with previous survey results from areas of Cambridgeshire (Love's Farm in St Neots, Cambridge Southern Fringe).

4.14 New developments have a significantly higher birth rate than the general population due to the over representation of younger couples, many buying their first homes and then starting families; this pattern creates a peak in demand for education particularly when three to four hundred family sized houses are built each year on a site. The age of the sites chosen as case studies for this work is particularly relevant.

- The Hamptons (dwellings completed since 2010). The peak of build completion for the dwellings surveyed was between the years 2010 to 2016 when an average of 165 dwellings were completed each year. This was between four to ten years ago making the Hamptons survey a particularly good exemplar for understanding the peak in primary age children in a new development.
- Stanground South / Cardea. The peak of the build completion was for the years 2013 to 2016 when an average of 267 dwellings were completed each year. This was between seven to four years ago making this survey an exemplar for the demand for early years / Key Stage One places.
- Paston. The development which started in 2008/09 is smaller than the other two with a lower build rate of fifty dwellings per year, except in 2015/16 when 196 were built. The absence of a peak in build means that this is a useful benchmark for building a more detailed trajectory model.

4.15 **Outcome**

The Peterborough CHIS (Child Health Information Service) and PLASC data analysis is consistent with the multipliers that have been previously adopted by Cambridgeshire County

Council. It should be noted that the adoption of the Cambridgeshire multipliers was based on a rigorous longitudinal study of child yields from new developments.

- 4.16 There are similarities with other areas where sufficiently robust research has been carried out. Gloucestershire County Council¹ research concluded with adoption of the following policy “GCC is currently using the updated pupil yields supported by two studies in 2018 and 2019. The updated pupil product ratios for new housing are; 30 pre-school children, 41 primary pupils, 20 secondary pupils and 11 post-16 pupils per 100 dwellings.” Other studies (Northamptonshire, Milton Keynes) provide a ‘snap shot’ in time, identifying high demand for early years places (32 to 36 per 100), which projected forward to primary demand (4 – 10s) would equate to approximately 38 – 43 pupils per 100.
- 4.17 Given the timing of the study compared to the age of the new developments data regarding early years (0-3) and primary (4-10) can be converted straight into recommended multipliers. For secondary, the data collected needs to be projected forward², this gives a recommended figure somewhat higher than Cambridgeshire but which is consistent with the numbers of secondary-aged children living in social housing, in particular.
- 4.18 Considering the evidence and validation process, the conclusion of the work undertaken is that the general multipliers should be:
- 20 - 30 pre-school aged children (0 - 3 years) per 100 dwellings
 - 35 - 45 primary age children (4-10 years) per 100 dwellings
 - 23 – 33 secondary age pupils (11-15 years) per 100 dwellings
- 4.19 The adoption of a range compared to a single figure enables the Council and developers to reflect on the individual nature of each development during negotiations allowing both parties to exchange information about the impact of the development on educational provision, and reach agreement.

4.20 Detailed Multipliers

The general multipliers above are applied where details of housing mix are not known, or at the early stages of a development and likely to change. Where a detailed intended housing mix of a new development is known in full, it is possible to forecast the number of children that might be expected to live in individual properties based on the number of bedrooms and whether they are market or social rented dwellings. For example, 100 three-bedroom market properties would be expected to house around 30 primary aged children compared to around 80 primary-aged children from 100 three bedroom social rented properties.

- 4.21 During planning for education provision on new developments there is the requirement for more detailed modelling as information on tenure and house / bedroom size becomes available. The data from the new development surveys support this work by feeding in information on the pupil yield for different sizes and tenures of housing, enabling a standard model to be built.

4.22 Evidence

The headline findings from the surveys are as follows:

- the number of children living in a dwelling increases with the number of bedrooms but not all bedrooms are occupied by children; many bedrooms in market housing are retained as spare/alternative space;
- there are significantly more children, per bedroom, living in social housing compared to market housing;
- the children living in social rented homes in Peterborough new developments have a slightly older age range compared to market housing.

¹ <https://www.gloucestershire.gov.uk/planning-and-environment/planning-policy/gloucestershire-local-developer-guide-infrastructure-and-services-with-new-development/>

² Projection shows a future average secondary year group of 140 for The Hamptons (34 per 100), 80 for Stanground South / Cardea (28 per 100) and 30 for Paston (27 per 100).

4.23 **Outcome**

Taking these issues into account the model for detailed multipliers can be generated. The table below summarises the model outputs.

4.24 Table 2 summary of detailed multiplier model

	Age Group	Tenure	
		Market	Social
Children per 100 dwellings	0-3s	25	25
	4-10s	34	55
	11-15s	18	51

4.25 **Special School Places**

DfE guidance states specifically that it is not necessary to produce pupil yields for SEN that differentiate between complexity of condition. To *“determine the need for SEN provision, pupil yield data should identify the number of pupils/learners within recent local housing developments who attend special schools, pupil referral units or alternative provision, SEN units and resourced provision within mainstream schools. It is reasonable and fair to seek developer contributions for SEN provision in direct proportion to the needs arising from planned housing development, applying the same principle to SEN provision as to mainstream.”*

4.26 The analysis of the PLASC data shows that approximately 2.8% of children in the new developments have an Education Health and Care Plan (EHCP) at present (1.6% within special school / Pupil Referral Units (PRU)). This is lower than the national average of 3.3%. The reason for this difference would be the relatively young age range of the cohort being studied (more children will receive EHCPs as they move through education) as well as new developments not exhibiting some aspects of deprivation and diversity found within the general population at the earlier stages of building. It is recommended that the Council adopts the national 3.3% for these reasons.

Post 16 places

4.27 At the present time there are sufficient places in the current Peterborough Sixth form / further education (FE) college system to meet anticipated future demand. The market for sixth form / FE college places works differently compared to mainstream school places with young people able to travel far greater distances to access provision. There is also a wider ‘market’ in operation with specialist courses and subjects on offer. Therefore, it is much harder to justify developer contributions for a specific locality.

4.28 **IMPLICATIONS FOR DEVELOPMENT SITES**

The use of the proposed multipliers will enable the Council to anticipate ongoing implications that will need to be managed in terms of education place planning. For example, with regard to the planned development at Gt Haddon where there is already a negotiated s106 agreement, officers will be able to evaluate more accurately the timing for opening the three primary schools and the secondary school required to mitigate the impact of this development.

4.29 On developments where negotiations are at an early stage, or yet to begin, for example on the Peterborough Showground site, the revised multipliers set out in 4.18 and 4.24 above will be used.

5. CONSULTATION

5.1 Officers have shared with the Cabinet Member for Education, Skills and University, a briefing paper on the key principles of child yield multipliers.

6. ANTICIPATED OUTCOMES OR IMPACT

6.1 The anticipated outcome of this report is that Cabinet will:

- have a clear understanding of the purpose of child yield multipliers, how they are derived and the use to which they are put in planning education provision so that the Council meets its statutory place planning duties whilst minimising risk
- be able to endorse the use of the new general and detailed multipliers so that they can be used with immediate effect

7. REASON FOR THE RECOMMENDATION

7.1 To:

- reflect government non-statutory guidance *Securing Developer Contributions for Education (DfE November 2019)*, in particular “*Pupil yield factors should be based on up-to-date evidence from recent housing developments*”.
- provide officers with a robust platform on which to base negotiations with developers so that the Council will be better placed in the future to secure appropriate developer contributions
- enable the Council to plan more accurately with regard to the size and timing of new education infrastructure, and thus ensure it continues to meet its statutory place planning duties

8. ALTERNATIVE OPTIONS CONSIDERED

8.1 Do nothing. Maintaining the status quo and continuing to operate using out-of-date child yield multipliers would expose the Council to unnecessary risk of funding shortfall and undermine the Council’s ability to fulfil its statutory place planning duties.

9. IMPLICATIONS

Financial Implications

9.1 Opening a new school is expensive. In addition to the capital investment, the Council is responsible for all pre-opening start-up costs in respect of new basic need schools, including diseconomy of scale costs, funding for which may be needed over a number of years. Given this burden of revenue expenditure, the Council will only consider commissioning new schools where there is no possible alternative. It is, therefore, essential that where new educational infrastructure is to be funded externally, that officers can evidence robustly to developers the Council’s education infrastructure requirements. Up-to-date and credible forecasting tools, such as child yield multipliers are essential to avoid exposing the Council to the risk of a funding shortfall.

Legal Implications

9.2 Developers are only required to fund the level of new places required to mitigate the impact of their developments. If the Council’s child yield multipliers do not reflect accurately the situation in Peterborough there is a risk that education capital projects will be under-resourced.

Equalities Implications

9.3 There are no significant implications.

Carbon Impact Assessment

9.4 The impact of adopting the new child yield multipliers is carbon neutral.

10. BACKGROUND DOCUMENTS

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

- 10.1 *Securing Developer Contributions for Education (DfE November 2019)*
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/909908/Developer_Contributions_Guidance_update_Nov2019.pdf

11. APPENDICES

- 11.1 *Peterborough Pupil Multipliers - Summary Technical Paper (October 2020) - Michael Soper, Research Team Manager, Business Intelligence Service (Cambridgeshire and Peterborough)*

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Peterborough Pupil Multipliers – Summary Technical Paper. October 2020**Mike Soper, Research Team Manager, Business Intelligence Service (CCC and PCC)****1. Background**

- 1.1 In order to plan education provision for new housing developments, the County Council's Research Team provides forecasts of pupil numbers. The **multipliers** used to calculate demand for school places from children living within new developments underpin these forecasts. The forecasts then form the basis for either negotiation with developers as part of a S106 agreement, to support the Council's case for its infrastructure requirements to be funded via the Community Infrastructure Levy (CIL), or for bids into DfE capital funds. This process is consistent with DfE Guidance¹ that states "*Pupil yield factors should be based on up-to-date evidence from recent housing developments*".
- 1.2 In larger developments the number of school places required may necessitate provision of new schools and sufficient land to accommodate buildings and outdoor space. These requirements feed into the planning process. Given the importance of the multipliers in the planning of the provision of new communities, it is important that they are considered by elected members and this, in turn, lends weight to the Council's case whenever it is negotiating with developers for multi-million pound contributions for education.

2. Methodology

- 2.2 Forecasting the number of children that will live in a new development is a complex evidence led process. The County Council's Research Team has a developed methodology over many years, based on:
- Analysis of NHS Child Health (CHIS) data;
 - Analysis of administrative data such as the PLASC (Census of school pupils);
 - Local surveys of new developments;
 - Whole population analysis such as local population estimates, where relevant the Census and GP registrations;
- This data is then applied to a selection of recent case studies for new developments in the area. In this case The Hamptons (post 2010 build), Cardea / Stanground South and Paston.
- 2.3 Together, these sources indicate the average number of children that might reasonably be expected in individual properties, depending on the number of bedrooms and tenure. However, it should be noted that while some key variables e.g. dwelling size and tenure mix can be factored into forecasts, there remain many intangibles to do with location

1

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/909908/Developer_Contributions_Guidance_update_Nov2019.pdf

and design, the state of the housing market and government policy that affect the types of people and households attracted to an individual development.

- 2.4 For this paper the Research Team have carried out three new development surveys to gather further data.

Table One: Details of New Developments Survey, 2020.

	The Hamptons (Dwellings built since 2010)	Cardea / Stanground South	Paston	Total Peterborough 2020 surveys
Number of surveys mailed to households	2,065	1,439	562	4,066
Number of responses*	443	249	90	782
Response rate %	21.5%	17.3%	16.0%	19.2%
% of surveys sent to affordable homes	19%	19%	30%	21%
% of surveys received from affordable	11%	10%	24%	12%

* note that surveys were mailed a total of three times to non-respondents.

- 2.5 A total of 782, responses were achieved. Enough to understand the pupil yield compared to the characteristics of bedroom size and tenure. Further desk based work considered these results in light of the differing ages of the developments and consistency with previous survey results from areas of Cambridgeshire (Loves Farm, Cambridge Southern Fringe).

2.6 **The age of the sites chosen as case studies for this work is particularly relevant.**

- The Hamptons (dwellings completed since 2010). The peak of build completion for the dwellings surveyed was between the years 2010 to 2016 when an average of 165 dwellings were completed each year. This was between **four to ten years ago** making the Hamptons survey a particularly good exemplar for understanding the peak in primary age children as well as the beginning of secondary education.

- Stanground South / Cardea. The peak of the build completion was for the years 2013 to 2016 when an average of 267 dwellings were completed each year. This was between **seven to four years ago** making this survey an exemplar for the demand in early years / Key stage one.

- Paston. The site is smaller than the other two with a lower build rate of fifty dwellings per year (except 196 built in 2015/16); start was in 2008/09. The absence of a peak in build means that this is a useful bench mark for building a more detailed trajectory model.

3 Results

Table Two: Child Health Information System (CHIS) Analysis, 2019 Download.

Age group	The Hamptons (Dwellings built since 2010)	Cardea / Stanground South	Paston	
0 – 1	124	90	42	
1 – 2	116	94	34	
2 – 3	160	82	28	
3 – 4	148	87	34	
Total	548	353	138	
Dwellings	2065	1439	562	Average
Rate per 100 dwellings	26.54	24.53	24.56	25.2

Table Three: Results of PLASC Analysis, 2020.

School Year	Age Group	The Hamptons (Dwellings built since 2010)	Cardea / Stanground South	Paston	
R	4 – 10	116	102	37	
1		141	78	28	
2		146	94	42	
3		128	89	33	
4		114	90	28	
5		131	81	31	
6		140	61	30	
7	11 - 15	155	46	22	
8		121	40	23	
9		132	38	18	
10		109	40	15	
11		79	41	9	
12	16 - 17	51	14	5	
13		35	9	7	
Grand Total		1598	823	328	Total
					2749
	4 – 10	916	595	229	1740
	11 – 15	596	205	87	888
	16 – 17	86	23	12	121
	<i>Dwellings in study</i>	2065	1439	562	4066
	Ratio, per 100, 4 – 10	44.4	41.3	40.7	42.8
	Ratio, per 100, 11 – 15	28.9	14.2	15.5	21.8
	Ratio, per 100, 16 – 17	4.2	1.6	2.1	3.0

- 3.1 The results of the new development survey yielded different results compared to the administrative data above. This is because of the element of 'skew' introduced when people decide whether or not to respond. In particular, the response from affordable (social rented) housing was very low. This is discussed in more detail in the conclusions.

Table Four: Ratio of children per 100 dwellings, New Development Survey 2020

	Pre-school (0-3 years)	Primary school (4-10 years)	Secondary school (11-15 years)
The Hamptons	17	41	24
Cardea / Stanground South	20	29	20
Paston	18	31	16

**Table Five: Ratio of children per 100 dwellings, New Development Survey 2020
Number of Bedrooms and Tenure, all, sites.**

	Pre-school (0-3 years)	Primary school (4-10 years)	Secondary school (11-15 years)
Owner occupied			
2 bedrooms	8.6	8.6	5.7
3 bedrooms	16.4	20.0	10.2
4 or more bedrooms	22.5	55.6	31.7
Private rented			
2 bedrooms	14.3	23.8	
3 bedrooms	16.7	41.7	41.7
4 or more bedrooms	6.7	33.3	40.0
Social rented			
2 bedrooms	15.0	45.0	35.0
3 bedrooms	35.3	100.0	88.2
4 or more bedrooms	Insufficient response		
Intermediate tenures			
2 bedrooms	8.7	4.3	0.0
3 bedrooms	20.0	25.0	20.0
4 or more bedrooms	60.0	40.0	20.0
All			
2 bedrooms	10.4	15.7	8.2
3 bedrooms	17.9	26.3	17.2
4 or more bedrooms	22.1	53.6	32.4
All	18.0	35.7	21.8

4 Conclusions

The Basic Multiplier - Comparison

- 4.1 The Peterborough CHIS and PLASC data analysis is consistent with the multipliers that have been previously adopted by Cambridgeshire County Council.

- Children aged 0 – 3, 20 to 30 children per 100 dwellings; compared to an average of 25.2 found in Peterborough new developments
- Children aged 4 – 10, 30 to 40 children per 100 dwellings; compared to an average of 42.8 found in Peterborough new developments.
- Children aged 11 – 15, 18 to 25 children per 100 dwellings; compared to an average of 21.8 found in Peterborough new developments.

It should be noted that the adoption of the Cambridgeshire multipliers was based on a rigorous longitudinal study of child yields from new developments.

The adoption of a range compared to a single figure enables the council and developers to reflect on the individual nature of each development during negotiations allow both parties to exchange information about the development and reach agreement.

- 4.2 There are similarities with other areas where sufficiently robust research has been carried out. Gloucestershire² research concluded with adoption of the following policy *“GCC is currently using the updated pupil yields supported by two studies in 2018 and 2019. The updated pupil product ratios for new housing are; 30 pre-school children, 41 primary pupils, 20 secondary pupils and 11 post-16 pupils per 100 dwellings.”* Other studies (Northants, Milton Keynes) provide a ‘snap shot’ in time, identifying high demand for early years places (32 to 36 per 100), which projected forward to primary demand (4 – 10s) would equate to approximately 38 – 43 pupils per 100.
- 4.3 Given the timing of the study compared to the age of the new developments data regarding early years (0-3) and primary (4-10) can be converted straight into recommended multipliers. For secondary, the data collected needs to be projected forward³, this gives a recommended figure somewhat higher than Cambridgeshire but consistent with the high numbers of secondary aged children seen in social housing in particular.

Basic Multipliers - Recommendation

- Children aged 0 – 3, 20 to 30 children per 100 dwellings
- Children aged 4 – 10, 35 to 45 children per 100 dwellings
- Children aged 11 – 15, 23 to 33 children per 100 dwellings

The Detailed Multipliers

- 4.4 During planning for education provision on new developments there is the requirement for more detailed modelling as information on tenure and house / bedroom size becomes available. The data from the new development surveys supports this work albeit through a process of controlling to the parameters set by the PLASC analysis

² <https://www.gloucestershire.gov.uk/planning-and-environment/planning-policy/gloucestershire-local-developer-guide-infrastructure-and-services-with-new-development/>

³ Projection shows a future average secondary year group of 140 for The Hamptons (34 per 100), 80 for Stanground South / Cardea (28 per 100) and 30 for Paston (27 per 100).

above and to a model of a 'typical' Peterborough new development. The headline findings from the surveys are as follows:

- the number of children living in a dwelling increases with the number of bedrooms but not all bedrooms are occupied by children; many bedrooms in market housing are retained as spare space / alternative space;

- significantly more children are found, per bedroom, living in social housing compared to market housing;

- the children living within social rented homes in Peterborough new developments have an older age range compared to market housing;

Taking these issues into account the model for detailed multipliers on the following page can be generated.

Special School Places

4.5 DfE guidance states specifically that it is not necessary to produce pupil yields for SEN that differentiate between complexity of condition. To *"determine the need for SEN provision, pupil yield data should identify the number of pupils/learners within recent local housing developments who attend special schools, pupil referral units or alternative provision, SEN units and resourced provision within mainstream schools. It is reasonable and fair to seek developer contributions for SEN provision in direct proportion to the needs arising from planned housing development, applying the same principle to SEN provision as to mainstream"*.

4.6 The analysis of the PLASC data shows that approximately 2.8% of children in the new developments have an EHCP at present (1.6% within special school / PRU); this is lower than the national average of 3.3%. The reason for this difference would be the relatively young age range of the cohort being studied (more will receive EHCPs as they move through education) as well as new developments not exhibiting some aspects of deprivation and diversity found within the general population at the earlier stages of building. It is recommended that PCC adopt the national 3.3% for these reasons.

Sixth Form / College Places

4.7 At the present time there is considered to be sufficient places in the current Peterborough Sixth form / college system to meet future demand. The market for sixth form / college places works differently compared to mainstream school places with young people able to travel far greater distances to access provision. There is also a wider 'market' in operation with specialist courses and subjects on offer therefore it is much harder to justify developer contributions for a specific locality.

Detailed Multiplier Model

INPUTS

Dwellings		100	
Multiplier		Low	High
	0-3s	0.2	0.3
	4-10s	0.35	0.45
	11-15s	0.23	0.33

		Tenure	
		Market	Social
Tenure split		0.7	0.3
Multiplier	0-3s	0.25	0.25
	4-10s	0.34	0.55
	11-15s	0.23	0.4

		Tenure	
Bedrooms		Market	Social
1 bed		0	1
2 bed		8	11
3 bed		26	14
4+ bed		35	5

0-3s		Tenure	
		Market	Social
Multiplier	1 bed	0.00	0.00
	2 bed	0.10	0.20
	3 bed	0.25	0.28
	4+ bed	0.28	0.40

4-10s		Tenure	
		Market	Social
Multiplier	1 bed	0.00	0.00
	2 bed	0.08	0.20
	3 bed	0.20	0.55
	4+ bed	0.55	1.00

11-15s		Tenure	
		Market	Social
Multiplier	1 bed	0.00	0.00
	2 bed	0.00	0.20
	3 bed	0.20	0.35
	4+ bed	0.30	1.00

OUTPUTS

	Low	High
0-3s	20	30
4-10s	35	45
11-15s	23	33

	Market	Social
0-3s	17.5	7.5
4-10s	23.8	16.5
11-15s	16.1	12.0

	Market	Social	Total
0-3s	0.0	0.0	0.0
0-3s	0.8	2.2	3.0
0-3s	6.5	3.9	10.4
0-3s	9.8	2.0	11.8
	17.1	8.1	25.22

	Market	Social	Total
4-10s	0.0	0.0	0.0
4-10s	0.6	2.2	2.8
4-10s	5.2	7.7	12.9
4-10s	19.3	5.0	24.3
	25.1	14.9	40.0

	Market	Social	Total
11-15s	0.0	0.0	0.0
11-15s	0.0	2.2	2.2
11-15s	5.2	4.9	10.1
11-15s	10.5	5.0	15.5
	15.7	12.1	27.8

Summary of Multiplier Model

	Age Group	Tenure	
		Market	Social
<i>Children per 100 dwellings</i>	0-3s	25	25
	4-10s	34	55
	11-15s	18	51

CABINET	AGENDA ITEM No. 7
16 NOVEMBER 2020	PUBLIC REPORT

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

BUDGET CONTROL REPORT SEPTEMBER 2020

RECOMMENDATIONS	
FROM: Acting Director of Corporate Resources	Deadline date: 6 November 2020
<p>It is recommended that Cabinet notes:</p> <ol style="list-style-type: none"> 1. The Budgetary Control position for 2020/21 as at 30 September 2020 is a forecast overspend of £4.3m against budget. This includes the current estimated impact of C-19 and the additional C-19 response funding. 2. Included in this report is a forecast £38.1m of additional pressure due to C-19, as reported to the Ministry of Housing Communities and Local Government, within the October return, as outlined in section 4. 3. The reduction in collection rates in respect of Council Tax and National Non-Domestic Rates, in comparison to the levels achieved in 2019/20, as outlined in section 4; 4. The additional funding that has been made available and allocated to the business community due to C-19, as outlined in section 4; 5. The key variance analysis and explanations are contained in Appendix A; 6. The Council's reserves position, as outlined within Appendix A. 	

1. ORIGIN OF THE REPORT

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

2. PURPOSE AND REASON FOR REPORT

- 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'.
- This report provides Cabinet with the forecast for 2020/21 as at September 2020 budgetary control position.

3. TIMESCALE

Is this a Major Policy Item/ Statutory Plan	No	If yes, date for Cabinet meeting	N/A
Date for relevant Council meeting	N/A	Date for submission to Government Dept.	N/A

4. SEPTEMBER 2020 BUDGETARY CONTROL REPORT (BCR)- REVENUE

- The revenue budget for 2020/21, agreed at Full Council on 4 March 2020, was approved at £163.743m. The following table outlines the changes which have been made to the budget to arrive at the revised budget of £167.603m:

	£m
Approved Budget 2020/21	163.743
Use of reserves per MTFs	1.510
Capitalisation Direction	1.217
Integrated Community Strategy Reserve contribution: P&C-Cohesion and Integration	1.012
Capacity Reserve Contribution: ICT & Resources - committed transformation costs	0.121
Revised Budget 2020/21	167.603

- The following table outlines a summary of the budgetary control position, within each directorate. The Council is currently reporting a projected overspend of £4.3m, a £7m (62%) change in comparison to August. This position includes the additional financial pressures and funding as a result of C-19 as at September.

Directorate	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Chief Executives	1,291	1,290	(1)	22	(23)	Underspend
Governance	4,324	4,126	(198)	(181)	(17)	Underspend
Place & Economy	21,554	24,796	3,242	3,217	25	Overspend
People & Communities	87,554	108,643	21,089	19,109	1,980	Overspend
Public Health	(372)	(315)	58	58	0	Overspend
Resources	18,768	20,793	2,025	2,104	(79)	Overspend
Customer & Digital Services	7,646	7,709	63	19	44	Overspend
Business Improvement	619	686	67	72	(5)	Overspend
Capital Financing	26,219	27,238	1,019	(155)	1,174	Overspend
Total Expenditure	167,603	194,966	27,364	24,265	3,099	Overspend
COVID-19	0	(18,665)	(18,665)	(12,995)	(5,670)	Underspend
COVID-19 - SFC Income compensation*	0	(3,937)	(3,937)	0	(3,937)	Underspend
Financing	(167,603)	(168,093)	(490)	0	(490)	Underspend
Net	(0)	4,271	4,272	11,270	(6,998)	Overspend

*COVID-19 Sales Fees and Charges (SFC) Compensation value is based on the Council's assumptions. This is based on the values included in the completion of the first claim submitted to MHCLG and the Council's forecast for the remaining part of the year. This value has not been confirmed and is subject to approval of the claim and the actual impact to the Council's income levels.

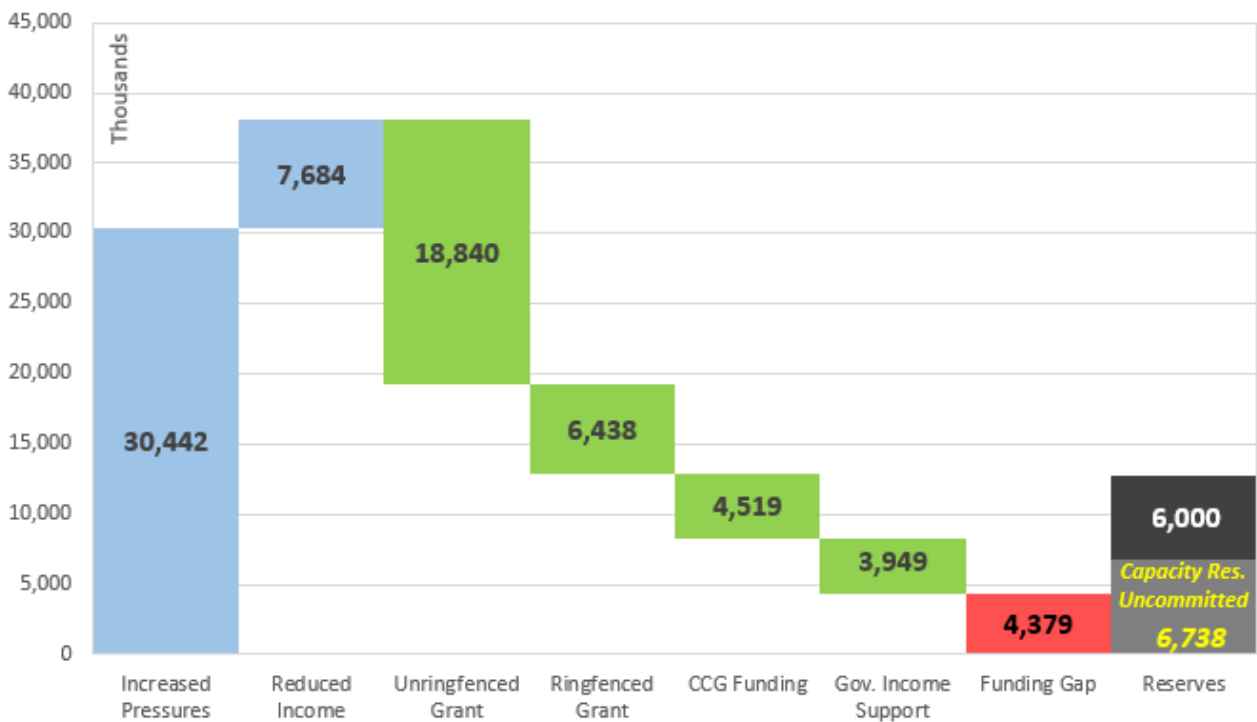
- The key changes from last month are:
 - In Adult Social Care, there is an increased pressure from inflation and the continuation of care home support post from the first C-19 wave. The C-19 care home support pressure is increased in comparison to the previously reported position as CCG funding ceases and care requirements continue.
 - In Housing, a national initiative called Next Steps Accommodation Programme (NSAP) was instigated with a fund for capital schemes of £105m, to help rough sleepers be housed permanently by March 2021. Peterborough has been successful in its revenue BID application, with the capital element of the bid being considered.
 - In Capital Financing, a £1m forecast overspend is reported as a result of a combination of the factors. The forecast reflects the risk in the delivery of achieving asset sales in the current economic climate for the remainder of the year. This risk has been partially offset by the cost of borrowing for new debt being lower and later in the year than anticipated in the MTFs and the expected ESPO dividend receivable being greater than budgeted.
 - The Council is currently in a Business Rates Pool along with other Cambridgeshire Authorities. The current estimates of the pool gain exceed the original estimate, with the Council forecasting to receive a further £0.5m.
 - Additional C-19 funding in the form of a fourth tranche of the C-19 Response Fund grant, amounting to £5.7m and the SFC Income Compensation estimated at around £3.9m
 - Impact of C-19 on Aragon Direct Services due to loss of income and additional costs of £0.8m
- The pressures impacting the Council's financial position and are a result of the C-19 pandemic include:
 - In Place and Economy there has been additional expenditure, as the Council has taken additional steps in ensuring that rough sleepers and homeless families have temporary accommodation and a safe place to self-isolate due to C-19 pandemic.
 - Pressure on property income in Resources, due to C-19 having an impact on the council's ability to rent out further space in Sand Martin House.
 - The Resources directorate has been unable to deliver the proposed savings in the Peterborough Serco Strategic Partnership contract due to C-19. The Business Support 'Notice of Change' / new model hub implementation will not be carried out during the current financial year.
 - The People and Communities directorate has continued to experience high pressure on its budgets due to non-achievement of savings plans due to increase in demand. Loss or reduced income across the Parking service, Enforcement team and Clare Lodge as well additional spend in service areas such as children's placements and Vivacity.
- Further details regarding these and other service pressures are outlined within Appendix A of this report.

Financial Impact of C-19

- The following chart summarises the direct impact C-19 has had on the Council's financial position in 2020/21 as per the October return 7 to MHCLG:

Estimated net Covid-19 pressures for 2020/21 v's available reserves

Additional pressures £38.1 m less additional funding £33.7 m resulting in C-19 funding gap of £4.4 m



- The analysis of the C-19 financial impact identifies a £4.4m gap, which is comparable to the £4.3m position reported within the BCR. However, the two positions vary due to the following factors:
 - The C-19 financial impact is monitored and reported on a weekly basis, making it a live document which is updated and reviewed more frequently. The £4.3m position reported above is as at 30 September, which is a month in advance of the BCR reporting date.
 - The BCR position is more historic in nature and reports on the Council’s actual financial performance at a certain point in time. For the purpose of this report the position it is as at 30 September.
 - The BCR includes pressures and underspends which are not C-19 related.
 - The C-19 operating environment is fast paced, reflecting the latest announcements from the government on funding and policy changes. This leads to timing variations when comparing the C-19 financial monitoring information to the BCR monthly position. Though for this month there have been two amendments to the September BCR from information known in October due to the value. This relates to the funding announcement made on 22 October awarding the Council a further £5.7m to fund C-19 additional pressures, and an estimate of £3.9m for the C-19 SFC income compensation scheme which still needs to be confirmed.
 - There are some estimates within the C-19 tracker which reflect a high risk (worst case) position.

As Identified within the table in section 4.8 the C-19 financial impact at the end of October was identified at £4.4m. Due to a net favourable ‘business as usual’ (non-C-19 related) variance of £0.1m, the September BCR outlines a £4.3m forecast overspend. Further details in relation to the financial performance of Council services are outlined in Appendix A.

- The Council reviews and reports the financial impact of C-19 internally on a weekly basis. The Council along with all other local authorities submit a monthly C-19 financial impact return to Ministry of Housing

Communities and Local Government (MHCLG). The Council is forecasting additional pressures of £38.1m as a result of additional costs and lost income, this is reduced to £4.4m after applying £33.7m of additional funding. This forecast will have a significant effect on the Council's forecast outturn position, and longer-term implications for the future year's budgets. The Council has now submitted seven returns to MHCLG, with the most recent return being submitted on 6 November. The following table summarises the financial impact reported in each month:

Source of Pressure & Income	Apr Return £m	May Return £m	Jun Return £m	Jul Return £m	Aug Return £m	Sep Return £m	Oct Return £m
Direct C-19 Expenditure	7.0	10.1	19.2	23.4	22.6	26.2	25.2
Loss of Income	6.8	6.0	6.8	7.9	6.7	7.2	7.4
Non-Delivered 2020/21 Savings	4.5	4.8	4.7	6.6	5.5	5.5	5.5
Total Pressures	18.3	20.9	30.8	37.9	34.8	38.9	38.1
C-19 response fund & un-ringfenced grants	(11.0)	(11.0)	(11.0)	(13.2)	(13.2)	(13.2)	(18.8)
Additional Funding and ring-fenced grants*	-	-	(5.7)	(9.9)	(9.9)	(14.7)	(14.9)
Revised Net Position	7.3	9.9	14.1	14.8	11.8	11.0	4.4

*includes SFC Income Compensation Scheme

- The return to MHCLG requires the costs to be included gross of all grant income. As such, activity which is being funded by ringfenced grants or the CCG have been included within the £38.1 m of additional costs.
- Since the previous BCR reported to Cabinet the C-19 position, reported in the table above and in the MHCLG C-19 return, have been updated to reflect the following changes:

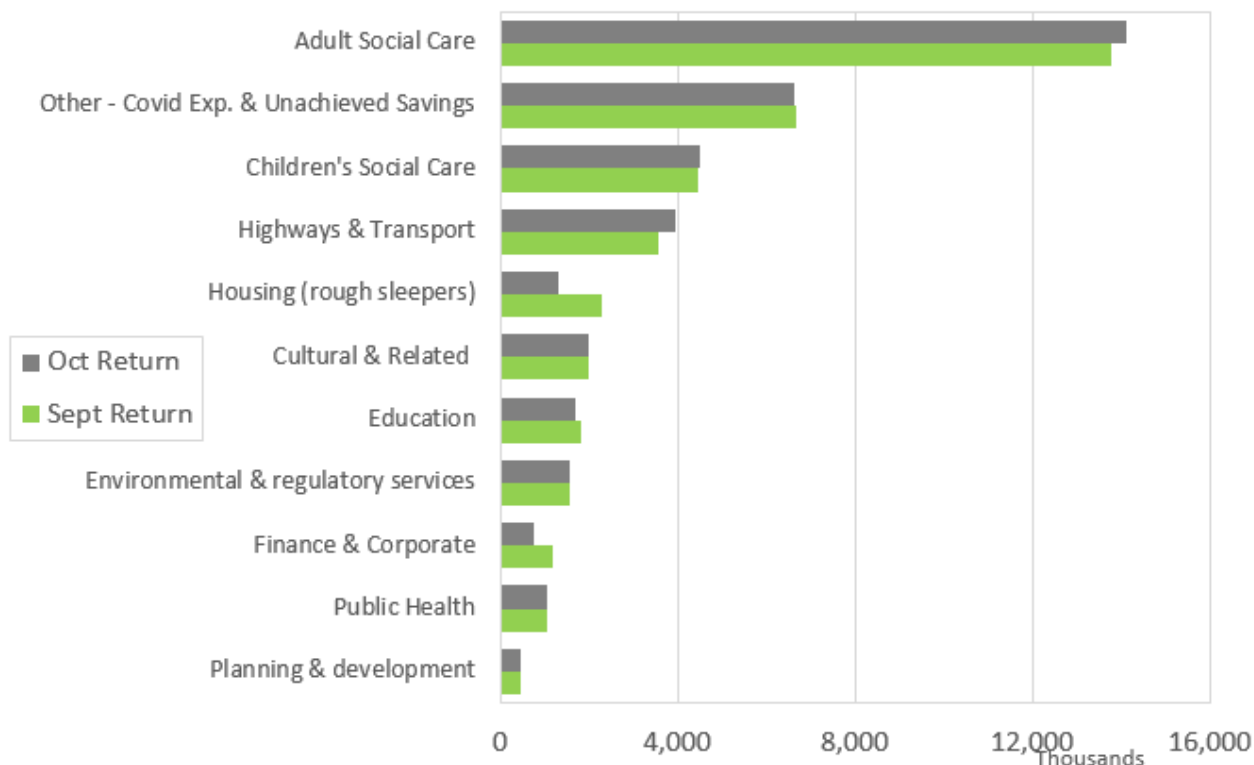
Funding

- In October the Government announced £1bn of additional support for Local Authorities. On 22 October the Local Government Secretary Robert Jenrick announced the [allocations for £900m](#) of which the Council should receive a further £5.7m of C-19 Response Funding. The remaining £100m will be used to introduce a new fund which will support Council leisure centres. Further details on that scheme are to be released.
- The [Local Authority Compliance and Enforcement Grant](#) was announced on 22 September, to enable local authorities and the police to support additional compliance and enforcement activities. From the £60m of funding made available, it has been confirmed the Council will receive £0.126m.

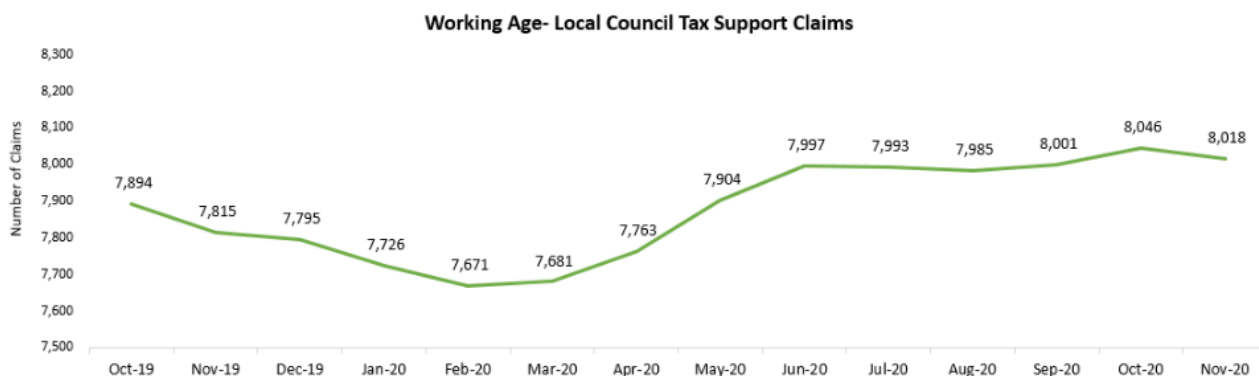
Movement in Pressure

This The following chart summarises the movement in the additional pressures reported:

Estimated Covid-19 full impact by Expenditure Type for 2020/21



- Concern remains regarding tax collection across the Country as a result of C-19. The Council has been closely monitoring this and comparing the collection levels against previous collection performance. This comparison shows that Council Tax collection rates are 1.6% lower, and Business Rates collection rates 17.7% lower than last year. Since the beginning of the pandemic these rates have continued to improve month on month.
- The levels of Local Council Tax Support recipients have increased overall, but in the last month the Council saw a reduction in the total level of working age claimants. This increase is the result of unemployment rates rising, it is expected this could increase further with the government confirming a 4 week national lockdown, starting from 5 November. The following chart shows the trend in claims since the start of the pandemic, following on from the declining numbers prior to the pandemic:



- The Council has received funding directly from the Government which is being applied specifically to certain sectors of the economy, this includes:
 - Business rates relief of £40.9m to 1,299 Retail, Hospitality and Leisure providers;
 - Business rates relief of £0.35m to 33 Nurseries;
 - £32.2m of Small Business Grant Funding (SBGF) for Small, Rural, Retail, Leisure and Hospitality businesses. This has supported 2,654 businesses, this scheme is now complete;
 - Hardship funding of £1.7m to allocate £150 to those on Local Council Tax Support (LCTS) - this has been processed with 9,201 working age LCTS recipients benefiting from this funding to date;
 - Discretionary grant scheme for businesses of which £1.6m of grants have been made to 110 local businesses.

On 31 October the Prime Minister announced a four-week national lockdown commencing on 5 November, with the aim of slowing down as far as possible the increasing number of positive C-19 cases. Included within this announcement was a further package of support for businesses, individuals and local authorities, including the furlough and self-employed scheme and the following schemes which impact on the Councils financial position and operations:

- **Contain Outbreak Management Fund (COMF).** Upper tier authorities will receive £8 per head of population, the maximum amount available under the tiered grant payments (costing £465m in total).
- **£1.1bn of Business Support (Additional Restrictions Grant).** Billing authorities will receive £20 per head to enable councils to support businesses over the coming months. Funding is intended to be used to provide discretionary support to local businesses. The Council is expecting to receive £4.0m.
- **Local Restrictions Support Grants.** Billing authorities will administer the mandatory grants payable to closed businesses. The amounts payable to businesses are effectively unchanged from those that were already in place. Importantly, there will be no funding for the 5% discretionary element through this grant. Funding for the discretionary element will come through the Additional Restrictions Grant (the Council will be expected to use the £20 per head to fund any discretionary support to local businesses). The Council is expecting to receive £2.9m to cover support the four-week period.
- **Funding for Clinically Extremely Vulnerable.** Upper tier authorities will receive a share of a £32m grant to enable them to provide support to clinically extremely vulnerable people who need it. The Council is expecting to receive £0.085m

The Council is still awaiting the confirmation of grant allocations, and legislative guidance, however this is expected imminently. A full financial and operational update on these new schemes, will be included within the October BCR report.

The impact from C-19 continues to put strain on the Council's finances with the Council publishing the Phase One of the 2021/22-2023/24 MTFS on 16 October. This document outlines an estimated budget gap of £35.7m in 2021/22. In order to close this gap additional funding will be required and the Council continues to meet with the Ministry of Housing Communities and Local Government (MHCLG) to discuss potential support available. Further details of the Council's financial position and strategic approach are outlined within the [Medium-Term Financial Strategy 2021/22-2023/24](#), reported to Cabinet on 26 October 2020.

5. APPENDICES

Further information is provided in the following appendices:

- Appendix A – Budgetary Control Report Dashboard- September 2020.

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Appendix A- Budgetary Control Report Dashboard

Period **Sep-20**



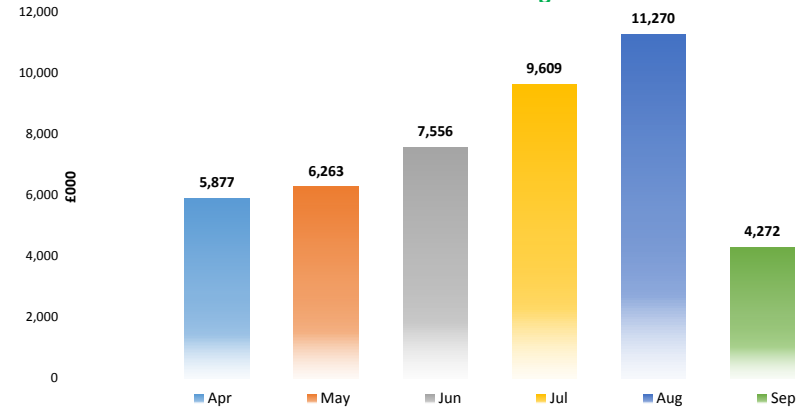
£4.3m Forecast Overspend

16% Forecast Overspend as a proportion of Budget

Forecast Overspend position has decreased by 62% in September, in comparison to the position reported in August- largely as a result of **£9.6m of additional funding**

Directorate	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Chief Executives	1,291	1,290	(1)	22 ▲	(23)	Underspend
Governance	4,324	4,126	(198)	(181) ▲	(17)	Underspend
Place & Economy	21,554	24,796	3,242	3,217 ▼	25	Overspend
People & Communities	87,554	108,643	21,089	19,109 ▼	1,980	Overspend
Public Health	(372)	(315)	58	58 ▼	0	Overspend
Resources	18,768	20,793	2,025	2,104 ▲	(79)	Overspend
Customer & Digital Services	7,646	7,709	63	19 ▼	44	Overspend
Business Improvement	619	686	67	72 ▲	(5)	Overspend
Capital Financing	26,219	27,238	1,019	(155) ▼	1,174	Overspend
Total Expenditure	167,603	194,966	27,364	24,265	3,099	Overspend
COVID-19	0	(18,665)	(18,665)	(12,995) ▲	(5,670)	Underspend
COVID-19 - SFC Income compensation*	0	(3,937)	(3,937)	0 ▲	(3,937)	Underspend
Financing	(167,603)	(168,093)	(490)	0 ▲	(490)	Underspend
Net	(0)	4,271	4,272	11,270 ▲	(6,998)	Overspend

*based on an estimated value of SFC Income compensation to be received from MHCLG



Key Budget Pressures

People & Communities	2,528	This is due to reduced/lost savings such as Adults Positive Challenge, Self Funders, etc. due to C-19. Furthermore, as a result of C-19, savings previously declared in relation to Adult Social Care demography and the National Living Wage can no longer be delivered.
People & Communities	2,295	Loss of income across Parking Services, Parking Enforcement and Environmental Enforcement as a result of C-19. Parking Enforcement is operational again however income is forecasted to be lower due to C-19 restrictions on social distancing.
People & Communities	2,257	this relates to additional spend due to C-19 impact on Child Care placements. There is additional cost to provide an uplift to Children's Social Care providers and further spend to cover Home Care Support and Integrated Community Equipment services.
People & Communities	2,000	This relates to the additional spend to support the transition of Vivacity services to alternative providers.
People & Communities	1,956	This relates to a combination of pressure from £1.7m inflation and £0.256m C-19 care support funding from Clinical Commissioning Group (CCG) ceases.
People & Communities	1,200	Loss of income due to the restrictions from C-19 for Clare Lodge as children are only being moved and accommodated on emergency basis, which means that placement demand is low compared to usual activity.
Place & Economy	1,200	As a result of the C-19 pandemic there is forecast additional spend on hotel, B&B, employee, security and repair costs for the current financial year.
Resources	1,112	The new Business Support 'Notice of Change' is not being implemented during this financial year. However this is now subject to a wider strategic review and a further adjustment to the forecast may be required to reflect the outcome of this review.
Place & Economy	818	Impact of Covid-19 on Aragon Direct Services due to loss of income and additional costs.

Key Favourable Variances

Resources	355	Bereavement Services income is expected to exceed budget this year due to C-19 related activity.
People & Communities	312	Savings on Community, Therapy and Reablement Teams are from staff vacancies
Place & Economy	253	Savings are on Highways Services and on Concessionary fares which have significant reduced usage of concessionary passes
People & Communities	251	Vacancies not recruited to Environmental Enforcement and Parking Enforcement Teams.
Place & Economy	199	Saving on temporary accommodation. This is due to new lease arrangements for St Michael's Gate, 6-month savings from Bushfield Court and full savings from Walton Road.
Place & Economy	195	Refund of Climate Change Levy liability payment to HMRC following detailed discussions on relevant application of the tax rules.
Resources	149	Additional rental income received due to delayed property sales.
Chief Executives	124	This is in the Election services as there were no local elections in May 2020 due to the C-19 pandemic.
Governance	92	Favourable position as a result of a number of small variances.
Chief Executives	66	Favourable variance from posts held as vacant.

£21.1m

Forecast Overspend

24%

Forecast Overspend as a proportion of Budget

Directorate	Budget Group	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
People & Communities	Director	1,276	1,731	455	448 ▼	7	Overspend
People & Communities	Education	6,695	7,378	683	706 ▲	(22)	Overspend
People & Communities	Adults - Commissioning	37,123	45,335	8,212	6256 ▼	1,956	Overspend
People & Communities	Adults - Operations	9,670	10,379	709	746 ▲	(37)	Overspend
People & Communities	Children's - Operations	10,644	11,586	942	939 ▼	2	Overspend
People & Communities	Children's Commissioning	16,127	18,582	2,455	2367 ▼	88	Overspend
People & Communities	Commissioning Team and Commercial Operations	487	1,450	963	1056 ▲	(93)	Overspend
People & Communities	Communities - City Centre Management	202	394	192	251 ▲	(60)	Overspend
People & Communities	Communities - Cohesion and Integration	951	957	6	114 ▲	(109)	Overspend
People & Communities	Communities - Community Safety	19	2,444	2,425	2484 ▲	(59)	Overspend
People & Communities	Communities - Think Communities	2,666	5,381	2,715	2715 ▲	(0)	Overspend
People & Communities	Communities-Regulatory Services	1,693	2,007	314	315 ▲	(1)	Overspend
People & Communities	Children's & Safeguarding (DSG)	5,748	6,581	833	1110 ▲	(277)	Overspend
People & Communities	Commissioning and Commercial Operations (DSG)	0	11	11	0 ▼	11	Overspend
People & Communities	Education (DSG)	(5,748)	(5,573)	175	-399 ▼	574	Overspend
	Total People & Communities	87,554	108,643	21,089	19,110 ▼	1,979	Overspend

Directorate Overview

The People and Communities Directorate is currently forecasting an overspend of £21.089m. Of this figure, £11.451m relates to additional spend in response to C-19. The C-19 impact on Income is a forecast under achievement of £5.098m. The C-19 impact on the achievement of MTFs savings is a pressure of £3.658m. A forecast overspend of £1.220m relates to non-C-19 activity and includes a pressure of £0.410m in relation to credit notes raised to the Clinical Commissioning Group (CCG). A forecast underspend of £0.338m is reported in relation to reduced spend arising from C-19.

Directorate Variance Analysis

Director	£0.447m pressure as a result of non-achievement of MTFs saving, in relation to reduced expenditure on Agency Staff. This saving was allocated across the directorates based on current agency budgets, however due to the directorates reliance on these budgets to ensure there are adequate levels of social care workers and care staff, these savings will be difficult to extract. This will be reviewed as part of the Council's budget setting process for 2021/22.
Education	£0.169m pressure- loss of income due to a reduction in Attendance Fixed Penalty Notice fine income and School Improvement traded services as a result of C-19. As a result of the C-19 pandemic, and in line with Government advice, no Penalty Notice and / or prosecution has been initiated for any new offences from 16 March 2020 until the end of the summer term. The Local Authority has started to fine parents whose children do not attend school in September but there will be discretion where the reason is C-19 related and it is anticipated that Income will only be 50% of 'normal' levels for the Autumn term. School Improvement traded services have re-commenced in September 20. £0.279m pressure C-19 - Impact on MTFs saving re Home to School Transport. A number of savings work streams have been implemented in conjunction with Cambridgeshire County Council e.g. Route Optimisation, promoting the take up of Personal Transport Budgets, the development of a Dynamic Purchasing System and Independent Travel training. Actual savings will be quantified on October but have inevitably been impacted by C-19. £0.105m other pressures including PFI Insurance rebate £0.100m. The PFI Insurance rebate is received every two years. The PCC PFI Manager is currently negotiating for the Insurance rebate to be received annually. This pressure may therefore be removed.
Adults - Commissioning	£1.5m pressure from 10% uplift awarded to care providers to end of June to assist with impact of C-19. £0.817m additional care package spend forecast due to C-19 on social care packages. £1.956m pressure arising from £1.7m Inflation and £0.256m C-19 beds. In previous years we have held off some uplifts to providers but this year with the largest increase in the National Living Wage providers are requesting additional support. The covid beds is an increase in the previously reported block beds when they ceased to be CCG funded with increased Social Care numbers. £0.165m pressure - loss of client contributions as a result of hospital discharge cases going into block care beds funded by CCG. Discharge guidance states not to collect client contribution during C-19.

	<p>£2.528m pressure from reduced or lost savings due to C-19. Savings plans such as Adults Positive Challenge, Self Funders, Care Suites and Lifeline have all been affected due to resources focusing on responding to discharges and other pressures from C-19. As a result of C-19, savings previously declared in relation to Adult Social Care Demography and the National Living Wage can no longer be delivered.</p> <p>£0.918m pressure on care packages due to a rise in demand and costs of new packages and the need to credit back some invoices to the Clinical Commissioning Group as in raised in error.</p>
Adults - Operations	<p>£0.107m pressure on loss of the saving due against the Deprivation of Liberties (DoLs) service area. Legislation due in October is unlikely to be in place now. This legislation was due to change how the service was to be delivered.</p> <p>£0.086m pressure - loss of income from Care and Repair due to C-19. The service receives income from work carried out under the Disabled Facilities Grant (DFG). Care and Repair staff have been redeployed to Reablement and other teams to respond to COVID-19 so are unable to generate the contributions.</p> <p>£0.312m favourable on Community, Therapy and Reablement Teams due to staff vacancies</p>
Children's - Operations	<p>£0.187m pressure - C-19 loss of Income. The Tackling Troubled Families Grant is partly paid based on Payment By Results (PBR). Due to C-19 and the closure of Schools it is anticipated that there will be a shortfall of PBR income.</p> <p>£0.741m pressure - additional C-19 spend. Additional Early Help costs to establish a short term team to provide direct early help support and to commission support services. Additional capacity for Children's Social Care Assessment teams to meet the expected increase in referrals of vulnerable children into Children's Social Care. Additional capacity at Derby House to meet the expected increase in demand for children with very complex disabilities.</p>
Children's Commissioning	<p>£2.257m pressure - C-19 additional spend. £1m additional spend approved for Children in Care placements costs to meet the anticipated spike in requests for placements that will follow once restrictions begin to be lifted and Schools return. £0.895m additional cost to provide an uplift to Children's Social Care providers to cover their additional costs during lockdown and the recovery phase. Provider uplifts are considered by a Business Continuity panel. Additional spend approved of £0.288m to cover Home Care support & Integrated Community Equipment Services to meet the expected additional demand.</p> <p>£0.077m pressure - The re-commissioning of Children's Centres is delayed because of C-19.</p> <p>£0.203m pressure re Children Placements, all placements have been uplifted to new rates. One family of 7 siblings becoming Looked After Children in one month.</p>
Commissioning Team and Commercial Operations	<p>£1.2m pressure - C-19 impact on Income at Clare Lodge. Children are only being moved and accommodated on emergency basis. Also the new procedures at Clare lodge require new admissions to self-isolate for 14 days which is also influencing decision making by placing authorities. The delay to the Capital project to refurbish lounges means that two lounges are currently not available for use. The refurbished Lounges will be operational imminently.</p> <p>£0.142m pressure C-19 additional spend. £0.100m additional expenditure at Clare Lodge incurred on staffing when children have had to be isolated due to them being C-19 positive, additional cost of PPE and other infection control measures.</p>
Communities - City Centre Management	<p>£0.256m pressure - C-19 loss of Income. Loss of Income is forecast for Street Traders, the City Market, the Great Eastern Run and City Centre Events.</p>
Communities - Community Safety	<p>£2.295m pressure - C-19 loss of Income. £1.551m loss of Income from Parking services. £0.453m loss of Income for Parking Enforcement as PCC car parks and on street parking has been free to use and therefore Enforcement staff have been redeployed to the C-19 Emergency Hub. Parking Enforcement is operational again but income levels are forecast to be lower than previous levels given C-19 impact on staffing productivity, suspension of parking bays, pop up cycle lanes etc. £0.291m forecast loss of Income re Environmental Enforcement as a result of C-19.</p> <p>£0.185m pressure - C-19 impact on MTFS savings. Revised parking charges were due to be implemented from April 2020 but on and off street parking has been free to use during the pandemic. Income is forecast to be lower since parking charges have been reinstated.</p> <p>£0.251m Favourable - C-19 reduced spend. Vacancies not recruited to Environmental Enforcement and Parking Enforcement Teams.</p>
Communities - Think Communities	<p>£2.0m pressure - C-19 additional spend to support the transition of Vivacity.</p> <p>£0.179m pressure - C-19 impact on MTFS saving re Vivacity. Given Vivacity's decision hand to back the Culture and Leisure contract to PCC, it is highly unlikely that this MTFS saving will be achieved.</p> <p>£0.500m pressure - C-19 loss of income on the Premier Fitness profit share scheme</p>
Communities-Regulatory Services	<p>£0.274m pressure - Additional Coroners Service spend to manage the backlog and complexity of cases and for the PCC share of temporary mortuary costs.</p> <p>£0.120m pressure - Reduced Income re Licenses in relation to Food premises, Street Traders & Taxi's as a result of businesses / taxi operators being closed and allowing for permanent closure of businesses.</p>
Education (DSG)	<p>£0.233m pressure- C-19 additional spend for additional Speech and Language provision, and funding to ensure the sustainability of Nursery Education providers.</p> <p>£0.833m pressure - increase of complex placements during Summer 2020 the majority due to C-19</p>

£0.1m Forecast Overspend



1%

Forecast as a proportion of the Expenditure Budget (exc the Public Health Grant)

Directorate	Budget Group	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	
Public Health	Children 0-5 Health Visitors	3,886	3,886	0	0	0	On Budget
Public Health	Children 5-19 Health Programmes	887	887	0	0	0	On Budget
Public Health	Sexual Health	1,933	1,974	41	41	0	Overspend
Public Health	Substance Misuse	2,218	2,214	(4)	(4)	0	Underspend
Public Health	Smoking and Tobacco	295	295	0	0	0	On Budget
Public Health	Miscellaneous Public Health Services	1,532	1,553	21	21	0	Overspend
Public Health	Public Health Grant	(11,124)	(11,124)	0	0	0	On Budget
	Total Public Health	(372)	(315)	58	58	0	Overspend

Directorate Overview

The Public Health Directorate is currently forecast to overspend by £0.058m. Included in this forecast is £0.110m of C-19 related expenditure across all services. This is offset by £0.052m of other savings.

Directorate Variance Analysis

Sexual Health	£0.051m pressure - additional C-19 spend Sexual Health contract
Miscellaneous Public Health Services	£0.044m pressure - additional C-19 spend - delayed start to new Healthy Lifestyles contract
Substance Misuse	£0.015m pressure - additional C-19 spend - Drug and Alcohol Services

Test and Trace

The value received for Test and Trace grant is £1.018m, which will be used to fund the following workstreams:

1. Testing Capacity.
2. Workforce & Training.
3. Outbreak Management.
4. Communications & Infrastructure.
5. Community & Voluntary Sector.
6. Education to Support schools.

The Council is working jointly with Cambridgeshire County Council, with the shared costs split between the 2 authorities on an agreed percentage. Some costs being incurred are specific to each authority and a strict request and monitoring process has been set up which includes the District Councils.

£-0.2m Forecast Underspend



-5% Forecast Underspend as a proportion of Budget

Directorate	Budget Group	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Governance	Director of Governance	151	133	(19)	(9) ▲	(10)	Underspend
Governance	Legal Services	1,928	1,995	67	64 ▼	3	Overspend
Governance	Constitutional Services	2,029	1,813	(216)	(206) ▲	(10)	Underspend
Governance	Performance & Information	216	185	(31)	(29) ▲	(2)	Underspend
	Total Governance	4,324	4,126	(199)	(181) ▲	(18)	Underspend

Directorate Overview

Overall the Governance department is forecasting to underspend by £0.199m, largely due to the reduction in costs associated with holding local elections, as these have been postponed due to C-19. Savings also on salaries and members allowances.

Directorate Variance Analysis

Legal Services	£0.067m overall pressure. Relates to £0.123m pressure on Land Charges Income, offset by other favourable income in Legal Servs.
Constitutional Services	£0.124m favourable position on election services, this is broken down in to a £0.188m saving as there were no local elections in May 2020 due to the C-19 pandemic, however this is offset by a £0.064m possible pressure due to additional costs relating to the Electoral Register and previous year election costs
	£0.092m Favourable position as a result of a number of small variances

£0.0m Forecast Underspend



0% Forecast Underspend as a proportion of Budget

Directorate	Budget Group	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Chief Executives	Chief Executive	162	151	(11)	(3) ▲	(8)	Underspend
Chief Executives	HR	1,129	1,139	10	26 ▲	(16)	Overspend
	Total Chief Executives	1,291	1,290	(1)	22	(24)	Underspend

Directorate Overview

Currently the Chief Executives Directorate is reporting a total variance of £0.001m this is broken down in the below analysis.

Directorate Variance Analysis

40 HR	£0.062m pressure - The main variance in this area is due to additional salary costs as a number of Voluntary Redundancies have been delayed to ensure the Council has the staffing resource available to provide the response to the C-19 pandemic.
	£0.014m Pressure - Additional training costs and loss of Occupational Health income due to C-19.
	£0.066m Favourable - The service is showing a favourable variance from posts currently vacant
Chief Executive	£0.004m Pressure - Additional salary costs following delay of Voluntary Redundancy due to C-19.
	£0.015m Favourable - Other minor variances in the service.

£2.0m Forecast Overspend


11% Forecast Overspend as a proportion of Budget

Directorate	Budget Group	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Resources	Director's Office	276	270	(6)	(7) ▼	1	Underspend
Resources	Financial Services	3,365	3,368	3	42 ▲	(40)	Overspend
Resources	Corporate Items	8,013	8,449	436	493 ▲	(57)	Overspend
Resources	Peterborough Serco Strategic Partnership	6,506	7,824	1,318	1,350 ▲	(32)	Overspend
Resources	Corporate Property	1,614	1,999	385	385 ▼	0	Overspend
Resources	Energy	478	524	46	36 ▼	10	Overspend
Resources	Cemeteries, Cremation & Registrars	(1,485)	(1,642)	(157)	(196) ▼	38	Underspend
	Total Resources	18,768	20,793	2,024	2,104 ▲	(80)	Overspend

Directorate Overview

The Resources Directorate is currently forecasting an overall overspend of £2.024m against budget. The main variances at this stage relate to budgeted savings targets in Peterborough Serco Strategic Partnership Business Support, unachieved letting income target relating to renting out additional space at Sand Martin House (SMH), which is not yet possible, offset partly by additional rental income from POSH and Allia. Cemeteries, Cremation & Registrars are overall showing a favourable variance as a result of C-19.

Directorate Variance Analysis

Director's Office	£0.006m Favourable - Other savings in the service.
Financial Services	£0.003m Pressure - Net savings within salary, consultancy and Supplies & Services budgets across the service.
Corporate Items	£0.477m Pressure - Pressure against available pay award budget. £0.057m Favourable - Latest VAT shelter income forecast from Cross Keys Homes shows expected income above budget. £0.016m Pressure - Workforce Modernisation saving not fully achieved.
Peterborough Serco Strategic Partnership	£1.112m Pressure - Business Support savings not expected to be delivered due to C-19. The current forecast is based on Business Support Notice of change/new model/Hub implementation not being implemented during 20/21. However this is now subject to a wider strategic review and a further adjustment to the forecast may be required to reflect the outcome of this review. £0.149m Pressure - Other variances within the service, including continuing Annual Delivery Plan/BTSI costs (expected until new Business Support model implementation), and growth income received but not budgeted in year. £0.018m Pressure - Housing Benefit Admin and Local Council Tax Admin grant final allocation is lower than budgeted. £0.039m Pressure - The Housing Benefit Subsidy budget is forecasting a £0.039m pressure against budget. This is being monitored as time progresses considering the impact of C-19 issues.
Corporate Property	£0.475m Pressure - Additional letting of SMH now not possible this year. £0.149m Favourable - Rental Income from POSH & Allia continues as not yet sold (£0.223m F) and a delay in the Town Hall North income (£0.074m). £0.064m Pressure - Other pressures in the service. £0.005m Favourable - C-19 response costs at SMH (cleaning, signage etc) offset by reduced electricity costs.
Energy	£0.046m Pressure - MTFS saving unachievable, as well as additional maintenance costs, reduced income, partly offset by reduced capital financing costs and net loan interest receivable.
Cemeteries, Cremation & Registrars	£0.197m Pressure - Registration Services income is forecast to be £0.215m underachieved and can only be partially offset with a reduction in expenditure (£0.018m). This forecast on income is fully attributable to C-19 and the first 6 months of the year has assumed a 50% reduction in income. The income forecast has worsened from last month due to income for weddings not being as high as initially anticipated. £0.355m Favourable - Bereavement Services income is expected to exceed budget by £0.377m this year due to C-19. Other net pressures within the service of £0.022m are currently being reported. Although the income is high at the moment it must be noted that this may not be a true reflection of how the year may continue and it is difficult to predict the position at the end of the year.

Directorate	Budget Group	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Place & Economy	Development and Construction	(70)	237	307	298 ▼	9	Overspend
Place & Economy	Director, OP & JV	499	451	(48)	(39) ▲	(9)	Underspend
Place & Economy	Peterborough Highway Services	4,236	4,085	(151)	(262) ▼	112	Underspend
Place & Economy	Sustainable Growth Strategy	1,652	1,577	(75)	(60) ▲	(15)	Underspend
Place & Economy	Waste, Cleansing and Open Spaces	13,294	14,866	1,572	818 ▼	754	Overspend
Place & Economy	Westcombe Engineering	123	323	200	200 ▲	(0)	Overspend
Place & Economy	Director of Housing	1,618	3,038	1,420	2,253 ▲	(833)	Overspend
Place & Economy	Service Director Environment & Economy	204	219	15	9 ▼	6	Overspend
	Total Place & Economy	21,554	24,796	3,242	3,217 ▼	24	Overspend

Directorate Overview

Overall Place and Economy is forecasting an overspend of £3.242m. There are significant overspends as a result of the C-19 pandemic, however there are some favourable movements due to reduced service use and savings generated as a result of reduced spending on non-essential expenditure.

As part of the government response to the C-19 pandemic, the Director of Housing forecasts a revised £1.2, pressure for the year. MHCLG funded £28k as an interim measure while working on more comprehensive measures. A initiative called Next Steps Accommodation Programme (NSAP) was instigated with a fund for capital schemes of £105m. Attached to this bidding process was the opportunity to ask for the associated revenue costs up to March 2021, by which time rough sleepers are expected to be rehoused permanently. The revenue bid has been successful, giving Peterborough funding of £426,791. The capital element of the bid is still being scrutinised by Homes England having passed through the first hurdle of the process with MHCLG. This is for £600k which will be combined with spend to save borrowing, making a scheme total cost of £2.4m. This has gone some way to offsetting the increased costs from housing rough sleepers.

Directorate Variance Analysis

Development and Construction	£0.246m Pressure- Planning fee income reduced due to C-19
	£0.061m Pressure - Other variances of reduced income due to C-19 - (Building Control income, pre application income and shared service staff recharges offset by S106/CIL admin income)
Director, OP & JV	£0.048m Favourable - Various Directorate wide savings held here (car allowances, telephones, salaries, software, others to be reallocated)
	£0.253m Favourable - Concessionary fares as significant reduced usage of concessionary passes
Peterborough Highway Services	£0.104m Favourable - Bus Service Operators Grant used to funds 60's
	£0.131m Pressure - Staffing costs
Waste, Cleansing and Open Spaces	£0.077m Pressure - Other variances (Queensgate Bus Station reduced departure fee income due to C-19, Traffic Signals costs, other Highways income reduced due to C-19)
	£0.244m Pressure - reduced Brown Bins Income - no charge for 3 months due to C-19
	£0.477m Pressure - in relation to the Energy from Waste (EFW) Plant Electricity Income loss due to a fall in wholesale demand leading to drop in export price
	£0.100m Pressure due to additional costs at HRC due to C-19
	£0.195m Favourable - Refund of Climate Change Levy liability payment to HM Revenue & Customs
Westcombe Engineering	£0.120m Pressure - Waste Treatment costs higher due to increased Residential Waste
	£0.818m Pressure - Impact of Covid-19 on Aragon Direct Services due to loss of income and additional costs.
	£0.008m Pressure - Other variances including, additional grave digger, additional refuse vehicle, additional city centre cleansing, loss of bulky waste income, additional Depot premises costs, partially offset by ERF insurance rebate
Service Director Environment & Economy	£0.200m Pressure - Reduced income as reduced capacity due to C-19
Director of Housing	£0.015m Pressure - no income from Peterborough Destination Centre partially offset by employee savings
	£1.420m Pressure - Mostly as a result of the C-19 pandemic there is forecast additional net expenditure of £1.420m, as the Council has taken steps to ensure that rough sleepers and homeless families and individuals have temporary accommodations, and a safe place to self isolate. This pressure is expanded within the following lines:
	£1.2m Pressure - C-19: additional hotel, B&B, employee, security and repair costs for FY 20/21. Pressure reduced from previous forecast as now anticipate use of PCC owned/leased properties from Jan 2021 rather than April 2021
	£0.199m Favourable - Saving on temporary accommodation. This is due to new lease arrangements for St Michael's Gate, 6 month savings from Bushfield Court and full savings from Walton Road
	£0.252m Pressure - Cost of Interim Director of Housing Needs and Supply
	£0.167m Pressure - Housing Project Management Costs

£0.1m Forecast Overspend



11% Forecast Overspend as a proportion of Budget

Directorate	Budget Group	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Business Improvement	Programme Management Office	619	686	68	72 ▲	(4)	Overspend
	Total Business Improvement	619	686	68	72 ▲	(4)	Overspend

Directorate Overview

The Business Improvement Directorate is currently reporting an overspend of £0.068m against budget, due entirely to C-19 pressures.

Directorate Variance Analysis

Programme Management Office	£0.072m pressure - additional staffing and consultancy costs incurred due to C-19 impact on the service.
	£0.004m favourable - other

£0.1m Forecast Overspend



1% % Forecast Overspend as a proportion of Budget

Directorate	Budget Group	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Customer & Digital Services	ICT	6,953	6,997	44	0 ▼	44	Overspend
Customer & Digital Services	Marketing & Communications	355	397	42	43 ▲	(1)	Overspend
Customer & Digital Services	Resilience & Health & Safety	263	240	(23)	(23) ▼	0	Underspend
Customer & Digital Services	Director of Customer & Digital Services	75	75	0	0 ▬	0	On Budget
Total Customer & Digital Services		7,646	7,709	63	19 ▼	44	Overspend

Directorate Overview

Currently the Customer & Digital Services Directorate is reporting a £0.063m overspend, due to C-19 response pressures offset by some savings within the Directorate.

Directorate Variance Analysis

Marketing & Communications	£0.031m Favourable - Other savings within the service area. £0.074m Pressure - reduction in sponsorship income and reduced design & print recharges - C-19 related.
Resilience & Health & Safety	£0.030m Favourable - Salary savings in service area £0.007m Pressure - C-19 related spend on additional signs
ICT	£0.044m Pressure - Additional costs incurred on computer software due to the C-19 response.

£1.0m Forecast Revenue Overspend



4% Forecast Overspend as a proportion of Budget

Directorate	Budget Group	Forecast		Variance	Previous Month		Movement	Status
		Budget £k	Spend £k		Variance £k	Variance £k		
Resources	Capital Financing	26,219	27,238	1,019	(155)	▼	1,174	Overspend
	Total Capital Financing	26,219	27,238	1,019	(155)	▼	1,174	Overspend

Capital Financing and Capital Receipts Overview

A £1.0m forecast overspend is reported from a combination of the factors detailed below. The forecast reflects the risk in delivery of achieving asset sales in the current economic climate, which has been partially offset by the cost of borrowing for new debt being lower and later in the year than anticipated in the MTFS. Whilst the value of asset sales has been identified some sales remain complex in negotiation and decision making requirements in the C-19 economic climate.

Directorate Variance Analysis

Less borrowing was undertaken for the capital programme in 2019/20 than budgeted for in the MTFS resulting in less budget being required to fund existing borrowing.

Forecast interest rates for new borrowing remain as forecast at the time the MTFS was set. It is currently anticipated that new borrowing of £93m will be required to fund the capital programme, and increase from previous estimates to reflect the new Empower loan arrangement. The council continues to review the borrowing strategy in light of interest rates available. Capital programme reviews for 2020/21 will be undertaken to ensure that a realistic profile of scheme delivery is being costed to enable forecast for borrowing and timings to be made, see Appendix B - Capital Programme for additional detail.

An estimate of the minimum revenue provision has been included in the forecast as the detailed calculation has been delayed due to resource constraints. This forecasts a small overspend position of £0.093m.

The level of interest receipts forecast to be generated from loans the council has issued is forecasting an income loss from interest receipts compared to the estimate in the MTFS as a result of the delay in the drawdown of the loan granted to the hotel build in Fletton Quays, however, this offset through the reduction in new borrowing required to fund the loan and better performance than expected from the ESPO estimated dividend where amounts will be finally confirmed in December 2020.

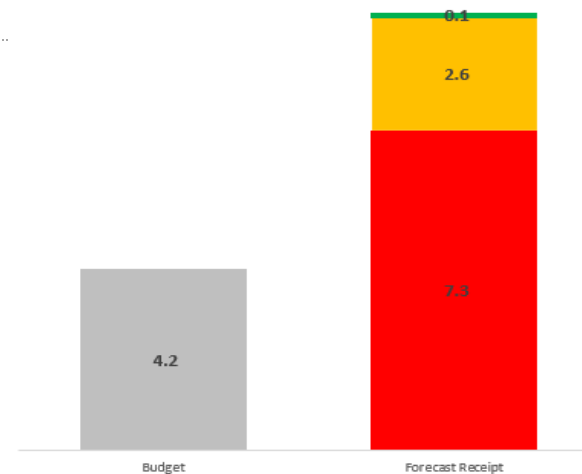
Capital Receipts

Capital Receipts are used as part of a contribution to repay debt. Close monitoring of the Capital Receipts is maintained as any change has 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 2021. As per the MTFS policy Capital Receipts will be used to repay debt and forms part of the calculation of the reducing the overall debt through MRP. If capital receipts are not received, the debt will need to be repaid via revenue resources.

Capital Receipts forecast receipt based on RAG assessment of achievement by 31 March 2020

As the table and chart below demonstrate, the Council has identified over £10.0m of asset sales in order to achieve the MTFS budget of £4.2m. However, the impact from C-19 pandemic of asset sales is creating a challenging environment in which to finalise final exchange and therefore the timing of the final receipt. The budget has been revised to £3.9m to reflect the timing loss caused through the delay with the sale of the football stadium from 2019/20 with regards to the deferred payment arrangement that had previously been negotiated. Discussion are ongoing with regards to the sale of the stadium.

Capital Receipts To Repay Debt	Received to		Not yet received		Variance
RAG Status	MTFS Budget £k	Revised Budget £k	Date £k	£k	£k
Green	-	-	152	100	(100)
Amber	4,153	3,930	-	2,587	1,566
Red	-	-	-	7,345	(7,345)
Total	4,153	3,930	152	10,032	(5,879)



Overview

* The Council has forecast reserve balances of £14m at the end of 2020/21, this includes £6m of general fund, £4.4m of usable reserves and £4.4m of ring-fenced reserves.

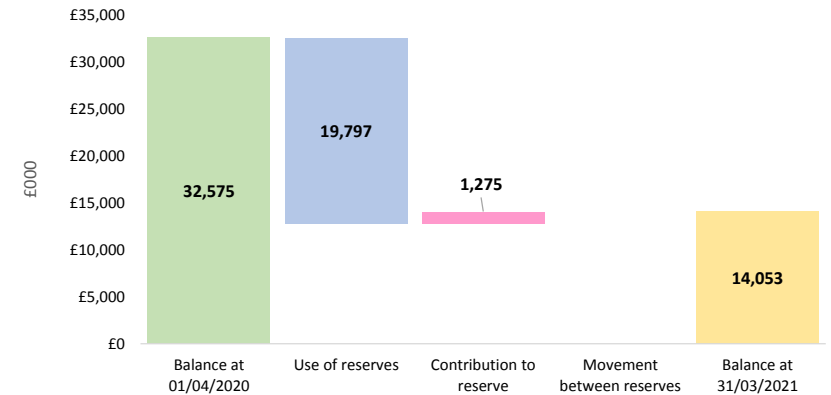
* The Capacity Building Reserve includes the assumption that £4.3m will be used to fund the in year projected overspend, as outlined within this report.

*The Capacity Building Reserve also committed from this reserves are the costs of transformation programmes such as the ICT strategy and Adults Positive Challenge.

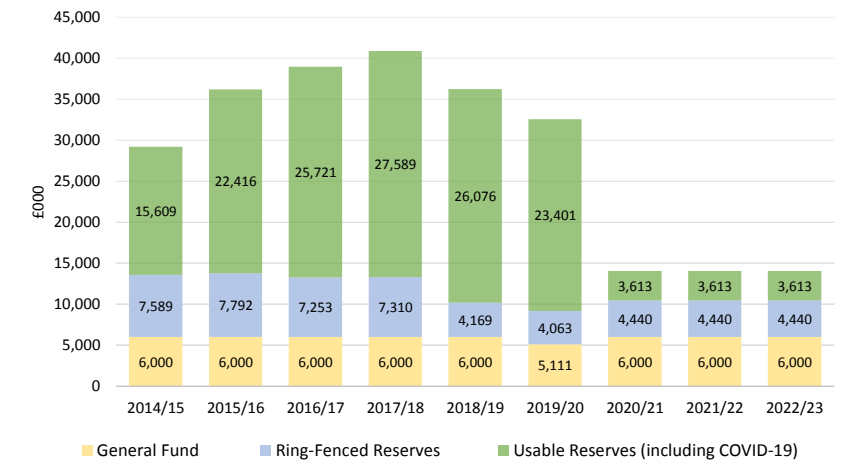
* The COVID-19 Reserve was created in 2019/20, as a result of receiving the first tranche of the £3.2bn response funding in March. It is forecast that this will be used in full to cover the additional costs, and has been vired in to the revenue budget, as shown in the report.

	2020/21	2020/21	2020/21	2020/21	2020/21	2021/22	2022/23
Summary of Reserves	Balance C/Fwd £000	Forecast Cont from Reserve £000	Forecast Cont to Reserve £000	Movement between Reserves £000	Balance at 31.03.21 £000	Balance at 31.03.22 £000	Balance at 31.03.23 £000
General Fund Balance	5,111		889	-	6,000	6,000	6,000
Usable Reserves							
Capacity Building Reserve	12,992	(10,526)	-	-	2,466	2,466	2,466
Grant Equalisation Reserve	-	-	-	-	-	-	-
Departmental Reserve	5,077	(3,930)	-	-	1,147	1,147	1,147
Covid-19 Reserve	5,332	(5,332)	-	-	-	-	-
	23,401	(19,788)	-	-	3,613	3,613	3,613
Ring-Fenced Reserves							
Insurance Reserve	3,073	-	386	-	3,459	3,459	3,459
Schools Capital Expenditure Reserve	752	-	-	-	752	752	752
Parish Council Burial Ground Reserve	56	-	-	-	56	56	56
Hackney Carriage Reserve	173	-	-	-	173	173	173
Public Health Reserve	9	(9)	-	-	-	-	-
	4,063	(9)	386	-	4,440	4,440	4,440
Total Usable and Ring-Fenced Reserves and General Fund Balance	32,575	(19,797)	1,275	-	14,053	14,053	14,053

Movement in Reserves 2020/21



RESERVES BALANCES 2014/23



Overview

The revised Capital Programme budget as at September 2020 is £109.9m, which includes £35.6m for Invest to Save (I2S) Schemes.

The agreed investment as per the Medium Term Financial Plan (MTFS) was £146.4m. The movement between the MTFS position and the £158.6m as at April 2020 was a result of slippages mainly due to delays completing projects from 2019/20.

The actual investment expenditure as at September 2020 is £12.7m. The latest forecast provided by project managers predicts an overall spend of £109.9m, therefore the Council is expecting to spend a further £97.2m before March 2021.

The I2S budget is for schemes that must cover the cost of borrowing and minimum revenue provision (MRP) from either income generation or from generated savings.

The Asset Investment Plan can be funded via three core elements, external third party income (including grants), capital receipts generated from the sale of Council assets, and borrowing from the external market. For the 2016/17 MTFS onwards the approved strategy is to use Capital Receipts as part of a contribution to the Minimum Revenue Provision (MRP) therefore they are no longer used primarily for the funding of the Asset Investment.

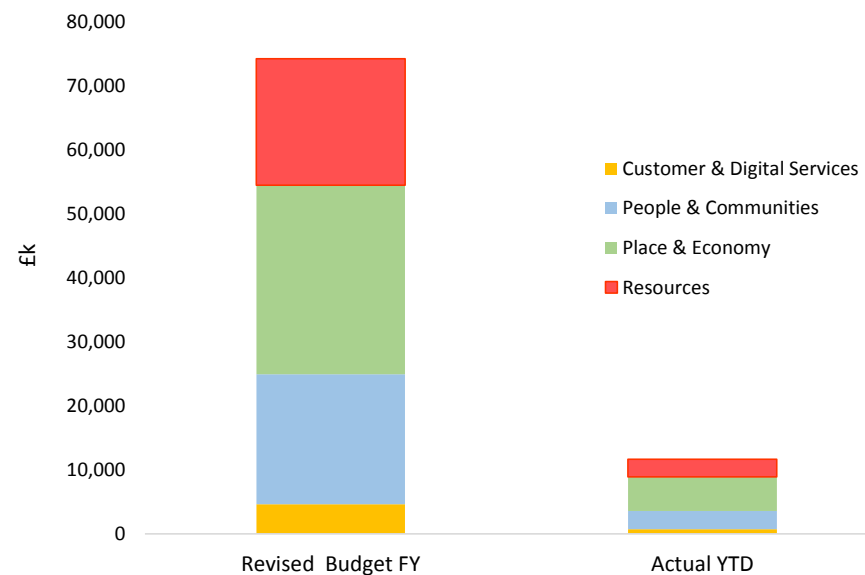
The following table shows the breakdown of the Council's Asset Investment over the directorates and how this investment is to be financed.

Directorate	MTFS Budget £k	1st April Budget £k	Revised Budget	
			FY £k	Actual YTD £k
Customer & Digital Services	4,920	5,169	4,637	708
People & Communities	23,215	26,439	20,340	2,869
Place & Economy	39,275	40,386	29,575	5,310
Resources	38,341	40,995	19,759	2,774
TOTAL	105,751	112,989	74,311	11,661
Grants & Third Party Contributions	26,778	32,707	27,636	7,813
Capital Receipts repayment of loans	0	0	0	0
Borrowing	78,973	80,282	46,675	3,848
TOTAL	105,751	112,989	74,311	11,661
Invest to Save	40,602	45,602	35,602	1,017
Invest to Save Borrowing	40,602	45,602	35,602	1,017

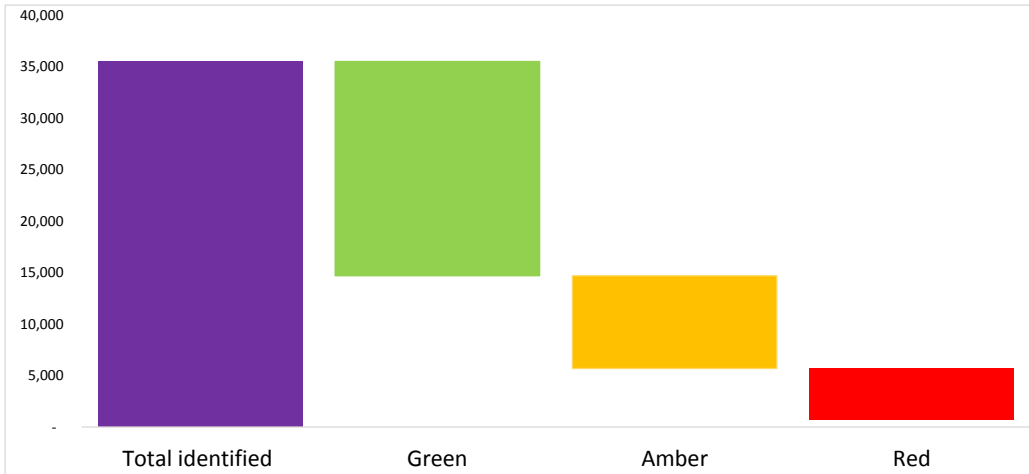
Virements to be Approved

Item	£k	Description
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Revised Budget Compared to Actual Expenditure to Date



In 2020/21 The Council has identified £35.5m of Savings, of which £20.8m are on track to be fully delivered, £9m are in progress and £5m are currently at significant risk



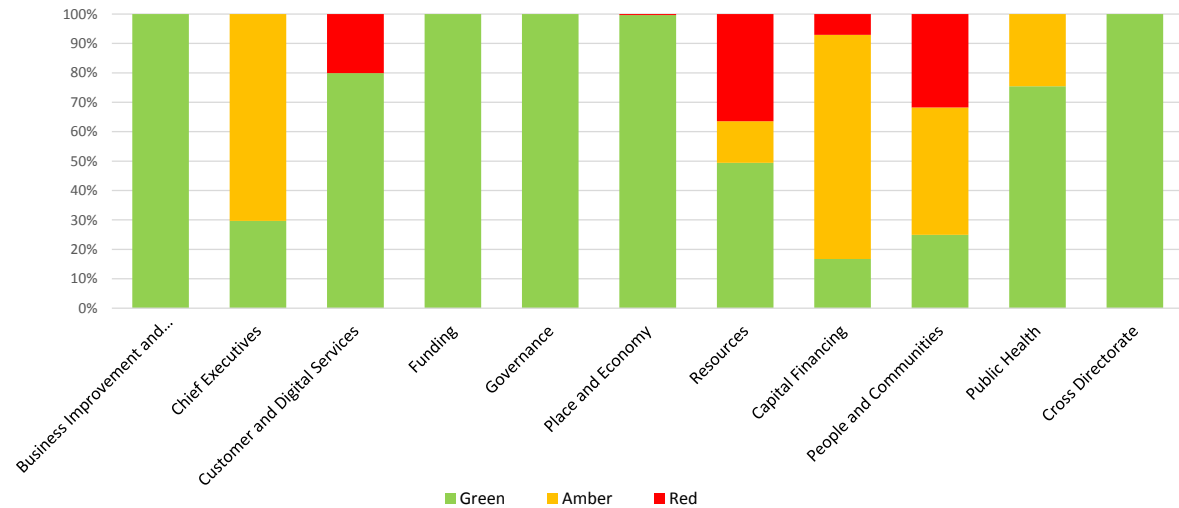
Savings Identified as Red

The table outlines the individual savings which have been categorised as red. These require actions to be taken to ensure delivery of these or alternative savings to the same value identifying.

Row Labels	2020/21 £000
Capital Financing	372
Capital receipts - POSH deferred Receipt element	372
Customer and Digital Services	56
Communications and reduced staffing	56
People and Communities	2,753
DoLS Assessments	107
Parking Charges	310
SEN and Home to School Transport	279
Vivacity	179
Parent Assessment Manual (PAMS)	22
Community Safety - increased income and savings. Neighbourhoods	10
Care Suites	100
Self Funders	50
Adult Social care demography	600
Home to School Transport - Catchment area review	21
National Living Wage	300
Social Care Demand	328
HR Controls- Agency Staff Saving	447
Place and Economy	10
Additional Archaeological Services charges within Planning	10
Resources	1,850
Business Support Services	1,375
Property - Maximising the use of Sand Martin House	475
Grand Total	5,041

	Total identified	Green Full Saving Expected	Amber Some/minor shortfall in savings	Red High proportion not achievable
2020/21				
Business Improvement and Development	219	219	0	0
Chief Executives	483	128	304	0
Customer and Digital Services	325	223	0	56
Funding	10,897	10,897	0	0
Governance	246	212	0	0
Place and Economy	3,070	2,740	0	10
Resources	5,186	2,508	716	1,850
Capital Financing	5,253	878	4,003	372
People and Communities	8,712	2,160	3,756	2,753
Public Health	971	707	230	0
Cross Directorate	135	135	0	0
Total	35,497	20,807	9,009	5,041

2020/21 Savings by Rag rating as a proportion of directorate savings target



CABINET	AGENDA ITEM No. 8
16 NOVEMBER 2020	PUBLIC REPORT

Report of:	Fiona McMillan, Director of Law and Governance	
Cabinet Member(s) responsible:	Councillor Farooq, Cabinet Member for Digital Services and Transformation	
Contact Officer(s):	Pippa Turvey, Democratic and Constitutional Services Manager	Tel. 452460

OUTCOME OF PETITIONS

RECOMMENDATIONS	
FROM: <i>Directors</i>	Deadline date: <i>N/A</i>
It is recommended that Cabinet notes the actions taken in respect of petitions.	

1. ORIGIN OF REPORT

- 1.1 This report is submitted following the submission of E-Petitions, the presentation of petitions to Council officers, and the presentation of petitions at Council meetings.

2. PURPOSE AND REASON FOR REPORT

- 2.1 The purpose of this report is to update Cabinet on the progress being made in response to petitions submitted to the Council since the start of the 2020/2021 municipal.
- 2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.3, '*To take a leading role in promoting the economic, environmental and social well-being of the area*'.

3. 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

Petitions Received by the Council

Fletton Glebe Allotment

The petition was submitted by Alan Bull on 23 June 2020. The petition contained 21 valid signatures and called on the Council "to provide / replace suitable green fencing on two sides of the allotment to prevent further break ins this Summer and in the future."

The Head of Environmental Partnerships responded:

"Thank you for the recent petition you sent on behalf of yourself and plot holders at Fletton Glebe Allotments with regards to the current fence along two sides of the site. I have also received the cover letter and reviewed its contents.

I can confirm we have a quotation for a fence to be installed along two sections of the allotment and this was valued at £27,160 this does not include any compensations for the plots that would have to be reduced in size to allow these works to be carried out or the shed's that may need to be replaced, as a result, the contractor has advised this could be up to 17 plots.

As you may be aware the current allotment budget is used from the income generated by the plot fees paid each year and this money has to cover all the sites across Peterborough as it stands we do not have the budget to fund these works.

When I attended the site with Jayne Jarvis and the site rep I was shown the rear fence, the fence along the Frank Perkins Parkway that you mention in your cover letter, it was agreed at this time as the shrubbery was now very dense and blocking access to the fence this would reassessed in the Autumn.

When I viewed the back fence area it was clear that it was dense with vegetation and that there was one main point of access where you could see people may have been gaining access. On the balance of the access issues, the potential damage that could be caused to current plots and structures, and the current dense vegetation in place, it was jointly agreed to block this access would be the best course of action. We are aware of other sites that indeed have some form of metal fencing but still suffer from break-ins and have seen in the past where we have removed dense foliage it makes it easier for break-ins to occur.

I note that you have had an independent quotation for the fencing to be carried out and they feel that that access via a vehicle would not be needed and it to be not a big job, I would be happy to look over this quotation if this offers a lower price to see the options they have put forward.

At this time we do not have the funds to cover the replacement of the complete fence we can however look at the section that is currently open to block this, I am happy to work with you to look at other options and your quotation and see if any joint funding can be raised for this work to happen in the future.”

Traffic Restrictions in Cowgate

The petition was submitted by Peter Fierro on 24 June 2020. The petition contained 43 valid signatures and stated “The business and property owners wish to express their strong opposition to either the temporary or permanent restriction of vehicular access to Cross Street and Cowgate and the associated pedestrianisation and introduction of cycle lanes to these streets.”

The Group Manager – Transport and Environment responded:

“Thank you for presenting the above petition. I can confirm that we acknowledge the petition and the concerns of the petition signatories contained within it. As you may be aware we are undertaking a number of measures in and around the city centre as part of a grant allocation recently awarded to the Council from the Department for Transport. Whilst some measures have already been installed we are still in the process of finalising the remaining measures and as such we cannot, at this stage, confirm the final plans.

Please rest assured that we will not proceed with any measures without further correspondence with yourself and the affected traders. We will write to you again, week commencing 27th July, to discuss any plans that we intend to proceed with in further detail.

In the meantime, should you have any queries please do not hesitate to contact me using the details above.”

Anti Social Behaviour on Lincoln Road

The petition was submitted by Mr Shahzad at Full Council on 29 June 2020. The petition contained 118 valid signatures and called on the Council “To implement measures including stronger licensing enforcement, revoking licences and increased Community Officer presence to address the issues surrounding premises serving alcohol and the associated anti-social behaviour in Lincoln Road.”

The Licensing and Business Manager responded:

“Thank you for presenting the petition pertaining to concerns that some businesses in Lincoln Road are not respecting lockdown rules and the serving of alcohol on their premises.

The council's Environmental Health and Licensing teams have been actively investigating compliance in this area throughout the pandemic, both proactively and reactively. Where complaints of non-compliance have been received in relation to specific premises, these have been passed to the relevant service area for further action. The most appropriate enforcement action is considered at the time, based on the information provided but includes, conversations with the business owners, visits made to determine the COVID-19 secure measures that have been implemented with advice or instructions provided where measures were found to be inadequate.

The council's COVID-19 Rapid Response Team have undertaken a broader piece of engagement work with business owners on Lincoln Road, both via email and in person by providing leaflets with key messaging on social distancing, good hygiene practices and queue management. Upon the announcement by the government regarding the reopening of the hospitality sector, the licensing team made contact with all licensed premises in Peterborough, which included those in Lincoln Road, to offer assistance to businesses who may require further clarity on the government's guidance on reopening safely and also to ensure that businesses understand their responsibilities in relation to collecting customer details.

In reference to the lockdown, on 23 March, the government required by law that certain businesses and venues were to close in order to reduce the spread of COVID-19. A number of businesses providing essential goods and services were permitted to remain open, this included fast food outlets, cafes, bars, pubs, and restaurants that sold alcohol and food for consumption off the premises if their licence authorised the activity. Our records do not show any complaints of premises selling alcohol without the benefit of a licence, however if you are able to provide specific details in this regard, these will be investigated.

In order to build on the activity previously mentioned, on 14 August, officers from the Licensing Team and Environmental Health Team joined with Police Community Support Officers for a day of targeted action which saw open businesses in Lincoln Road visited for the purpose of ascertaining the COVID secure measures implemented in each premises and to ensure that businesses and residents continue to stay alert and safe during this public health crisis.

As specifically cited in the petition, it is acknowledged that the council has the authority to revoke a premises licence where there is a clear and serious breach of the licensing objectives, however it must be recognised that this involves a statutory process and any action must be led by evidence. It is good practice for responsible authorities to give licencees early warning of any concerns relating to the licensing objectives and offer advice on the need for improvement. A graduated approach consisting of advice, warnings, and the use of action plans or statutory notices is appropriate in the vast majority of cases.

Where there is an evidenced failure to adequately respond to warnings, or where concerns are of a particularly serious nature, licensing authorities may be asked to review a licence. Reviews are conducted by the council's licensing sub-committee and the review process includes a 28-day consultation period to allow for public engagement. Where it has been evidenced that the licensing objectives are being undermined, the sub-committee have a range of options available, including modifying or adding conditions to the licence in question, suspending all or any licensable activities for up to three months or revoking the licence. Any of these steps needs to be shown to be appropriate and proportionate. Clearly revocation is the most serious of these

steps and will need careful consideration. In most cases, reviews result in the modification or addition of conditions to the licence.

The Prevention and Enforcement Service are currently in the process of renewing the Public Space Protection Order which covers Lincoln Road, Millfield. Conditions around anti-social behaviour will be included. We are urging all residents and businesses to take part in the consultation which will commence in September to allow officers to gain their views and make any amendments to the order as required. Over the past month Prevention and Enforcement Officers have been working closely with the neighbourhood police team and regulatory services on a number of projects in the area. As we move forward it is hoped to build on these activities and have more joint enforcement patrols with the local PCSOs in the area to increase visibility and take enforcement action when required.

It is apparent that many of the issues raised may not directly relate to the current crisis therefore are matters that can continue to be addressed through existing planned interventions and collaborative partner working. To that end I am happy to pass on your comments regarding additional police (PCSO) presence to the Police who are best placed to address this matter.”

Road Safety Mayor’s Walk

The petition was submitted by Messrs Rafiq and Saghir at Full Council on 29 June 2020. The petition contained 115 valid signatures and called on the Council “Improve road safety for pedestrians and cyclists, install speed cameras and install visibility at junction of Midland Road and Allmoner’s Lane.”

The Network and Traffic Manager responded:

“I refer to the petition submitted by Ummer Saghir and yourself, that was duly submitted by Councillor Murphy, requesting engineering measures to be implemented on Mayors Walk, specifically between the junction with Aldermans Drive and the bridge over the railway to the east.

Having looked at the accident data over the last three years up to April 2020, there have been a total of seven collisions resulting in some form of injury

- 2017/18 : 2 accidents
- 2018/19 : 3 accidents
- 2019/20 : 2 accidents

Of these seven, none have excessive or inappropriate speed assigned as a contributory factor by the police who have attended the scene and compiled the reports. Four occurred at junctions where speeds would be considerably reduced.

We undertook a speed survey between 8am and 9am on 5th February 2020 near 14 Mayors Walk. The data obtained showed average speeds of 26mph westbound and 28mph eastbound. From this data we determined show what speed 85% of drivers are travelling at (or below), and this resulted in speeds of 30mph and 31mph respectively. These are approximately 4mph higher than the average speed and is what you would expect for a 30mph speed limit. Compliance with the speed limit is taken as being where the average speed is at or below the signed limit which is the case at this location.

The use of mirrors on the highway is not something that we would advocate or support particularly in urban areas where street lighting is present. They are prone to condensation, dazzle, distortion, and cause difficulty for drivers in estimating distances or speeds.

Data is reviewed regularly to ensure that any significant changes in accident patterns can be identified along with whether the main contributory factors can be addressed through engineering interventions. In the absence of excessive speed related collisions or a proven speeding problem we would be unable to justify the provision of engineering interventions. Likewise the suggested use of safety cameras have no impact on accident rates where the collisions occur at low speed.”

Traffic Restrictions in Broadway

The petition was submitted by Councillor Fitzgerald at Full Council on 29 June 2020. The petition contained 27 valid signatures and objected “to the proposal of a temporary installation of pop-up cycles interventions and request to be kept informed of future developments in the area.”

The Principal Sustainable Transport Planning Officer responded:

“We collected all the feedback on the pop-up cycle lane proposals and discussed the concerns with some of our Cabinet Members. A decision was made that we will not be progressing with our proposed plans on Broadway and we will instead be installing a temporary pop-up cycle lane on New Road.

Regarding the anti-social behaviour. The City Council is currently in the process of renewing the Public Space Protection Order which covers Broadway and Stanley Recreation Ground. Conditions around anti-social behaviour will be included in this order. Officers from the Prevention and Enforcement Service are in the process of contacting various businesses to collect statements about issues they are experiencing in the area. The proposed order will be subject to public consultation in September and all businesses are encouraged to respond.

In addition, over the past month Prevention and Enforcement officers have been working closely with the neighbourhood police team to undertake joint patrols in the area.

Thank you for presenting the petition and if there is anything further that you want to discuss then please let me know.”

Maintain Peterborough Parks

The petition was submitted by Amira Hussain on 23 September 2020 The petition contained 31 valid signatures and called on the Council “maintain the Play parks belonging to Westwood, Ravensthorpe and Bretton.”

The Head of Environmental Partnerships responded:

“Thank you for your Petition with regards to the play areas in Westwood, Ravensthorpe and Bretton.

We currently carry out Weekly, Monthly and Annual (independent) inspections of all our play areas to ensure they are safe for use this also highlights to us any potential deficiencies in provision.

We are currently in the process of looking to put extra equipment into Bretton park and replacing some Items in Hampton Court and we have recently spent some further funds on Hampton Court, Baker Park is also on the list to potentially have some further equipment added this year.

I would be more than happy to work with you to look at any specific play areas you have concern with so we can look at any potential funding to help?”

5. REASON FOR THE RECOMMENDATION

- 5.1 As the petitions presented in this report have been dealt with by Cabinet Members or officers, it is appropriate that the action taken is reported to Cabinet.

6. ALTERNATIVE OPTIONS CONSIDERED

- 6.1 There have been no alternative options considered.

7. IMPLICATIONS

7.1 There are no legal, financial, or equalities implications arising from the issues considered.

8. BACKGROUND DOCUMENTS

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

8.1 Petitions presented to the Council and responses from officers.

9. APPENDICES

9.1 None.