

CABINET

MONDAY 18 JANUARY 2021
10.00 AM

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AGENDA

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**MINUTES OF THE BUDGET CABINET MEETING
HELD AT 10:00AM, ON
MONDAY 16 NOVEMBER 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

Cabinet Advisor Present: Councillor Bashir

29. APOLOGIES FOR ABSENCE

No apologies for absence were received.

30. DECLARATIONS OF INTEREST

No declarations of interest were received.

31. MINUTES OF MEETINGS:

(a) 14 SEPTEMBER 2020 – SHAREHOLDER CABINET COMMITTEE

The minutes of the Shareholder Cabinet Committee meeting held on 14 September 2020 were agreed as a true and accurate record.

(b) 21 SEPTEMBER 2020 – CABINET

The minutes of the Cabinet meeting held on 21 September 2020 were agreed as a true and accurate record.

(c) 26 OCTOBER 2020 – BUDGET CABINET

The minutes of the Budget Cabinet meeting held on 26 October 2020 were agreed as a true and accurate record.

32. PETITIONS PRESENTED TO CABINET

There were no petitions presented to Cabinet.

STRATEGIC DECISIONS

33. CHILD YIELD MULTIPLIERS

The Cabinet received a report in relation to revised child yield multipliers.

The purpose of this report was to provide Cabinet with an understanding of how the numbers of children arising from new developments were calculated, and how the

multipliers were used to determine the education infrastructure required to mitigate the impact of new developments.

The Cabinet Member for Children's Services, Education, Skills and the University introduced the report and advised that the Council had been working with business intelligence tools since 2018. This had been important in forecasting the number of children within new and expanding communities using number of bedrooms and tenancy types. It was important for this information to be up to date and credible to reflect the local situation in Peterborough.

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

- It was explained that the child yield for social housing was higher due to the allocation of social housing being based on need. Therefore, there were no 'spare rooms' within social housing, typically.
- The proposed yield assumptions were considerably increased than previous assumptions.
- It was noted that fewer children with Education, Health and Care plans were seen in newer developments. It was suggested that this may, in part, be due to the need for specialist forms of housing for children with severe disabilities which would be provided via social housing.
- The analysis of the survey content would need to be completed to establish the impact of the 'quality' of education had on the ratio of children within developments.
- There was considered to be very little scope to renegotiate any existing contracts with developers.
- It was noted that the education contribution required from developers would increase, which may be an issue of viability for developers. However, without the increase it would cost the Department for Education more in grants for basic needs.

Cabinet considered the report and **RESOLVED** to adopt 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.

REASONS FOR THE DECISION

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".

To 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.

To 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.

ALTERNATIVE OPTIONS CONSIDERED

The anticipated outcome of this report was that Cabinet would have a clear understanding of the purpose of child yield multipliers, how they were derived and the

use to which they were put in planning education provision so that the Council met its statutory place planning duties whilst minimising risk, and would be able to endorse the use of the new general and detailed multipliers so that they could be used with immediate effect.

MONITORING ITEMS

34. BUDGET CONTROL REPORT SEPTEMBER 2020

The Cabinet received a report in relation to the Peterborough City Council Budget Control Report for September 2020.

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

The Cabinet Member for Finance introduced the report and invited Neil Harris, Ernst and Young, to address Members. Neil Harris advised that as the external auditors to the Council, Ernst and Young had an ongoing dialogue with the finance team. Members were advised that the audit had taken into account the pre-COVID position and the steps taken in response to COVID-19 implications. It had been noted that the Council had made regular public reports and was in a dialogue with the Ministry of Housing, Communities, and Local Government. Additionally, the Council was in regular communication with parish councils.

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

- As to whether the administration were mismanaging the finances of the Council, it was advised that the external auditors would not reach that conclusion based on the work seen to date.
- It was considered that all appropriate steps had been taken in line with CIPFA guidance, and that the letter to the MHCLG was suitable.
- Members felt that the Council were being proactive and transparent in their approach to its finances.
- It was suggested that further stress testing of figures may be necessary following further changes to economic trends, particularly in light of the second COVID-19 lockdown.
- The Council's external auditors felt that they had been well supported with all necessary information.
- In relation to the Budget Control Report, the key changes to note included the additional receipt of a £5.7million grant from Government, 80% of which was expected to be received by 20 November 2020, and would be distributed following a robust application process.
- In relation to the capital programme the Council was significantly behind its normal position for this time in the year. Highway schemes were starting to generate funds.
- Should a further lockdown occur then the Council had already assumed a high level of ongoing cost for the second half of the year. If there was another national lockdown, a further grant would be anticipated.

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

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.

REASONS FOR THE DECISION

To provide Cabinet with the forecast for 2020/21 as at September 2020 budgetary control position.

ALTERNATIVE OPTIONS CONSIDERED

None provided.

35. 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 11.21am
16 November 2020

**MINUTES OF THE BUDGET CABINET MEETING
HELD AT 10:00AM, ON
MONDAY 30 NOVEMBER 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

Cabinet Advisor Present: Councillor Bashir

36. APOLOGIES FOR ABSENCE

No apologies for absence were received.

37. DECLARATIONS OF INTEREST

Declarations of interest were received from Councillor Holdich and Councillor Hiller in relation to agenda item 7, 'Replacing the Regional Pool', and confirmed that they would not take part in the debate for this item.

38. PETITIONS PRESENTED TO CABINET

There were no petitions presented to Cabinet.

STRATEGIC DECISIONS

39. REGIONAL ADOPTION AGENCY – CONFIRMATION OF ARRANGEMENTS

The Cabinet received a report in relation to arrangements for the Regional Adoption Agency.

The purpose of this report was to confirm the arrangements for the Regional Adoption Agency, which included adoption and post adoption services, and which was being established between Cambridgeshire County Council and Peterborough City Council.

The Cabinet Member for Children's Services, Education, Skills and the University introduced the report.

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

- It was noted that one of the key issues for the service was increasing the profile of adoption, which was increasingly important as courts seemed to have become reluctant to place older children for fear they may be left in 'limbo'.
- Members were advised that all location authorities were required make such arrangements and that this was an opportunity for Peterborough City Council and Cambridgeshire County Council to align their direction of travel.

- The proposals were felt to sit well alongside the approach of other services areas with the directorate, including the requirement of foster carers and doctors.
- It was considered that the proposals would result in a financial benefit to the Council.
- Members were reassured that there would be break clauses factored into the agreement and that there was also a formal requirement to review arrangements by March 2022.

Cabinet considered the report and **RESOLVED** to authorise the Council to enter into a Partnership Agreement with Cambridgeshire County Council for the establishment of a regional adoption agency for the initial period of 1 December 2020 until 30 November 2030 and subject to a further extended period as agreed between the authorities.

REASONS FOR THE DECISION

Government guidance was for all local authorities to establish regional adoption arrangements by March 31 2021. The Peterborough and Cambridgeshire Regional Adoption Agency satisfied these requirements and would deliver improved outcomes for children in need of adoption and others in need of post adoption support.

ALTERNATIVE OPTIONS CONSIDERED

The original intention was to seek a Voluntary Adoption Agency to operate the Peterborough and Cambridgeshire Regional Adoption Agency on behalf of the two authorities. This could not progress as there were no suitable applications. The status quo was not an option since the Government required all authorities to develop regional adoption arrangements.

40. CIPFA FINANCIAL MANAGEMENT CODE

The Cabinet received a report in relation to the Chartered Institute of Public Finance and Accountancy Financial Management Code.

The purpose of this report was to inform Cabinet of the contents of the Financial Management Code, and the proposed approach to reviewing and report on the Council's compliance with the code.

The Cabinet Member for Finance introduced the report and confirmed that the Code required procedures to be put in place to ensure that the finance of the Council was sustainable, and that the Council must be fully compliant for 2021/22. The Code had been influenced by the situation that local authorities now found themselves in with significantly reduced funding. The Code was based on the 6 Principles of Good Financial Management. The Council had already undertaken work to deliver these standards within the financial improvement programme in the 2019/2020 audit. It was noted that the Council's auditors had always confirmed good financial management.

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

- Queries were raised as to why another code of compliance was necessary when the Council already had one in place and it was noted that the CIPFA Financial Management Code had a real focus on sustainability.

- The Council had already begun work on an action plan that would help to demonstrate conformity.
- Current compliance would be included within the second phase of the Medium Term Financial Strategy, with the intention to provide update reports to Cabinet through the Budget Control Reports, and also report to Audit Committee.
- It was noted that the Ministry for Housing, Communities and Local Government had been asking authorities for a high level of detail in their reporting, which had assisted in the standardisation of information across the country.

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

1. The contents of the CIPFA Financial Management Code.
2. The proposed approach to reviewing and reporting on the Council's compliance with the CIPFA Financial Management Code.

REASONS FOR THE DECISION

The CIPFA Financial Management Code was a requirement for all local authorities and as such the Council must demonstrate full compliance in 2021/22.

ALTERNATIVE OPTIONS CONSIDERED

No alternative option had been considered.

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

The Cabinet received a report in relation to the Medium Term Financial Strategy 2021/22 to 2023/24.

The purpose of this report was to form part of the Council's formal Budget and Policy Framework. This required Cabinet to initiate and make proposals and update assumptions to set a balanced budget for the financial years 2021/22 to 2023/24. There were as a legal requirement to set a balanced budget for 2021/22.

The Cabinet Member for Finance introduced the report and confirmed that the Council was in a critical period. While the Council played a key role in the response to the COVID-19 pandemic, the financial landscape was changing. In March 2020 the Council had a £14 million budget gap, with a savings plan of £12 million; the Cabinet Member had been confident that sustainability could be achieved. Following the impact of COVID-19, however, all local authorities were significantly affected. The Government had provided support for 88% of the COVID-19 impact this year, however, long term support was considered to be vital. Fairer funding, it was felt, would not happen for another year at least.

It was further noted that the further support from the Government would be required. It was felt that the Council was well run, but was facing challenges currently due to the COVID-19 pandemic. However, the Council did have specific challenging factors setting it apart, including a growing population with complex demands, low unit costs and low Council Tax, and low funding support. It was considered that this could not continue and, as such, the Council had entered talks with the Ministry for Housing, Communities and Local Government to ensure that they fully understood the financial position of the Council and what was required to continue to be viable.

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

- It was commented that a small number of recommendations had been received from the Joint Meeting of Scrutiny Committees, but with no alternative funding sources provided.
- The consultation from the Light Project had been received and it was considered that work assisting with rough sleepers was of key importance.
- Officers were currently in conversation with their MHCLG counterparts, with the Ministry currently undertaking an independent review of the information provided. It was hoped that a report back from the MHCLG would be received before Christmas.
- Further detail in relation to the Capital Programme would be received within the second tranche of the budget. Officers had raised concerns about slippage in this area and would be looking at what could be rolled over into the next financial year.
- The CIPFA guidance would support the key aim of the budget in a move to a sustainable position.
- It was considered that generation of income would be important in the second phase of the budget.
- Officers advised that MHCLG were currently looking for further data in relation to unrecoverable Council Tax and Business Rates losses.

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

1. The Phase One service proposals outlined in Appendix C.
2. The updated budget assumptions, to be incorporated within the Medium-Term Financial Strategy 2021/22-2023/24. 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 MTFFS Detailed Budget Position-Phase One
 - Appendix B – Capital Programme Schemes 2021/22- 2023/24
 - Appendix C – Budget Consultation Feedback, 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
 - Appendix H – Budget Consultation Feedback

Cabinet recommends to Council:

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
7. The feedback received on the budget proposals, received via the consultation detailed in Appendix H.

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.

42. REPLACING THE REGIONAL POOL

Councillor Holdich and Councillor Hiller left the meeting at this point, with Councillor Fitzgerald assuming the Chair.

The Cabinet received a report in relation to replacing the regional pool.

The purpose of this report was to make recommendations to Cabinet about the replacement of the existing Regional Pool facility, which was nearing the end of its life. The report was being presented following approval of a September CMDN on progressing work to develop a detailed assessment and business case for the replacement of the regional pool.

The Cabinet Member for Housing, Culture and Recreation introduced the report and explain that the current regional pool no longer met the requirements of the area. It was considered that investing in a new specialist pool would be a better value choice than investing further in an aging facility. The proposal before Cabinet had been drawn up by the Peterborough Investment Partnership for a new pool facility on the Pleasure Fair Meadows car park site, which was allocated for development in the Local Plan.

The proposal included a pool of eight lanes, a teaching pool and a new leisure water same. The facility would also include a gym, four court sports hall, and exercise, yoga and café facilities. The pool would remain a 25 metre pool, as the increase in cost for the maintenance of a 50 metre pool would worsen the revenue of the facility. Similarly, it was not proposed to include diving facilities, as there was no evidence demand for such.

It was further noted that the long term future of the Lido was important to the city and to the Council, and it had become clear that co-location was not the best path for either.

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

- It was advised that the PIP would take the lead of development and planning of the facility.
- Comment was in relation to hopes that a hydrotherapy pool may be included in the site in the future, with further comments noting that the Council had supported the maintenance of a hydrotherapy pool in the past.
- It was suggested that a dialogue could be opened up with the Clinical Commissioning Group in relation to the hydrotherapy pool once more.
- It was noted that the site would need to ensure maximum financial benefit.
- Members discussed the wish to consider further details of the proposal, including a hydrotherapy provision and, as such, suggestion was made for the formation of a working group involving Councillors Allen, Fitzgerald, Walsh and Seaton.

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

1. Subject to Recommendation 2 below and contingent on Council independent best value sign off, approve the purchase of a new Regional Pool facility on Pleasure Fair Meadows from the Peterborough Investment Partnership (PIP), as per the PIP's specification set out in the report.
2. Recommend to Full Council an amendment to the Council's budget to include capital purchase costs up to the level indicated in this report of £38m, subject to Recommendation 4.
3. Approve an investment into PIP of up to 49% of the project development costs set out in this report (up to £19m).
4. Delegate authority to the Executive Director of Place and Economy, in consultation with the Director of Law and Governance and Director of Resources to negotiate the terms of the investment and enter the necessary legal documents to facilitate the delivery of this project.
5. Establish a working group comprising Cllr Allen, Cllr Fitzgerald, Cllr Seaton and Cllr Walsh, and appropriate officers, in order to consider the detail of the project with regard to, among other things, the potential provision of a hydrotherapy pool.

REASONS FOR THE DECISION

To progress work to develop a detailed assessment and business case for the replacement of the regional pool.

ALTERNATIVE OPTIONS CONSIDERED

No alternative options had been considered.

MONITORING ITEMS

43. BUDGET CONTROL REPORT OCT 2020

Councillor Holdich and Councillor Hiller re-joined meeting at this point, with Councillor Holdich retaking the Chair.

The Cabinet received a report in relation to the Peterborough City Council Budget Control Report for October 2020.

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

The Cabinet Member for Finance introduced the report and advised that funding had been provided to business as well as hardship funding, including grant assistance to open the city centre. Council Tax collection had improved throughout the year. Local restriction support grants had been awarded of £2.8 million, with a further discretionary scheme to be developed.

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

- It was advised that the Council had seen collection rates go down, and were limited in following up unpaid payments with court closed. It was noted, however, that if people were struggling to make payments, the Council had a number of different routes to offer if individuals make contact.
- It was noted that further cost had been taken into consideration within the budget for the second part of the year, including any COVID-19 vaccination scheme, however it was difficult to predict the magnitude of these.
- Further discussion was had in relation to COVID-19 vaccinations and Members were advised that while there was no requirement to have a flu vaccination prior to a COVID-19 vaccination, if someone had a flu vaccination they may need to wait for a period of time before receiving a COVID-19 vaccination.
- It was noted that officers were continually reviewing savings and income levels that were not being delivered and whether these could be recovered in the future.

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

1. The Budgetary Control position for 2020/21 as at 31 October 2020 is a forecast overspend of £6.6m 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 to the Council and businesses as a result of the national lockdown, 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

To provide Cabinet with the forecast for 2020/21 as at October 2020 budgetary control position.

ALTERNATIVE OPTIONS CONSIDERED

None provided.

Chairman
10.00am to 11.23am
30 November 2020

CABINET	AGENDA ITEM No. 5
18 JANUARY 2021	PUBLIC REPORT

Report of:	Peter Carpenter, Corporate Director Resources	
Cabinet Member(s) responsible:	Cllr David Seaton, Cabinet Member for Finance	
Contact Officer(s):	Emma Riding, Finance Manager	Tel. 384583

COUNCIL TAXBASE 2021/22 and COLLECTION FUND DECLARATION 2020/21

RECOMMENDATIONS	
FROM: Corporate Director Resources	Deadline date: N/A
<p>It is recommended that Cabinet:</p> <ol style="list-style-type: none"> 1. Propose the calculation of the Council Tax Base for 2021/22 set at a level of 59,714.72 Band D equivalent properties based on the existing council tax support scheme updated to 33%; 2. To note the estimated position on the Collection Fund in respect of Council Tax as at 31 March 2021 being: <p style="text-align: center;">£1.413m Deficit</p> 3. To note these estimated positions with the Corporate Director Resources reserving the right to amend the final estimated position on the Collection Fund balance as at 31 March 2021 in accordance with the statutory Determination legislation and timescales. 	

1. ORIGIN OF REPORT

- 1.1 This report forms part of the preparation for setting the council's budget. It needs to be considered for the tax base and the Collection Fund balances to be used in setting the council's overall budget and Council Tax and can be notified to other affected authorities within the statutory deadlines for the same purpose.

2. PURPOSE AND REASON FOR REPORT

- 2.1 This report is before Cabinet to consider under its delegated function 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'.

3. TIMESCALES

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.	31 January 2021 and 11 March 2021

4. BACKGROUND AND KEY ISSUES

Council Tax Base Calculation 2021/22 (Appendix A)

- 4.1 The Council Tax Base calculation is part of the budget process. The gross tax base for 2021/22 is estimated at 66,098.23 Band D equivalents. This is reduced by 1.5% to allow any in year variation from the estimates (e.g. for properties not being built or occupied, additional discounts being available or for losses on collection), to give a net council tax base of 65,110.85, which is 0.9% more than the equivalent tax base for 2020/21 of 64,502.34.
- 4.2 A further reduction to the tax base to reflect the changes to the funding of council tax benefits which came into effect for the first time in 2013/14 is necessary. The proposed tax base for 2021/22 has therefore reduced to 59,714.72 which compares to 59,093.47 for 2020/21.
- 4.3 The figure of 59,714.72 Band D equivalents reflects the best estimate, based on the latest position on the current council tax support scheme of 32%, adjusted to 33% as agreed by Cabinet in February 2019 which becomes effective in 2021/22.

Collection Fund

- 4.4 The Collection Fund surplus/deficit calculation is used by the precepting authorities in setting its budget for the forthcoming year. The figures in this report are provided for information as the Corporate Director of Resources will make the formal calculation for Council Tax on 15 January 2021 and notify the relevant bodies at that time and will return the final NNDR1 form by 31 January 2021.
- 4.5 The Collection Fund represents council tax and business rates income receipts and has separate calculations of the surplus/deficit at the year-end compared to the General Fund. Prior to 2013/14 the total amount of business rates was transferred to the government whereas under the new system it is shared between the Council, the Fire Authority and the Government.
- 4.6 The Collection Fund at 31 March 2021 in respect of council tax has been estimated to be in deficit by £1.413m from residential property growth and the impact of measures following the localisation of Council Tax support from 2013/14 and therefore will be shared between the Council, the Police and the Fire Authority in proportion to the band D council tax levels.
- 4.7 The Collection Fund deficit at 31 March 2021 in respect of business rates will be confirmed in a supplementary Cabinet report week commencing 11 January. Further work is taking place on the assessment of the Councils bad debt provision requirement and detailed analysis of the latest check, challenge and appeals position will continue to be worked on, which will inform this report. The values will be based on information as at 30 December and reported within the National Non-Domestic Rates (NNDR1) form to the government by 31 January 2021. The NNDR1 form is used to inform the government and other relevant authorities of both the collection fund balance and the following year's Business Rates income. The surplus will be shared between the parties in the following proportions, Government 50%, Peterborough City Council 49%, Cambridgeshire Fire Authority 1%.
- 4.8 Following the introduction of the new business rates system in April 2013 the Police and Crime Commissioner does not receive any business rates income but receives alternative funding directly from government.

Phasing of 2020/21 Collection Fund deficits

- 4.9 On 5 November parliament passed The Local Authorities (Collection Fund: Surplus and Deficit) (Coronavirus) (England) Regulations 2020, which came into effect 1 December 2020. These regulations implemented the announcement made by the Secretary of State on 2 July 2020, that the repayment of Collection Fund deficits arising in 2020/21 could be spread over the next three years.
- 4.10 The change in legislation is a direct result of the pressure placed on Council Tax and NNDR collection rates due to the economic downturn caused by the Covid-19 pandemic. The deficits on the Collection Fund will be spread over three years to smooth the financial impact for Local

Authorities, in addition to a further scheme announced within the Spending Review 2020 which will compensate Councils for 75% of irrecoverable tax losses.

Council Tax

- 4.11 The guidance and regulations outline that an 'exceptional balance' will be phased over the period 2021/22 - 2023/24. This balance is the deficit for 2020/21, net of any prior year elements. The following table outlines the differing elements of the estimated Collection Fund balance and how this will impact each of the three years.

	2021/22	2022/23	2023/24	Total
Exceptional collection fund balance	679,468	679,468	679,468	2,038,404
Total prior year elements	(625,009)			(625,009)
Overall Collection Fund position (- surplus/ + deficit)	54,459	679,468	679,468	1,413,395

NNDR

This will be published within a supplementary report to Cabinet, to be issued the week commencing 11 January 2021, to ensure this can be considered at this Cabinet meeting.

5. CONSULTATION

- 5.1 Consultation is not required in making the calculations referred to in this report, however the Council is in contact with the Police and Fire authorities during the budget setting process.

6. ANTICIPATED OUTCOMES OR IMPACT

- 6.1 That Cabinet proposes the calculation of the Council Tax Base, notes the position on the Collection Fund for both the Council Tax and Business Rates and notes that the final calculation of these balances is reserved to the Corporate Director of Resources.

7. REASON FOR THE RECOMMENDATION

- 7.1 The Council Tax Base could be set at a higher or lower level. However, this could have the effect of either inflating unnecessarily the amount of Council Tax to be set or setting the tax at a level insufficient to meet the Council's budget requirements. A similar position could arise if the surplus or deficit were set at a higher or lower level.
- 7.2 The calculation and return of the information included in the NNDR1 is a statutory requirement which can be formally delegated to an officer. As with council tax if the amount of business rates estimated to be collected is increased or reduced or the surplus or deficit is set at a higher or lower level then the amount of income available to the council will change with the consequent effect on service provision or council tax levels.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 This report covers calculations that are all prescribed by regulations with the effect that no other options need to be considered.

9. IMPLICATIONS

Financial Implications

- 9.1 The report recommendations feed into the budget process for 2021/22 by providing the basis of the calculation of Council Tax income and the estimated surplus or deficit on the Collection Fund.

Legal Implications

- 9.2 In accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012 the Council Tax base for the authority must be agreed and notified to major precepting bodies before the 31 January 2021. The proposals set out in this report will facilitate compliance with that requirement.

Equalities Implications

- 9.3 There are no equalities implications arising from the recommendations in the report.

Carbon Impact Assessment

- 9.4 This is a statutory report setting the Council Tax base for 2021/22 and determining the estimated surplus or deficit on the Collection Fund for 2020/21 and has no impact on Carbon related issues.

10. BACKGROUND DOCUMENTS

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

- 10.1 Local Government Finance Act 1988
Local Government Finance Act 1992
Local authority (Funds) (England) Regulations 1992
Local Government Act 2003
The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012
The Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003.
Council Tax Banding List
The Non-Domestic Rating (Rates Retention) Regulations 2013
The Local Authorities (Collection Fund: Surplus and Deficit) (Coronavirus) (England) Regulations 2020

11. APPENDICES

- 11.1 Appendix A - Council Tax base for tax setting purposes 2021/22

APPENDIX A - COUNCIL TAX BASE FOR TAX SETTING PURPOSES 2021/22

Parish Council	Number of Properties on Valuation List in Bands									TAXBASE		FINAL
	A	B	C	D	E	F	G	H	TOTAL	GROSS	NET	TAXBASE
Ailsworth	10	21	96	42	49	33	9	0	260	255.09	251.27	241.51
Bainton	9	8	9	28	22	19	37	1	133	157.47	155.11	153.64
Barnack	83	126	37	96	94	52	45	1	533	503.60	496.05	470.47
Bretton	3,970	655	298	286	197	136	19	1	5,562	3,773.53	3,716.92	3,257.39
Castor	53	104	31	58	47	47	36	19	395	391.33	385.46	363.82
City (non-parished)	24,521	15,873	10,303	4,627	1,718	625	276	17	57,961	41,618.94	40,994.66	37,228.96
Deeping Gate	2	25	32	47	48	43	16	0	213	227.69	224.28	219.40
Etton	4	18	8	13	2	8	5	0	58	56.06	55.21	53.61
Eye	795	492	610	265	138	43	13	0	2,356	1,794.23	1,767.32	1,625.42
Glington	131	148	115	98	102	67	47	1	709	650.12	640.37	617.60
Hampton	498	1,147	952	1,415	836	90	15	2	4,955	4,272.76	4,208.67	3,986.17
Helpston	26	117	92	81	123	35	28	0	501	484.67	477.40	467.90
Marholm	1	20	9	13	14	9	10	1	77	78.47	77.30	75.68
Maxey	29	46	38	38	51	58	49	0	309	335.40	330.36	322.10
Newborough & Borough Fen	156	158	286	133	58	32	10	0	833	700.10	689.60	662.68
Northborough	39	174	156	85	71	44	14	1	584	522.33	514.50	502.89
Orton Longueville	2,352	1,306	514	349	223	109	76	3	4,932	3,559.68	3,506.28	3,179.09
Orton Waterville	1,758	826	741	592	599	245	77	2	4,840	3,876.89	3,818.73	3,585.81
Peakirk	18	30	34	42	22	38	10	0	194	195.25	192.32	189.29
Southorpe	2	0	6	9	13	14	16	1	60	76.06	74.91	74.91
St Martins Without	1	3	2	4	0	2	3	2	17	20.47	20.17	20.17
Sutton	0	0	0	5	8	21	14	3	51	71.25	70.18	70.18
Thorney	266	443	201	155	76	64	29	0	1,234	1,008.74	993.61	934.87
Thornhaugh	3	23	15	9	17	10	13	2	92	96.28	94.83	93.20
Ufford	16	4	7	9	17	33	25	3	114	138.79	136.71	133.93
Upton	0	14	0	4	2	3	2	0	25	22.78	22.44	22.36
Wansford	7	28	30	28	36	56	43	0	228	258.03	254.16	248.92
Wittering	779	268	72	32	5	6	4	4	1,170	764.64	757.26	728.28
Wothorpe	2	6	14	19	19	19	53	9	141	187.59	184.77	184.47
Totals	35,528	22,083	14,708	8,582	4,608	1,961	993	73	88,537	66,098.23	65,110.85	59,714.72
2019/20 Totals	35,357	21,853	14,494	8,368	4,521	1,942	982	73	87,590	65,480.58	64,502.34	59,093.47

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CABINET	AGENDA ITEM No. 6
18 JANUARY 2021	PUBLIC REPORT

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

BUDGET CONTROL REPORT NOVEMBER 2020

RECOMMENDATIONS	
FROM: Director of Corporate Resources	Deadline date: N/A
<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 November 2020 is a forecast overspend of £4.8m 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 £39.3m of additional pressure due to C-19, as reported to the Ministry of Housing Communities and Local Government, within the November 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

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

2. PURPOSE AND REASON FOR REPORT

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

2.2. This report provides Cabinet with the forecast outturn for 2020/21 as at November 2020 budgetary control position.

3. TIMESCALE

Is this a Major Policy Item/ Statutory Plan	NO	If yes, date for Cabinet meeting	N/A
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4. NOVEMBER 2020 BUDGETARY CONTROL REPORT (BCR)- REVENUE

4.1. 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 £168.187m:

	£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	1.273
Capacity Reserve Contribution: ICT & Resources - committed transformation costs	0.444
Revised Budget 2020/21	168.187

4.2. The following table outlines a summary of the budgetary control position, within each directorate. The Council is currently reporting a projected overspend of £4.8m, a £0.8m (14%) improvement compared to October. This position includes the additional financial pressures and funding as a result of C-19 as at November.

Directorate	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Chief Executives	1,291	1,272	(19)	(7)	(12)	Underspend
Governance	4,324	4,037	(286)	(226)	(60)	Underspend
Place & Economy	22,122	24,927	2,805	2,871	(66)	Overspend
People & Communities	87,245	109,133	21,888	22,629	(741)	Overspend
Public Health	(372)	(139)	233	66	167	Overspend
Resources	18,962	21,088	2,126	2,072	54	Overspend
Customer & Digital Services	7,777	7,683	(94)	24	(118)	Underspend
Business Improvement	619	716	98	99	(1)	Overspend
Capital Financing	26,219	27,393	1,174	1,174	(0)	Overspend
Total Expenditure	168,187	196,110	27,924	28,702	(779)	Overspend
COVID-19	0	(18,665)	(18,665)	(18,665)	0	Underspend
COVID-19 - SFC Income compensation*	0	(3,937)	(3,937)	(3,937)	0	Underspend
Financing	(168,187)	(168,677)	(490)	(490)	0	Underspend
Net	(0)	4,831	4,832	5,610	(779)	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.

4.3. The key change from last month is a reduction in pressure within the Education, children's safeguarding area. The Council experienced a rise in complex placements during Summer 2020, with a forecast overspend of

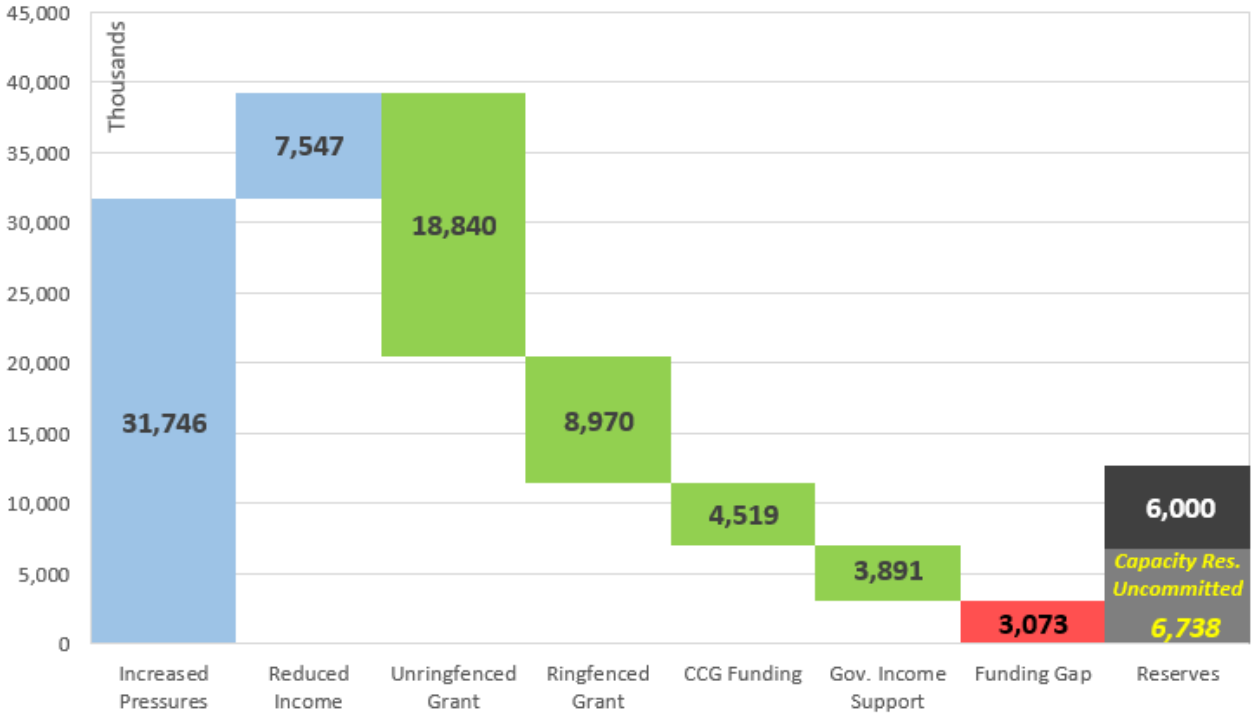
£1.1m, this estimate has now been revised to £0.4m following the robust challenge of the original estimate and management action on alternative solutions. However, there is the risk of a 'lag effect' on demand costs following subsequent Tier 4 restrictions and Lockdown 3.0.

- 4.4. The pressures impacting the Council’s financial position are a result of the C-19 pandemic and include:
- The People and Communities directorate has continued to experience budget pressures from inflation though offset by an increase in additional funding from the Clinical Commissioning Group. The directorate has continued to underachieve on savings plans eg the Adults Positive Challenge programme, as well as experiencing a loss of income across Parking Services, Enforcement Services and Clare Lodge due the wider impacts of the C-19 pandemic. There has been an increase in costs relating to childcare placements and from supporting the transition of former Vivacity provided services to alternative management.
 - The Resources directorate has been unable to deliver the proposed savings in the Peterborough Serco Strategic Partnership contract due to the impact of the Council response to C-19 and the need for resource deployment. The Business Support 'Notice of Change' / new model hub implementation will not be carried out during the current financial year.
 - In the Place and Economy directorate there has been additional expenditure as the Council has ensured that rough sleepers and homeless families have temporary accommodation and a safe place to self- isolate during to C-19 pandemic.

4.5. Further details regarding these and other service pressures are outlined within Appendix A of this report.

Financial Impact of C-19

4.6. The following chart summarises the direct impact C-19 has had on the Council’s financial position in 2020/21 as per the November C-19 monitoring from submitted to MHCLG:



4.7. The analysis of the C-19 financial impact identifies a £3.1m gap, which is comparable to the £4.8m position reported within the November BCR. However, the two positions vary due to the following factors:

- The C-19 financial impact is updated and reviewed on a weekly basis and is now reported to CMT and Members on a monthly basis (it was reported weekly through the first 6 months of the pandemic).
- 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 30 November 2020.
- The BCR includes pressures and underspends which are not C-19 related and classed as 'business as usual'.
- 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.
- There are some estimates within the C-19 financial position which reflect a high risk (worse case) position. Further details in relation to the financial performance of Council services are outlined in Appendix A.

4.8. 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 £39.3m as a result of additional costs and lost income, this is reduced to £3.1m after applying £36.2m 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 eight returns to MHCLG, with the most recent return being submitted on 11 December. 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	Nov Return £m
Direct C-19 Expenditure	7.0	10.1	19.2	23.4	22.6	26.2	25.2	26.6
Loss of Income	6.8	6.0	6.8	7.9	6.7	7.2	7.4	7.2
Non-Delivered 2020/21 Savings	4.5	4.8	4.7	6.6	5.5	5.5	5.5	5.5
Total Pressures	18.3	20.9	30.8	37.9	34.8	38.9	38.1	39.3
C-19 response fund & un-ringfenced grants	(11.0)	(11.0)	(11.0)	(13.2)	(13.2)	(13.2)	(18.8)	(18.8)
Additional Funding and ring-fenced grants*	-	-	(5.7)	(9.9)	(9.9)	(14.7)	(14.9)	(17.4)
Revised Net Position	7.3	9.9	14.1	14.8	11.8	11.0	4.4	3.1

*includes SFC Income Compensation Scheme

4.9. 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 £39.3m of additional costs.

4.10. 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:

Pressures which are funded:

- **Containment Outbreak Management Fund (COMF):** £1.618m- to support local management of the virus, including communications, testing and contact tracing, self-isolation support and local lockdown planning.

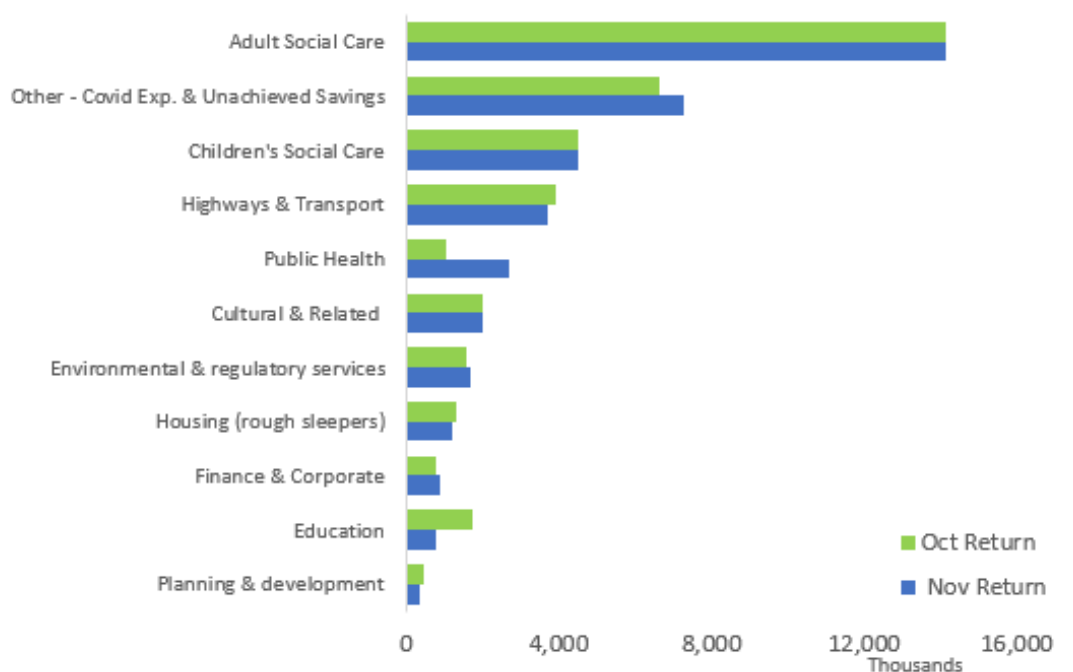
- **Domestic Abuse**- £0.050m- to help Local Authorities plan and prepare for a new duty to provide domestic abuse support in safe accommodation.
- **Clinically Extremely Vulnerable (CEV)**- £0.090m- to support people within this category to isolate throughout the November lockdown period.
- **Winter Grant Scheme** £0.743m- to provide support to families and the most vulnerable over the winter period, including the provision of free school meals.

Reduction in Pressure

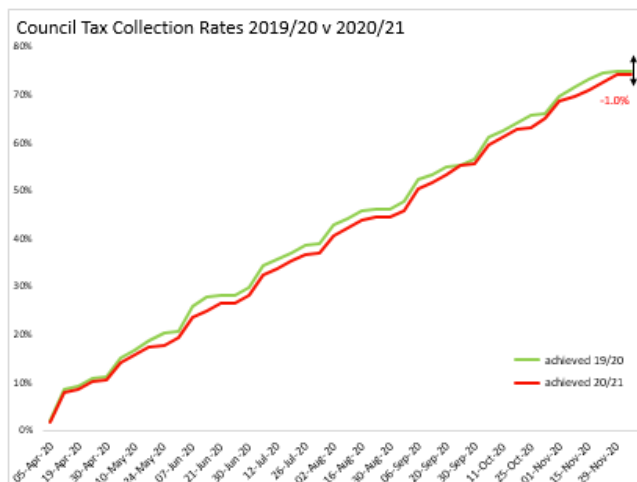
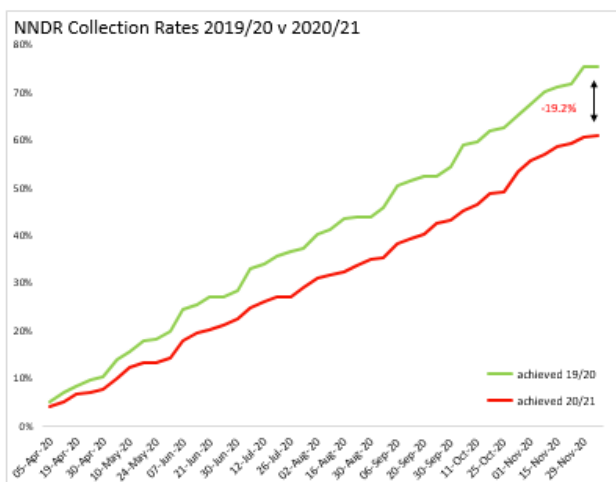
Home to School transport: Anticipated costs of home to school transport were expected to be much higher due to the additional PPE, screens and more routes to ensure children in different school 'bubbles' were not mixed. The position has been fully reviewed with the cost being £1.1m less than expected due to active planning of the revised service.

The following chart summarises the movement between months of the additional C-19 pressures:

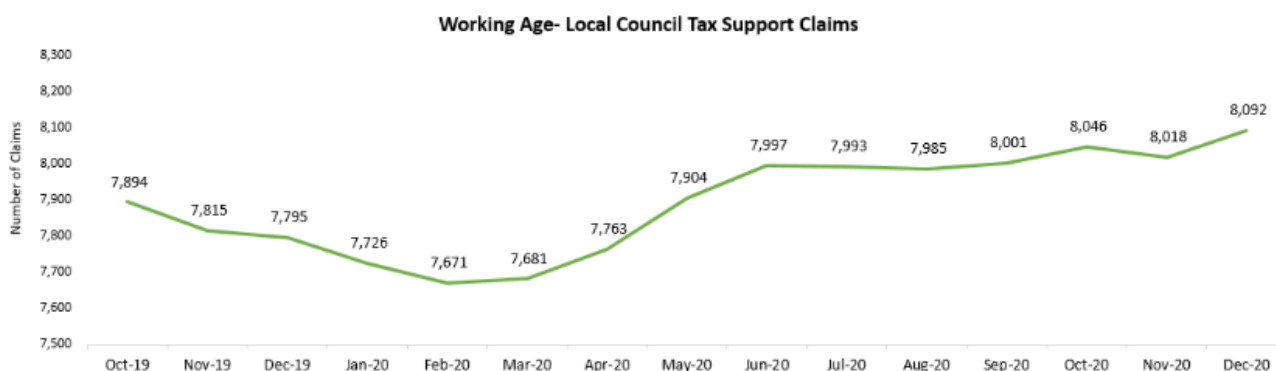
Estimated Covid-19 full impact by Expenditure Type for 2020/21



4.11. Concern remains regarding tax collection across the Country as a result of C-19. The Council has been monitoring this and comparing collection levels against previous collection performance. This work shows Council Tax collection rates are 1% lower and Business Rates collection rates 19.2% lower than last year. Since the beginning of the pandemic these rates have continued to improve month on month.



4.12. The levels of Local Council Tax Support recipients have increased, with a marked increase experienced in November. This increase is the result of unemployment rates rising and it is anticipated that this could increase further as a result of the tier 4 and Lockdown 3.0 restrictions. The following chart shows the trend in claims since the start of the pandemic, following on from the declining numbers prior to the pandemic:



4.13. 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 £40.8m to 1,290 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 and the scheme is now complete;
- Hardship funding of £1.7m to allocate £150 to those on Local Council Tax Support (LCTS) - £1.4 has been processed with 9,447 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.
- 135 main scheme and 132 discretionary scheme Test and Trace payments have been made, each award is for £500.
- Local Restrictions Grant Fund (Closed) of £0.810m to 495 businesses.

4.14. The Council’s finances continue to be in a difficult position in the current and future years. In order to close the forecast budget gap, additional funding will be required and the Council continues to meet with the

Ministry of Housing Communities and Local Government (MHCLG) to discuss 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

5.1. Further information is provided in the following appendices:

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

Appendix A- Budgetary Control Report Dashboard

Period

Nov-20



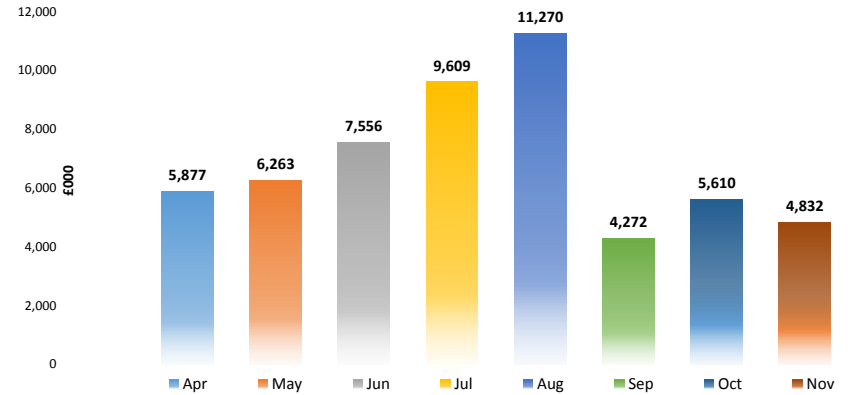
£4.8m Forecast Overspend

17% Forecast Overspend as a proportion of Budget

Forecast overspend position has improved by 14% in November, in comparison with October

Directorate	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Chief Executives	1,291	1,272	(19)	(7) ▲	(12)	Underspend
Governance	4,324	4,037	(286)	(226) ▲	(60)	Underspend
Place & Economy	22,122	24,927	2,805	2,871 ▲	(66)	Overspend
People & Communities	87,245	109,133	21,888	22,629 ▲	(741)	Overspend
Public Health	(372)	(139)	233	66 ▼	167	Overspend
Resources	18,962	21,088	2,126	2,072 ▼	54	Overspend
Customer & Digital Services	7,777	7,683	(94)	24 ▲	(118)	Underspend
Business Improvement	619	716	98	99 ▲	(1)	Overspend
Capital Financing	26,219	27,393	1,174	1,174 ▲	(0)	Overspend
Total Expenditure	168,187	196,110	27,924	28,702	(779)	Overspend
COVID-19	0	(18,665)	(18,665)	(18,665) =	0	Underspend
COVID-19 - SFC Income compensation*	0	(3,937)	(3,937)	(3,937) =	0	Underspend
Financing	(168,187)	(168,677)	(490)	(490) =	0	Underspend
Net	(0)	4,831	4,832	5,610 ▲	(779)	Overspend

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



Key Budget Pressures

People & Communities	2,950	This relates to £1.7m of inflation applied to care contracts, in light of the additional expenditure being incurred by providers and £1.250m in relation to additional residential and nursing provision due to C-19 pandemic.
People & Communities	2,528	Reduced 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	2,273	Loss of income across Parking Services, Parking Enforcement and Environmental Enforcement as a result of C-19. Parking Enforcement is now operational again, however income is forecast to be lower due to C-19 restrictions on social distancing.
People & Communities	2,237	Additional expenditure 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	Additional spend to support the transition of services formerly provided by Vivacity services to alternative management.
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 an emergency basis, which means that placement demand is low compared to usual activity.
Resources	1,121	Business Support savings now not being achieved during the current financial year due to additional C-19 related activity.
Place & Economy	911	Forecast additional spend on temporary accommodation, which includes measures taken to support rough sleepers, homeless individuals and families, have a safe place to isolate throughout the C-19 pandemic.- this has been off-set in part due to the receipt of government grant, including the Next Steps Accommodation Programme (NSAP)
Place & Economy	818	Impact of C-19 on Aragon Direct Services due to loss of income and additional costs.

Key Favourable Variances

Resources	379	Bereavement Services income is expected to exceed budget this year due to C-19 related activity.
People & Communities	350	Savings on Community, Therapy and Reablement Teams are from staff vacancies.
Place & Economy	254	The Council has experienced reduced usage of Concessionary passes.
People & Communities	237	Underspend in the Environmental Enforcement and Parking Enforcement Teams from staff vacancies.
Resources	212	Additional rental income received due to delayed property sales.
Place & Economy	199	Savings experienced on temporary accommodation, due to the new lease arrangements for St Michael's Gate, and delays in housing schemes coming online.
Place & Economy	195	Refund of Climate Change Levy liability from HMRC received
Place & Economy	168	This is mainly made up of the additional New Roads Street Works Act income alongside reduced expenditure.
Governance	165	This is in the Election services as there were no local elections in May 2020 due to the C-19 pandemic.

People & Communiti Nov-20

£21.9m

Forecast Overspend

 25%

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	1,282	1,701	418	413 ▼	6	Overspend
People & Communities	Education	6,695	7,609	914	740 ▼	174	Overspend
People & Communities	Adults - Commissioning	36,761	46,077	9,317	9,317 ▬	0	Overspend
People & Communities	Adults - Operations	9,663	10,225	562	636 ▲	(74)	Overspend
People & Communities	Children's - Operations	10,674	11,576	902	903 ▲	(1)	Overspend
People & Communities	Children's Commissioning	16,127	18,554	2,426	2,440 ▲	(13)	Overspend
People & Communities	Commissioning Team and Commercial Operations	483	1,420	937	961 ▲	(24)	Overspend
People & Communities	Communities - City Centre Management	200	403	204	205 ▲	(1)	Overspend
People & Communities	Communities - Cohesion and Integration	949	1,006	57	3 ▼	54	Overspend
People & Communities	Communities - Community Safety	29	2,633	2,603	2,602 ▼	1	Overspend
People & Communities	Communities - Think Communities	2,685	5,375	2,690	2,792 ▲	(102)	Overspend
People & Communities	Communities-Regulatory Services	1,697	2,012	315	315 ▼	0	Overspend
People & Communities	Children's & Safeguarding (DSG)	5,748	6,172	424	1,110 ▲	(686)	Overspend
People & Communities	Commissioning and Commercial Operations (DSG)	0	11	11	11 ▬	0	Overspend
People & Communities	Education (DSG)	(5,748)	(5,640)	107	183 ▲	(75)	Overspend
	Total People & Communities	87,245	109,133	21,888	22,629 ▲	(740)	Overspend

Directorate Overview

The People and Communities Directorate is currently forecasting an overspend of £21.888m. The figure is made up of the following pressures; £12.555m additional spend in response to C-19. There is a forecast under achievement of £5.458m due to C-19 impact on income. The C-19 impact on the achievement of Medium Term Financial Strategy (MTFS) savings is a pressure of £3.673m. There is also a forecast overspend of £0.830m relating 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 £0.626m is reported in relation to reduced spend arising from C-19.

Directorate Variance Analysis

Director	£0.447m pressure due to the non-achievement of planned MTFS savings, in relation to reduced agency staff expenditure. 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	£0.202m pressure due to the reduced income generation in respect of attendance fixed penalty notice fines and School Improvement & Governor traded services, as a result of C-19. In line with Government advice, no penalty notice and / or prosecution has been initiated for any new offences between 16 March to end of July 2020. The Council has started to fine parents whose children do not attend school from September, however there is discretion where the reason is C-19 related. It is anticipated that income will only be 50% of usual levels for the Autumn term. School Improvement traded services has recommenced from September 2020. £0.537m pressure of which £0.279m is the impairment of the home to school transport MTFS saving. A number of savings work streams were initiated in conjunction with Cambridgeshire County Council i.e. Route Optimisation, promoting the take up of Personal Transport Budgets, the development of a Dynamic Purchasing System and Independent Travel training, however due to the additional C-19 guidance and restricting factors, these savings have not been realised. £0.105m other pressures including Private Finance Initiative (PFI) Insurance rebate £0.100m. The PFI Insurance rebate is received every two years. The PFI Manager has attempted to negotiate an annual rebate but there is no provision in the PFI contract for the current bi-annual agreement to be changed.
Adults - Commissioning	£1.5m pressure relating to a 10% uplift awarded to care providers until the end of June to assist with the additional costs and the impact of C-19. There is also a £0.817m pressure in relation to additional care package expenditure due to C-19. £2.95m pressure arising from £1.7m due to inflationary increases applied to care provider contracts to support the ongoing increased costs being experienced. In previous years, the Council has held off awarding uplifts to provide contracts in order to manage the rising cost of adult social care, however, with the largest increase in the National Living Wage, providers have requested additional support. £1.250m is due to additional residential and nursing beds required, to free up hospital capacity to support with the C-19 case load. The pressure has increased in comparison to an earlier reported position, this is due to the ceased funding by the CCG and the Council has an increased social care client base.

	<p>£0.165m pressure due to a loss of client contributions, as a result of hospital discharge cases going into block care beds funded by CCG. The discharge guidance issued at the beginning of the pandemic, states not to collect client contribution during pandemic.</p> <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 as well as the need to credit back some invoices to the Clinical Commissioning Group as these were raised in error.</p>
Adults - Operations	<p>£0.107m pressure - MTFs saving no longer achievable due to the delay in the implementation of the Liberty Protection Safeguards (LPS). The scheme was designed to replace Deprivation of Liberty Standards (DoLS) in October 2020 but has been confirmed to be put back to April 2022 due to the pandemic and the need for further consultation before implementation.</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 C-19 so are unable to generate the contributions.</p> <p>£0.350m favourable on Community, Therapy and Reablement Teams as a result of staff vacancies</p>
Children's - Operations	<p>£0.257m pressure - 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. There is a loss of Income for Cherry Lodge due to CCG funded bed occupancy not being utilised due to children shielding.</p> <p>£0.741m pressure due to additional early help costs to establish a short term team to provide direct early help support and commission support services and additional capacity needed for Children's Social Care Assessment teams to meet the expected increase in referrals of vulnerable children into Children's Social Care. Alongside additional capacity needed at Derby House to meet the expected increase in demand for children with very complex disabilities.</p>
Children's Commissioning	<p>£2.237m pressure - C-19 additional spend . £1m additional spend approved for Children in Care placements costs to meet any anticipated spike in requests for placements as restrictions are restricted and schools have returned. £0.895m additional cost to provide an uplift to Children's Social Care providers to cover their additional costs during the lockdown and the recovery phase. Provider uplifts are considered by a Business Continuity panel. Additional spend approved of £0.341m to cover Home Care support / Short Breaks, Integrated Community Equipment Services to meet any additional demand.</p> <p>£0.077m pressure - The re-commissioning of Children's Centres has been delayed due to the C-19 pandemic.</p> <p>£0.261m pressure due to an uplift on Children Placements costs, due to the additional C-19 costs being incurred.</p>
Commissioning Team and Commercial Operations	<p>£1.2m pressure due to reduced income generated from Clare Lodge, as a result of the C-19 pandemic. Children are only being moved and accommodated on emergency basis and new procedures 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 unavailable for use- these are now expected to be operational imminently.</p> <p>£0.100m pressure as a result of additional expenditure at Clare Lodge on staffing due to children having to self isolate, due to positive C-19 tests, additional cost of PPE and other infection control measures.</p>
Communities - City Centre Management	<p>£0.267m pressure - loss of Income is forecast in respect of Street Traders, the City Market , the Great Eastern Run and City Centre Events. This can be directly linked to the C-19 pandemic.</p>
Communities - Community Safety	<p>£2.273m pressure due to loss of income across multiple services including £1.651m from Parking charges, £0.478m from Parking Enforcement and £0.145m from Environmental Enforcement . Parking income has been significantly less than budget due to the reduction in footfall within the town centre due to the C-19 . Enforcement staff have been redeployed to support the C-19 Emergency Hub & more recently to Marshalling duties, however enforcement is now 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.</p> <p>£0.193m pressure as a result of impaired MTFs savings in relation to increased parking charges. These were meant to be implemented from April 2020 but as parking charges were temporarily free of charge for the initial lockdown period. Income is now forecast to be lower since parking charges have been reinstated.</p> <p>£0.237m Favourable due to vacancies held in Environmental Enforcement and Parking Enforcement Teams.</p>
Communities - Think Communities	<p>£2.0m pressure due to additional expenditure to support the transition of Vivacity services to Aragon and Peterborough City College. Early on in the C-19 Pandemic Vivacity gave notice on its contracts to the Council due to the financial difficulty placed on the operations as a result of C-19.</p> <p>£0.179m pressure in respect of non-delivered MTFs saving in respect of Vivacity services. Given Vivacity's decision to give notice on the Culture and Leisure contract, it is highly unlikely that this saving will be achieved.</p>
Communities-Regulatory Services	<p>£0.400m pressure due to forecast loss of income on the Premier Fitness profit share scheme (Vivacity)- this is a result of the C-19 pandemic.</p> <p>£0.274m pressure due to additional spend on the Coroners Service to manage the backlog and complexity of cases and for the Councils share of temporary mortuary costs.</p> <p>£0.135m pressure due to reduced Income from Licensing 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>£0.150m pressure due to additional forecast spend to ensure the sustainability of Nursery Education providers, as a result of the potential closures which could be caused as a result of C-19 pandemic.</p> <p>£0.424m pressure due to an increase of complex placements during Summer 2020, the majority of these cases can be identified as resulting from the C-19 pandemic.</p>

£0.2m Forecast Overspend



2%

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	4,074	188	0 ▼	188	Overspend
Public Health	Children 5-19 Health Programmes	887	942	55	0 ▼	55	Overspend
Public Health	Sexual Health	1,933	2,040	107	41 ▼	66	Overspend
Public Health	Substance Misuse	2,218	2,214	(4)	(4) ▲	(0)	Underspend
Public Health	Smoking and Tobacco	295	295	(0)	0 ▲	(0)	Underspend
Public Health	Miscellaneous Public Health Services	1,532	1,419	(113)	29 ▲	(142)	Underspend
Public Health	Public Health Grant	(11,124)	(11,124)	0	0 ▬	0	On Budget
	Total Public Health	(372)	(140)	232	66 ▼	166	Overspend

Directorate Overview

The Public Health Directorate is currently forecast to overspend by £0.232m. Included in this forecast is a pressure £0.305m in relation to Agenda for Change contract cost increases and £0.126m of C-19 related expenditure across all services. This is offset by £0.199m of other savings.

Directorate Variance Analysis

Contract increases	£0.305m pressure - Agenda for Change increases
Sexual Health	£0.044m 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
Miscellaneous Public Health Services	£0.015m pressure - additional C-19 spend -National Child Measurement Programme

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.

£-0.3m Forecast Underspend 

-7% 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	(18)	(18) ▲	(1)	Underspend
Governance	Legal Services	1,928	1,969	41	99 ▲	(58)	Overspend
Governance	Constitutional Services	2,029	1,752	(277)	(276) ▲	(1)	Underspend
Governance	Performance & Information	216	183	(33)	(32) ▲	(1)	Underspend
Total Governance		4,324	4,037	(287)	(226) ▲	(61)	Underspend

Directorate Overview

Overall the Governance department is forecasting to underspend by £0.288m, 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	£0.040m overall pressure, which relates to £0.093m pressure on Land Charges Income, offset by other favourable income in Legal Services.
Constitutional Services	£0.165m 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 £0.023m forecast pressure in respect of additional costs relating to the Electoral Register and previous year election.
	£0.112m Favourable position as a result of £0.086m saving on Members Allowances and other smaller variances.

£0.0m Forecast Underspend  **-1%** 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	157	145	(12)	(13) ▼	0	Underspend
Chief Executives	HR	1,134	1,127	(7)	6 ▲	(12)	Underspend
	Total Chief Executives	1,291	1,272	(19)	(7)	(12)	Underspend

Directorate Overview

Currently the Chief Executives Directorate is reporting a total variance of £0.019m this is broken down in the below analysis.









Directorate Variance Analysis

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 had the appropriate level of staffing resource available to provide the C-19 pandemic response.
	£0.014m Pressure - Additional training costs and loss of Occupational Health income due to C-19.
	£0.083m Favourable - due to currently held vacant posts.
34 Chief Executive	£0.004m Pressure - Additional salary costs following delay of Voluntary Redundancy, due to C-19.
	£0.016m Favourable - Other minor variances in the service.

£2.1m 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
Resources	Director's Office	276	271	(5)	(5) 	0	Underspend
Resources	Financial Services	3,365	3,382	17	(0) 	17	Overspend
Resources	Corporate Items	8,013	8,523	510	510 	0	Overspend
Resources	Peterborough Serco Strategic Partnership	6,375	7,731	1,356	1,316 	40	Overspend
Resources	Corporate Property	1,939	2,311	372	372 	(0)	Overspend
Resources	Energy	478	546	67	57 	11	Overspend
Resources	Cemeteries, Cremation & Registrars	(1,485)	(1,675)	(191)	(177) 	(13)	Underspend
	Total Resources	18,962	21,088	2,126	2,072 	55	Overspend

Directorate Overview

The Resources Directorate is currently forecasting an overall overspend of £2.126m 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	£0.005m Favourable - Other savings in the service.
Financial Services	£0.017m Pressure - A pressure relating to temporary staffing costs due to C-19 is being reported within Internal Audit.
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.
	£0.009m Pressure - Expected pressure against Parish Council precept budget
Peterborough Serco Strategic Partnership	£0.065m Pressure - External Audit Fees are forecast to exceed budget following an increase in fees due to a variety of factors.
	£0.016m Pressure - Workforce Modernisation saving not fully achieved.
	£1.121m 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.
	£0.009m Pressure - Computer software costs relating to C-19
Corporate Property	£0.167m Pressure - Other variances within the service, including Annual Delivery Plan/BTSI costs, 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.
	£0.041m 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.
	£0.475m Pressure - Additional letting of SMH now not possible this year.
	£0.212m Favourable - Rental Income from POSH & Allia continues as not yet sold (£0.286m F) and a delay in the Town Hall North income (£0.074m).
Energy	£0.108m Pressure - Other pressures in the service.
	£0.006m Pressure - Door control costs at SMH
Cemeteries, Cremation & Registrars	£0.005m Favourable - C-19 response costs at SMH (cleaning, signage etc) offset by reduced electricity costs.
	£0.067m 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	£0.188m Pressure - Registration Services income is forecast to be £0.215m underachieved and can only be partially offset with a reduction in expenditure (£0.027m). This forecast on income is fully attributable
	£0.379m Favourable - Bereavement Services income is expected to exceed budget by £0.418m this year due to C-19. Other net pressures within the service of £0.039m are currently being reported.

£2.8m Forecast Overspend

 **13%**

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
Place & Economy	Development and Construction	(70)	144	214	234 ▲	(20)	Overspend
Place & Economy	Director, OP & JV	582	523	(58)	(52) ▲	(7)	Underspend
Place & Economy	Peterborough Highway Services	4,236	4,115	(120)	21 ▲	(142)	Underspend
Place & Economy	Sustainable Growth Strategy	1,652	1,567	(84)	(80) ▲	(5)	Underspend
Place & Economy	Waste, Cleansing and Open Spaces	13,303	14,959	1,657	1,649 ▼	7	Overspend
Place & Economy	Westcombe Engineering	123	376	253	200 ▼	53	Overspend
Place & Economy	Director of Housing	2,094	3,004	911	866 ▼	45	Overspend
Place & Economy	Service Director Environment & Economy	204	237	33	32 ▼	1	Overspend
	Total Place & Economy	22,122	24,927	2,805	2,871 ▲	(66)	Overspend

Directorate Overview

Overall Place and Economy is forecasting an overspend of £2.805m. 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, housing forecasts a revised pressure for the year to be £0.911m. The Ministry of Housing, Communities and Local Government (MHCLG) funded £0.028m 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 £0.426m. 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 £0.600m 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

	£0.246m Pressure - Planning fee income is reduced due to C-19, especially in Q1; applications have picked up but income remains lower than budgeted.
Development and Construction	£0.147m Favourable - Other Development Income is currently forecast higher than budget, this includes S106 and Community Infrastructure Levy (CIL) Administration fees in respect of developments at Wittering, Hampton and Thorney.
Director, OP & JV	£0.115m Pressure - Other variances of reduced income due to C-19 - (Building Control income, pre application income and shared service staff recharges) and cost of temporary staff
	£0.059m Favourable - Various Directorate wide savings held here (car allowances, telephones, salaries, software, others to be reallocated)
Peterborough Highway Services	£0.254m Favourable - Concessionary fares as significant reduced usage of concessionary passes
	£0.104m Favourable - Bus Service Operators Grant used to funds 60's
	£0.168m Favourable - Network Management Permitting Income. Mostly additional New Roads Street Works Act income and reduced expenditure
	£0.107m Pressure - Staffing costs
	£0.236m Pressure - Highways extra costs associated with C-19 and reduced income in street naming/numbering
Sustainable Growth Strategy	£0.062m Pressure - Other variances (Queensgate Bus Station reduced departure fee income due to C-19, Traffic Signals costs)
	£0.085m Favourable due to various savings
	£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
Waste, Cleansing and Open Spaces	£0.120m Pressure due to additional costs at Household Recycling Centre due to C-19, such as signage, cleansing, staffing and Traffic Management costs
	£0.195m Favourable - Refund of Climate Change Levy liability payment from HM Revenue & Customs, following detailed discussions on the relevant application of the tax rules which removed the Council's liability.
	£0.120m Pressure - Waste Treatment costs higher due to increased Residential Waste- This is an implication of C-19 as residents have been at home more due to lockdown measures, school closures and working from home guidance.
	£0.818m Pressure - Impact of Covid-19 on Aragon Direct Services due to loss of income and additional costs.
Westcombe Engineering	£0.073m 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
	£0.253m Pressure - Reduced income as reduced capacity due to C-19 £0.243m and backfill post seconded to Covid Hub £0.010m
Service Director Environment & Economy	£0.033m Pressure - No income generated from Peterborough Destination Centre partially offset by employee savings
	£0.911m net pressure - Mostly as a result of the C-19 pandemic there is forecast additional net expenditure of £0.911m, 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 is a total of the lines below:
Director of Housing	* £1.145m Pressure - C-19: additional hotel, B&B, employee, security and repair costs for FY 20/21. Pressure previously reduced as use of PCC owned/leased properties from Jan 2021 rather than April 2021
	* £0.199m net saving on temporary accommodation. This is the result of pressure caused by the decision not to purchase St Michaels Gate, but to extend the lease instead, which is being offset by savings due to a 6 month delay in Bushfield Court coming on line and the decision not to approve the Walton Road proposal. The latter two had been budgeted for the full year.
	* £0.252m Pressure - Cost of Interim Director of Housing Needs and Supply
	* £0.454m Favourable- as a result of receiving two grants £0.028m to fund initial short term costs and £0.426m, to fund ongoing short term costs until March 2021 (part of NSAP bid)
	* £0.167m Pressure - Housing Project Management Costs

£0.1m Forecast Overspend



16% 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	716	98	99 ▲	(1)	Overspend
	Total Business Improvement	619	716	98	99 ▲	(1)	Overspend

Directorate Overview

The Business Improvement Directorate is currently reporting an overspend of £0.098m against budget, due almost entirely to C-19 pressures.

Directorate Variance Analysis

Programme Management Office	£0.102m pressure - due to additional staffing and consultancy costs incurred due to C-19 pandemic.
	£0.004m favourable - other

£-0.1m Forecast Underspend



-1% % 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
Customer & Digital Services	ICT	7,084	6,886	(197)	(53) ▲	(145)	Underspend
Customer & Digital Services	Marketing & Communications	355	421	66	39 ▼	27	Overspend
Customer & Digital Services	Resilience & Health & Safety	263	301	37	38 ▲	(1)	Overspend
Customer & Digital Services	Director of Customer & Digital Services	75	75	0	0 =	0	On Budget
Total Customer & Digital Services		7,777	7,683	(94)	24 ▲	(118)	Underspend

Directorate Overview

Currently the Customer & Digital Services Directorate is reporting a £0.094m underspend, due to some savings in year offset by C-19 response pressures in the Directorate.

Directorate Variance Analysis

Marketing & Communications	£0.007m Favourable - Other savings within the service area.
	£0.073m Pressure - reduction in sponsorship income and reduced design & print recharges as a result of C-19.
Resilience & Health & Safety	£0.035m Favourable - Salary savings in service area
	£0.007m Pressure - C-19 related spend on additional signs
	£0.065m Pressure - C-19 related spend on body storage and funeral director costs
	£0.044m Pressure - Additional costs incurred on computer software due to the C-19 response.
ICT	£0.074m Favourable - Unbudgeted income in year relating to schools broadband
	£0.112m Favourable - Underspend anticipated in year on software budget.
	£0.055m Favourable - Other underspends within the service.

£1.2m Forecast Revenue Overspend



4% Forecast Overspend as a proportion of Budget

Directorate	Budget Group	Forecast			Previous Month	Movement	Status
		Budget £k	Spend £k	Variance £k	Variance £k		
Resources	Capital Financing	26,219	27,393	1,174	1,174	0	Overspend
	Total Capital Financing	26,219	27,393	1,174	1,174	0	Overspend

Capital Financing and Capital Receipts Overview

A £1.2m forecast overspend is reported from a combination of the factors detailed below. The forecast reflects the risk in 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. The realisation of asset sales remain incredibly challenging and complex in negotiation, due to the decline in the economic climate. This in turn puts achievement of receipts by the 31 March 2021 at huge risk, and would put further strain on the in year budget position.

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 £88m will be required to fund the capital programme and refinancing of maturing loans, and reflects 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 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 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 is 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

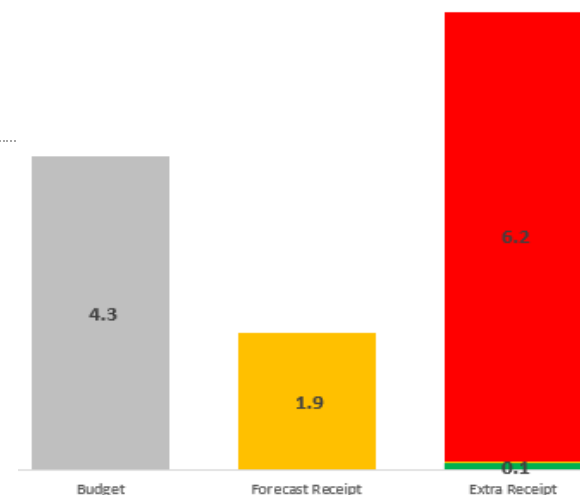
Capital Receipts are used as part of a contribution to repay debt. Close monitoring of the Capital Receipts is maintained as any change has a direct impact on the revenue position. Capital Receipts are monitored on a monthly basis and each sale given a status of Red, Amber or Green to identify the likely 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.

As the table and chart below demonstrate, the Council has identified over £8.2m of asset sales in order to achieve the MTFS budget of £4.3m. 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, however this sale seems unlikely to materialise before the end of 2019/20.

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

Capital Receipts To Repay Debt

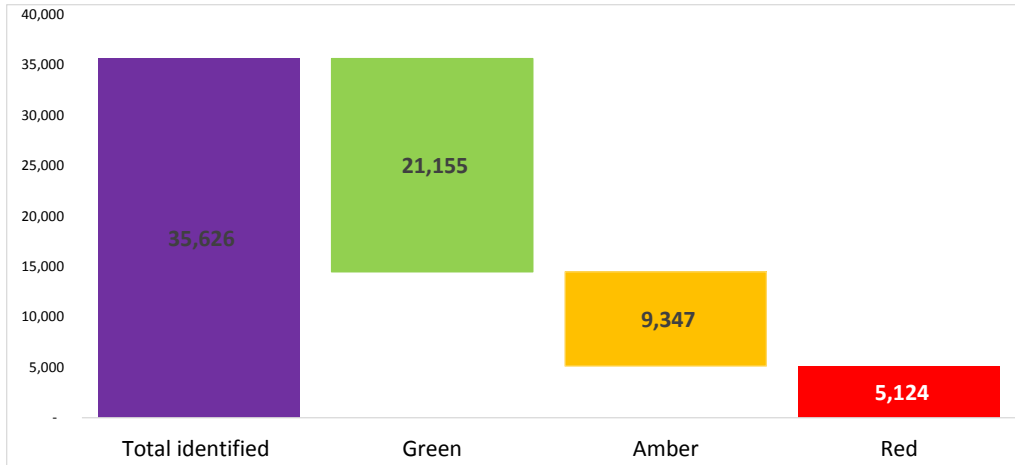
RAG Status	MTFS Budget £k	Revised Budget £k	Received to Date £k	Not yet received £k	Variance £k
Green	-	-	183	-	-
Amber	4,302	3,930	-	1,912	2,390
Red	-	-	-	6,165	(6,165)
Total	4,302	3,930	183	8,077	(3,775)



BCR- Revenue Savings Plan Delivery

Nov-20

In 2020/21 The Council has identified £35.5m of Savings, of which £21.2m are on track to be fully delivered, £9.3m are in progress and £5.1m are currently at significant risk



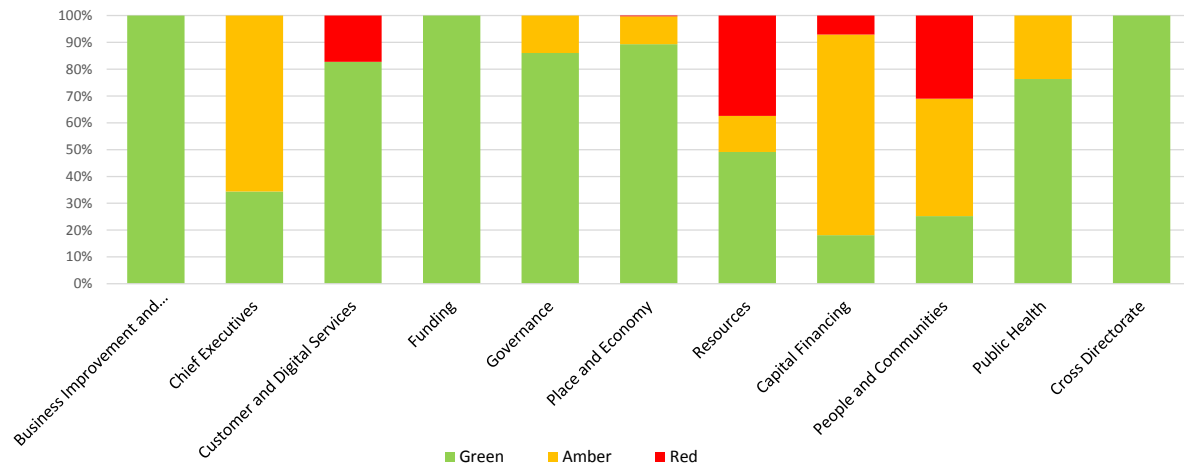
	Total identified	Green Full Saving Expected	Amber Some/minor shortfall in savings	Red High proportion not achievable
2020/21				
Business Improvement and Development	219	219	0	0
Chief Executives	483	166	317	0
Customer and Digital Services	325	269	0	56
Funding	10,897	10,897	0	0
Governance	246	212	34	0
Place and Economy	3,083	2,753	320	10
Resources	5,332	2,620	716	1,996
Capital Financing	5,253	951	3,930	372
People and Communities	8,683	2,192	3,800	2,690
Public Health	971	741	230	0
Cross Directorate	135	135	0	0
Total	35,626	21,155	9,347	5,124

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	2,690
Children's Agency Staff Recruitment	173
DoLS Assessments	107
Lifeline	21
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- Staff Parking	53
HR Controls- Agency Staff Saving	447
Place and Economy	10
Additional Archaeological Services charges within Planning	10
Resources	1,996
Business Support Services	1,521
Property - Maximising the use of Sand Martin House	475
Grand Total	5,124

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



Overview

* The Council has forecast reserve balances of £17.9m at the end of 2020/21, this includes £6m of general fund, £7.4m of usable reserves and £4.4m of ring-fenced reserves.

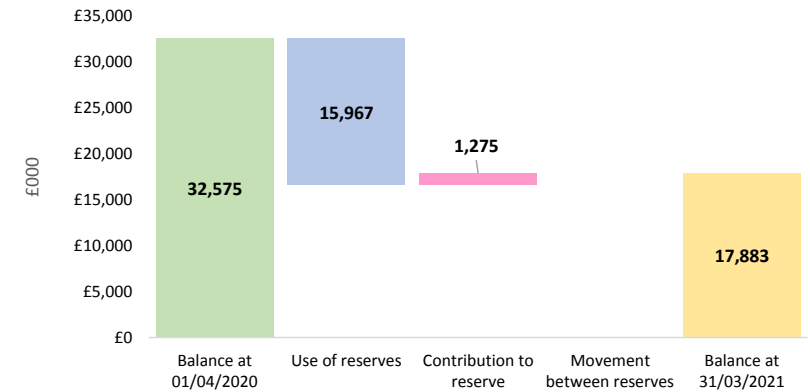
* The Capacity Building Reserve includes the assumption that £4.8m will be used to fund the in year forecast overspend, as outlined within this report.

* The Capacity Building Reserve includes commitments for the costs of transformation programmes such as the ICT strategy and Adults Positive Challenge.

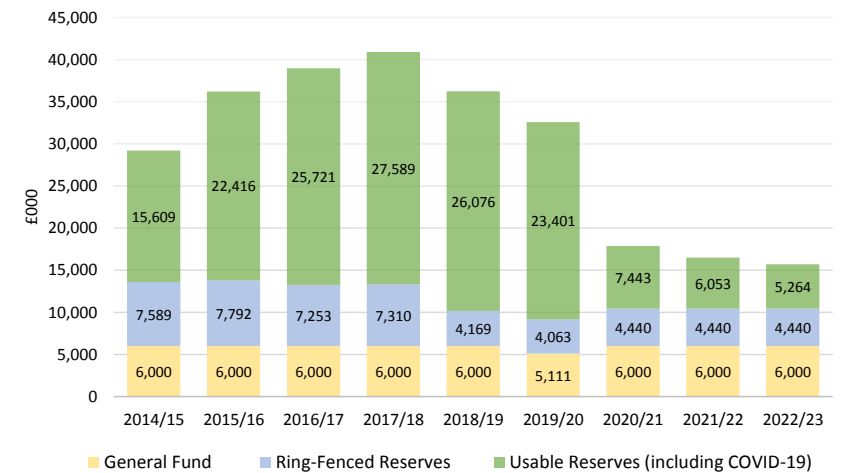
* The COVID-19 Reserve was created in 2019/20, as a result of receiving the first tranche of the £3.2bn response funding in March. It is forecast that this will be used in full to fund the additional costs, and has been vired in to the revenue budget, as shown in the report.

	2020/21	2020/21	2020/21	2020/21	2020/21	2021/22	2022/23
	Balance C/Fwd	Forecast Cont	Forecast Cont	Movement	Balance at	Balance at	Balance at
	£000	from Reserve	to Reserve	between	31.03.21	31.03.22	31.03.23
	£000	£000	£000	Reserves	£000	£000	£000
Summary of Reserves							
General Fund Balance	5,111		889	-	6,000	6,000	6,000
					-	-	-
Usable Reserves							
Capacity Building Reserve	12,992	(8,806)	-	-	4,186	4,117	4,117
Grant Equalisation Reserve	-	-	-	-	-	-	-
Departmental Reserve	5,077	(1,820)	-	-	3,257	1,936	1,147
Covid-19 Reserve	5,332	(5,332)	-	-	-	-	-
	23,401	(15,958)	-	-	7,443	6,053	5,264
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
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	(15,967)	1,275	-	17,883	16,493	15,704

Movement in Reserves 2020/21



RESERVES BALANCES 2014/23



Overview

The revised Capital Programme budget as at November 2020 is £100.8m, which includes £25.5m 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.

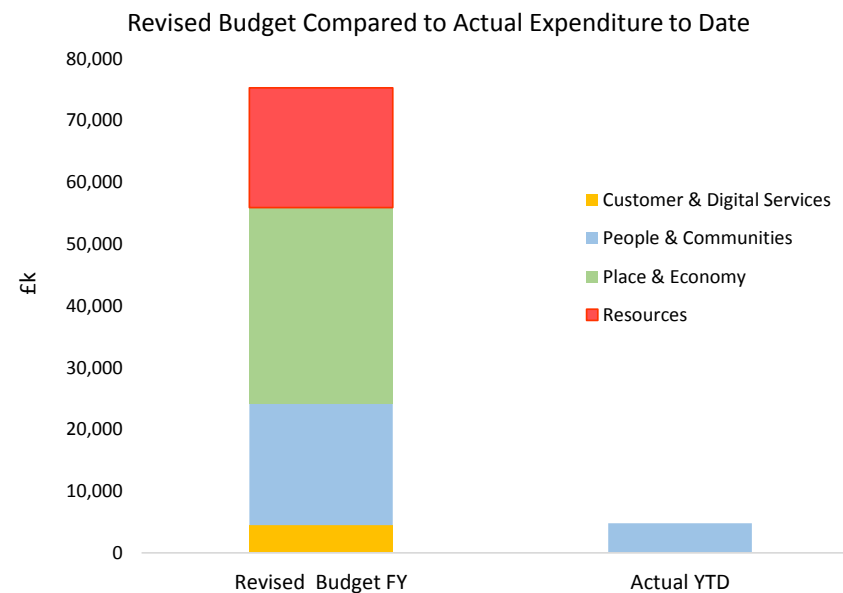
The actual investment expenditure as at November 2020 is £4.8m. The latest forecast provided by project managers predicts an overall spend of £100.8m, therefore the Council is expecting to spend a further £96.0m before March 2021.

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	4,481	0
People & Communities	23,215	26,439	19,690	4,771
Place & Economy	39,275	40,386	31,749	0
Resources	38,341	40,995	19,376	0
TOTAL	105,751	112,989	75,296	4,771
Grants & Third Party Contributions	26,778	32,707	29,536	0
Capital Receipts repayment of loans	0	0	0	0
Borrowing	78,973	80,282	45,760	0
TOTAL	105,751	112,989	75,296	0
Invest to Save	40,602	45,602	25,466	0
Invest to Save Borrowing	40,602	45,602	25,466	0



CABINET	AGENDA ITEM No. 7
18 JANUARY 2021	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

Anti-Social Behaviour Near Searjeant Street

The petition was submitted by Mohammed Haseeb on 21 October 2020. The petition contained 121 valid signatures and called for "firm, sustainable action to address the decline in our already densely populated neighbourhood with more visible presence from authorities and CCTV cameras on Searjeant Street to catch the offenders."

The Head Prevention and Enforcement Service responded:

"Thank you for submitting your recent petition which was presented at Full Council on the 21st October 2020.

Over the past few months the number of the joint patrols in the Millfield and surrounding area have increased, due to the council and police response in to the COVID pandemic. These daily patrols involve officers engaging with residents and local businesses, providing reassurance and the enforcement of COVID restrictions as well as other issues in the areas if required. These hi-visibility patrols will continue over the coming months across the area.

The issues, and concerns raised around anti-social behaviour were discussed at the Safer Peterborough Partnership Problem Solving Group on 4th November. Various agencies are represented on this group including the local authority, police and Cross Key Homes. This allows for a multi-agency coordinated response to address problems based on evidence and monitor outcomes of action taken. Due to the lack of evidence from all agencies, including calls for service, the group are unable to direct any additional resources to the area other than those already in place at the current time. However, this will be kept under review and monitored with the agreement from all agencies that if problems start to arise or calls for service increase, they report back to the group as a priority.

Installation of permanent CCTV cameras will only be considered if other partnership activity to respond and reduce ASB hasn't been effective. The introduction of CCTV requires careful planning and consideration and with that takes time to implement an effective surveillance system to areas of need that are currently not covered by the council's CCTV network of cameras. The use of CCTV also incurs a cost to the council and impacts on the privacy to the community so needs to be carefully considered against other options which may be just as effective. Therefore due to limited evidence, the request for additional CCTV in the area will not be progressed.

With regards to the concerns raised in relation to fly tipping, the Prevention and Enforcement Service have both covert and overt cameras which can be located at hot spot locations across Peterborough. These cameras assist in obtaining evidence to ensure enforcement action is undertaken against offenders. I have asked officers to investigate suitable locations in this area for the use of these temporary cameras for environmental enforcement purposes. I would also ask that residents continue to report any incidents through and if they witness someone fly tipping, to provide us with the information to allow officers to investigate.

A public consultation is due to commence at the start of December regarding the implementation and renewal of the Public Space Protection Order which covers the Millfield Area. Once this consultation launches I would encourage all residents, businesses and community groups to take part in the process.”

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.