

**MINUTES OF THE BUDGET CABINET MEETING
HELD AT 3:00PM, ON
TUESDAY 23 FEBRUARY 2021
VIRTUAL MEETING VIA ZOOM**

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

Cabinet Advisor Present: Councillor Bashir

51. APOLOGIES FOR ABSENCE

No apologies for absence were received.

52. DECLARATIONS OF INTEREST

There were no declarations of interests received.

53. MINUTES OF CABINET MEETINGS HELD ON 18 JANUARY 2021

The minutes of the Cabinet meeting held on 18 January 2021 were agreed as a true and accurate record.

54. PETITIONS PRESENTED TO CABINET

There were no petitions presented to Cabinet.

STRATEGIC DECISIONS

The Chair announced that agenda item 6, 'Peterborough City Council Response to the Climate Emergency 2021' would be considered first.

55. PETERBOROUGH CITY COUNCIL'S RESPONSE TO THE CLIMATE EMERGENCY 2021

The Cabinet received a report in relation to the Council's response to the Climate Emergency.

The purpose of this report was to seek Cabinet endorsement of the Peterborough City Carbon Management Action Plan (Council-CMAP) to recommend to Council, to seek endorsement to commence publication engagement in relation to a City-wide CMAP, and to support the work of the working group to identify mechanisms to increase the city's tree canopy cover.

The Cabinet Member for Waste, Street Scene and Environment introduced the report and advised that the Council had already managed to reduce its carbon emissions from previous years. The plan set out within the report contained 21 commitments the Council would make. It was considered of vital importance to start engaging with the public in order to gain support and provide feedback on the proposals. It was further

noted that the Climate Change Cross Party Working Group would work to establish whether more ambitious tree planting targets were feasible.

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

- Members were advised of the pilot training course on carbon literacy that the Council was taking part in. The first session with Councillors would be taking place later that evening.
- Emissions had been reduced by 17% this year, which would be continued through the use of electronic vehicles for Aragon services and through the already high number of residential solar panels in use.
- It was noted that the most crucial part of reducing emission in the past year had come from reducing the carbon from the national grid, through street lighting. Lights had been dimmed to 40% during COVID-19 lockdown due to the low levels of traffic.
- A business case was to be drafted to try new type of fuel in SKANSKA vehicles that would replace the use of diesel and therefore reduce the Council's emissions further.
- It was also noted that staff were making more sustainable decisions in their day to day work with the help of the Carbon Impact Assessment process.
- Further work was to be undertaken to consider how the Council could engage with schools to work towards these targets, as well as using Section 106 funding to increase work with schools.
- Members requested further information about the benefits of the Energy-from-Waste facility.
- It was noted that the Council had an earmarked reserve within its budget dedicated to climate change, which would be used to move forward any business cases designed to help the Council meet its environmental targets.
- Members were pleased to hear about Climate Action Day and noted the work being undertaken by officers to engage and promote the event within parish councils.
- Following the introduction of Carbon Impact Assessments, which were undertaken as part of any decision the Council took, officers were looking to develop this to take into account not just the impact of a decision on the Council, but on the wider community.

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

1. Endorse the Council's Carbon Management Action Plan (CMAP) and recommend to Council that it adopts the Council-CMAP at its meeting on 3 March 2021.
2. Note the Council's intention to commence a period of public engagement to ascertain actions that should be included within a City-wide Carbon Management Action Plan which will be presented to Council by December 2021.
3. Support the work of the Climate Change Cross Party Working Group to identify mechanisms to enable the Council to significantly increase tree canopy cover across the city over the next ten years and to present detailed proposals within a maximum 12 months detailing how this can be achieved.
4. Recommend to Council that delegation be given to the Executive Director for Place and Economy to undertake any presentational, factual or other minor amendments to the documents associated with this report prior to publication, provided such amendments do not materially amend the content of the documents.

5. Approve the use of earmarked reserves set up in the 2021 Budget to fund £100,000 of project support for climate change initiatives.

REASONS FOR THE DECISION

The Council had previously committed to the actions of preparing an updated Council-CMAP and preparing a City-CMAP. Council requested that officers and the cross-party Climate Change working group present an updated tree planting target.

The document considered had been developed by officers, working with the Member Working Group, and had taken account of reasonable and viable options for the Council to cut its carbon emissions.

ALTERNATIVE OPTIONS CONSIDERED

The option of not preparing a Council Carbon Management Action Plan was dismissed, because Council had already committed in principle to its preparation. Alternative content within the Action Plan could have been prepared and recommended, which could have committed more, less or different projects to reduce the council's carbon emissions. However, in order to start to reduce our emissions to net-zero by 2030, yet take account of the resources available, the content of the action plan was deemed a reasonable and practical set of actions, especially for the next 12 months.

The option of not preparing a City-wide Carbon Management Action Plan was dismissed, because Council had already committed to its preparation. An alternative option would be to present a draft plan to Council for consideration but this had been ruled out in favour of prioritising public engagement to ensure that the emerging plan captured the views of local people.

Whilst it was feasibly possible to present a revised target for tree canopy cover, there had not been sufficient time to comprehensively undertake this work and therefore it was recommended that this was undertaken before a target was presented.

56. MEDIUM TERM FINANCIAL STRATEGY 2021/22 TO 2023/24 – PHASE TWO

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

The purpose of this report was to report to Cabinet as 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 - 2023/24.

The Cabinet Member for Finance introduced the report and summarised that the approval of the Capitalisation Direction from Government would ensure a balanced budget, with £4.8 million this year and £20 million next year. There had been no alternative options, as the Council had a legal requirement to set a balanced budget for 2021/22. Ongoing funding would still be required for future sustainability and Members and Officers would work with the Ministry for Housing, Community and Local Government on this, with a fairer funding review expected in 2022/23.

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

- It was noted that the external assurance review would focus on the Council's ability to deliver budget plans and achieve sustainability.
- The Robustness statement highlighted a number of areas, including growth and deprivation. It was also acknowledge that capital resources had been used as a source of funding in the past few years, with the use of the grant equalisation reserves.
- The delivery of the capital programme had been hampered by the COVID-19 pandemic, though Members were advised that work was starting to get back on track.
- A number of risks were highlighted, including the rolling over of programmes of work and the condition of the Aragon fleet vehicles.
- The Council had limited resource to increase Council Tax levels and officers had information the Ministry of Housing, Communities and Local Government that further cuts would not be possibly without making services unstable for users.
- It was likely that further detail on the capitalisation funding from Government would be available around March or April, with the final figure in June.
- Members noted the recommendation from the Joint Meeting of Scrutiny Committees to include in the risk register a point on climate change and flooding.
- It was suggested that the hydrotherapy pool should be removed from the Council's disposals list, as the Cabinet were supportive of continuing this asset, and this was confusing to the public.

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

1. The Phase Two service proposals as outlined in Appendix B.
2. The updated budget assumptions, to be incorporated within the Medium-Term Financial Strategy 2020/21 – 2022/23. These are outlined in sections 5.
3. The revised capital programme outlined in section 5 and referencing Appendix G.
4. The Medium-Term Financial Strategy 2021/22 to 2023/24 - Phase Two, as set out in the body of the report and the following appendices, subject to the removal of the Hydrotherapy Pool from the Disposals Schedule:
 - Appendix A – 2021/22-2023/24 MTFs Detailed Budget Position Phase Two
 - Appendix B – Budget Proposal Detail
 - Appendix C – Phase One and Phase Two Budget Proposal Summary
 - Appendix D – Grant Register
 - Appendix E – Council Tax Information
 - Appendix F – Fees and Charges
 - Appendix G – Capital Programme Schemes 2021/22-2023/24
 - Appendix H – Financial Risk Register
 - Appendix I – Carbon Impact Assessments
 - Appendix J – Treasury Management Strategy
 - Appendix K – Capital Strategy
 - Appendix L – Asset Management Plan

Cabinet **RESOLVED** to note:

5. All the grant figures following the Local Government Final Finance Settlement, published on 10 February 2021 outlined in sections 5 and 9.
6. The strategic financial approach taken by Council outlined in section 4 of the report.

7. The statutory advice of the Chief Finance Officer outlined in section 6 - The Robustness Statement (Section 25). This is required to highlight the robustness of budget estimates and the adequacy of reserve balances.
8. The recommendation from the Joint Scrutiny of the Budget meeting that the Financial Risk Register be updated to include reference to the risks posed by climate change to the City, with particular reference to flood risk.

REASONS FOR THE DECISION

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

ALTERNATIVE OPTIONS CONSIDERED

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

MONITORING ITEMS

57. BUDGET CONTROL REPORT DECEMBER 2020

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

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

The Cabinet Member for Finance introduced the report and advised that COVID-19 related pressures had increased to £42.3 million. After factoring in government funding, the Council's net pressure was reduced to £5.4 million. Members were advised that the capitalisation funding could be used this year to close the budget gap, but it was hoped that additional funding would become available. The Council's overall budget position was £1.8 million better than its COVID-19 position.

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

- Members expressed concern in relation to business rate collection. The Cabinet Member advised that collections were being chased and some depended on decisions on whether business were eligible for rate holidays.
- It was noted that some grants may roll over to the next financial year, which would make the year-end figures more complicated.
- Members were advised that an application for £500,000 of leisure service funding had been successful.

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

REASONS FOR THE DECISION

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

ALTERNATIVE OPTIONS CONSIDERED

None provided.

Chairman
3.00pm to 4.18pm
23 February 2021