

ITEM 9(iii) – FOR INFORMATION

CABINET	AGENDA ITEM No. 4
5 DECEMBER 2016	SUPPLEMENTARY REPORT

Cabinet Member(s) responsible:	Councillor David Seaton, Cabinet Member for Resources	
Contact Officer(s):	John Harrison, Corporate Director Resources Steven Pilsworth, Service Director – Financial Services	Tel. 452520 Tel. 384564

SUPPLEMENTARY REPORT – PHASE 1 BUDGET PROPOSALS

Background

- 1.1. This supplementary report has been produced in order that Members receive the most up to date position possible regarding the Budget Conversation.
- 1.2. This document contains:
 - An additional list of consultation responses received to date
 - Feedback from CMT members on the outcomes of further Phase 1 engagement events, that have taken place to date.

Consultation Response

- 1.3. This note contains Phase 1 Consultation responses received between 22 November and 30 November 2016. Throughout the consultation process to date we have received a total of 46 responses. A summary of the new responses received is given in this section.
- 1.4. In total 10 responses have been received:

Survey Monkey online form	3
Email and letter responses	7
Total	10

- 1.5. **Question 1** - 2 respondents answered question 1 which was *'Do you have any comments to make about the first round budget proposals?'*

Response	Number of Responses
Positive	0
Neutral	0
Negative	2
Total	2

- 1.6. **Question 2** – Respondents were asked, after having read the first round proposals document, how much do you now feel you understand about why the council must make savings of £19million in 2017/18? Answers can be broken down as follows:

Response	Number of Responses
A great deal	0
A fair amount	2
Not very much	0
Nothing at all	0
No response	1
Total	3

- 1.7. **Question 3** – Of the 3 responses received, 3 answered question 3 which was ‘If you have any specific ideas about how the council can save money and protect services, please state these here.’. A list of subjects raised is given below.

Response Theme	Respondents Citing Issue
Council Tax	2
Crematorium, registrar fees and use of Town hall	1

Feedback from Conversation Events

- 1.8. Further events from Phase 1 Consultation events have been held:
- 30 November - Greater Peterborough Partnership City Leader’s Forum
 - Charlotte Palmer attended this event and the Phase 1 Conversation Document was noted.
 - 29 November – Discussion with Trade Union Joint Consultative Forum (JCF).
 - Kirsty Nutton attended and the feedback received is as follows:

Minutes
<ul style="list-style-type: none"> ▪ JCF asked if it was felt that the Living Wage was a financial pressure and KN said that it was something which had to be factored in our budget. JCF asked where on the budget papers was there mention of the £186k in respect of the councillors pay rise and KN advised it was shown on page 32. JCF wondered how long this Financial Plan was for and KN confirmed it was for the next 5 years. JCF wondered if the councillors pay rise was pegged for this 5 years. KS advised that the members allowances had been approved and the annual rise was pegged to what staff receive. Also every 4 years an independent remuneration panel will sit to review this, and they compare us to other councils. JCF said he was happy that it was an independent panel.
<ul style="list-style-type: none"> ▪ PS pointed out that the Living Wage does not add any cost to PCC as we already pay above it but that the spending pressure was from providers, like care providers.
<ul style="list-style-type: none"> ▪ JCF asked how much we had in reserve and KN advised that the current proposal was for use of the GE reserve of approx. £9m. JCF asked we had managed to increase the reserve of £6m, last year to £9m this year? KN said that we had £6m was in relation to the General Fund reserve, which is like an overall risk contingency fund (to manage unknown risks). Whereas the GE reserve was created as part of last year's budget strategy in order to take a more measured approach to finding future year savings. Use of this reserve means that the 2017/18 budget is balance, however use of reserves is a one-off measure and further savings are required with the expectation some of these will be identified in Phase 2.
<ul style="list-style-type: none"> ▪ KN explained some of our investments are in the North Westgate regeneration project and shrub cutting and park attendants. JCF asked where the money had come from to cover the emergency grass and shrub cutting which took place late summer/autumn this year, KN said she would make enquiries and let the members of JCF know.

- JCF acknowledged that the authority has lost some business rates from academies and if it was thought that all schools within Peterborough would go into academy status? KN said this was not known. JCF said it was an ongoing pressure and wondered if there would be a limit as to how many schools could be run by a trust as he can see a cartell happening. MK said he would pick this up separately and get an answer. JCF said the reason he was asking this was that he was aware that further south in the country some academies had gone bust and are now back under council control so this sort of thing could add pressure to our budget.
- JCF wondered where the money goes to when we sell any assets. KN said that traditionally such receipts must be used to finance the Capital Programme, but following on from last years budget proposals these are now used to offset borrowing requirements for the capital programme.
- KN pointed out that in previous years the decisions on council tax had been included in Phase 2 of our budget process but this year it was included in Phase 1.
- KN confirmed that the revised budget gap is currently estimated to be, for 2018/19, is £17.8m

1.9. Future events are scheduled as follows:

Forum	Date
Schools Forum	7 December
Youth Council	6 December
Bondholder Breakfast	7 December
Connect Group	9 December

Feedback from the budget conversation survey

1.10. The table set out in Appendix 1 details the feedback received via the online survey.

1.11 The table set out in Appendix 2 details the feedback received in relation to answering '*We want to hear the opinions of all residents, partner organisations, businesses and other interested parties as part of the budget-setting process*'.

APPENDIX 1

	Do you have any comments to make about the first round budget proposals?	Having read the first round proposals document, how much do you now feel you understand about why the council must make savings of £19million in 2017/18?	If you have any specific ideas about how the council can save money and protect services, please state these here:	Cabinet Response
27			Make the registration service self-funding or actually making a surplus. Move the registration of events into the library, close and sell the register office building and marry people in the town hall. Commercial thinking is required with this business and it's time for it to move into the 21st century.	We have been looking at ways to maximise the revenue generated from registration service, by offering additional services at a cost. We are also investigating how we can make the best use of the Town Hall, to potentially provide the rooms and chambers for functions such as wedding receptions.
28	Council tax should not be increased. If necessary priorities may have to be compromised and further savings found in less critical services to bridge the expected shortfall in government funding.	A fair amount	See above	The Council has chosen to freeze council tax four out of the last six years, and we currently have one of the lowest rates in the country. As there is now no freeze grant available and we have increasing complex adult social care demand we feel we have little choice but to increase council tax. Half of the council tax increase is a result of the Adult Social Care Precept, which will be used to support vital services with increasing demands in Adult Social Care.
29	Yes, I strongly oppose the proposed 4% increase in Council tax planned for next year. Working class families have faced declining real incomes over the last ten years and this is likely to continue at least for the remainder of this decade with the uncertainties of Brexit, according to the recent predictions by the IFS. The City Council should	A fair amount	See comments in 1.	The Council has chosen to freeze council tax four out of the last six years, and we currently have one of the lowest rates in the country. As there is now no freeze grant available and we have increasing complex adult social care demand we feel we have little choice but to increase council tax. Half of the council tax increase is a result of the

	<p>not be placing further burdens on families through a Council tax increase and should instead be looking to make further cuts to services if necessary. The proposed 2% increase for adult social care should be funded by those receiving the care or their families, not the vast majority of residents who are not accessing the service. Furthermore why at a time of financial pressure is another layer of local bureaucracy being introduced through the Cambs & Peterborough Devolution Deal I am at a loss to grasp! Why do we need a mayor and supporting administration and staff? Why can't the funding just be allocated to a joint group of the authorities concerned and planned by the existing staff of the authorities? The additional funding for transport, housing and skills is to be welcomed but surely it can be disbursed without setting up another bureaucracy. Sensibly staff have been shed over the last 5 years only for some of them to be re-employed now to manage the devolution deal process.</p>			<p>Adult Social Care Precept, which will be used to support vital services with increasing demands in Adult Social Care.</p> <p>Councillors from across the county voted to back a devolution deal that will now deliver £770million of new funding for local infrastructure projects and to build much-needed homes. The deal received the green light last month when seven councils across Cambridgeshire and Peterborough voted to approve the deal.</p> <p>The unanimous backing will now unlock millions of pounds of new government funding alongside decision-making powers being transferred from Westminster.</p> <p>In order to receive new funding and to make a greater number of decisions locally, Government has been clear that a Mayor for Cambridgeshire and Peterborough would need to be elected by residents to chair a Combined Authority.</p> <p>The running costs of the Mayor's Office and the Combined Authority will come at no cost to our local councils. It will be paid for out of the new funding from government already set out in the devolution deal. As will the cost of a Mayoral election.</p> <p>Overall for each £1 invested to run the Mayoral Combined Authority for the next five years it will generate new funding of at least £45 to be invested in Cambridgeshire and Peterborough.</p>
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APPENDIX 2

idea/suggestion to make some money for the local authority:	Feedback
<p>Reduce spending on IT systems by integrating services across the Council and saving money by using open source technologies where appropriate.</p>	<p>The council's Technology Strategy is working towards reducing spending on IT systems through rationalisation of systems and implementing innovative technologies as an enabler to drive out inefficiencies and improve customer, partners, businesses and staff experience.</p>
<p>reinstate large waste skips (as they used to do) at points in and around the city, several times a year..residents can then dispose of rubbish. instead of all the fly-tipping which has resulted through the councils costing efforts.</p>	<p>As you may know our prevention and enforcement service are currently developing a new strategy against fly-tipping and we will pass your comments on to them directly. Amey collect fly-tipping on the council's behalf and do so within 48 hours of it being reported</p>
<p>More wellbeing support in the workplace to help people be their best, engaged in their workplaces, saving businesses money (less sick days too), and people that want to work.</p> <p>Also more alternative and engaging wellbeing schemes and therapies for a range of different people. Counselling is very limited compared to solution focused coaching and therapies.</p> <p>Other therapies includes: Reiki, Massage, Hypnotherapy, Nutrition, Meditation. All of which I am launching through my new (not for profit) business called SOUL HAPPY Wellbeing Centre Peterborough next month. Happy to work with the Council to engage with Peterborough.</p>	<p>Thank you for you comments. The Council does have an Occupational Health service that promotes employee well being. Each year (in September) we hold an employee Boost Week whereby we promote specific initiatives aimed at further promoting a range of options for our employees well being. If you are interested in participating in the event, you could contact the Councils Human Resources Department in July when planning for the event begins</p>
<p>Put mobile homes and caravans on any surplus land and put people in emergency accommodation in them.</p>	<p>Thank you for your comments. Like many cities across the UK, Peterborough currently has a severe shortage of properties available for temporary accommodation and an increasing number of people needing housing support. We are now making use of properties at St Michaels gate which should help support a significant number of families needing support, and strategies to meet the remaining need are in progress. We feel that your suggestion to use caravans may not offer these families with stability and meet their needs.</p>

idea/suggestion to make some money for the local authority:	Feedback
<p>Make all spending public on PCC website including each department's spreadsheet so that EVERY outgoing can be seen. I would suggest that alone will save 25% - 50% of the required savings. Proper scrutiny by the public of those spreadsheets will find the rest. My responses to those who come up with the usual excuses is firstly what do you want to hide, secondly if it will make little difference, prove it by publishing .</p>	<p>The Council actively publishes spend data over £500 on the website as part of meeting the Transparency code requirements set by government. We also publish a number of other financial documents such as the statement of accounts, the Medium Term Financial Strategy and regular budgetary control reports to cabinet. These detail the council's expenditure and financial performance. This information can be found on the link below. https://www.peterborough.gov.uk/council/budgets-spending-and-performance/</p>
<p>Outsource the management of playing fields. This would release the financial burden of some of the costly, poor quality service AMEY provides.</p>	<p>The current management of playing fields fall under the 23 year outsourced contract with Amey, we are working with groups to look at potential management agreements where they can do extra works above the standard which is contracted, however always ensuring as these are amenity open space areas they are fully accessible to the general public.</p>

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