



**MINUTES OF THE JOINT MEETING OF THE SCRUTINY COMMITTEES AND
COMMISSIONS
HELD IN THE COUNCIL CHAMBER- TOWN HALL
ON 16 NOVEMBER 2016**

Present: Councillors J Peach (Chairman), K Aitken, A Ali, S Allen, L Ayres, R Bisby, R Brown, J Bull, CAV M Cereste, OMRI OSSI, A Dowson, A Ellis, H Fuller, JA Fox, JR Fox, C Harper, A Iqbal, M Jamil, D King, N Khan MBE, S Martin, B Rush, N Sandford, A Shaheed, M Sims, A Sylvester J Whitby,

Also Present: Co-opted Member for Scrutiny Commission for Rural Communities: Keith Lievesley,
Councillor Holdich, Leader of the Council and Cabinet Member for Education, Skills and University, and Communications
Councillor Fitzgerald, Deputy Leader and Cabinet Member for Integrated Adult Social Care and Health
Councillor Walsh, Cabinet Member for Communities and Environment Capital
Councillor Elsey, Cabinet Member for Waste and Street Scene
Councillor Seaton, Cabinet Member for Resources
Councillor Hiller, Cabinet Member for Growth, Planning, Housing and Economic Development
Councillor Casey, Cabinet Advisor to the Cabinet Member for City Centre Management, Culture and Tourism (Culture and Recreation)
Councillor Lamb, Cabinet Member for Public Health
Councillor Stokes, Cabinet Advisor for Children's Safeguarding and Education
Councillor Goodwin, Cabinet Member for City Centre Management, Culture & Tourism

Officers Present: Gillian Beasley, Chief Executive
Alison Stuart, Assistant Director of Legal and Democratic Services
Wendi Ogle-Welbourn, Corporate Director of People and Communities
Lou Williams, Service Director Childrens Services & Safeguarding
Terry Reynolds, Service Director for Education
Dr Liz Robin, Director of Public Health
Adrian Chapman, Service Director, Adult Services & Communities
Steven Pilsworth, Service Director, Financial Services
Andy Tatt, Head of Peterborough Highway Services
Howard Bright, Head of Growth
Paulina Ford, Senior Democratic Services Officer

The Chair welcomed everyone present and explained that the purpose of the meeting was to provide an opportunity for all Members of each Scrutiny Committee and Commission to

scrutinise Phase 1 of the 2017/18 Budget, Medium Term Financial Strategy to 2026/27 and the Council Tax Support Scheme as part of the formal consultation process before being presented to Cabinet on 5 December 2016 and Full Council on 14 December 2016.

1. Apologies for Absence

Apologies were received from Councillor Fower, Councillor Over, Councillor Shearman, and Councillor Lillis. Councillor Serluca was in attendance as substitute for Councillor Over.

The following co-opted members also sent apologies: Alistair Kingsley, Miranda Robinson, Paul Rossi, Henry Clark and Phillip Nuttall. David Whiles, Chairman for Healthwatch Peterborough also submitted apologies.

Apologies for absence were also received from Councillor Smith, Cabinet Member for Children's Services, Kim Sawyer, Director of Governance, John Harrison, Corporate Director Resources and Simon Machen, Corporate Director, Growth and Regeneration.

2. Declarations of Interest and Whipping Declarations

Governance, Appendix 5 of the Budget Book

Gillian Beasley, Chief Executive declared an interest by way of caution relating to two matters within the Governance section which were the shared Chief Executive arrangement with Cambridgeshire County Council and LGSS Law which provided services to Cambridgeshire County Council under the Legal services recruitment and retention of staff section.

3. Budget 2017/18 and Medium Term Financial Plan to 2026/27

The Cabinet Member for Resources gave a brief introduction to the Medium Term Financial Strategy and Budget.

Each section of the budget was then taken in order according to how it was presented in the Budget Book. Each section was introduced by the relevant Cabinet Member before taking questions from the Committee.

Questions and observations were made around the following areas:

Item	Section of the Budget	Questions / Comment	Response from relevant Cabinet Member / Corporate Director
3	Introduction of the Budget Strategy Council Tax	<p>Under the Executive Summary it states in order to reach a balanced budget £8.9 million of the Grant Equalisation (GE) reserve will need to be used.</p> <p>Why it is that £8.9 million is different to the number in the Summary of Phase 1 budget proposals table on page 7 of the agenda paper.</p> <p>How much is the GE Reserve and is this a new reserve?</p>	<p>The exact figure for the amount of GE Reserve used is £8.853 million but was rounded up to one decimal place in the Executive Summary.</p> <p>The strategy for the use of the reserve was approved by Council in March. Through early achievement of savings £11 million pounds was put into a reserve to cushion the impact of grant reductions. Due to the savings that had come forward to balance the budget next year there is a need to use £8.853 million of that reserve which is less than originally planned, therefore some of the £11 million is available to support the 2018/2019 budget.</p> <p>Phase 2 of the MTFS will have the full breakdown of the reserve and the formal report from the Chief Finance Officer on the adequacy of the reserves. This is a new reserve which was approved by Council in March because of the additional savings that had been achieved. There is also the balance which is aimed to be kept at £6 million.</p>
		<p>How good is the Council at collecting Council Tax and business rates? Members also sought assurance that everything was being done to collect them.</p>	<p>The target for collection of Council Tax this year is 1% above the previous year and the Council were already ahead of the target.</p> <p>The published figures for Council Tax collection were as of 31 March. The ultimate collection rate was around 98% or more and was continuously under review.</p>

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		<p>What are the inflation assumptions?</p> <p>How many other councils were raising tax and how many were taking the Adult Social Care precept?</p> <p>Some Members questioned why the budget was being presented in two Phases and felt that there was little information in the Phase One budget document.</p> <p>Members sought clarification on monies from Capital Assets that go back into running costs. Where did they come from and how were they calculated.</p>	<p>The information was not available but the specific assumptions could be circulated after the meeting.</p> <p>It was unknown how many other councils would take the 2%. However since the government had withdrawn the support that they were previously giving far more councils had taken the 2%.</p> <p>With regard to the Adult Social Care precept in the first year which was last year 95% took the extra 2%.</p> <p>In previous years there had been one budget which meant that nothing could be put in place until March. Presenting the budget in two phases allowed savings to be made earlier which assisted in dealing with future challenges.</p> <p>When Capital Assets were sold in the past the money could only be used on Capital Assets. This had now changed and the money from the sale of Capital Assets could now be used to fund revenue expenditure. A disposal list would be brought forward in Phase 2 to show how the money feeds through to the revenue expenditure.</p>
<p>The Committee noted this section of the budget.</p> <p>ACTION</p> <p>The Cabinet Member for Resources to provide the Committee with the inflation assumptions.</p>			

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4.	People and Communities Appendix 2 (Pages 13 – 19 Budget Book) (Pages 25 – 31 Agenda pack)	Members sought clarification as to how much additional investment would be needed to provide placements for unaccompanied asylum seeking children in the Councils care. Was the figure of £600K quoted accurate?	There had been a significant increase in unaccompanied asylum seeking children in the city which had led to unit costs going up. The figure quoted was currently the best estimate.
		Was there a problem with bed blocking and if so should the council be putting money aside to alleviate the problem.	The Council did not have a problem with bed blocking. There was a bed blocking problem but it was not with patients that the Council were responsible for. The Council worked as part of a system and in terms of the home support delivery service and reablement service the Council worked with health colleagues and the hospital to assist with any issues.
		Members sought clarification as to what the additional 2% Adult Social Care precept would be spent on.	There would be investment into Adult Social Care some of which had been agreed in the previous budget including extra funding due to additional clients and also the money which had to be put in last year because of the national living wage. There would also be additional investment as part of the Better Care Fund projects. These investments would not be possible without the precept and were within the government guidance.
		Should the Council invest more money in supporting the cities primary schools?	The overall level of funding across all authorities for schools was determined by central Government and the total amount was based on a census of the number of pupils that were in schools. The Government then sets rules on how that money could be distributed and there was only a small degree of local flexibility. If the Council decided to use that flexibility, how it was used would have to be agreed by the Schools Forum. The flexibility and room for

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	<p>What up take and projected savings would there be through the Digital Front Door project.</p> <p>Did the project have an impact on staff and were any redundancies expected as a result of the project.</p> <p>What was the cost to the Adult Social Care budget from the increase in the national living wage and other legislation?</p>	<p>manoeuvre was limited.</p> <p>The project was not a digital by default project it provided service users the option to engage with the Council digitally. By more people engaging digitally it then ensured that staff had more time and opportunities to provide intensive support to those who needed it most. It was not about reducing the head count it was about managing the demand differently.</p> <p>The legislation was coming in over a number of years and therefore the cumulative impact was not yet known. An extra £500,000 would need to be put into the budget next year to cover the expected costs for the national living wage.</p>	
<p>The Committee noted this section of the budget.</p>			
<p>5. Resources including Strategic Commissioning and Partnerships</p> <p>Appendix 3 (Pages 20 – 25 Budget Book) (Pages 32 – 37 Agenda Pack)</p>	<p>What would have been the extra cost incurred if another authority had signed the contract for the lease of the St Michael's Gate properties. What impact would this have had on the services in the city?</p> <p>If the Council are working on other solutions to the problem of homelessness so that the Council can move away from the Stef and Phillips agreement would this not then allow other authorities to still</p>	<p>The forecast pressure on the budget for the provision of bed and breakfast accommodation for the homeless would have been £2 million.</p> <p>A series of areas would have been impacted if the Council had not signed the contract for the lease of St Michael's Gate. This would have included provision of housing, school places, adult social care costs, children's services costs and the impact on the health care system including GP's.</p> <p>The Council would not be terminating the agreement with Stef and Phillips until the national scene changed. The Council would not leave those properties for another authority to occupy.</p>	

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		come into the city and use the properties.	
		Members welcomed the news that the park attendants were to be restored and sought clarification as to why they had only been restored during the winter period.	<p>The rationale behind the decision was that there was always staff in the park during the summer months. The reason for reinstating them was because there was an increased element of antisocial behaviour which would not go away during the winter months.</p> <p>The attendants going back into the park would be trained and would have the powers to deal with anti-social behaviour and issue fines.</p>
		It was noted that an additional £100k would be put into the budget for shrub cutting. In some other authorities this service had been passed down to the Parish Councils. Can the Parish Councils take on ground maintenance or does the service have to be delivered by Amey.	Parish Councils can take on this service. Amey were responsive to people taking on this service and the use of gluttons have been made available to Parish Councils.
		Members congratulated the Cabinet Member for Waste and Street Scene for the U turn on shrub cutting and for listening to the residents.	
		Members sought clarification on why the internal audit partnership with Cambridge City Council and South Cambridgeshire District Council was no longer workable which would result in a loss of income.	The Council currently ran a shared service with Cambridge City Council and South Cambridgeshire District Council but those two councils were currently starting to work more closely with Huntingdonshire District Council in a number of areas. It was indicated that internal audit would be one of the services considered but it was not deemed beneficial to Peterborough to have a four way partnership.

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	<p>If the council does not continue to work with Cambridge City Council and South Cambridgeshire District Council could the Council sell the service outside of Peterborough.</p>	<p>All options were being looked at and the Head of Internal Audit has contacted other neighbouring authorities to see if they would consider a partnership but so far nothing had come of this.</p> <p>Commercialisation of services was a big change and the Council had picked up a lot of income from doing this.</p>	
<p>The Committee noted this section of the budget.</p>			
<p>6. Growth and Regeneration Appendix 4 (Pages 26 – 29 Budget Book) (Pages 38 – 41 Agenda Pack)</p>	<p>Have the Council considered using the beneficial rates of interest to invest in long term investments.</p> <p>Has the LED lighting replacement programme been completed and if not could it be speeded up.</p> <p>Other authorities were using lamp posts to use other technology, how was the Council progressing the use of this in the city.</p>	<p>Councils could borrow at low rates through the Public Works Loan Board. All opportunities were investigated where with adequate security the Council might be able to lend that on and make a margin. This would also give the organisation it was lending to a beneficial rate.</p> <p>The light replacement programme had another three years to run. The programme had started in the 'Can do Area' and would progress throughout the city. Workshops and events would be held in each area to advise people of what was happening.</p> <p>There will be a report to the January meeting of the Growth, Environment and Resources Scrutiny Committee. The new technology being put into the street lamps will be capable of using Wi-Fi but this was for use at a later stage.</p>	

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		Is it true that Hawksworth Securities could start work on North Westgate in 12 months and how much of North Westgate does Hawksworth Securities own.	Hawksworth Securities own about 20% of the site in separate parcels but not enough to deliver the scheme they were putting forward. They would not be able to start a scheme in 12 months' time.
		The Hawksworth scheme included a cinema and they are stating that the viability of the scheme was reliant on the cinema. Planning permission had also been given to Queensgate for an additional cinema. Could the Council have refused permission for this additional cinema.	No the Council could not have refused permission and this was upheld following a Judicial Review.
		<p data-bbox="636 719 1182 813">Members sought clarification as to why there was a saving of £686k for concessionary bus fares.</p> <p data-bbox="636 1154 1182 1279">Are the Council able to monitor how many people have concessionary bus passes and how many people actually use them.</p>	<p data-bbox="1203 719 1919 980">The savings had come about by undertaking an analysis of the number of concessionary fare journeys taking place each year and the fact that the use of bus passes had been lower than predicted partly because the age for concessionary bus pass eligibility had increased in line with the pensionable age for women. The savings reflected the actual level of demand for concessionary bus travel.</p> <p data-bbox="1203 1019 1919 1114">Stage Coach were a commercial entity and the Council did try and regulate their charges where possible.</p> <p data-bbox="1203 1154 1919 1248">The Council only pay for the journeys taken and the Council had access to records of how many people had taken journeys using a concessionary bus pass.</p>

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		<p>Members sought clarification as to why the reduction in budget for highway maintenance schemes for one year to 2017 of £450k had now been extended to March 2022 at a further £450K per year. Members felt that this would have a detrimental effect on some roads and pathways which were already in bad condition. Members requested that this not be extended.</p> <p>Councillor Khan seconded by Councillor Ellis made a recommendation to Cabinet that the reduction in the budget of £450,000 for the highway maintenance programme should not be extended until March 2022 and remain at October 2017 as originally agreed with a view to reconsidering it again in 2018/2019.</p> <p>Councillor Sandford seconded by Councillor Shaheed put forward an amendment to Councillor Khan's recommendation to change the wording to: It is recommended that Cabinet investigate the feasibility of not extending the reduction in the budget of the £450,000 for the highway maintenance programme to March 2022 and remaining at October 2017 as originally agreed.</p>	<p>Road and pathways maintenance had not stopped and were continuing to be repaired and were assessed on a safety basis. Maintenance and safety of residential streets was paramount and an extra £250k a year would be put into maintenance of residential areas to undertake preventative work. The £450k savings would be from the lower category residential roads.</p> <p>Members were advised that if the recommendation was agreed it would leave a gap in the savings of £450,000.</p>

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		<p>Following a vote (2 in favour 20 against), the amendment was DEFEATED.</p> <p>Following a vote on Councillor Khans original recommendation (7 in favour 18 against), the original recommendation was DEFEATED.</p>	
		Do the Cabinet have any plans to change the amount of public transport subsidy.	No.
		Were other Local Authorities coming through Peterborough City Council to use Skanska and if so how much income were the Council receiving from this service.	Other Local Authorities were coming through Peterborough City Council to use Skanska. The figures for income from this were not available at the meeting.
		<p>Will there be any capital receipts from the Community Asset Transfer Programme yet.</p> <p>Members commented that the Lindens had been gifted to the city in 1950 and sought clarification as to whether the Council were able to dispose of the building as it was gifted to the city.</p> <p>Members recommended using the Invest to Save fund in bringing forward the LED light replacement scheme around the city to bring forward the anticipated savings.</p>	<p>The disposal list will be published in Phase Two of the budget. Phase One did not take into account any bids from organisations. The process was ongoing and too premature to answer.</p> <p>If a building is gifted to the city and is a Council asset then the Council can dispose of it as it wishes. No one had come forward as yet to purchase it.</p> <p>The Invest to Save fund was already being used for this scheme. The length of the scheme was due to the fact that several thousands of LED replacement lights were required and they were not all available at the same time.</p>

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The Committee noted this section of the budget.			
7. Governance Appendix 5 (Page 30 – 32 Budget Book) (Pages 42 to 44 Agenda Book)	Members sought clarification as to why there was a proposal to increase the salary of each lawyer by one pay grade at a time when savings were needed to be made.	The Legal team won the Local Government Legal Team of the Year award in 2015 which has resulted in other local authorities poaching members of the legal team from Peterborough. If the Council were unable to recruit at the current rate it would mean having to go out to external lawyers at a much more costly rate. The proposed salary increase would hopefully provide an incentive to encourage staff to remain working at Peterborough City Council.	
	Members noted that under the member allowances scheme it stated that there could also be some savings arising through an increase in car parking fees for Members. How significant would those savings be.	This had not been discussed yet and would be reported to the Cross Party Budget Working Group.	
The Committee noted this section of the budget.			
8. Staff Implications Appendix 6 (Pages 33 Budget Book) (Page 45 Agenda Pack)	No comments or questions were made on this section of the budget.		
The Committee noted this section of the budget.			

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10.	Council Tax Support Scheme Page 47 Appendix C of the Agenda Pack	No comments or questions were made on the Council Tax Support Scheme.	The Director of Finance provided a brief introduction and explanation around the Council Tax Support Scheme.
The Committee noted this section of the budget.			
11	General Comments, any overall recommendations and Conclusion		
	There were no further comments, questions or recommendations.		

The Chair thanked all members of the Scrutiny Committee and Commissions for attending the meeting and the Cabinet Members and Directors for attending and responding to the questions.

CHAIRMAN

The meeting began at 6.00pm and ended at 8.06 pm