

CABINET	AGENDA ITEM No. 3
4 DECEMBER 2017	PUBLIC REPORT

Report of:	Marion Kelly, Interim Director of Resources	
Cabinet Member(s) responsible:	Councillor David Seaton, Cabinet Member for Resources	
Contact Officer(s):	Marion Kelly, Interim Corporate Director: Resources Peter Carpenter, Service Director Financial Services	Tel: 01733 452520 Tel: 01733 384564

MEDIUM TERM FINANCIAL STRATEGY 2018/19 to 2020/21

RECOMMENDATIONS	
FROM: Cabinet Member for Resources	Deadline date: N/A
<p>It is recommended that Cabinet:</p> <ol style="list-style-type: none"> 1. Have regard to the consultation feedback received to date and statutory advice detailed in the report when determining the phase one budget proposals, noting that consultation remains open until 30 November 2017, and an addendum will be provided prior to the Cabinet meeting. 2. Note the timetable for the phase two consultation and formal approval of the 2018/19 to 2020/21 Medium Term Financial Strategy as detailed at section 5; 3. Note that budget proposals considered by Council on the 13 December 2017 will form part of the Medium Term Financial Strategy but will not form part of the second stage of consultation or Council debate on 5 March 2018. 	

1. ORIGIN OF REPORT

- 1.1 This report comes to Cabinet as part of the council's formal budget process as set out within the constitution and as per legislative requirements to set a balanced and sustainable budget for the 2018/19 to 2020/21 period.

2. PURPOSE AND REASON FOR REPORT

- 2.1 The report is presented to Cabinet as part of the council's Budget and Policy Framework, which enables Cabinet to consider the feedback from the consultation undertaken to date with residents, partner organisations, businesses and other interested parties, to recommend approval of the budget proposals to set a balanced and sustainable budget for the financial years 2018/19 to 2020/21.
- 2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.1 which states to take collective responsibility for the delivery of all strategic Executive functions within the Council's Major Policy and Budget Framework and lead the Council's overall improvement programmes to deliver excellent services.

3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	YES	If yes, date for Cabinet meeting	4 DECEMBER 2017
Date for relevant Council meeting	13 DECEMBER 2017	Date for submission to Government Dept.	N/A

4. EXECUTIVE SUMMARY

- 4.1 In total since 2010 the council has made significant savings, however this is still not enough and government continues to cut funding to local government. Therefore the city council will be required to make further savings, which may well impact on a range of services, because by law the council has to set a balanced budget.
- 4.2 Savings currently totalling £35.2million over the next three years are still needed to be made - and this is likely to involve some difficult decisions about the services the council is able to provide to residents.
- 4.3 The council has worked incredibly hard to cope with the cuts made to council funding however the challenges we face continue to increase in terms of population growth, the alarming rate that central government funding (Revenue Support Grant) is falling, high levels of deprivation in parts of the city, the increasing demand on high-cost council services and our relatively low levels of reserves
- 4.4 To address this the council has been reviewing all budgets over the three year period of the MTFS to ensure that all known issues have been taken into account. As part of the process care has been taken to fully assess all one off savings and their applicability as the underlying concern has been to make sure budgets are sustainable over time.
- 4.5 Any reserves being used to support the 2018/19 budget have been added back into the position and over the three year period an additional £10million of pressures have been identified. Rebasng pressures include a number of budgets across the council where after careful analysis initiatives will not be delivered and as such it has been prudent to adjust the base budget accordingly.
- 4.6 Demographic and demand pressures includes £1.7million rising to £5.7million in relation to housing homeless families and £0.6million rising to £2.6million by 2020/21 for adult social care. Although there are no expected demand pressures for Children’s Services this area should also be flagged as a potential risk.
- 4.7 Initial savings proposals have been tabled and these amount to £8.3million, £6.5million and £4.5million in the respective three year period, resulting in the overall deficit figure reducing to £35million at the end of the three year period.
- 4.8 Full detail of the proposals are set out in the following Appendices to the 20 November Cabinet report and summarised in **Table 1 and 2**. Some of the key headline proposals included are:
- **Rising numbers of homeless households** - Over the past two years the fastest growing financial pressure on the council has been the dramatic and unprecedented rise in homeless households in the city. Similar increases are being seen across the UK. Peterborough has seen a 200 per cent rise in demand, this has meant that the council is supporting 328 families in temporary accommodation, creating a rising budget pressure of £1.7million in 2018/19.
 - **Rising demand on adult social care services** - This service is facing unprecedented financial pressures resulting from reducing budgets, rising costs of care, increasingly complex needs and an ageing population. Growth in Peterborough’s population between 2016 and 2036 will be 12.9 per cent, and is anticipated to be highest among older age groups, with predicted increases of 159

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per cent in over 85s, 75.8 per cent in the 75-84 age group and 45.6 per cent in residents 65-74. Therefore an investment in 2018/19 and future years is proposed to manage increasing costs and demand on these services.

- **The Better Care Fund (BCF)** is, in part, used to offset the reduction in government grants to the local authority, ensuring the council can continue to provide vital services for those who need its care and support. Therefore as BCF is continuing the council can offset funding totalling £1.7million against the council's budget in each of the next two years. This is the same process that took place in 2017/18.
- **Peterborough Highway Services** - Peterborough Highway Services is a ten year partnership with Skanska to provide highway maintenance services. The council is currently in discussions with a number of councils to allow them access to the Peterborough Highway Services contract. This will allow these councils to contract Skanska using the city council's framework which will save them money on procurement costs. For allowing access to the framework there will be a fee due to the city council. Skanska will also pay the city council an annual fee. In addition, further efficiencies have been identified in the Peterborough Highway Services budget generating an annual saving of £0.340million from 2018/19.
- **Corporate Resources budget review** - A review of budgets held by the Resources directorate has identified a number of savings that do not result in changes to council services. This review has also identified previous savings, or income targets, that need to be updated. In total this review has identified a saving of £3.221million for 2018/19.
- **People and Communities budget review** - Ahead of the 2018/19 budget setting process there has been a comprehensive review of directorate budgets. This review has looked at changes in legislation, refreshing demographics and other changes required to services. The review has highlighted an ongoing annual funding pressure of £0.776million across the council's largest directorate - People and Communities - which includes services such as Children's Services, adult social care and education.
- **Agile working** - Previously, in the 2016/17 budget setting process, a £0.5million savings target was set against the roll-out of agile working across the council. However it is now clear that the benefits from agile working are more improvements to staff flexibility, work/life balance and an increased ability for officers to cope with growing workloads as demands on services increase. The council is now proposing to remove this saving which creates an ongoing pressure of £0.5million.
- **Estimated 2017/18 council tax surplus** - There will be growth in council tax income for the current financial year above predictions because of the city's rising population and construction of new homes. This has identified that the council can expect to receive a further £1.005million in 2017/18, which can be rolled forward to protect services during 2018/19.

Table 1- Budget Summary position

	2018/19 £000	2019/20 £000	2020/21 £000
2017/18 MTFS Gross Expenditure	443,728	450,948	461,447
2017/18 MTFS Income	(296,449)	(298,044)	(297,548)
2017/18 MTFS Net Budget	147,279	152,904	163,899
Total Funding	(132,492)	(131,658)	(135,046)
2017/18 MTFS Budget Gap	14,787	21,246	28,853
Add back use of Grant Equalisation Reserve	4,250		

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Budget Gap without the Use of Reserves	19,037	21,246	28,853
Phase 1			
Rebasing the Budget and Pressures	2,390	2,333	2,218
Demographic and Demand Pressures	2,279	4,112	8,460
Legislative and Other Changes	188	197	205
Revised Budget Gap	23,894	27,888	39,736
Budget Reductions	(8,194)	(6,528)	(4,526)
Revised Deficit after Accounting for Phase One Budget Pressures and Reductions	15,700	21,360	35,210
Incremental Budget Gap	15,700	5,660	13,850

Table 2- Individual budget pressures and reductions

	2018/19 £000	2019/20 £000	2020/21 £000
CCTV upgrade project	(29)	(28)	(27)
Commercial Property Rental Income	(150)	(150)	(150)
SEND Funding update	144	144	144
Demand Management in Adults Social Care	604	1,442	2,616
Verge Parking	22	22	22
Rising Number of Homeless Households and Housing Needs	1,735	2,660	5,764
Estimated Council Tax surplus	(1,005)	-	-
METAL	50	50	-
Corporate Resources Budget Review	(3,221)	(2,666)	(2,342)
Coroner Service Budget	70	75	80
Agile Working Pressure	500	500	500
Legal Services Pressure	94	94	94
Pupil Referral Unit Budget Pressure	239	239	239
St George's Hydrotherapy Pool	14	2	2
People and Communities Senior Management Restructure	(180)	(180)	(180)
People and Communities Budget Review	776	776	776
Better Care Fund	(1,933)	(1,933)	(244)
Peterborough Highway Services - contract efficiencies	(340)	(340)	(340)
Peterborough Highway Services - commercial opportunities	(300)	(175)	(175)
Academisation	(149)	(125)	(105)
Mausoleum units sale	(64)	(64)	(64)
Public Health Budget	(208)	(223)	(247)
Environmental Health Food Safety	94	94	94
Planning Services	(100)	(100)	(100)
Grand Total	(3,337)	114	6,357

5. CONSULTATION

- 5.1 Cabinet’s approach to seek feedback on phase one budget proposals was outlined within the 20 November 2017 Cabinet report.
- 5.2 The Budget Consultation questions were outlined within the Budget Consultation document in **Appendix F to the 20 November Cabinet report**. This formed part of the hard copies available and the online survey.
- 5.3 Final decisions on phase one proposals are to be approved and recommended to Council on 13 December 2017, taking into consideration all of the consultation feedback received by that date
- 5.4 The opportunity to provide feedback on the phase one proposals have been in the public domain since 10 November 2017, confirmed by Cabinet on 20 November 2017 and will run until 30 November. The budget conversation received to date includes 28 responses via the online survey.
- 5.5 Given the timing of the agenda despatch for this meeting, it is not possible to include feedback from all consultation in this report. Further feedback received, will be included as an addendum to this report, and will be publically available prior to Cabinet on 4 December 2017.
- 5.6 The Council will look to repeat the consultation approach with the phase two proposals released on 5 January 2018 and recommended by Cabinet for approval by Council on 7 March 2018. This timeline is outlined in the following table:

	Phase 1	Phase 2
Consultation start date	10 November 2017	05 January 2018
Cabinet	20 November 2017	15 January 2018
Budget Joint Scrutiny Committee	29 November 2017	08 February 2018
Cabinet	04 December 2017	26 February 2018
Consultation close date	30 November 2017	22 February 2018
Council	13 December 2017	07 March 2018

Stakeholder groups

- 5.7 The following stakeholder groups have been contacted to gather feedback on the budget, to enable residents, partner organisations, businesses and other interested parties to feedback on budget proposals and council priorities:
 - Joint Budget Scrutiny Committee
 - Discussion with the trade unions
 - Discussion with the business community
 - Borderline Peterborough Local Commissioning Group
 - Peterborough Housing Partnership
 - Disability Forum
 - Connect Group
 - Schools Forum
 - Parish Councils
 - Peterborough Community Assistance Scheme
 - Youth Council
 - Interfaith Council
 - Muslim Council of Peterborough
 - Older Peoples Partnership board
 - Carers Board

- Churches Together
- Cambridgeshire Police and Crime Commissioner
- Cambridgeshire Fire and Rescue Service
- The Hospital and the CCG's

6. ANTICIPATED OUTCOMES OR IMPACT

- 6.1 Following the release of the first phase of budget proposals to address the financial gap, and outlining Peterborough's challenges and successes, Cabinet is to consider the results of the consultation feedback received to date, to approve and recommend to Council prior to the formal budget approval process the phase one budget proposals. The approval of phase one budget proposals will enable the Council to implement savings at the earliest opportunity, either under Director Delegation, Cabinet Member Decision Notice or a further report to Cabinet.
- 6.2 The Council must set a balanced budget for 2018/19 within the financial resources it will have next year and the feedback received will help inform Cabinet in considering budget proposals within the second phase.
- 6.3 These budget proposals will be included as an addendum to the Medium Term Financial Strategy 2018/19 to 2020/21, noted as arrived by Council on 13 December 2017, but will not be debated again by Council on 7 March 2018

7. REASON FOR THE RECOMMENDATION

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

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 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.

9. IMPLICATIONS

Elected Members

- 9.1 Members must have regard to the advice of the Chief Finance (Section 151) Officer. The Council may take decisions which are at variance with this advice, providing there are reasonable grounds to do so.
- 9.2 Section 106 of the Local Government Finance Act 1992 applies whereby it is an offence for any Members with arrears of council tax which have been outstanding for two months or more to attend any meeting of the Council or its committees at which a decision affecting the budget is made, unless the Members concerned declare at the outset of the meeting they are in arrears and will not be voting on the decision for that reason.

Legal Implications

- 9.3 In terms of the Council's executive arrangements, the adoption of the Council's Budget is a role shared between the Cabinet and the Council, whereby the Cabinet (Leader) is responsible for formulating the budget proposals and full Council is responsible for then approving (or not) those proposals and setting the budget and council tax requirement.
- 9.4 For the remainder of the year, the principal purpose of the Budget is to set the upper limits of what the executive (Leader, Cabinet or officer under delegated executive authority) may decide to spend the

Council's resources on. The Council cannot through the budget overrule an executive decision as to how to spend money, but the Budget will require the Cabinet to exercise their responsibilities for decision making so as not to make a decision where they are 'minded to determine the matter contrary to, or not wholly in accordance with the authorities budget'. This means that a decision that leads to excess expenditure, a virement from one budget heading to another over the amount allowed by Council in the Budget Book or expenditure of unexpected new money outside the Budget is required to have approval of the Council before the Leader and the Cabinet can make that decision.

- 9.5 When it comes to making its decision on 7 March 2018, the Council is under a legal duty to meet the full requirements of Section 31A of the Local Government Finance Act 1992 which includes the obligation to produce a balanced budget.
- 9.6 The principle of fairness applies to consultation on the budget proposals, both consultation required under s65 of the Local Government Finance Act 1992 and more generally as proposed here, which operates as a set of rules of law. These rules are that:
- Consultation must be at a time when proposals are still at a formative stage;
 - The proposer must give sufficient reasons for any proposal to permit intelligent consideration and response;
 - Adequate time must be given for consideration and response; and
 - The product of consultation must be conscientiously taken into account in finalising any statutory proposals.
- 9.7 Added to which are two further principles that allow for variation in the form of consultation which are:
- The degree of specificity with which, in fairness, the public authority should conduct its consultation exercise may be influenced by the identity of those whom it is consulting; and
 - The demands of fairness are likely to be somewhat higher when an authority contemplates depriving someone of an existing benefit or advantage than when the claimant is a bare application for a future benefit.

Equalities Impact Assessments

- 9.8 All budget proposals published in the first phase of the budget process have been considered with regards to equalities issues and where appropriate equality impact assessments have been completed and available on the council's website.

10 BACKGROUND DOCUMENTS

- 10.1 The following links to the items which went to cabinet on 20 November 2017:

Medium Term Financial Strategy 2018-19 to 2020-21

<http://democracy.peterborough.gov.uk/documents/s32847/7.%20Medium%20Term%20Financial%20Strategy%202018-19%20to%202020-21%20Consultation.pdf>

Appendix A – Phase 1 Budget Pressures

<http://democracy.peterborough.gov.uk/documents/s32839/7.%20Appendix%20A%20-%20Medium%20Term%20Financial%20Strategy%202018-19%20to%202020-21%20Consultation.pdf>

Appendix B – Phase 1 Savings Proposals

<http://democracy.peterborough.gov.uk/documents/s32840/7.%20Appendix%20B%20-%20Medium%20Term%20Financial%20Strategy%202018-19%20to%202020-21%20Consultation.pdf>

Appendix C – 2018/19 MTFS detailed position

<http://democracy.peterborough.gov.uk/documents/s32841/7.%20Appendix%20C%20-%20Medium%20Term%20Financial%20Strategy%202018-19%20to%202020-21%20Consultation.pdf>

Appendix D – 2018/19 MTFS by department and service

<http://democracy.peterborough.gov.uk/documents/s32842/7.%20Appendix%20D%20-%20Medium%20Term%20Financial%20Strategy%202018-19%20to%202020-21%20Consultation.pdf>

Appendix E – Capital Programme Schemes

<http://democracy.peterborough.gov.uk/documents/s32843/7.%20Appendix%20E%20-%20Medium%20Term%20Financial%20Strategy%202018-19%20to%202020-21%20Consultation.pdf>

Appendix F – Budget Consultation Document

<http://democracy.peterborough.gov.uk/documents/s32844/7.%20Appendix%20F%20-%20Medium%20Term%20Financial%20Strategy%202018-19%20to%202020-21%20Consultation.pdf>

11 APPENDICES

- 11.1 Medium Term Financial Strategy 2018-19 to 2020-21- 20 November Cabinet Report (see budget book)
 - Appendix A – Phase 1 Budget Pressures (see budget book)
 - Appendix B – Phase 1 Savings Proposals (see budget book)
 - Appendix C – 2018/19 MTFS detailed position (see budget book)
 - Appendix D – 2018/19 MTFS by department and service (see budget book)
 - Appendix E – Capital Programme Schemes (see budget book)
 - Appendix F – Budget Consultation Document (see budget book)
 - Appendix H – Consultation feedback

Consultation Feedback

- 1.1. This document contains:
- A summary of consultation responses received to date
 - A list of all consultation responses received to date.

Consultation Response

- 1.2. This note contains all Phase 1 Consultation responses received as at 20 November 2017. A summary of the 28 responses received to date is given in this section.
- 1.3. **Question 1** - 7 respondents answered question 1 which was ‘Do you have any comments to make about the first round budget proposals?’

Response	Number of Responses
Positive	3
Neutral	8
Negative	13
Total	24

- 1.4. **Question 2** – Respondents were asked, after having read the consultation document, how much they understood the Council’s proposals. Answers can be broken down as follows:

Response	Number of Responses
A great deal	6
A fair amount	16
Not very much	2
Nothing at all	3
Blank	1
Total	28

- 1.5. **Question 3** – Of the 28 responses received, 23 answered question, 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
Council Tax Increase
Officer Pay and Councillor Allowances
Sale of property and use of empty properties
Homelessness and Temporary accommodation
Reduction in spending
System Efficiency

Feedback from the Budget Conversation Survey

1.6. The table below details the feedback received from the online survey and cabinet responses

	Do you have any comments to make about the first phase budget proposals?	Having read the phase one proposals document, how much do you now feel you understand about why the council must make total savings of almost £24million in 2018/19 and almost £40million by 2020/21?	If you have any specific ideas about how the council can save money or generate additional income to protect services, please state these here:
1	Think they need to looked at again.	Not very much	Look at the top and go down. do we really need to pay a chief exec the current amount.
2	Council tax should not go up 5% only 2%. I am an O A P and my income does not go up. If you knew how to run a business what you should do is get all your debts in. You do not follow up debts just write them off. It is disgusting.	Not very much	Get in money owed, ring up people and arrange payments monthly. How many car fines etc are not paid.
04 3	Making cuts in public health is ridiculous. Having good public health campaigns helps reduce admission to hospital. It encourages people to consider even starting to look and make changes to one health.	A fair amount	You can't turn the clock back. Council tax should never of been frozen in the past. If this was kept to 1 or 2% you wouldn't have some of the issues you have now. Need to start investment in services not cut backs. Lack of social care causes further admission to hospital. Don't spend money on fancy products. Like westgate. That money can be ploughed back into much needed services. looking at more economical and better tendering services for the planned crossing by Rhubarb bridge and just not going with Skasna.
4	Look for excuses for raising taxes instead of looking for savings. In the next election find another job- you are thieves!!!		liquidate the corruption in the city council
5		A fair amount	Pay councillors less

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6	Would be nice to have the comparison alongside this budget vs. the last one to see the difference.	A fair amount	Sell land to build on. There's a lot of land near Castor that would be ideal.
7	<p>Every year people like me who don't have her own house who have salary around 18000 annual , who have family , are experiencing continuous increases .This situation when you cannot buy something for child because ,you need to choice or buy food or pay bills. Because this is how life begins to look like, you have to choose wisely. Prices in stores are rising, energy prices are rising, fuel is rising, children are growing and clothes for them do not become cheaper or even grow with them . And now Council expecting that we will be pay more . Then why I pay tax in my income . Now is the time to think about how to stop squeezing people out of money . Maybe you need stop investing on something . People are tired . Very tired .</p>	Nothing at all	First look on your spending, first try sell some buildings or places they stand empty or not used . It may be time for families or children to become interested in their parents' fate .
8	<p>There is a lot of detail and it's not easy to 'see the woods for the trees'; that is without spending a good deal of time assessing each element. A major drain on resources appears to be the increase in homelessness. In addressing this, the Council will no doubt give as much attention to the causes as to the effects; that is on the basis that a study of the former can be done with intention to solve / remove, and the latter from compassion on the affected.</p>	A fair amount	<p>The Council could combine with other Councils around the country to address to Government the evident deficiencies surrounding entitlement of the ordinary person to hold decent accommodation securely. Security may come with ownership of land / property as one method, but an increasing number cannot afford the deposit attaching to such method. It should not be beyond wit of those assuming authority on behalf of the greater whole to come up with another method of secure holding of property and a roof over one's head [Assured Shorthold Tenancy (AST) in the hands of private landlords not - from the budget graphs - being a good 'other method']. Suggestion is made that Councils (including Peterborough) advocate upon Government, and urge acceptance - between themselves as Councils Together Making Common Cause for Reducing Homelessness, the imposition of a LAND TAX, annually taxing land (and thereby any property sitting upon it) so long as that land is characterised by being held for purposes of private speculation out of use, or not</p>

86			<p>sensibly developed for use; and that such tax be graduated from high to lower level on the basis that the longer any assured tenancy is granted to any tenant by whatever private landlord is involved, the lower the tax will be the longer the tenancy term. If any landlord is not able to accept such tax (whether for long or short tenancy), and seeks to dispose of / sell his property to escape the tax, then the relevant Council should have right of first refusal to pay off that landlord to reduced reasonable extent, take over the land / property, and let it out at sensible rate, imposing instead the tax on the tenant who could stay therein for however long as the taxes and associated services are paid, the tenant being under obligation to maintain the property in good condition (who would through the entire conception have real interest in staying resident and keeping the property up to standard). In this embracing way, longer tenancies would arise and tax / income would arise for the relevant Council and community. It is to be supposed that that local Councils cannot raise such a tax - but with the problems recited in the budget proposals being no doubt typical of other Councils besides Peterborough, any sensible Councillor should be willing to unionise effort through working with other area and city Councils to rebel against the notion that poverty of an unfortunate group in our midst is part and parcel of life. It is an abhorrence to be addressed instead of trying to budget for it as if it were part of the nature of community life.</p>
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9	As long as my CT bill is reduced I'm not fussed.	A great deal	Cut every service. Do away with the council. You can't expect CT payers to keep on funding rubbish schemes.
10	Is it fair to ask residents to pay extra for homeless/ unemployed when they themselves rely on us to pay their dues. Someone needs to walk around the town centre on any given weekday to see the extent of the problem. Surely some effort should be made to re employ them and not expect us to pay.	A fair amount	Employ the homeless/unemployed to clean the town as recompense for the house we are paying for, thereby saving on street cleaning etc
11 87	It's good to see some areas recognised as valuable and under resourced, like Environmental Health who keep the food we eat safe, but I think there is insufficient focus on the broad inefficiencies in many areas - for example the process for mileage claims relies on form filling, printing, unhelpful rejections for bureaucratic reasons and wasted officer time that costs much more than the claim. Changing systems to be more efficient rather than losing staff should be the focus.	A fair amount	Change inefficient systems.
12	The Council is stuck between a rock and a hard place.	A fair amount	
13	I do not feel that this council who are mostly the same as the Government Conservatives. are not making this situation clear to them and requesting more. This country is not Broke we give so much to countries abroad, not those affected by Natural Disasters. But others who are not in as much need. We give Billions and then we are told we have to cut back. fight for yourselves and your residents who are constantly being told we have to cut back.	A fair amount	Get it from central government cut back what we are giving in to those who are not in dire need. Otherwise put our Rates up!!!

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14	I don't agree with council tax increase!	A fair amount	
15	<p>firstly, budget by your means. secondly, prioritise - what is NEEDED and what is "WANTED". but thirdly, with regard to homelessness, the stats show this is due to short hold tenancies and people unable to afford "private market". I am curious as to whether the council have looked in detail at the costs of increasing housing benefit for those who are willing to go through a private landlord? i feel this could be a cheaper alternative to buying many houses at market price. It seems right now, savings are needed and while people live in poverty council tax will continue to rise forcefully by 4.99% each year just to avoid that referendum knowing the council would lose. Why can the council choose where money is spent and at times "wasted" BUT the families you hit with £50 PLUS on an increased council tax bill have no choice? If the families you are hitting with these increases are already struggling, you could potentially make them homeless, make them ill and force MORE strain on your own systems. Personally i believe your budget is flawed and is a massive vicious circle. Also your stats suggest council tax in Peterborough is LOW but in brackets for band D - so basically the rich gets cheaper rates? makes sense?</p>	A fair amount	<p>Increase housing benefit for those who will accept private rented accommodation, this will remove the strain on higher payments for "short term emergency accommodation", it will also cut the waiting list for social housing. Increase council tax for the "band D" properties since you like to brag they get a cheap deal. PRIORITISE.....what is more important? Budget to what you say you can afford. Get criminals cleaning roads, fixing pot holes etc that will save some money. and so many other things but I wrote most in the top box.</p>
16	The report should be available in simple bullet point formats to say exactly where the savings will be so that it is accessible to all.	A fair amount	<p>Stop sending out bailiffs to people who cannot afford council tax in the first place never mind the increased fees added on each time you instruct. Work with this people and find out their situation, work with their landlords, provide support. Stop being evasive and elusive to those vulnerable people who are entitled to extra help. If it were offered in the first place, court costs and admin costs would be avoided. Help those who are living on the streets connect with family and friends to help them recover and get off the streets. Give them access to an address so they can claim benefits and be given a chance to start again. Work better with the housing associations to find out from the people working with</p>

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			tenants what the real issues are. Help people get back into work. Govern work agencies so they must offer a minimum amount of work so it makes work pay
17	As an Organisation instead of telling us ur financial restrictions etc. We pay your high salaries to INFORM us on What PCC is doing with Our money; e.g. where are then new Council Houses for rent or the Care Homes to ease PCH pressures-we know there r insufficient council houses but why aren't u providing more instead of paying private hotels etc to temporarily house ppl & why aren't there more social care places in this Fast expanding City??	A fair amount	Put money into Solving CURRENT homes for rent & social care places PROBLEMS.
18		A fair amount	
19	I think the proposals are clear and reflect the fact that whilst Peterborough is a small Local Authority, it has a very diverse and challenging population which has become increasingly difficult to provide cost effective services.	A great deal	I think we should consider how staff best use their time particularly in the joint working across Peterborough & Cambridgeshire. We need less travel and more innovative ways to hold meetings which are focused on key outcomes/actions
20	i have read the proposals but am still unclear exactly how sor where savings will be made	A fair amount	Adult Social Care: reduce use of locum staff - triage referrals and requests for assessments and work smarter with colleagues so that work is not duplicated or done unnecessarily
21	I would like to know, because I leave the house every day to work, I have to every year, take more money from my pocket, to help many people who do not want to work, say that there is no job here is a lie, I I'm a foreigner, I've been in England for 10 years, even without speaking English correctly, I've never been without a job and I stopped paying my bills on time. If I have a lot of English I can also, in the place I work, Amazon always needs people to work with. I do not have salary increase, because every year I have to decrease my	Nothing at all	It puts the healthy people to work, instead of giving money for free, to pay the bills, as the government does. In case this will once again come out of my pocket, I go out to work every day.

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	consumption power, to pay Social Care and etc. This is the government's problem, not mine.		
22	There was no mention of funding from the new Mayor of Cambridgeshire & Peterborough or was that under a different name?	A fair amount	If the council has properties that are raising income then does it have properties not being used, which could be suitable for temporary accommodation? It seems ridiculous that the council is paying an extortionate amount housing families etc... in hotels. Perhaps seek advice from Shelter, YMCA, Hope into Action.
23	Keep raising the council tax is not going to solve the problem, you need to stop wasting money on failed projects and pointless expenses that cost money.	Nothing at all	reduce the pay of Chief Executives.
24	Increase above 5% to protect services	A great deal	Increase council tax by 10% and yes I do pay council tax
25	A 5% increase of council tax needs to be seriously thought about. You wish to tackle the problem of the homeless yet an increase will be a cause of further cases not a solution. Families are struggling to pay costs currently, and this will further hinder their efforts. Costs are going up everywhere related to household bills. You will be seeing more cases of depression, ill health as people go without heating, individuals contemplating suicide, families splitting up as the financial strain takes its toll - and these are to name but a few!	A fair amount	
26		A great deal	
27		A great deal	
28	At some point, homeowners will be just unable to pay council tax	A great deal	1)Time to give up on the Unitary authority and consolidate back into Cambridgeshire County Council to gain economies of scale. 2) buy homeless people/immigrants one way tickets out of County. 3) stop all discretionary spending

CABINET	AGENDA ITEM No. 3
4 December 2017	PUBLIC REPORT

Cabinet Member(s) responsible:	Cllr David Seaton	
Contact Officer(s):	Marion Kelly, Interim Corporate Director: Resources Peter Carpenter, Service Director Financial Services	Tel: 01733 452520 Tel: 01733 384564

CABINET ADDENDUM – MEDIUM TERM FINANCIAL STRATEGY 2018/19-2020/21

Background

- 1.1. This addendum 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.

Consultation Response

- 1.3. This update contains the 13 consultation responses received between 20 November and 30 November 2017. Throughout the consultation process we have received a total of 41 responses. A summary of the new responses received is given in this section.
- 1.4. **Question 1** - Respondents answered question 1 which was ‘Do you have any comments to make about the first round budget proposals?’

Response	Number of Responses
Positive	4
Neutral	6
Negative	3
Total	13

- 1.5. **Question 2** – Respondents were asked, after having read the consultation document, how much they understood the Council’s proposals. Answers can be broken down as follows:

Response	Number of Responses
A great deal	3
A fair amount	8
Not very much	1
Nothing at all	1
Total	13

- 1.6. **Question 3** – Of the 13 responses received, 10 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
Councillor and Officer pay levels
Shared Roles with other Councils

Waste Collection frequency	AGENDA ITEM 9(f) – FOR INFORMATION ONLY
Review the METAL funding proposed	

Feedback from the budget conversation survey

1.7. The following table details the feedback received via the online survey:

	<p>Do you have any comments to make about the first phase budget proposals?</p>	<p>Having read the phase one proposals document, how much do you now feel you understand about why the council must make total savings of almost £24million in 2018/19 and almost £40million by 2020/21?</p>	<p>If you have any specific ideas about how the council can save money or generate additional income to protect services, please state these here:</p>
<p>29</p>	<p>Hydrotherapy Pool - existing pools have facilities. Use these instead. Otherwise will spend money on new facility just for it to be cut in the future. Metal arts - don't support funding. Environmental health. Only 1 instead. Not enough new premises for 2. Verge parking - why not existing staff? Can't support if not all areas. Legal services - why not existing staff? Council tax growth. Concern low paid new residents will be a net drain. Affordable homes will be a net growth in pressures. How will council ensure new homes will house existing. Highway services. Terrible value for money contract eg rhubarb bridge. Don't make these savings if tie in to contract. Get out of contract instead. Planning services. staff will be a long term cost, eg pensions. Don't raise just to spend again unnecessarily. Public health - includes translation cost savings? Asset investment - where's details and justification for each item. Led lights - cancel.</p>	<p>A fair amount</p>	<p>Walk in centre not mentioned. Would be a false economy to cut. Consider extending hours even if a cost. Taxi Costs. Make savings THIS year. Have heard people say they don't really need it but use it "because it's free". Executive Pay. I don't know what world the executives are living in, but this is Peterborough. The pay given to executives and the money spent on things is ridiculous. At a company that had pressures the council has there's no way you'd carry on with the executive pay like PCC does. Want plans to replace any staff at lower rates. There should be a freeze on existing executive pay for the foreseeable future. Should reverse the pay rises. Secrecy. (same comment from last year) The culture at PCC is poor and counterproductive. The £500 list is useless with no information given. Making everything open would make it obvious where the problems lie. It impossible from the information and accounts to work out what is being spent on and why. The are local people with expertise that could review what the council are doing if allowed to. Local people can help decide what is essential and will understand if it is laid out how expensive things are for the council. 1) Provide at least another drill-down level of budget info. 2) No more confidentiality/non-disclosure agreements. To allow competitive alternative offers to be given by local companies. 3) Prove a Description/reason on each £500 entry. LED street lighting. (amended comments from last year) Suspend this project altogether. Total false economy. Skansa are just ripping us off. Recent policy to turn off some lights is sensible. There is over-lighting of most areas and spending money on LED replacements makes no sense. Scrapping old lights rather than replacing old</p>

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			poles should be done. Having lights on for less time should be considered as well. LED project could well end up costing more money. Even if it's too late to stop the work, turning off some of the lights needs to happen now. Grass Cutting. (same comment from last year) Reduction in non-essential grass cutting was a good idea and should be reconsidered. It was just implemented really badly. Play parks and hedges that cause visibility problems to road users and put lives at risk are the essentials. Pointless mowing of verges still happens. Amey contract. Terrible value for money just like the Skansa one. Need to make the details public and review them.
30	The proposed £50,000 for arts group METAL should be cancelled in the current financial position. The city would be better off without the ridiculous arts based proposals made by such groups and in current circumstances a grant of nil pounds would be far more acceptable to ensure essential services can be maintained.	A fair amount	Cancel the £50,000 grant to arts group METAL. Cancel all proposals for new traffic lights these cost money to install and maintain. We have had an epidemic spread of traffic lights over recent years which merely increases congestion + air pollution.
31	To much spend for homeless.	A fair amount	Nobody is happy with the increase in fees, but there are some ideas for more money and no need to raise fees. Many people live and avoid paying council tax. Houses are theoretically empty. I really know many examples where people live in them. Please check houses that do not pay tax also during the night. Then most often you see whether someone lives or not. Everyone knows what time the council works and avoids opening the door to the council employee. Another controversial issue is the contract with Steve and Philips to rent houses for the homeless. 70 families who pay taxes and work have been kicked out of homes without the council to pay 3 million and that's over £ 1,000 per month for every home for 3 years if such decisions are made it is no wonder that money is missing. For 3 million pounds you can buy 20 apartments and the council would be their owner and so pay 3 million and after 3 years you have to put homeless people somewhere. Especially because those living in council paid living people working expensive cars. I know it because I lived there,

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			just check the right time how many cars there. Persons who do not have UK citizenship should be returned to the country of origin and assisted there. There is no control over who gets home and what level of living. In other countries homeless people receive special containers and live there cost is about 20k pounds .Beans are employed on various jobs and the refusal of work deprives the beneficiary. There is heat, water and electricity. If anyone wants to have better conditions then it must go to work. Renting a home does not eliminate the problem of homelessness. Employers who hire homeless can have a discount on council tax ... it's a gain because the homeless is no longer homeless.
32		A fair amount	
33	Increase funding for preventive measures like the drink and drug-health awareness.	A fair amount	Sharing more roles with other councils to save money. Increase council tax.
34	The continued holding down of Council Tax rate is clearly unsustainable. All residents benefit from Council services and it seems perfectly reasonable to me that everyone should contribute to maintaining services at a reasonable level.	Nothing at all	See above
35	There is a lack of consultation with local residents. The council has for example removed many lights from the parkways. As a resident I was to email about this but then noticed that they were all disappearing other than at junctions. This is dangerous and irresponsible. If you breakdown with an electrical fault you will be unable to be seen and your life will be in danger. If you are cleared to drive but have a problem with sudden changes between light and dark roads you will no longer be able to go out at night promoting social isolation for those afflicted. Logistics for roadworks have been appallingly signposted and badly planned. The overnight roadworks near homes needs to be banned on safety grounds a sleep deprived driver has been scientifically proved to be as dangerous as a drunk	Not very much	Diesel ban this. fine for 5 years to allow time to adapt. Put some lighting on the roads the poor lighting is an accident waiting to happen and grossly negligent. LED lights are cheaper to run so the extensive removal is unjustified and dangerous. Tackle all cars that have been modified with extra loud exhausts with immediate fines. At the moment they moderate to pass the MOT and immediately add back all the noise the second they have a pass certificate. Fines would disincentive this modification. Promote a more peaceful society. Get in private people who understand how to negotiate and bargain. Many contractors just up their price for council contracts be prepared to challenge this and get a better deal for residents. Communicate better with residents

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<p>driver. So why is this dangerous practice been adopted and imposed on residents. You are endangering lives and paying a higher price for workers due to anti social hour rates. That is hardly helping save money. Are you overpaying for services most government departments seem to do so and have no commercial acumen on how to save money. Noise is a huge issue for modern living are new developments being properly soundproofed? Are you allowing sufficient space between properties to control infection and make a pleasant living environment. Why are planning policies not set as no residential properties near parkways so you could put industrial units near parkways and home further away to promote sleep and quality of life. The houses that already exist should have the parkway baffled and evergreen planting could be used as an interim measure. Nitrogen dioxide is known to pollute and to affect children's intelligence so why is this not being restricted or banned over say 5 years. This could be a revenue raiser. Yes people need affordable housing but paying rent to landlords and not to tenants who have addiction issues or mental health issues has actually damaged their health and wellbeing as many are now homeless. This policy I understand was intended to help with their dignity and independence but it has done nothing for them. It is the same money campaign to pay it in a sensible way that actually protects vulnerable people. Deal with waste if you want to save money and I don't mean rubbish. I mean poor spending decisions get those in from the private sector who can really teach you to budget negotiate and save money without cutting services. The police have reduced service but how many of you are aware it is national police policy not to take a statement of the person who causes an accident unless they kill or remove a limb from the person hit? Dangerous irresponsible drivers are not being re educated. This is not a primary problem of the old who need sight tests but those who are young irresponsible and place inspecting Facebook and social media above the safety of other road users. This needs to be tackled if the police</p>		<p>most of us pay increasing bills but then find the council heading off on it's own tangents and totally failing to represent the residents you are supposed to be looking after.</p>
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	<p>are to be funded. They need to tackle bad driving early and through education. The frustration of road traffic officers with the system is abundantly clear. Bins they are being abandoned by your contractors providing a hazard to the blind and disabled. This needs to be tackled with your contractors for the safety of all pavement user. They bike riders wheelie on the pedestrian part of the path the small children who think it is acceptable to aim their scooters directly at pedestrians. Children need urgent education in not just academics but in social courtesy and good manners otherwise the society will continue to deteriorate. Life is not all about a persons rights but also their responsibilities to. To show consideration and respect for all others would be a good start. This should be compulsory in all education. Let's stop changing the syllabus so fast that teachers can't ke p up and focus on a decent basic education that consider role in society.</p>		
<p>97 36</p>		<p>A great deal</p>	<p>Reduce street lighting away from junctions, and reduce the night hours it's turned on for. REduce frequency of rubbish collection Turn down the temperature of Council & school buildings, many of which are uncomfortable hot - it should be normal to wear a jersey/fleece during the winter. Reduce litter collection costs by encouraging the setting up of local groups who could take responsibility for their local area - as happens in parts of the USA</p>
<p>37</p>	<p>I totally understand that due to the enormous amount that the govenment have cut from the cities grant that we will unfortunately have an increase in our council tax. But what most definitely I do not agree with is council officers, on their different committees, demanding pay rises of attendance fees etc. ALL public employees, and that includes councillors, are under a government pay cap, and as I say that includes councillors unlike previous years where for some unknown reason, apart from greed, they seemed to put themselves above that pay cap and gifted themselves quite a substantial payrise far exceeding the govenment recommendations for pay increases. This action sticks in the throat of nearly every rate</p>	<p>A fair amount</p>	<p>The main restraint as printed earlier.</p>

	payer I spoke too after their greedy action, hopefully this will not be repeated until the paycap is lifted by this government.		
38	Whilst cuts have to be made some residents will be happier than others. The council need to endure they do the best with limited resources. Continue to encourage the growth of businesses within the authority boundaries to provide income to the council. Education is important and should not be underfunded if standards are to rise.	A fair amount	
39	Peterborough City Council and its employees has made many innovative savings whilst doing it best to booth maintain and improve the services it provides. However, the austerity measures imposed by central government, the increasing demand for services (arising from population growth and ageing), which is not recognised by central government funding, will lead to a very significant budget gap. This will impact on services, cause more dissatisfaction for residents and other service users and damage the morale of employees and partners	A fair amount	
40	i do not agree with the fact no money has been factored in for non care act advocacy and support for people with learning disabilities and autism. IF YOU CAN NOT LOOK AFTER THE CITIES MOST VULNERABLE HOW CAN YOU LOOK AFTER ANYONE.	A great deal	MORE FINES FOR FLY TIPPING, LANDLORDS AND BENEFIT FRAUD.
41	School Academy Charge This proposed increase is not proportionate to the charges other councils charge or costs encountered by councils - Average charge is £5,000 to £7,500. Or reflective on the other costs schools need to cover as part of the £25,000 conversion grant. Other councils provided a detailed paper on this proposal where Peterborough have just said they want £10,000 form the £25,000 grant. - Reality taking into account the educational standards of schools within Peterborough all school will become academies within 3 years either voluntary or sponsored. The biggest risk to council budget is the reduction in rates income as academies will received discount as a result of charity status. Any reduction in	A great deal	Reduce Council size and greater collaboration with other local authorities - sharing staff and resources

<p>rates will not affect the school budgets as these are directly funded at actual levels within the school budget. The proposal to increase the academy change to £10,000 will result in schools diverting funds from their teaching and learning budget to supplement the council budget. A fairer system would be to look at any surplus from the £25K following the conversion and split this between the school and council to recover costs</p>		
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Appendices

1.8 Appendix A – DRAFT Minutes of the Joint Scrutiny Committees Meeting 29 November 2017

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**DRAFT MINUTES OF THE JOINT SCRUTINY COMMITTEES MEETING
HELD AT 6.00PM ON
29 NOVEMBER 2017
IN THE COUNCIL CHAMBER, TOWN HALL PETERBOROUGH**

Committee Members Present: Councillors J Peach (Chairman), A Ali, S Barkham, R Bisby, R Brown, J Bull, G Casey, CAV M Cereste OMRI OSSI, A Dowson, A Ellis, D Fower, J A Fox, J R Fox, H Fuller, J Goodwin, C Harper, M Hussain, A Iqbal, M Jamil, J Johnson, N Khan, D King, S Lane, S Martin, S Nawaz, B Rush, L Serluca, N Simons, J Whitby

Parish Councillor Co-opted Members: Neil Boyce, Henry Clark, Richard Clarke, Keith Lievesley, Susie Lucas

Co-opted Members: Dr Steve Watson, Razwan Rehmatullah

Also Present: Councillor Holdich, Leader of the Council and Member of the Cambridgeshire and Peterborough Combined Authority
Councillor Fitzgerald, Deputy Leader and Cabinet Member for Integrated Adult Social Care and Health
Councillor Ayres, Cabinet Member for Education Skills and University
Councillor Eisey, Cabinet Member for Waste and Street Scene
Councillor Hiller, Cabinet Member for Growth, Planning, Housing and Economic Development
Councillor Lamb, Cabinet Member for Public Health
Councillor Seaton, Cabinet Member for Resources
Councillor Smith, Cabinet Member for Children's Services
Councillor Walsh, Cabinet Member for Communities

Officers Present: Gillian Beasley, Chief Executive
Peter Carpenter, Service Director, Financial Services
Adrian Chapman, Service Director, Communities and Safety
Stephen Gerrard, Interim Director of Law and Governance
Simon Machen, Corporate Director, Growth and Regeneration
Wendi Ogle-Welbourn, Executive Director, People and Communities, Cambridgeshire and Peterborough Councils
Will Patten, Service Director Commissioning
Dr Liz Robin, Director of Public Health
Lou Williams, Service Director Children's Services & Safeguarding
Paulina Ford, Senior Democratic Services Officer

1. APPOINTMENT OF CHAIRMAN

The Senior Democratic Services Officer opened the meeting and advised the Committee that in accordance with *Part 4, Section 8 – Scrutiny Committee Procedure Rules, section 13, Joint*

Meetings of Scrutiny Committees a Chairman would be required to be appointed from among the Chairmen of the Committees who were holding the meeting. Nominations were sought from those Chairmen present at the meeting which were Councillor Peach, Chairman of Growth Environment and Resources Scrutiny Committee, Councillor Fuller, Chairman of Adults and Communities Scrutiny Committee, Councillor Goodwin, Chairman of Children and Education Scrutiny Committee and Councillor Cereste, Chairman of Health Scrutiny Committee. Councillor Peach was nominated by Councillor Cereste and seconded by Councillor Goodwin, there being no further nominations Councillor Peach was appointed Chairman.

The Chairman welcomed everyone present and explained that the purpose of the meeting was to provide an opportunity for all members of each Scrutiny Committee to scrutinise the Medium Term Financial Strategy, Budget 2018/19 Phase One Proposals document as part of the formal consultation process before being presented to Cabinet on 4 December 2017 for approval and recommendation to Full Council on 13 December 2017.

2. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Over, Councillor Shaheed, Councillor Gul Nawaz, Councillor Saltmarsh, Councillor Ferris, Councillor Sandford, Councillor Mahabadi and Councillor Aitken.

The following co-opted members also sent apologies: Liz Youngman, Flavio Vettese,

Apologies for absence were also received from Councillor Stokes Cabinet Advisor Children's and Safeguarding, Marion Kelly, Corporate Director for Resources and Terry Reynolds, Service Director, Education.

3. DECLARATIONS OF INTEREST AND WHIPPING DECLARATIONS

There were no declarations of interest or whipping declarations.

4. Medium Term Financial Strategy (MTFS) 2018/19 - 2020/21

The Cabinet Member for Resources gave a short presentation and introduction to the Budget Strategy including Council Tax.

The following key points covering Peterborough specific issues were highlighted:

- Revenue Support Grant – 80 per cent cut over seven years
- Fast growing city – but no extra funding
- Low council tax rate – council tax was frozen in four out of the past seven years. Peterborough residents pay one of the lowest council tax rates for a unitary authority in the country
- Relatively high levels of deprivation in the city – with some of the most deprived areas in the UK, ranking the 14th highest deprived unitary authority area.
- Unprecedented demand in certain services such as homeless households, residential care demand, children in care – but no extra funding
- Phase One proposals to include:
 - Significant increase in temporary accommodation budget due to rise in number of homeless families

- Investment in adult social care to manage demand - residential care and care home demand
 - Pressures on Environmental Health and Coroner service due to population rise
 - Also investment in schemes to tackle verge parking, improve CCTV system for the city
 - Generating income through commercial property and Peterborough Highway Services
 - Savings through management restructure and savings in long-term public health contracts
- Peterborough receive a Flexible Homelessness Support Grant, which is based on the number of people in temporary accommodation.
 - This year Peterborough will get £489,321, yet Luton will receive £2.7million. This is because the funding formula is based on out of date homelessness figures which do not reflect the sharp increase we have seen in Peterborough in the past two years
 - Budget “Gap” after Phase One of the 2018/19 Budget Process:
 - 2018/19 - £15.7m
 - 2019/20 – £21.4m
 - 2020/21 - £35.2m
 - The Council are lobbying central government and have set up the “Stand up for Peterborough Campaign” launched on 20 November
 - Consideration is being given to more Shared Services

Each section of the budget was then taken in order according to how it was presented in the Budget Book. The relevant Cabinet Member or Corporate Director were given the opportunity to introduce their section of the budget 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
<p>Introduction of the Budget Strategy, including Council Tax</p> <p><i>Cabinet report dated 20 November (pages 1 to 15 Budget 2018/19 Phase One Proposals Document and Appendix C page 31 and Appendix D page 33)</i></p>	<p>Members commented that when compared to other Unitary Authorities Peterborough had the lowest council tax rate and questioned whether a 1.9% increase was sufficient.</p> <p>Concern was raised with regard to continuing to use the reserves to fill the budget gap. The budget gap was a long term issue and using reserves would not provide a long term solution.</p> <p>Hypothecated central funding. What gaps will occur beyond 2018/19.</p> <p>Members noted that Peterborough would only get £489,321, yet Luton would receive £2.7million due to the funding formula being based on out of date homelessness figures. Was this gap likely to be filled going forward.</p> <p>Is the General Fund balance of £6million a usable Reserve?</p> <p>Clarification was sought as to whether the numbers including in the financial</p>	<p>A 1.9% increase in Council Tax plus the full Adult Social Care Precept of 3% will cover next year's gap. However if only the Council Tax rate were to rise it would mean an increase in Council Tax of 30% to cover the gap next year and that would need a referendum.</p> <p>Members were informed that the Chief Executive had been asked to engage with other Local Authorities regarding shared service arrangements. The outcome of those discussions would be brought back to Cabinet.</p> <p>The income and expenditure for all budgets were currently being looked at. In the short term there was a need to set a legal budget but going forward there was a need to move to a sustainable budget over the three year time horizon.</p> <p>Members were informed that the gap was unlikely to change going forward.</p> <p>Yes. The general fund is part of the Councils usable reserves.</p> <p>Yes.</p>

Item / Section of the Budget	Questions / Comment	Response from relevant Cabinet Member / Corporate Director
	statement included the future increase in demand on services.	
<p>The Committee RESOLVED to note this section of the budget.</p> <p>ACTION</p> <p>The Cabinet Member for Resources to provide the Committee with a statement of the Hypothecated figures in the grant.</p>		
<p>People and Communities</p> <p><i>Appendix A Phase 1 Budget Pressures (Pages 17 – 21)</i> and <i>Appendix B Phase 1 Savings Proposals (Pages 25 to 26)</i></p>	<p>Clarification was sought as to what actions were being taken to address the rise in homelessness.</p> <p>Concern was raised with regard to the increase in the charge to schools converting to an academy from £5000 to</p>	<p>If the use of bed and breakfast accommodation were to continue the cost would rise to £5.5million in 2021. The council was therefore finalising arrangements to purchase housing stock through Medesham Homes to use as both temporary and permanent accommodation.</p> <p>Work was being done to redesign the housing service in response to the forthcoming change in legislation. This change in legislation is predicted to lead to an increase in demand on services due to a requirement to assist people much earlier to prevent their homelessness.</p> <p>There will also be some minor changes to the Housing Allocations Policy, and the Cabinet Member for Growth, Planning, Housing and Economic Development has requested that a Task and Finish Group be set up to draft a new Homelessness Reduction Strategy.</p> <p>There had been no negative feedback and the Executive Director for People and Communities would provide information on how Peterborough compared</p>

Item / Section of the Budget	Questions / Comment	Response from relevant Cabinet Member / Corporate Director
	<p>£10,000. Clarification was sought as to whether there had been any feed back to the increase and how did this charge compare to other Local Authorities.</p>	<p>to other Local Authorities after the meeting.</p>
<p>The Committee RESOLVED to note this section of the budget.</p> <p>ACTION</p> <p>The Executive Director for People and Communities to provide the Committee with information on how Peterborough’s charge of £10,000 to schools wishing to convert to academy status compares to other Local Authorities.</p>		
<p>Resources including Strategic Commissioning and Partnerships</p> <p><i>Appendix A Phase 1 Budget Pressures (Pages 21 – 22) and Appendix B Phase 1 Savings Proposals (Pages 27 to 28)</i></p>	<p>How will a 20% cut in services affect our partners such as Vivacity and Opportunity Peterborough?</p> <p>How will partners like Opportunity Peterborough contribute to the 20% cut in services and where does it show in the budget proposals.</p> <p>Members referred to the proposed removal of £500,000 savings target for Agile Working and asked why this had not been met and what other savings targets had not been met.</p>	<p>Opportunity Peterborough has the opportunity to get more work through working with the Combined Authority and get paid for that work.</p> <p>There is nothing showing in Phase One but there may be in Phase Two.</p> <p>It had become clear that the benefits of agile working were more about improvements to staff flexibility and an increased ability for staff to cope with growing workloads as demands on services increased. Therefore it was proposed that the savings be removed for agile working.</p> <p>All projects were being reviewed and some had over delivered whilst some had not delivered as expected. Details of these can be provided.</p>

Item / Section of the Budget	Questions / Comment	Response from relevant Cabinet Member / Corporate Director
<p>The Committee RESOLVED to note this section of the budget.</p> <p>ACTIONS</p> <p>The Cabinet Member for Resources to provide the Committee with a list of all projects which had either over delivered or not met the savings required.</p>		
<p>Growth and Regeneration</p> <p><i>Appendix A Phase 1 Budget Pressures (Pages 23) and Appendix B Phase 1 Saving Proposals (Pages 28 to 29)</i></p>	<p>Members referred to Peterborough Highway Services – commercial operations and sought clarification as to whether these services had been sold to other Local Authorities.</p> <p>It had been stated in last year’s budget that the contract with Amey would be terminated. An update on this had been requested several times, could this now be provided.</p> <p>Members referred to the verge parking scheme and noted that an additional £22,000 would be required to implement the scheme and questioned if it was a priority and if it could be removed.</p> <p>Councillor Cereste seconded by Councillor Harper proposed the following recommendation be put forward to Cabinet:</p> <p>That Cabinet continue to take all reasonable steps to invest in projects and</p>	<p>Members were informed that Bath and North Somerset as of the 14 November had resolved to use Peterborough Highway Services for the next five years. It was noted that use of this contract had represented good value for money for the Councils.</p> <p>The council were currently in negotiation with a number of different people to take over the Amey contract and the decision to activate the termination of the Amey contract would go before Cabinet on 18 December.</p> <p>Members were advised that the cost of the scheme was a small amount compared to the benefit it would provide in solving a city wide problem.</p>

Item / Section of the Budget	Questions / Comment	Response from relevant Cabinet Member / Corporate Director
	<p>pursue commercialisation to increase income and revenue in the city.</p> <p>The recommendation was put to the vote and approved (17 in favour, 10 against, 2 abstentions)</p>	
<p>The Committee noted this section of the budget and RESOLVED to make the following recommendation to Cabinet:</p> <p>That Cabinet continue to take all reasonable steps to invest in projects and pursue commercialisation to increase income and revenue in the city.</p>		
<p>Governance</p> <p><i>Appendix A Phase 1 Budget Pressures (Pages 23)</i></p>	<p>Members enquired as to how much income was coming into the council through commercialisation of legal services.</p>	<p>Commercialisation brought income into the council through various services. The Cabinet Member for Resources would provide details of these.</p>
<p>The Committee RESOLVED to note this section of the budget</p> <p>ACTION</p> <p>The Cabinet Member for Resources to provide the Committee with details of income generated through commercialisation of council services.</p>		
<p>Public Health</p> <p><i>Appendix B Phase 1 Savings Proposals (Pages 29 to 30)</i></p>	<p>It was noted that Peterborough received less grant funding per capita. Why was this not recognised? Had the council pressed for more money?</p>	<p>Peterborough received £57 per head compared to the national average of £59 per head. Peterborough received a lower level of funding in relation to need, and less than other local authorities in the same deprivation decile. The council had lobbied government. All Local Authorities have had their public health grant reduced by the same percentage.</p>

Item / Section of the Budget	Questions / Comment	Response from relevant Cabinet Member / Corporate Director
The Committee RESOLVED to note this section of the budget		
Asset Investment Programme Budget & Funding Summary 2018/19 to 2027/28 <i>Appendix E (Page 35 to 38)</i>	Members enquired whether there were any elements of the capital investment programme that could be deferred.	Yes there were some areas which could be deferred and they would come through in Phase Two.
The Committee RESOLVED to note this section of the budget		
General Comments, any overall recommendations and Conclusion		
109	There were no further comments, questions or recommendations.	

The Chairman thanked all members of the Scrutiny Committees for attending the meeting and the Cabinet Members and Directors for attending and responding to the questions.

SUMMARY OF RECOMMENDATIONS AND ACTIONS

RECOMMENDATION

Growth and Regeneration

The Committee noted this section of the budget and **RESOLVED** to make the following recommendation to Cabinet:

That Cabinet continue to take all reasonable steps to invest in projects and pursue commercialisation to increase income and revenue in the city.

ACTIONS

Introduction of the Budget Strategy, including Council Tax

1. The Cabinet Member for Resources to provide the Committee with a statement of the Hypothecated figures in the grant.

People and Communities

2. The Executive Director for People and Communities to provide the Committee with information on how Peterborough's charge of £10,000 to schools wishing to convert to academy status compared to other Local Authorities.

Resources including Strategic Commissioning and Partnerships

3. The Cabinet Member for Resources to provide the Committee with a list of all projects which had either over delivered or not met the savings required.

Governance

4. The Cabinet Member for Resources to provide the Committee with details of income generated through commercialisation of council services.

CHAIRMAN

The meeting began at 6.00pm and ended at 7.08 pm