

Appendix B – Budget Proposal Detail

Category	Directorate	Budget Proposal	Description	P-One 2021/22 £000	P- One 2022/23 £000	P- One 2023/24 £000	P- Two 2021/22 £000	P- Two 2022/23 £000	P- Two 2023/24 £000	Total 2021/22 £000	Total 2022/23 £000	Total 2023/24 £000	
Budget Pressure & Service Demand	Business Improvement	Engagement Manager	This role was created during 2020 to develop a service engagement plan which supports delivery of transformation and savings initiatives, monitoring and, where possible, mitigating the impact of Covid-19. This proposal seeks to make the role permanent. The Engagement Manger works closely with senior managers and staff to set up management forums which share best practice and support staff engagement to identify, implement and monitor areas where efficiencies and savings can be made.				62	62	62	62	62	62	
	Capital Financing Costs	Exceptional support from MHCLG (Capitalisation Direction - cost of borrowing)	Discussions are ongoing with MHCLG, however the Council has received confirmation that MHCLG are minded to approve a Capitalisation Direction of up to £20m in 2021/22. Once confirmed this will enable the Council to take on additional debt through borrowing to fund revenue expenditure for that year. This reflects the annual cost of borrowing £20m from a Capitalisation Direction.				150	1,150	1,151	150	1,150	1,151	
	People & Communities	Adult Social Care-Cost Drivers and Demography review	Nationally, Adult Social Care is facing unprecedented financial pressures resulting from reducing budgets, rising costs of care, increasingly complex needs and an ageing population, exacerbated further by the Covid-19 pandemic. The council has not escaped these pressures, which are driven by a growing population and an increase in contract inflation and the cost of providing care.			2,314	4,628	1,300	500	500	1,300	2,814	5,128
		Adult Social Care-market sustainability	These pressures and recommended investment ensure the social care market continues to support service user’s needs under the backdrop of continued financial pressures seen on a national and regional scale as a result of Covid-19. The vast majority of external funding for social care which had been available during phase one of Covid-19 will no longer be available in 2021/22. The budget required under this proposal would enable the Council to continue to support providers with the costs of direct intervention. Measures include: *Continuing to fund the additional c. 104 beds commissioned by the Council for patients discharged from hospital into other care settings during phase one of Covid-19 *Continuing to support providers with infection control measures associated with Covid-19, for example PPE and professional support *Supporting providers to cover the cost of the largest increase to the National Living Wage seen in 20 years.	5,147	4,480	4,815	(363)	637	637	4,784	5,117	5,452	
		Care Homes Team investment	Across Cambridgeshire and Peterborough there are 167 registered residential and nursing homes (131 in Cambridgeshire and 36 in Peterborough). Compared to other areas, a higher percentage of homes are rated good or better, however, there are a small number of homes which require focus to address and respond to quality and practice	73	30						73	30	0

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			<p>issues.</p> <p>This proposal involves the establishment of a dedicated Care Home Support Team across Cambridgeshire and Peterborough for two years to support homes where systemic issues are identified, in order to reduce the risk of provider failure and/or large-scale safeguarding concerns. This dedicated team of staff could provide practical support to the homes for a concentrated period to bring practice and documentation up to the required position. They could also work with providers where early involvement is likely to provide a preventative benefit. This support will include:</p> <p>Talking to residents and staff to gather their concerns and provide advice and reassurance</p> <p>Ensuring care and support documentation is up-to-date and meets the needs of all</p> <p>Supporting adherence to Mental Capacity Act and Deprivation of Liberty Safeguards statutory duties across the home</p> <p>Liaising with safeguarding teams as appropriate</p> <p>Celebrating and sharing good practice</p> <p>Checking the clinical needs of each resident are met and infection control measures are in place and appropriate</p> <p>Identifying opportunities for use of technology to support practice throughout the home as opposed to a resident by resident basis</p> <p>Work alongside home management to ensure they understand what is required and are able to take the changes forward positively.</p> <p>To resource this new team, a manager and five social workers would need to be recruited. The resource would be shared across Cambridgeshire and Peterborough so that it can be deployed where needed. The costs of this service would be shared by Peterborough City Council (26%) and Cambridgeshire County Council (74%).</p>									
		Children's- Family Safeguarding	<p>Family Safeguarding was implemented in Peterborough with the support of a grant from the Department for Education in 2017/18. This grant met the initial set-up costs and additional staffing costs for operating the model. It has now been fully utilised.</p> <p>Family Safeguarding is an approach to working with children living in families where issues affecting parents place them at the greatest risk of harm. These parental factors are substance and/or alcohol misuse, parental mental ill-health and domestic abuse and in the most complex family situations, parents may be struggling with all these issues.</p> <p>In Family Safeguarding, practitioners with expertise in supporting adults to address these difficulties are seconded into teams of children's social workers. Those practitioners support adults to address the difficulties they are facing, leaving the children's social workers to ensure that those changes are having a positive and sustainable impact for the children in the family.</p> <p>This approach is associated with fewer children coming into care as more families are supported to make permanent positive changes and is why Peterborough has fewer children in care than our statistical neighbours.</p>	700	700	700	(700)			0	700	700

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			Having fewer children in care more than offsets the additional staffing costs for the adult practitioners, which are £900,000 per annum. Part of this cost is met by the public health grant, because successfully addressing substance, alcohol and domestic abuse and improving mental health are all core public health priorities. This reduces the staffing pressure to £700,000 per year from 2022/23									
		Children's Placements	<p>While the council's overall number of children in care remains significantly below the average of its statistical neighbours, we have seen a small increase during the Covid-19 pandemic, partly as a result of families struggling to continue to look after children with very complex needs at a time when other forms of support including help from extended family was less available to them.</p> <p>Prior to Covid-19, the council had been reducing its placement costs and was set to achieve a £300,000 saving in 2020/21 and a further £500,000 saving in 2021/22.</p> <p>The costs of specialist placements for young people with complex social and emotional needs and for children and young people with complex disabilities are often as much as £5,000 per week per child or young person and can be significantly higher. This means that there can be an increase in placement costs of £1million resulting from an additional four children and young people with complex needs coming into care.</p> <p>The council is concerned that the impact of Covid-19 will continue to affect families and children and young people with the most complex needs, resulting in a continuing small increase in the numbers needing specialist care and placements over the remainder of the current financial year and into 2021/2. It is therefore prudent to assume a potential pressure of up to £2million in additional placement costs over the coming years.</p>	2,000	2,000	2,000				2,000	2,000	2,000
		Think Communities Investment	<p>The Peterborough and Cambridgeshire Think Communities approach brings together local authorities across the county, the voluntary and faith sector, community groups, housing providers, business, health, police and fire services to coordinate place-focused people-centred support.</p> <p>The approach was first developed in 2019, but since the start of the Covid-19 pandemic the coordinated Hub response implemented in Peterborough and Cambridgeshire has proven how the concept works in real time, supporting tens of thousands of residents to protect themselves, and as such not overload the NHS or other statutory services. This way of working achieved some outstanding outcomes and is something the council and Cambridgeshire County Council want to take experience from and to build on.</p> <p>Targeted preventative work will be delivered to ensure that people who might need help and support - for example, if they are lonely and isolated, or if they struggle with their household bills, or who are an informal carer - are able to get that support from within their own community first and foremost, either through a stronger and more</p>	247						247	0	0

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			resilient set of community-led services or through council and other staff working more closely within and alongside communities. The council is proposing an initial 18-month investment to build on our existing core-funded infrastructure, embed many of the features developed during the Covid-19 pandemic, and deliver highly practical outcomes across all services. After the 18 months of transformation investment, it is expected that this approach and way of working will be embedded in the organisation and that ongoing work will be part of core budgets.									
	<b>Place &amp; Economy</b>	Aragon Direct Services(Peterborough Ltd)	Since 2019, the council has operated a local authority trading company Peterborough Limited, through which a range of services are delivered under the name Aragon Direct Services. These include refuse collection, recycling, street cleansing, parks, trees and open spaces and other services. Since these services were insourced from the previous contract with Amey (Enterprise Managed Services Ltd), operations and costs have been reviewed to ensure high quality standards are maintained for the future. This review has identified that the cost base upon which the original contract was established was insufficient to sustain the required service levels in the long-term. The impact of the coronavirus pandemic has also led to additional financial pressures. Additional investment is required in several areas, including the replacement and updating of refuse vehicles, street sweepers, transport fleet and other equipment.	1,500	1,500	1,500				1,500	1,500	1,500
		Reduction in Income from sale of electricity from Energy from Waste plant Energy from Waste	The council is able to sell electricity produced by its Energy Recovery Facility and as a result a predicted income is built into the council's budget. However, energy prices have been lower than previous years and the amount of power generated by the facility has fluctuated, meaning it is expected to generate a reduced income. Therefore, a pressure of £500,000 needs to be reflected within the council's budget for 2021/22, reducing in future years in anticipation of an improved market.	500	400	300				500	400	300
		Specialist Technical Support for ERF Changes	This proposal is to secure specialist technical support pertaining to contractual arrangements with the operator of the Energy Recovery Facility, relating to changes in maintenance and operational requirements of the plant in line with developing industry best practice.				25	15	15	25	15	15
	<b>Public Health</b>	Agenda for Change	The increase in the level of the public health grant received in 2020/21 included an amount to pay the providers that TUPED across Agenda for Change (A4C) staff. This covered the cost of a pay award uplift which the Council is legally obliged to pay. This pressure has only started from 2020/21 onwards as in previous years Public Health England paid this cost directly.				308	308	308	308	308	308
	<b>Resources</b>	External Audit Fees	The audit procedures now required, and the risk and complexities involved in an organisation such as the Council have led to our external				100	100	100	100	100	100

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			auditors indicating a final fee estimate of around £185,000, some £100,000 higher than the current scale fee. This compares to a commercial benchmark of £250,000.									
		Increase in Sundry Bad Debt Provision- due to the economic impact of the C-19 Pandemic	Due to the economic impact of Covid-19 the council is anticipating that a high level of provision may be required at the end of the financial year. This is to reflect a higher than anticipated level of sundry debt outstanding, resulting from businesses, organisations and individuals struggling to pay for new and historic debt.	500			200			700	0	0
		Pay Award- 2.75% in 2020/21	In August 2020 an agreement was reached between the National Employers and the NJC Trade Union on rates of pay applicable from 1 April 2020, which included an increase of 2.75%. The council's budget had assumed a lower level of pay award, therefore an adjustment is required to ensure the full cost of this is covered.	725	725	725				725	725	725
		Pay Increments	The Council, like most other Local Authorities, pays staff based on Spinal Column Points (SCP). As part of the Council's pay policy staff move up an SCP, providing this is within their salary grade, on the 1 April each year. For a number of years, the Council has absorbed the cost of this within budget, but as funding has reduced and the cost of services has increased this is no longer possible. This proposal factors in the cost of pay increments for 2021/22.				621	621	621	621	621	621
		Peterborough Serco Strategic Partnership- Budget adjustment	This budget adjustment reflects amends to the original contract with Serco to provide a range of frontline and back-office services to the Council. Initially, the contract included a £500,000 'growth rebate' to be paid to the council after five and ten years, this was later adjusted to a £100,000 payment in each year of the ten-year contract. However, an error meant the second £500,000 payment was left in the 2021/22 budget, which is why this adjustment is required.	500	500	500				500	500	500
<b>Budget Pressure &amp; Service Demand Total</b>				<b>11,892</b>	<b>12,649</b>	<b>15,168</b>	<b>1,703</b>	<b>3,393</b>	<b>3,394</b>	<b>13,595</b>	<b>16,042</b>	<b>18,562</b>
<b>Collection Fund Losses: Council Tax &amp; NNDR</b>	<b>Funding</b>	Business Rates (NNDR) Collection Fund Deficit- Spread over three years	Each year the Council must evaluate the financial position of the collection fund and declare whether there is a surplus, where additional income has been collected in comparison to budget, or a deficit, where the income collected is less than budgeted. This amount is then carried forward into the following year's budget. For years the Council has declared a surplus position due to the level of business growth within the city. However due to Covid-19 the estimated position on the collection fund at 31 March 2021 is a deficit. On 1 December, new regulations came into effect which meant that a deficit arising in 2020/21 would need to be spread over three years. The Council has followed the proforma set by the Government to implement this approach. In Phase One the Council was expecting a more severe position on the collection fund due to a significant fall in collection rates and a fragile economy. However, during a thorough review of the NNDR assumptions, the overall impact on the collection fund is better than anticipated. The	2,389	2,389	2,389	(1,496)	(1,701)	(1,701)	893	688	688

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			Council has ensured the risk of non-collection and the higher level of appeals has been mitigated by contributions to the provision, but despite the struggling economy Peterborough has still seen business growth within the city. This growth has meant that the income base has grown, off-setting the other pressures putting a strain on the collection fund balance. Further information is included within the main MTFS report.									
		Council Tax Collection Fund Deficit- Spread over three years	Each year the Council must evaluate the financial position of the collection fund and declare whether there is a surplus, where additional income has been collected in comparison to budget, or a deficit, where the income collected is less than budgeted. This amount is then carried forward into the following year's budget. For years the Council has declared a surplus position due to the level of housing growth within the city. However due to Covid-19 the estimated position on the collection fund at the 31 March 2021 is a deficit. On 1 December, new regulations came into effect which meant that a deficit arising in 2020/21 would need to be spread over three years. The Council has followed the proforma set by the government to implement this approach. In Phase One the original estimates for the Council Tax Collection Fund were worse due to the high numbers of Local Council Tax Support (LCTS) claimants and the lower collection rates. Unlike business rates the council tax collection rates have improved significantly and are less than 1% behind target. The rise in the levels of LCTS claimants has also plateaued. The key driver for the estimated deficit on the collection fund is in relation to a delay in the house building, in comparison to the assumptions included within the original budget. This is a result of the restrictions which were in place in the first lockdown. The Council has also had to increase the level of bad debt provision to mitigate the risk of carrying higher levels of council tax debt. Further information is included within the main MTFS report.	934	934	934	(890)	(376)	(376)	45	559	559
<b>Collection Fund Losses: Council Tax &amp; NNDR Total</b>				<b>3,323</b>	<b>3,323</b>	<b>3,323</b>	<b>(2,386)</b>	<b>(2,077)</b>	<b>(2,077)</b>	<b>938</b>	<b>1,247</b>	<b>1,247</b>
<b>Funding Changes</b>	<b>Funding</b>	Additional Social Care Funding	An additional £300m of social care grant funding was announced at the Spending Review and the Council's allocation of £0.993m was confirmed in the Local Government (LG) Provisional Finance Settlement. This funding forms part of a package alongside the ability for Local Authorities to raise an Adult Social Care precept, to support the additional costs of providing social care services.				(993)	(993)	(993)	(993)	(993)	(993)
		Business Rates (NNDR) Income Base	Within Phase One of the MTFS it was assumed that the Council's NNDR income base would be significantly impacted by the damaged economy, caused by Covid-19. This assumption was prudent and based on a 2% reduction, however after detailed review and analysis of the NNDR, the Council's position is much more positive than initially anticipated. The following factors have been considered in reaching this estimate: • An increase in the provision for appeals in respect of potential changes	1,005	1,005	1,005	(3,482)	(3,702)	(4,728)	(2,477)	(2,697)	(3,723)

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			to the rateable value of properties <ul style="list-style-type: none"> <li>An increase in the provision for bad debts which has been increased due to the high levels of non-collected NNDR (outlined separately)</li> <li>NNDR Relief for empty properties as a result of well publicised instances of business administration and solvency (Arcadia, Paperchase, Debenhams etc)</li> <li>An increase in expected income as a result of significant business growth within the city. This includes a number of warehouses and distribution centres on the Roxhill Site, which have created hundreds of jobs in 2021/22, the new Premier Inn in the city centre and a number of stores including Home Bargains, Aldi and Iceland.</li> </ul>									
		C-19 Response Fund Tranche 5	This additional funding of £1.55bn was originally announced in the Spending Review with the Council's allocation of £6.366m being confirmed in the LG Provisional Finance Settlement. This grant is one-off and is intended to support local authorities with the continued pressures caused by Covid-19.				(6,366)			(6,366)	0	0
		Council Tax Base Reduction	In Phase One the Council was anticipating the rise in the levels of LCTS claimants to continue and be at a much higher level than the current trajectory, in addition to the levels of housing growth being much lower than those included within the Council Tax Base assumptions. In December the Council Tax Base was reviewed, and reported to Cabinet on 18 January (link to report) This identifies a Council Tax Base of 59,714.72 Band D equivalent properties for 2021/22, an increase of 621.25 in comparison to 59,093.47 in 2020/21. The Council's base budget assumption is that the tax base increases by roughly 780 Band D equivalent properties each year, which equates to around 1,000 properties. Although the increase is positive in light of the current economy and is a sign of continued growth it does fall short of the original budget forecasts, albeit the position is an improvement of that included within Phase One.	1,304	1,360	1,360	(1,071)	(1,120)	(1,113)	233	240	247
		Council Tax Increase- 3% Adult Social Care precept and 1.99% General Council Tax increase (total 4.99%)	Within the 2020/21 MTFS, the Council had assumed a 2.99% Council Tax increase within its budget assumptions. The Government has now confirmed that local authorities have the flexibility to raise council tax by up to 4.99%, which includes a 3% Adult Social care precept and a 1.99% General Council Tax increase. The Government's expectation is that all councils will maximise this flexibility and included this within the Local Government Core Spending Power (CSP) documents published alongside the LG Provisional Finance Settlement. Therefore, the Council is proposing a total increase of 4.99%. This proposal reflects the change required to update the Council's budget assumptions.				(1,674)	(1,747)	(1,822)	(1,674)	(1,747)	(1,822)
		Increase in Bad Debt Provision as a result of reduced Business	Following review of the outstanding debt in respect of NNDR the Council has estimated an increase in its bad debt provision required. This is the result of the current levels of NNDR income collection being 17% lower than the targeted levels.	1,000	750	500	271	(264)	(303)	1,271	486	197

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		Rates (NNDR) Collection										
		Increase in Bad Debt Provision as a result of reduced Council Tax Collection	In Phase One the Council anticipated there would be a much higher rise to the level of bad debt provision needed in respect of council tax. The Council has increased this provision in 2020/21, however the impact of this is reported within the 'Council Tax Collection Fund Deficit- Spread over three years' proposal, with the impact of this being spread over three financial years.	500	400	300	(500)	(400)	(300)	0	0	0
		Local Council Tax Support Grant	Within the Spending Review the Chancellor confirmed £670m of grant funding for Local Authorities to compensate them for the additional costs associated with the increase in Local Council Tax Support caseloads. This is a one-off grant, with the Council's grant allocation confirmed at £1.590m.				(1,590)			(1,590)	0	0
		Lower Tier Services Grant	This is a new grant totalling £111m, which was announced within the LG Provisional Finance Settlement, of which the Council's allocations have been confirmed at £0.281m. This grant has been allocated to local authorities with lower tier functions (districts and unitary authorities) to ensure that no authority suffers a loss of Core Spending Power in comparison to 2020/21.				(281)	(281)	(281)	(281)	(281)	(281)
		New Homes Bonus	New Homes Bonus is a funding scheme which incentivises and rewards councils for housing growth within their area, and more so when homes are affordable or empty homes are brought back in to use. It was originally anticipated that New Homes Bonus would be phased out with a new scheme introduced. This was to be consulted on within 2020/21, however due to Covid-19, the consultation has been delayed until Spring 2021. In light of this delay, the Government has confirmed allocations which include payments in respect of the years 2018/19 and 2019/20 and a new allocation for 2021/22. The 2021/22 allocation is one-off, as a result of the delay, and has meant the Council has been able to factor this additional funding in to the budget for 2021/22.				(988)			(988)	0	0
		Revenue Support Grant (RSG)- Inflationary increase	As announced within the Spending Review and then confirmed within the LG Provisional Finance Settlement the Council is to receive an inflationary increase, based on Consumer Price Index (CPI) at 0.5% to its level of RSG.				(58)	(58)	(58)	(58)	(58)	(58)
	<b>People &amp; Communities</b>	Tackling Troubled Families grant extension	The Council has received notification that the Tackling Troubled Families Programme will continue in 2021/22, when it was originally assumed the grant funding would cease.				(753)			(753)		
<b>Funding Changes Total</b>				<b>3,809</b>	<b>3,515</b>	<b>3,165</b>	<b>(17,485)</b>	<b>(8,565)</b>	<b>(9,598)</b>	<b>(13,676)</b>	<b>(5,050)</b>	<b>(6,433)</b>
<b>Non- Delivery of Savings Plans</b>	<b>Business Improvement</b>	Impairment of Business Improvement saving budgeted from April 2021	A savings target has been reduced by £68,000 as there is no longer has a sound basis for delivery due to the increased complexity and volume of data and insight required for COVID response and recovery.				68	68	68	68	68	68

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	<b>Customer &amp; Digital Services</b>	Communications-Saving and income adjustment	A savings target of £30,000 has been reduced, as an original plan to sell spare capacity within the communications team to partner agencies has not been implemented due to high demands placed on the team by the support required for Covid-19 communications activity. A planned increase in target value of £24,000 related to sponsorship income has been removed due to market conditions created by Covid-19.	80			(26)	54	54	54	54	54
	<b>People &amp; Communities</b>	Adult Social Care-Care Suites	The additional demands placed on the Council's Adult Social Care Services by Covid-19 has resulted in these savings, which were proposed prior to the pandemic, becoming unachievable.	100	100	100				100	100	100
		Adult Social Care-Demand	Nationally, Adult Social Care has and is continuing to face unprecedented financial pressures resulting from reducing budgets, rising costs of care, increasingly complex needs and an ageing population, exacerbated further by the pandemic.	328	328	328				328	328	328
		Adult Social Care-Demography		600	600	600				600	600	600
		Adult Social Care-National Living Wage	The Council has not escaped these pressures, which are driven by a growing population and an increase in contract inflation and the cost of providing care.	300	300	300				300	300	300
		Adult Social Care-Self Funders	The increase to the National Living Wage has added additional pressure on the Council due to additional staff resource required to deliver services throughout the pandemic.	50	50	50				50	50	50
		Deprivation of Liberty Standards (DoLS) Assessments	The delivery of this MTFs saving is no longer achievable due to a national delay in the implementation of the Liberty Protection Safeguards (LPS). The scheme was designed to replace Deprivation of Liberty Standards (DoLS) in October 2020 but has been confirmed to be put back to April 2022, due to Covid-19. It is expected that there may now be further changes to the standards and the need for further consultation before implementation.	159	159	159				159	159	159
		Home to School Transport - Catchment area review	These relate to savings identified within the MTFs in 2020/21 and prior years, which were proposed through a review of the Council's Home to School transport services including improved procurement and ensuring that routes were used to optimum levels. Due to Covid-19, the Council has had to implement additional vehicles to ensure national restrictions including social distancing are complied with, meaning that savings as a result of sharing transport were not achievable.	21	21	21				21	21	21
		SEN and Home to School Transport		246	246	246				246	246	246
	HR Controls- Agency Saving	The Council included a saving within the 2020/21 MTFs in respect of a reduction in agency staff expenditure, which was highlighted within a review of the Council's HR processes and controls. This saving was allocated across the directorates based on current agency budgets, and there has been a considerable reduction in agency staff expenditure in the last year. However due to the reliance on these budgets within People and Communities, to ensure there are adequate levels of social care workers and care staff, £447,000 of this saving will be unachievable.				447	447	447	447	447	447	

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	<b>Place &amp; Economy</b>	Impairment of Place & Economy Saving increase budgeted from April 2021	The Place and Economy saving target has been increased by £56,000 from 2020/21 to 2021/22. This includes £38,000 which is now required for the new Assistant Director for Growth & Regeneration post.				38	38	38	38	38	38
	<b>Resources</b>	Business Support Services	This relates to a savings target which had been included in the 2021/21 MTFS to be achieved through the redesign of the Council's business support function. Work had started on this review prior to Covid-19, however due to the additional support required due to increased demand on services as a result of the pandemic, the business support function is as lean as it can be at this point in time and therefore the saving will not apply for this financial year. Work will resume on the new model when capacity allows.	1,882	1,882	1,882	146	146	146	2,028	2,028	2,028
		Internal Audit	This refers to the removal of a saving target which was included within the MTFS in 2020/21. This saving was based on a proposal by Grant Thornton to outsource the Internal Audit function, replacing all in-house posts with a budget to buy only 578 external audit days at an assumed cost of £415 per day. Further interrogation of the proposal showed that the scale and breadth of the work undertaken by the current in-house team could not be delivered for this cost and the proposal did not demonstrate best value. This team also covers work on corporate internal investigations, external blue badge misuse, staff disciplinary and misconduct cases, Stage 2 central complaints reviews, and joint working with DWP on benefits cases.	102	102	102				102	102	102
		Procurement	Removal of saving target which was included within the MTFS in 2020/21. This saving was expected to be delivered from 2021/22 on the basis of a proposal being developed to bring the procurement service in-house and reduce it, or to remain outsourced but reduce activity by 35%. Such a proposal has not been developed and the budget needs re-instating in order to fund the service as currently contractually specified.	240	240	240				240	240	240
		Sand Martin House	In 2019 the Council decided to lease the 2nd floor of Sand Martin House to the Construction Industry Training Board (CITB) which generates an ongoing income of £2.4m per annum. There was also a proposal to lease another part of the building to generate further annual income but in light of Covid-19 and current market conditions, the potential to achieve this income has been so severely curtailed as to require removing this saving target from the budget.	950	950	950				950	950	950
<b>Non- Delivery of Savings Plans Total</b>				<b>5,058</b>	<b>4,978</b>	<b>4,978</b>	<b>673</b>	<b>753</b>	<b>753</b>	<b>5,731</b>	<b>5,731</b>	<b>5,731</b>
<b>Savings and Income</b>	<b>Capital Financing Costs</b>	Capital Financing Capital Programme Review- Reduction in Capital Financing Costs	This is the impact to the capital financing budget following amendments to the Council's capital programme for 2020/21 onwards, resulting in lower borrowing requirement and lower associated revenue costs.	(367)	(367)	(367)	(1,492)	(356)	(1,373)	(1,859)	(723)	(1,740)

Category	Directorate	Budget Proposal	Description	P-One 2021/22 £000	P- One 2022/23 £000	P- One 2023/24 £000	P- Two 2021/22 £000	P- Two 2022/23 £000	P- Two 2023/24 £000	Total 2021/22 £000	Total 2022/23 £000	Total 2023/24 £000
		Re-deeming Debt with Capital Receipts	The Council has undertaken a review of all its assets held for disposal. The profile of receipts, which is based on when we expect to be able to sell each asset, reflects the impact of economic uncertainty caused by Covid-19 and the additional work required to follow the correct processes for disposing of former educational land.				(2,433)	(2,603)	(233)	(2,433)	(2,603)	(233)
	<b>Customer &amp; Digital Services</b>	Changes within the ICT Service	The managed IT contract with Serco came to an end during 2020 with IT staff and services transferring back to the Council generating savings totalling £311,000. An additional £50,000 saving should be possible from consolidating and sharing the Council's IT service structure with Cambridgeshire County Council as outlined in the Joint IT Strategy. Savings amounting to £300,000 have also been identified within business systems, including removal of entire systems where these are either no longer required, have been replaced or where the functionality can be provided through an existing or cheaper alternative. As part of the sharing of services with Cambridgeshire County Council, the Council will host its IT systems in the Peterborough DataCentre. This will provide Peterborough City Council with an income of £50,000 per annum and represents the first step towards becoming a more commercial IT service.	(711)	(711)	(711)				(711)	(711)	(711)
	<b>Governance</b>	Increased Income and Staffing, Supplies and Services Savings in the Governance Directorate	Reductions of spend on supplies and services throughout the directorate can provide a further £25,000 of savings. Legal services has reviewed its pricing model and can increase its income target by £50,000. Following successful recruitment to all vacant legal services roles and no further reliance on locums, the salary budget for legal services can be reduced by £60,000.				(135)	(135)	(135)	(135)	(135)	(135)
		Sharing Data Protection role with Cambridgeshire County Council	The Council's Data Protection role is now shared with Cambridgeshire County Council, which will generate a saving totalling 50% of the cost of this post.				(38)	(38)	(38)	(38)	(38)	(38)
	<b>People &amp; Communities</b>	Blue badges	The Council is proposing to investigate and implement a joint Blue Badge service with Cambridgeshire County Council. Which will enable Peterborough City Council to generate a saving on staffing costs.				(13)	(13)	(13)	(13)	(13)	(13)
		Disability Forum infrastructure	There are regular provider forums in place and a more robust communication and support channel with the provider market which offer alternative solutions for those requiring the support previously offered.	(32)	(32)	(32)				(32)	(32)	(32)
		Public Health – Removal of Head of Public Health Intelligence post	As part of a realignment of the Public Health directorate, which works across Cambridgeshire and Peterborough, the Head of Public Health Intelligence post was made redundant at the end of August 2020. This post was employed by Cambridgeshire County Council, but because the team is jointly funded, a proportion of the cost of this post is a saving for Peterborough City Council.	(15)	(15)	(15)				(15)	(15)	(15)



Category	Directorate	Budget Proposal	Description	P-One 2021/22 £000	P- One 2022/23 £000	P- One 2023/24 £000	P- Two 2021/22 £000	P- Two 2022/23 £000	P- Two 2023/24 £000	Total 2021/22 £000	Total 2022/23 £000	Total 2023/24 £000
			continue to work collaboratively with external providers and managers of social care services through a range of established forums and networks.									
		Reorganisation of City Centre Management	The Council is undertaking a review and restructure of the management of the Prevention and Enforcement Service across the following areas city centre, market, strategic parking and parking enforcement. The changes will allow for more resilience and co-ordination across service areas in the Prevention and Enforcement Service, which will result in the identified saving.				(50)	(50)	(50)	(50)	(50)	(50)
		Re-profiling of the PFI insurance Rebate	A PFI Insurance rebate is received bi-annually. Therefore, this proposal seeks to re-profile this saving accordingly, to minimise the volatility within the Council's budgets.				(100)	100	(100)	(100)	100	(100)
		Reorganisation of Communities and Partnerships Management	This saving will result from a review and restructure of the extended management team across the service directorate in response to new ways of working and changing priorities.				(49)	(49)	(49)	(49)	(49)	(49)
		Reviewing Dedicated Schools Grant (DSG) expenditure	In 2018, the Department for Education removed the Education Service Grant which funded services provided by local authorities to maintained schools, trusts and academies. Some of the responsibilities previously held by the Council for all schools including attendance, work with excluded pupils, child employment and the statutory oversight of education, we're transferred into the Dedicated Schools Grant (DSG) as additional funding. The Council has undertaken a review of its spend across these areas and as a result we are able to charge more costs, previously met by core council funding, against the centrally retained schools block in the DSG. This will lead to £250,000 being saved by the Council, providing the DSG continues to provide funding for these activities.	(250)	(250)	(250)				(250)	(250)	(250)
	<b>Place &amp; Economy</b>	Housing Service	The Council's housing service is working towards becoming a national leader in customer service, efficiency and performance. A number of proposals are being put forward to support these aims. Firstly, it is proposed to establish a new permanent housing assistant director role at an annual cost of £127,000. An interim appointment covering the same scope of work has already been successful in achieving key objectives such as ending the use of B&B accommodation, reducing the backlog of homelessness and housing register cases and reducing the number of new homelessness cases requiring temporary accommodation. This post would enable the continuation of this work, supporting the Council to deliver a range of additional savings and manage demand. There is also a proposed project to establish a housing management and repairs service within the Housing Service. This would take responsibility for all repairs, asset management, compliance and housing management functions using a fit-for-purpose information system making a saving of £160,000 in comparison to the current contract costs.	(238)	(238)	(238)				(238)	(238)	(238)



Category	Directorate	Budget Proposal	Description	P-One 2021/22 £000	P- One 2022/23 £000	P- One 2023/24 £000	P- Two 2021/22 £000	P- Two 2022/23 £000	P- Two 2023/24 £000	Total 2021/22 £000	Total 2022/23 £000	Total 2023/24 £000
		Sustainable Growth Strategy Savings	The Council has contracts with several other local authorities to deploy its staff to provide planning policy service support. There is increasing demand for this, so the Council is proposing to increase the target for income achieved through such contracts over the coming years. In addition, the Council plans to reduce its budget for the examination of planning policy documents, for example the inspection fees for the Local Plan. For the next few years, less examinations/inspections are programmed in and therefore the budget can be reduced accordingly.	(100)	(100)	(100)				(100)	(100)	(100)
		Westcombe Engineering	Westcombe Engineering is a sheltered employment scheme that manufactures engineering components for external sale. It has recently secured new long-term work orders, which, with associated capital investment has enabled additional income to support the budget, releasing a saving of £100k per year.	(100)	(100)	(100)				(100)	(100)	(100)
	<b>Resources</b>	Commercial Property Portfolio	This proposal reflects an uplift of commercial rents for properties within the council's portfolio which are due for review, including the Eco Centre and units at Saville Road and Alfric Square.	(35)	(35)	(35)				(35)	(35)	(35)
		Core Property Contract	NPS Peterborough Limited is a joint venture with Peterborough City Council which was set up in 2016. The team provides estate services including asset management and rural estates, estate management, property agency, rating and valuation and consultancy services. As with all other outsourced contracts and joint ventures, the Council has reviewed the service level agreement with NPS Peterborough Limited and the services delivered to identify potential savings. As a result, an 11.5% reduction is proposed to the budget over the next three years by making efficiencies around our strategic estates management function and the management of capital works.	(96)	(96)	(96)				(96)	(96)	(96)
		Reduction in Security	This proposal reflects changes in security arrangements following alterations in the usage of Council buildings, enabling a saving to be made. This includes maintaining the number of security officers employed at Peterborough Central Library at one, rather than the two that were budgeted for to reflect a lower than expected usage of the conference facilities which security is required for.	(30)	(30)	(30)				(30)	(30)	(30)
		Review of inflation and Fees and Charges	The Council annually reviews its inflationary assumptions and its levels of fees and charges. During this review, fees and charges increases totalling £0.075m were identified, as outlined within section 5.4 of the main MTFS report and Appendix H. These were largely in line with budget assumptions, therefore having a minor impact on the budget. This saving is mainly the result of a freeze on the Business Rates multiplier as announced by the Chancellor in the Spending Review. This means the business rates due on Council properties in 2020/21 will be at the same rate as 2021/22, and at lower rates in future years due to the lower forecast levels of CPI.				(96)	(148)	(122)	(96)	(148)	(122)

Category	Directorate	Budget Proposal	Description	P-One	P- One	P- One	P- Two	P- Two	P- Two	Total	Total	Total
				2021/22	2022/23	2023/24	2021/22	2022/23	2023/24	2021/22	2022/23	2023/24
				£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Savings and Income Total</b>				<b>(2,659)</b>	<b>(2,659)</b>	<b>(2,659)</b>	<b>(4,440)</b>	<b>(3,326)</b>	<b>(2,147)</b>	<b>(7,099)</b>	<b>(5,985)</b>	<b>(4,806)</b>
<b>Exceptional support from MHCLG (Capitalisation Direction)</b>	<b>Funding</b>	Exceptional support	In accordance with Chartered Institute of Public Finance and Accountancy (CIPFA) modifications the Council has contacted MHCLG as an alternative to issuing a S114 notice and to enable a balanced legal budget to be set. A review of the Council's financial position, and available options available to it to balance the budget has been undertaken by MHCLG. This review has recommended that the Council be considered for 'exceptional support' from MHCLG. Discussions are ongoing with MHCLG, however the Council has been notified that exceptional support for 2021/22 in the form of a capitalisation direction has been agreed in principle. This will enable the Council to take on additional debt through borrowing to fund revenue expenditure for that year (see above for inclusion of additional costs from borrowing).									
							(13,629)			(13,629)	-	-
<b>Exceptional support from MHCLG (Capitalisation Direction) Total</b>							<b>(13,629)</b>			<b>(13,629)</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>				<b>21,423</b>	<b>21,806</b>	<b>23,975</b>	<b>(35,668)</b>	<b>(9,821)</b>	<b>(9,674)</b>	<b>(14,245)</b>	<b>11,985</b>	<b>14,301</b>