

**MINUTES OF THE CABINET MEETING
HELD AT 10:00AM, ON
MONDAY 13 MARCH 2023
COUNCIL CHAMBER, TOWN HALL, PETERBOROUGH**

Cabinet Members Present: Councillor Fitzgerald (Chair), Councillor Steve Allen (Vice-Chair), Councillor Ayres, Councillor Cereste, Councillor Coles, Councillor Simons

Cabinet Advisor Present: Councillor Bisby, Councillor Hussain, Councillor Moyo, Councillor Gul Nawaz

97. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Sainsbury and Councillor Howard.

98. DECLARATIONS OF INTEREST

Agenda Item No. 9 - Peterborough City College Day Opportunities and Supported Employment Extension

Councillor Ayres declared a non-pecuniary interest this agenda item due to her position on the Board of Peterborough City College.

99. MINUTES OF THE CABINET MEETING HELD ON 13 FEBRUARY 2023

The minutes of the Cabinet meeting held on 13 February 2023 were agreed as a true and accurate record.

100. PETITIONS PRESENTED TO CABINET

There were no petitions presented to Cabinet.

STRATEGIC DECISIONS

101. A1260 NENE PARKWAY JUNCTION 3 IMPROVEMENT SCHEME

The Cabinet received a report in relation to the A126 Nene Parkway Junction 3 Improvement Scheme.

The purpose of this report was for Cabinet to consider and approve the award of £9,291,880 to Milestone Infrastructure Limited to deliver construction of the highway improvement scheme for A1260 Nene Parkway Junction 3.

Councillor Cereste, Cabinet Member for Climate change, Planning, Housing and Transport, introduced the report, as well as the report for Agenda Item 6 'Eastern Industries Access – Construction of Improvement Scheme' and provided an overview of the key points.

Cabinet Members debated the reports for Agenda Item 5 and Agenda Item 6, and in summary responses to questions raised included:

- Members were pleased that investments were being made in these areas.
- It was commented that investment in roads was necessary in order to provide sustainable growth in the city.
- Active travel schemes, it as advised, were still being pursued and funding had been secured for a number of walking and cycling schemes. Bids continued to be submitted for active travel schemes in the next round of funding.
- Members were encouraged to see that HVO fuel was to be used for construction vehicles.
- It was noted that the Council's Walking and Cycling Infrastructure Plan was currently being review and would be presented to Cabinet in due course.
- Members were advised that there wasn't any inflationary gap within the scheme. There had been an increase in cost of the scheme in between the original business case and the final business case, due to inflation, but this was all covered by the Combined Authority funding.
- It was suggested that work be considered around the Eye Road approach to the Junction 8 "Van Hage" Roundabout, which suffered from congestion.
- Further comment was made that work should be done to ensure that Eyebury Road wasn't used as a short cut during improvement works.
- It was suggested that a balance was needed between road users and cycling and walking, with comment made that the quicker cars could move through J8, the better.

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

1. Approve the award of £9,291,880 to Milestone Infrastructure Limited to deliver construction of the highway improvement scheme for A1260 Nene Parkway Junction 3.

REASONS FOR THE DECISION

The decision had been made to ensure that the Council was able to effectively deliver grant funding awarded to it by the CPCA for A1260 Nene Parkway Junction 3 improvement scheme. Successful delivery of the funding would help the Council to obtain further funding from the CPCA in future for other highway schemes. Delivery of the scheme would improve the capacity and operational performance of the highway network which was crucial to supporting future growth of Peterborough.

ALTERNATIVE OPTIONS CONSIDERED

Not to deliver the scheme: This had been discounted because the highway network around Junction 3 would suffer from heavy congestion at peak times. This would have a negative impact on the local economy by deterring potential new businesses looking to invest in the city due to the long journey times in the area. Successful delivery of the scheme would provide significant benefits to the wider travelling public, resulting in improvements to; journey times, accessibility and the environment.

102. EASTERN INDUSTRIES ACCESS – CONSTRUCTION OF IMPROVEMENT SCHEME

The Cabinet received a report in relation to the Eastern Industries Access Improvement Scheme.

The purpose of this report was for Cabinet to consider and approve the award of £6,665,696 to Milestone Infrastructure Limited to deliver construction of the highway improvement scheme for Eastern Industries.

Cabinet Members debated the report as above.

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

1. Approve the award of £6,665,696 to deliver construction of Eastern Industries access improvement scheme. Contract to be awarded to Milestone Infrastructure Limited to deliver the construction phase of the scheme as per the Peterborough Highway Services contract.

REASONS FOR THE DECISION

The decision been made to ensure that the Council was able to effectively deliver grant funding awarded to it by the CPCA for Eastern Industries Access Improvement scheme. Successful delivery of the funding would help the Council to obtain further funding from the CPCA for construction of other future schemes. Delivery of the scheme would improve the capacity and operational performance of the highway network which is crucial to supporting the future growth of Peterborough

ALTERNATIVE OPTIONS CONSIDERED

Not to deliver the scheme: This had been discounted because the highway network around the Fengate area would suffer from heavy congestion at peak times. This would have a negative impact on the local economy by deterring potential new businesses looking to invest in the city due to the long journey times in the area. Successful delivery of the scheme would provide significant benefits to the wider travelling public, resulting in improvements to; journey times, accessibility and the environment.

103. PETERBOROUGH FLOOD RISK MANAGEMENT STRATEGY 2021-2027

The Cabinet received a report in relation to the Peterborough Flood Risk Management Strategy for 2021 to 2027.

The purpose of this report was to inform and consult the Cabinet about the Peterborough Flood Risk Management Strategy following its presentation to the Climate Change and Environmental Scrutiny Committee on 28 February 2023. The scrutiny committee endorsed the strategy for approval. The Cabinet was requested to recommend to Full Council that the strategy be adopted by Peterborough City Council.

Councillor Cereste, Cabinet Member for Climate change, Planning, Housing and Transport, introduced the report and provided an overview of the key points.

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

- Members were pleased with the update to the strategy.
- It was noted that the strategy emphasised other preventative measures to address flooding, rather than focusing on the use of sandbags, as it was advised that sandbags were not a perfect solution. It was acknowledged, however, that if there was spare capacity, sandbags would be provided.

- Suggestion was made that West ward had been referred to by error in table 57 and that this should read Fletton and Woodston following updated ward boundaries.
- It was advised that surface water flooding issues had been caused mostly by the incapacity of the sewer systems and officers were liaising with Anglian Water to determine how this could be resolved. Sustainable drainage options and drainage software were also being considered.
- It was further noted that Bourges Boulevard was primarily a hard surface water area, which created high levels of water flows. Solutions to this were being considered, such as permeable paving.
- Comment was made that the North Level Internal Drainage Board would be engaged with, as well as other relevant partners.

Cabinet considered the report and **RESOLVED** to recommend that Full Council:

1. Approve the updated Peterborough Flood Risk Management Strategy (FMS).

REASONS FOR THE DECISION

The production and monitoring of the FMS were a statutory requirement and the existing FMS and associated action plan that were produced in 2015 required updating.

ALTERNATIVE OPTIONS CONSIDERED

- a. Wholesale review and rewrite of existing FMS – Rejected due to additional costs of external resource and significant amount of extra time required to deliver with potentially limited benefits from that process.
- b. No review or update of existing FMS – Rejected due to the FMS and the need for its monitoring being a statutory requirement. The legislative environment in the flood risk and water sector was constantly changing and opportunities would be missed if this monitoring and update did not reflect that.

104. HOUSEHOLD SUPPORT FUND ROUND 4

The Cabinet received a report in relation to the forth round of the Household Support Fund.

The purpose of this report was to decide on the overall approach to the delivery of the Household Support Fund extension, including the spend proportions and areas of focus and delegation of authority.

Councillor Ayres, Cabinet Member for Children’s Services, Education, Skills and the University, introduced the report and provided an overview of the key points.

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

- The administration costs of the fund were question, and Members were advised that this did impact the amount of the fund that ending up with communities, however it was important that the right administration was in place in to ensure that funding went to the right places.

- Members noted the contribution of volunteers to Peterborough’s communities, and funding had been allocated in order to support this network and to provide training.
- Comment was made that the Council had a good relationship with Age UK and was now providing the support needed within its Adults Social Care teams to assist more elderly residents as well as those who weren’t computer literate.
- It was noted that the funding was provided by central Government and the Council was supporting its facilitation and distribution.

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

1. Approve the overall approach to the delivery of the Household Support Fund extension including the spend proportions and areas of focus.
2. Delegate authority to the Executive Director for Place, Economy and Communities, in consultation with the Executive Director for Corporate Resources and the Cabinet Members listed above, to finalise the detailed arrangements for all aspects of the scheme within the guidelines of the scheme and up to the grant determination limit of £3.65m.

REASONS FOR THE DECISION

The grant was flexible, and the Council had targeted it at the areas that it considered to be the greatest need.

ALTERNATIVE OPTIONS CONSIDERED

A number of options for delivery were explored:

Option 1 - Continue with the exiting arrangements for elements of the scheme including delivery by Cambridgeshire County Council for pensioner elements. This option would not facilitate the direction of travel for the council in terms of shared services coming to an end and also would not yield the efficiencies set out in the report meaning that more of the fund would be spent on administration – therefore this option had been discounted.

Option 2 - Do not draw down the funding or deliver any of the elements of the scheme, due to the adverse impact on households who are experiencing financial hardship as well as the preventative effect this funding would have in other areas of residents' lives such as impact on children’s learning and wellbeing, mental health and wider health issues this option had been discounted.

Option 3 - Deliver the full funding through free school meals or through a larger application-based voucher scheme. The 3 elements of the Peterborough HSF had been developed over the last 18 months through the learning of what worked and how to target different sections of our residents, the model described in the report was the most balanced and therefore option 3 had been discounted.

105. PETERBOROUGH CITY COLLEGE DAY OPPORTUNITIES AND SUPPORTED EMPLOYMENT EXTENSION

The Cabinet received a report in relation to Peterborough City College Day Opportunities and Supported Employment Services.

The purpose of this report was to approve an extension of the funding for the Day Opportunities and Supported Employment Services delivered by Peterborough City College, from 1 April 2023 to 31 March 2025.

Councillor Fitzgerald, Leader of the Council, introduced the report and provided an overview of the key points.

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

- Officers confirmed that they would engage with Westcombe Engineering and report back to Cabinet Members.
- It was noted that City College were delivery Day Opportunities well, though provision did dip during COVID.
- A Skills Board was being proposed, in order to bring together various elements of the Council that supported the development of skills.
- Members requested that it would be useful to include statistics for the number of disabled individuals who worked for the Council in annual reviews, in order to improve inclusion and promote that the Council was an equal opportunities employer.

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

1. Approve the extension of £3,656,914 funding for Peterborough City College to continue delivering Day Opportunities and Supported Employment Services in Peterborough from 1 April 2023 to 31 March 2025.

REASONS FOR THE DECISION

The reason for the decisions was to ensure the continuity of an effective service for 106 people with eligible needs and a further 43 accessing services without eligible care and support. It would also enable the opportunity to further develop the Employment Support Offer having clear performance indicators to increase the number of people with a learning disability and/or autism to gain paid employment (ASCOF measure 1E).

The reason that a 2-year extension was approved, was to enable enough time to complete more in-depth financial modelling, to begin in April 2023, to determine value for money as the budget was transferred over in 2016 and had not been reviewed since. By continuing to provide the day opportunities through the City College, it was advised that monitoring data was continuously collected so that a soft market test and benchmarking was carried out to ensure best value was being achieved. This could lead to commissioners needing to plan and develop the market for potential competition and a shorter extension period would not be sufficient to complete this, and any subsequent procurement activity.

ALTERNATIVE OPTIONS CONSIDERED

- Do nothing i.e., not continue to fund Peterborough City College Day Opportunities and Employment Support services. This option was not a desirable or viable option, as it would not meet the Council's strategic aims and would leave vulnerable people without a service. Whilst Day Opportunities were not statutory this would likely have a knock-on effect on other areas with people needing additional services from alternative provision e.g., homecare or accommodation.

- Procure the service to the external market. This option was not a viable option, going to the market would leave a service delivery gap.

106. AMENDMENT TO HOTEL LOAN FACILITY

The Cabinet received a report in relation to the extension of the loan facility with Propiteer Hotels Ltd.

The purpose of this report was for Cabinet to approve the extension of the expiry date of the Hotel Loan Facility from 31 March 2023 to 31 December 2023.

Councillor Coles, Cabinet Member for Finance and Corporate Governance, introduced the report and provided an overview of the key points.

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

- It was noted that the amendment of the loan facility was a continuation of the existing agreement and would support the provision of a new facility for the city from the Hilton brand.
- The Council, it was advised, was making a commercial return on the loan which contributed towards the Council's services.

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

1. Approve the extension of the expiry date of the £15m loan facility with Propiteer Hotels Ltd and its subsidiary Fletton Quays Hotels Ltd from 31 March 2023 to 31 December 2023 subject to confirmation being received that the rights and security of the Council will be unaffected by this extension.
2. Delegate authority to the Director for Law and Governance (Monitoring Officer) and the Executive Director for Corporate Service and s151 officer in consultation with the Cabinet Member for Finance and Corporate Governance, following receipt of confirmation that the rights and security are unaffected of the Council are unaffected by this extension to take all necessary steps to finalise, agree and enter into all necessary legal agreements for the purposes of facilitating the decision in Recommendation 1.

REASONS FOR THE DECISION

The Hotel would not be fully constructed by the expiration of the current loan facility. By approving the recommendation, the Council would ensure its loan could be refinanced in an orderly manner once the hotel construction had completed and begun trading.

ALTERNATIVE OPTIONS CONSIDERED

The Council could refuse to extend the loan facility; however, this would require Propiteer to refinance in the middle of construction, which although not impossible, gave rise to a risk that the refinance was not achieved and there was a significant delay in build completion.

If refinance was not achieved for the uncompleted hotel the Council would need to exercise its security and take over the hotel building. The Council would then need to market the hotel on the open market in its uncompleted state or assume the responsibility for its construction and fit out in order to market for sale or operate itself once completed. The Hilton brand hotel franchise agreement was with Propiteer and any transfer of the brand to the Council would need to be separately negotiated, again leading to the risk of the city losing a prestigious Hilton Garden Inn hotel on the Fletton Quays site.

107. DISPOSAL OF FREEHOLD LAND AT HEReward CROSS

The Cabinet received a report in relation to the disposal of freehold land at Hereward Cross.

The purpose of this report was to consider the individual disposal of freehold land in Peterborough City Centre.

Councillor Coles, Cabinet Member for Finance and Corporate Governance, introduced the report and provided an overview of the key points.

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

1. Approve the disposal of the freehold land at Hereward Cross as set out below and detailed in the Heads of Terms within the Appendix 1 to the report and subject to receipt of a satisfactory Red Book Valuation.
2. Delegates authority to the Executive Director of Corporate Services and Director of Law and Governance after consultation with the Cabinet Member for Finance and Corporate Governance, following receipt and approval of the Red Book Valuation to take all necessary steps to effect the decision in Recommendation 1 including entering into all agreements.

REASONS FOR THE DECISION

The Council needed to secure capital receipts in this financial year and up to 24/25 as part of its overall capital programme.

ALTERNATIVE OPTIONS CONSIDERED

The Council had the option to continue with the lease currently in place and receive the annual rent. However, this would not enable the Council to fulfil its requirement for significant capital receipts.

108. AWARD OF INSURANCE CONTRACT

The Cabinet received a report in relation to the award of an insurance contract.

The purpose of this report was to provide Cabinet with the details of the tender exercise undertaken to procure external insurances to meet the Council's needs for the next 3 to 5 years for their approval, so the contract may be awarded.

With the approval of the Chairman of the Growth, Resources and Communities Scrutiny Committee, the waiver of call-in procedure had been invoked to suspend the 3-day call in period. This procedure had been invoked because there was

insufficient time to implement the contract on 1 April 2023 if the decision was called in and the Council could not be without insurance.

Councillor Coles, Cabinet Member for Finance and Corporate Governance, introduced the report and provided an overview of the key points.

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

- Members were advised that the Council's excesses totalled £50,000. Peterborough Limited's excess was £10,000.
- It was noted that the procurement of brokers took place every five to seven years, at a different point to the procurement of the insurance contract, in order to avoid having new brokers dealing with new contracts.

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

Authorise the award of a new insurance contract for PCC and Peterborough Ltd, to run between 1 April 2023 and 31 March 2028. It is proposed that the contract be awarded to Zurich Municipal Insurance in the sum of £872,859.22 plus Insurance Premium Tax for PCC and £339,496.19 plus IPT for Peterborough Ltd.

REASONS FOR THE DECISION

The insurer awarded the contract scored the best against the relevant criteria and was considered to meet the Council's insurance needs going forward.

ALTERNATIVE OPTIONS CONSIDERED

The insurance contract could be awarded to other insurers who submitted a tender bid, however as they scored less highly than those recommended, there would be adverse costs implications for the Council or issues with policy cover.

MONITORING ITEMS

109. CORPORATE PERFORMANCE REPORT

The Cabinet received a report in relation to the Corporate Performance Report.

The purpose of this report was to provide an update to Cabinet and to provide the direction of travel on the Council's Corporate Performance in line with the Council's Priority Outcomes as set out in the Sustainable Future City Council Strategy 2022-25.

Councillor Fitzgerald, Leader of the Council, introduced the report and provided an overview of the key points.

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

- Members were pleased to note the attainment of children in primary and secondary schools, and praised all those involved.

- It was advised that the Council had collective responsibility for its performance management, and that a delivery programme board had now moved from an interim arrangement to a permanent resource.
- Cabinet would receive performance oversight every quarter.
- It was noted that the performance management programme represented a real opportunity to strategically align and identify areas of improvement for the Council.
- It was considered that the team would continue the work started by Jens Gemmel and the team would be resources as the need arose as capacity across the Council was more fully understood.

Cabinet considered the report and **RESOLVED** to note the Corporate Performance Report and endorses the proposed direction of travel for the way the Council reports on performance to members going forward.

REASONS FOR THE DECISION

The Corporate Performance report would support Members to monitor performance across the Services and progress towards delivering against our Priority Outcomes.

ALTERNATIVE OPTIONS CONSIDERED

There were no alternative options considered.

Chairman
11.15am to 12.15am
13 March 2023