

MINUTES OF CABINET MEETING HELD 15 DECEMBER 2008

PRESENT

Councillor Peach - Leader of the Council, Councillor Collins, Councillor M Dalton, Councillor Fitzgerald, Councillor Lamb, Councillor Lee, Councillor Murphy, Councillor Sanders and Councillor Scott.

1. APOLOGIES FOR ABSENCE

An apology was received from Councillor Goldspink.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES

The minutes of the meeting held 24 November 2008 were agreed as an accurate record and signed by the Leader.

4. CABINET MEMBER UPDATES

Cabinet Members provided the following updates relating to activities within their individual portfolios:

- The improved management of the council's finances and improvements to election processes had led to the council being shortlisted for two national awards
- Four city primary schools were giving pupils a first class education according to Government Ofsted inspectors, who had rated them as outstanding
- A review of the city's housing register had been hailed a success
- Staff at the city council's registration service had been praised for their professionalism and the service had been rated as good by Home Office inspectors
- New interactive learning areas were being created at Peterborough Museum for adults and children funded by a £50,000 Heritage Lottery grant
- The Commission for Social Care Inspection had rated Peterborough's adult social care services as "two star" for 2007/08. It had also reported that Peterborough's services showed promising capacity of judgement, while continuing to deliver on outcomes.
- The first building in the Greater Peterborough Health investment Plan had been successfully completed. The first phase of The Cavell Centre – a new mental health unit run by Cambridgeshire and Peterborough NHS Foundation Trust – had seen its first patients move in on the 26 November
- NHS Peterborough would be sending information to every household across Peterborough with details on which GP practice now offered extended opening hours, and information on further improvements to access to primary care services. This would coincide with a media campaign announcing these improvements
- Following the previous month's announcement that Peterborough and Stamford Hospitals NHS Foundation Trust was to spend £100,000 on improvements to

Stamford Hospital, the Trust had announced it would spend an additional £219,000 on upgrading the hospital's two outdated X-ray rooms

- Peterborough and Stamford Hospital's NHS Foundation Trust's maternity services had been accredited with the UNICEF Baby friendly Stage 1. The Baby Friendly initiative required an organisation to have adequate breastfeeding support, training and services, as well as welcoming environments for breastfeeding mothers. NHS Peterborough would be applying for Stage 2 when training of all GPs had been completed. There were three stages.
- The Mayor of Peterborough, Councillor Pat Nash MBE, had opened the Carers Rights Day event organised by NHS Peterborough. The event had been open to all registered and non-registered carers who were looking for help, information and support with caring for someone. NHS Peterborough had 2,345 registered carers but estimated there were thousands more people in the city looking after sick and disabled relatives and friends at home without any help.
- NHS Peterborough had started its winter health campaigns aimed at urging residents to protect themselves against winter by taking advantage of the free flu jab if at risk, ensuring that they and those more vulnerable around them kept warm to keep well and if people did become ill, ensuring people knew where they could go to get the right treatment.
- New mothers in Peterborough could get support and help from health visitors and meet up with other mothers at the city's newest baby café based at the Allama Iqbal Centre, Cromwell Road in Peterborough. The new baby café offered a place where mothers could drop in, without an appointment, to share experiences with other mothers and get one-to-one support in a friendly and informal environment.
- Residents were being encouraged to get on their bikes and adults were being offered free cycle training classes to give them the confidence to do so.

5. ITEMS FROM SCRUTINY PANELS

5.1 Outcome of Moving Forwards Options Appraisal – Future Organisational Model for Peterborough Community Services

Cabinet received a report following an options appraisal and development of a business case carried out by the PCT which had assessed more autonomous organisational models for the PCT's arm's length trading organisation (ALTO). This had followed Cabinet approval in December 2007 for adult social care services to be part of the ALTO from April 2008 and the need for further detailed work to consider such options.

The PCT had undertaken the "Moving Forwards" options appraisal with close involvement of the City Council, in particular the Director of Adult Social Services and Performance and the Executive Member for Health and Adult Social Care.

The PCT Board on 5 November 2008 had agreed that subject to Cabinet approval in relation to adult social care:

- "The preferred organisational model for Peterborough Community Services is a Community Foundation Trust for Peterborough.
- Peterborough Community Services, supported by NHS Peterborough and NHS East of England and in partnership with Peterborough City Council, will prepare to seek the Secretary of State's support to apply to become Peterborough Community Health and Social Care Foundation Trust.
- In making this decision, NHS Peterborough recognises and supports the significant transition that PCS will need to undergo".

The recommended model was proposed based on an analysis of benefits and costs with the CFT option scored the highest. Social enterprise had been ruled out on grounds of acceptability and capacity i.e. it was not suitable for full delegation of all social care functions

and it was outside of the NHS and NHS pension service which could have affected recruitment and retention.

The costs of implementing and running a CFT were higher than the status quo. However, the financial case recommended the CFT model as it offered greater financial freedoms, flexibilities and incentives for efficiencies and growth.

CABINET RESOLVED TO:

1. Agree that adult social care services provided by the PCT's provider arm "Peterborough Community Services" form part of a programme of work to submit an application for Community Foundation Trust (CFT) status to the Department of Health.
2. Note that further reports will be made to Cabinet at significant decision points in the process e.g. formal public consultation and the submission of an application for CFT status.
3. Note that the Council expects the commissioning PCT to deliver year on year improvements and efficiencies in adult social care as set out in the Annual Accountability Agreement and that the creation of a CFT should deliver better outcomes for local people.

REASONS

Alternative organisational models considered by the PCT were all suitable for the delivery of most adult social care services with the exception of some types of social enterprise (those which would not retain NHS organisational status). The move towards CFT gave the opportunity to deliver integrated services within an organisation with freedoms and flexibilities to compete in an increasingly vibrant and diverse market. It also allowed the commissioning PCT to focus on its primary strategic commissioning role covering both health and social care.

ALTERNATIVE OPTIONS

These were outlined within the options appraisal and included a social enterprise model and the continuation of an arm's length trading organisation (status quo).

5.2 Peterborough Housing Register and Allocations Policy

Cabinet received a report following referral from Community Development Scrutiny Panel on 4th November 2008. The purpose of the report was to approve for submission to Council proposed additions to the Peterborough Housing Register and Allocations Policy.

Peterborough City Council and the Registered Social Landlords (RSLs) had worked in partnership with tenants and stakeholders to produce a common housing policy for allocating their properties in Peterborough. Instead of each organisation having its own housing register, the Council maintained a single housing register for Peterborough.

In general, the policy was considered fit for purpose and all proposed changes were of a minor nature to reflect the growth of the scheme. The proposed amendments to the policy had been submitted to the Choice Based Lettings Operations Group in May 2008, and they had approved the revised policy in July 2008. The policy had then been presented to and approved by the Choice Based Lettings Board in August 2008.

CABINET RESOLVED TO:

Recommend to Council approval of the Peterborough Housing Register and Allocations Policy.

REASONS

The policy aimed to:

- provide a single route of access to social housing in Peterborough by using a common housing register and a common allocation policy
- allocate social housing fairly and transparently, according to the applicant's priority need
- meet the Council's statutory duties in housing homeless persons
- prioritise nominations to RSLs and other Councils
- prevent the use of bed and breakfast accommodation for homeless families
- minimise the cost of homelessness to the Council and to Council tax payers
- maximise choice for applicants as far as possible, whilst acknowledging that housing is in short supply
- make effective use of the social housing stock in Peterborough
- maximise opportunities for mobility among tenants of social housing
- help build and sustain cohesive communities
- contribute to the speedy allocation of properties
- recognise and support individual needs where appropriate
- enable partner RSLs to meet their charitable objectives
- encourage and support sustainable communities
- encourage and support social and financial inclusion
- ensure applicants are treated fairly, individually and in accordance with the Partners commitment to Equality and Diversity
- provide timely feedback about homes let through the scheme

ALTERNATIVE OPTIONS

The Authority had a statutory duty to maintain a fit for purpose allocation policy, hence maintaining the status quo and periodically revising and updating the policy was considered to be the most suitable option.

6. STRATEGIC DECISIONS

6.1 Council Tax Base 2009/10

Cabinet received a report on the calculation of the Council Tax Base 2009/10 as part of the preparation for setting the Council's Budget.

CABINET RESOLVED TO:

1. Endorse the calculation of the Council Tax Base for 2009/10 at a level of 54,835 Band D equivalent properties.
2. Note the estimated position of the Collection Fund and authorise the Executive Director of Strategic Resources to calculate the figure on 15 January 2009 and notify the Cambridgeshire Police Authority and the Cambridgeshire & Peterborough Fire & Rescue Authority.

REASONS

The Council Tax Base could have been set at a higher or lower level. However, this could have had the effect of either inflating unnecessarily the amount of Council Tax to be set or setting the tax at a level insufficient to meet the Council's budget requirements. A similar position could have arisen if the surplus or deficit were set at a higher or lower level.

ALTERNATIVE OPTIONS

None were required at this stage.

6.2 Budget 2009/10 and Medium Term Financial Plan to 2011/12

Cabinet considered the draft budget for 2009/10 in the context of a three year medium term financial plan and corporate priorities running to 2011/12. The new medium-term financial plan proposed council tax increases of 2.5% each year for the next three years; the previous medium-term financial plan had assumed 1.4% annual increases.

The Leader of the Council gave a detailed introduction to the budget proposals, highlighting the negative effect of the current economic climate and the “credit crunch” on the council. In 2009/10 income was projected to reduce by £2.6m and increased input costs whereas new government legislation had added £13.8m of pressure.

The strength of the Business Transformation Programme however had significantly mitigated the effects of increased costs and reduced income. The budget provided the resources to continue a programme of investment in service improvement and in the facilities and infrastructure needed to enhance Peterborough as a place to live, work, do business and enjoy leisure.

Cabinet portfolio holders gave a brief summary of the major issues within their service areas and the impact on the budget including:

- The impact on the Asset Management Plan of falling land values and the resultant effect on capital receipts
- The success of the Business Transformation programme and the savings it would need to deliver in 2009/10
- Within Customer Services, the transfer of further services to Bayard Place
- The strengthening of the internal Communications team
- The importance of Adult Social Care providing good services for vulnerable people whilst looking at how to maximise efficiencies
- Investment in cultural and sports facilities and options for the future management of the culture and leisure service
- Investment in the waste infrastructure

CABINET **RESOLVED** TO:

1. Agree the following as the basis for consultation:
 - (a) That the MTFP is set in the context of the community strategy
 - (b) The Budget monitoring report for Period 7 as the first draft of a probable outturn position for 2008/09
 - (c) The draft revenue budget for 2009/10, indicative figures for 2010/11 and 2011/12 (including capacity and savings proposals)
 - (d) The draft capital programme for 2009/10 to 2011/12. associated capital strategy, treasury strategy and asset management plan
 - (e) The draft medium term financial plan for 2009/10 to 2011/12
 - (f) The proposed council tax increase of 2.5% for 2009/10 and indicative increases of 2.5% in 2010/11 and 2011/12
 - (g) To spend at the level of the Dedicated Schools Grant for 2008/09 to 2010/11
 - (h) The proposals for reserves and balances
 - (i) The proposed extent of delegation, (within the ‘budget and policy framework procedure rules’), to be requested from council to ensure that the financial targets in the MTFP are delivered
2. Note that the draft Annual Accountability Agreement with the Primary Care Trust for 2009/10 is being drafted and will be incorporated in due course.

REASONS

1. The Council must set a lawful and balanced budget
2. The Council was required to set a Council Tax for 2009/10 within statutory prescribed timescales.

3. Before setting the level of Council Tax, the Council must have agreed a balanced budget.

ALTERNATIVE OPTIONS

Alternative levels of Council Tax increase and areas for growth/savings could have been considered but this had to be seen in the context of the Corporate Plan and other constraints. Each 0.1% change (increase or decrease) was equivalent to approximately £54,000.

6.3 Peterborough's Growth & Regeneration: Securing the Future

Cabinet was asked to endorse a proposed solution to the challenges posed by the credit crunch and its financial and economic consequences, which were otherwise likely to impact on the Council's ability to meet current targets in housing and employment. The financial and economic consequences of the current credit crunch meant that the current targets for growth in housing and employment were likely to be unachievable, and that considerable slippage in the programme would be experienced over the next three to five years.

Rather than relying on government schemes, officers recommended an alternative approach that might be adopted to maintain investment in the city's infrastructure and facilities. This would involve the Council working closely with Opportunity Peterborough to determine whether Special Purpose Vehicles (SPVs) could be established in partnership with investors and other public and private sector organisations to pursue functional or site-specific growth and regeneration projects.

These SPVs would be "off balance-sheet" vehicles as far as the council was concerned. This meant that their financial dynamics would be separate from the council's budget and balance sheet, with the advantages this brought of leaving headroom for the council's own borrowing from the Public Works Loan Board (PWLB) and of the risks associated with each SPV being contained within the partnership structure itself.

An SPV was a ring-fenced legal entity set up and governed by two or more partners with a specific purpose (often time-limited). Using SPVs to progress the city's growth and regeneration programme would mean that private investors were presented with investment scenarios that provided appropriate assured returns when considered using their risk allocation models.

The business case evaluation and decision-making process used to determine which opportunities were progressed would be designed to act as a robust filter so that only soundly-based projects were progressed to feasibility stage. Once a project concept reached the stage at which it was given a full feasibility assessment, only projects which were cash-generative over their investment lifetime would be released for implementation.

CABINET RESOLVED TO:

1. Authorise the Deputy Chief Executive in consultation with the Leader to work with Opportunity Peterborough in a joint venture to determine whether to establish special purpose vehicles (SPVs)
2. Authorise the Deputy Chief Executive to establish special purpose vehicles (SPVs) if so required in partnership with investors and other public and private sector organisations to pursue functional or site specific growth and regeneration projects to achieve delivery of strategic executive functions in the Major Policy and Budget Framework

REASONS

The recommendations were to achieve the outcomes set out in the report, and as an alternative to a conventional local authority response to the circumstances faced which might have been to focus on participating in the various government schemes that were being and would be introduced to mitigate the crunch's impact on the housing market and other components of the economy.

In the context of the amount of investment required by the growth and regeneration programme, however, these schemes were likely to be relatively insignificant. They were

typically complex to engage with and administer, and would in any case be funded by reductions in other government funding, as had recently been seen in the case of the significant cuts applied to Regional Development Agency budgets. Each should be evaluated as it came along, and utilised if it benefited local communities and the city's economy; but too much should not be expected from them.

It could be certain that neither central government nor housing developers were going to invest the hundreds of millions of pounds needed to sustain momentum on growth and regeneration in Peterborough over the next five years. If the council did nothing, some inward investment would take place as a consequence of the city's continuing attractiveness as a place to do business; and some publicly funded project would progress to fruition. However, the impact of the collapse of the housing market and the as yet unpredictable consequences of recession would take their toll.

ALTERNATIVE OPTIONS

The alternative was to take no specific action to address the challenges presented, and allow the implications of the credit crunch to impact upon the Council's plans for growth of the city. This had been rejected as the Council wished to continue with the city's growth and regeneration programme despite the credit crunch.

7. MONITORING ITEMS

7.1 Performance Monitoring Report – Quarter Two 2008-2009

The report provided information on the council's performance between 1 July 2008 and 30 September 2008 against the following three key areas:

- Corporate Plan
- Local Area Agreement (LAA)
- Comprehensive Area Assessment (CAA)

Focus for Quarter 2 had been on capturing data and monitoring performance of the 139 Corporate Plan Indicators, of which 100 were National Indicators (NIs) and 39 were local PCC Indicators.

Nine indicators had improved performance, 116 indicators had remained static in performance and 14 indicators had no data (i.e. annual measures or awaiting place survey targets) however substitute proxy measures had now been put in place to enable supporting commentary to be recorded in the absence of actual data, to help monitor the performance of these indicators.

Overall 3 out of 5 priorities were on target with 2 showing negative performance direction of travel since Quarter One.

CABINET RESOLVED TO:

Note that:

- (i) The performance of Corporate Plan priorities was progressing well against the targets set.
- (ii) There were some areas of concern within the wider LAA priorities, and that the effects of the credit crunch and the deepening recession may impact on the deliverability of some of the targets set.
- (iii) Where areas of concern or potential risk to negative performance of targets had been identified, action plans either were in place or further review and analysis was being undertaken to ensure that robust action plans were put in place to minimise the negative performance and bring some areas back on track.

REASONS

Failure to monitor performance would mean that Cabinet would not be able to ensure that the council was working in an efficient and effective manner.

ALTERNATIVE OPTIONS

The report was presented for monitoring purposes.

7.2 Outcome of Petitions

CABINET **RESOLVED** to note the action taken in respect of the petition presented to full Council as follows:

PETITION – TO SUPPORT A CALL FOR THE CITY COUNCIL TO WORK TO GUARANTEE THAT THE POST OFFICE MAINTAINS A PRESENCE WITHIN THE CITY CENTRE

This petition had been presented to Council by Councillor Fower and requested that the City Council work to guarantee that the Post Office maintained a presence in the city centre in the light of the threat to its current location (the Corn Exchange) being lost as a result of plans by the city council to develop the area.

The Council’s Head of Strategic Property had responded and advised as follows:

“Firstly I do understand the concerns that have been raised by the people who have signed this petition. As a Council we have always recognised the need for a Post Office in the City and working with the tenants to secure this has always been out intention.

“We first advised the Post Office of our proposals in November 2007. However the Post Office only chose to enter into formal negotiations with us in May this year. I am please to advise that since then we have has a number of discussions and I am hopeful that they will be able to secure suitable alternative accommodation.

“As a Council we remain committed to a City Centre Post Office and will do all we can in assisting them in relocating. With this in mind we have already indicated that we are prepared to grant an additional tenancy that will allow them to operate from the Corn Exchange, providing of course that it does not impact on Council plans.”

REASONS

Standing Orders required that Council receive a report about the action taken on petitions. As the petition presented in the report had been dealt with by Cabinet Members or officers it was appropriate for the action to be reported in this way so that it would be presented in the Executive’s report to Council.

ALTERNATIVE OPTIONS

The report was presented for monitoring purposes.

Meeting closed at 10.55 a.m.

Chair.....

Date.....