"At present we receive £171 less per person in Government funding than an average London Borough and £63 less than an average metropolitan authority. Our funding levels are lower, yet we are the fourth fastest growing city. If we received fairer funding we would not have to be making difficult decisions such as increasing council tax in Peterborough.” Cllr John Holdich, leader of Peterborough City Council.

The city council has today published its final set of proposals detailing how it will close a £24million gap in its 2018/19 budget. View the proposals on our website.

At a cabinet meeting on Friday 9 February, members will be told that despite years of investing in innovative income streams and a wide-ranging set of efficiency savings - without which the situation would have been much worse - more savings need to be made. They will be asked to approve the proposals for consultation, which will begin to close the budget gap and protect the council’s long term financial health from further shortfalls in government funding.

In outlining the proposals, Cllr John Holdich, leader of Peterborough City Council and Cllr David Seaton, cabinet member for resources, will describe how the council has looked at all options for further savings and income generation before looking at more difficult options, such as increasing council tax.

They stated the cabinet will continue to Stand Up For Peterborough by:

Driving improvements in order to attract external funding and continue making Peterborough a desirable place to live, work and visit

“Our long-term success as a city is essential to continue to attract new business and external investment, making our city a more desirable place to live, work and visit. As our city is fast growing we’ve been able to attract £31million through section 106 investments from developers which have helped to improve the city’s infrastructure. Regeneration projects such as Fletton Quays will only increase our city’s desirability further. Demand to live in the city is so high our house prices are rising faster than anywhere else in the UK. Last year alone 14 new businesses came to the city. Unemployment fell to 1.4%, well below the national average and we’ve experienced a 40 per cent rise in overnight stays to the city over the last two years.

Continuing to be innovative and at the front of public sector reform

“We are proud to be a forerunner of public sector reform, including a shared chief executive and an increasing number of shared senior positions and posts with Cambridgeshire. From next year we will continue to look to bring forward further shared working opportunities, where they drive down costs, increase capacity and resilience and improve outcomes for our residents.”

Being financially secure in order to safeguard vital services to the public

“We are continuing to protect vital services such as winter gritting, libraries, trading standards, waste disposal and prevention and enforcement in the city. Unlike other local authorities, such as Northamptonshire we can safeguard these areas. We have a responsibility as a council to provide a balanced budget, while minimising the impacts of this on the public. Departmental efficiency savings generated over previous years (for example a reduction of £9million in 2017/18 in our largest department - People and Communities) have ensured our financial position has been stable up to now. This year's budget pressures will see each department's budget squeezed to the absolute limit and cannot go any lower. In addition, our capital programme is financially prudent and we are now one of the lowest spending authorities for adult social care.”
Continuing to fighting for fairer funding for the city

"Peterborough has seen an 80 per cent drop in its government funding (from £55million to £10million) in just eight years. This is despite it being the fourth fastest growing city in the country, with the fourth highest birth rate and the 14th most deprived area in the UK, all meaning increasing demands on its services, such as temporary housing for the homeless, school places, public health and adult social care. To put it simply, our levels of funding are based on out of date population estimates and we have to do more with less. Peterborough has had a 200 per cent increase in homeless levels in just two years, it’s the only local authority in the deprivation decile with public health funding of £57, well below the national average of £59 and our Adult Social Care budget is ranked as one of the lowest in the country."

Cllr Seaton continued: “We launched the Stand Up For Peterborough campaign last year and already we have had success in bringing the campaign messages to a national stage.

"We have met and explained the city's unique situation with government experts, MPs and other key stakeholders and are taking part in a national project led by the Bureau of Investigative Journalists aimed at highlighting the funding differences between local authorities. We will continue to lobby government and gather support from people in our city who have pledged to Stand Up For Peterborough.”

Cllr Holdich said: "Writing for the Sunday Telegraph ahead of the Local Government Finance Settlement, LGA Chairman Lord Porter warned core government funding to councils will be further cut in half over the next two years and completely phased out by the end of the decade, leaving local authorities with a little choice but to increase council tax income. He went on to say that even this won't be enough to plug the funding gaps faced by councils. This is the situation Peterborough City Council finds itself in, while trying to protect vital services to the public.

"We are not alone in this and I am confident we will see the tide turn in the coming months as the shortfalls in funding in specific areas of England and Wales are nationally highlighted. Together we are not calling for widespread reforms, rather fairer funding for areas like Peterborough in which the current funding formulas simply do not work."

Following the publication of the Phase Two proposals, members of the public can now get involved by:

> Pledging support to the Stand Up For Peterborough campaign by writing to the leader or signing up online on our website
> Reading the phase two budget document and completing an online consultation questionnaire with their views also on the council website

Cabinet will consider the proposals at its meeting on Friday 9 February 2018.

Comments received up to 5pm on Friday 23 February 2018 will be considered by Cabinet on Monday 26 February 2018.

The consultation will close at 5pm on Monday 5 March 2018. Full Council will consider the proposals on Wednesday 7 March 2018.

Hard copies of the budget proposals document and questionnaire will be available on Town Hall and Bayard Place receptions and in each of the city’s libraries by the formal launch of the consultation on Monday 5 February 2018.