

CHILDREN AND YOUNG PEOPLE'S COMMITTEE REVIEW OF REVENUE AND CAPITAL BUSINESS PLANNING PROPOSALS FOR 2016/17 TO 2020/21

To: Children and Young People's Committee

Meeting Date: 8th December 2015

From: Adrian Loades: Executive Director: Children, Families and Adults Services

Chris Malyon, Chief Finance Officer

Electoral division(s): All

Forward Plan ref: Not applicable *Key decision:* No

Purpose: This report provides the Committee with an overview of the draft Business Plan revenue and capital proposals for Children's Families and Adults Services that are within the remit of the Children and Young People's Committee.

Updates to capital proposals since the November Committee are also included.

The report provides a summary of the latest available results from the budget consultation.

- Recommendation:*
- a) It is requested that the Committee note the overview and context provided for the 2016/17 to 2020/21 Business Plan revenue proposals, updated since the last report to the Committee in November.
 - b) It is requested that the Committee comment on the draft revenue savings proposals that are within the remit of the Children and Young People's Committee for 2016/17 to 2020/21, and endorse them to the General Purposes Committee as part of consideration for the Council's overall Business Plan.
 - c) It is requested that the Committee comments on the changes to the capital programme that are within the remit of the Children and Young People's Committee and endorse them.
 - d) It is requested that the Committee note the ongoing stakeholder consultation and discussions with partners and service users regarding emerging business planning proposals.

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1. OVERVIEW

- 1.1 The Council's Business Plan sets out how we will spend our money to achieve our vision and priorities for Cambridgeshire. As for all Councils across the country, this will be a difficult task. Our funding is reducing at a time when our costs continue to rise significantly due to inflationary and demographic pressures. This means that despite the way in which we have been able to stimulate local economic growth, and the improving national economy, the financial forecast for the Council continues to be very difficult.
- 1.2 For a number of years the Council has sought to protect frontline services in response to reducing government funding. Looking back, we have saved £73m over the last two years and are on course to save a further £30m this year (2015/16). As a result, we have had to make tough decisions over service levels during this time. Over the coming five years those decisions become even more difficult. The choices are stark and unpalatable but very difficult decisions will need to be made as the Council has a statutory responsibility to set a balanced budget each year, as well as a duty to provide the best possible services for Cambridgeshire's communities within the resources available. It is the Chief Finance Officer's statutory role to provide a statement on the robustness of the budget proposals when they are considered by Council in February.
- 1.3 This year the Council has adopted an outcome-led approach to business planning. This is defined and described through the draft Strategic Framework that was approved by the General Purposes Committee on 20th October this year
(<http://www2.cambridgeshire.gov.uk/CommitteeMinutes/Committees/AgendaItem.aspx?agendaItemID=12221>).
- 1.4 The Strategic Framework sets out the outcomes that the Council will work towards achieving, and the ways of working the Council will adopt, in the face of prolonged and painful budget pressures. It is not a solution to austerity in itself, but instead it is the approach the Council has taken to best tackle the huge challenges it faces.
- 1.5 Within this new framework, the Council continues to undertake financial planning of its revenue budget over a five year timescale which creates links with its longer term financial modelling and planning for growth. This paper presents an overview of the proposals being put forward as part of the Council's draft revenue budget.
- 1.6 Funding projections have been updated based on the latest available information to provide a current picture of the total resource available to the Council. At this stage in the year, however, projections remain fluid and will be reviewed as more accurate data becomes available.
- 1.7 The main cause of uncertainty is the upcoming Comprehensive Spending Review and Local Government Finance Settlement. Both will have an impact on the level of resources available, but information is not available in full at this point.
- 1.8 The Council issues cash limits for the period covered by the Business Plan (rolling five years) in order to provide clear guidance on the level of resources that services are likely to have available to deliver services over that period.

To maintain stability for services and committees as they build their budgets we will endeavour to minimise variation in cash limits during the remainder of the process unless there is a material change in the budget gap.

- 1.9 The Committee is asked to endorse these proposals for consideration as part of the Council's development of the Business Plan for the next five years.

2. SUMMARY OF THE DRAFT REVENUE BUDGET

- 2.1 In order to balance the budget in light of the cost and reduced government funding, savings or additional income of £40.7m are required for 2016-17, and a total of £118m across the full five years of the Business Plan. The following table shows the total amount necessary for each of the next five years, split by service block:

Service Block	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000
Children, Families and Adults	-30,788	-22,075	-16,499	-13,112	-8,048
Economy, Transport and Environment	-6,593	-3,573	-2,856	-2,041	-982
Public Health	-511	0	-755	-912	-562
Corporate and Managed Services	-1857	-1746	-319	-869	-430
LGSS Operational	-971	-571	-803	-708	-351
Total	-40,720	-27,965	-21,232	-17,642	-10,373

- 2.2 In some cases services have planned to increase locally generated income instead of cutting expenditure. For the purpose of balancing the budget these two approaches have the same effect and are treated in the same way.

- 2.3 Delivering the level of savings required to balance the budget becomes increasingly difficult each year. Work is still underway to explore any alternative savings that could mitigate the impact of our reducing budgets on our front line services, and business planning proposals are still being developed to deliver the following:

Service Block	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000
Children, Families and Adults	0	0	0	0	0
Economy, Transport and Environment	0	-1,064	-2,391	-2,041	-982
Public Health	0	0	-755	-912	-562
Corporate and Managed Services	0	0	-285	-827	0
LGSS Operational	0	0	0	0	0
Total	0	-1,064	-3,431	-3,780	-1,544

- 2.4 The level of savings required is based on an expected 1.99% increase in council tax each year. This assumption was built into the Medium Term Financial Strategy (MTFS) which was agreed by Full Council. For each 1% more or less that council tax is changed, the level of savings required will change by approximately +/-£2.4m.

- 2.5 There is currently a limit on the increase of council tax of 2% and above, above which approval must be sought in a local referendum. It is estimated that the cost of holding such a referendum would be around £100k, rising to as much as £350k should the public reject the proposed tax increase (as new bills would need to be issued). The MTFS assumes that the 2% and above limit on increases will remain in place for all five years.

3. BUSINESS PLAN CONSULTATION

Background

- 3.1 There has been a shift in emphasis and approach for this year's Business Planning Consultation compared to previous years. Councillors have advocated a different approach, moving away from the "paid for" household survey and instead commissioning a much cheaper and more enduring budget challenge animation (at time of writing over 1,300 views) that has been used to support an online survey, community engagement events, and will continue to be used during specific service-user consultations and other community events. The engagement on the budget this year has focussed on raising awareness of the challenge facing Cambridgeshire, what that will mean for the changing role of the Council, and the role that communities themselves will need to play.
- 3.2 The key strands for the consultation were as follows:
- Community events attended by the County Council as part of business plan consultation including interviews with over **350 people**.
 - Business consultation via the Chambers of Commerce and a business networking event (B2B) reaching over **75 businesses**.
 - An online questionnaire accompanying the film, completed at time of writing by **506 people** (9th November), an approximate 1 to 3 conversion rate from film views to completed survey.
- 3.3 It has been agreed that the consultation process will now run until early December so that people wishing to respond to the consultation in reaction to news of budget proposals can have the chance to do so.

Community Events

- 3.4 Council Members and officers talked with over 350 people at four separate events in Wisbech, Cherry Hinton, Ramsey and Ely (with 217 feedback forms being completed as some talked as a couple or group). Further details about the methodology are included in a fuller write-up of the consultation, attached as Appendix C to this paper.
- 3.5 Conversations were wide ranging and people commented on local issues as well as the County Council's budget. There were many positive examples of people volunteering to support the community. Approximately a third of people gave their e-mail details in order to participate in the on-line survey.

Awareness and reaction to the savings challenge

- 3.6 Overall, general awareness of the budget challenge faced by the County Council was good with approximately two-thirds having an understanding. The main gap in people's knowledge was around the scale of savings to be made over the next five years.

Increased community action to support services

- 3.7 The vast majority of people felt that this was a good idea. During each event there were many stories of the extensive amount of volunteering and other forms of community action that were taking place. People did discuss the challenges involved including inspiring people to get involved for the first time, particularly when there were a range of work / time pressures. In addition to this people focused on needing to be asked or sign posted to what community action was most needed within their communities.

Council Tax

- 3.8 The proportion of people opposed to paying more council tax varied according to location and the type of event attended. Overall, the majority of people fell into a group who were willing to accept an increase providing certain conditions were met. These conditions were either that a particular service area received additional funding or was protected and/or there was some sort of means testing for the rise so people struggling to pay wouldn't be penalised.

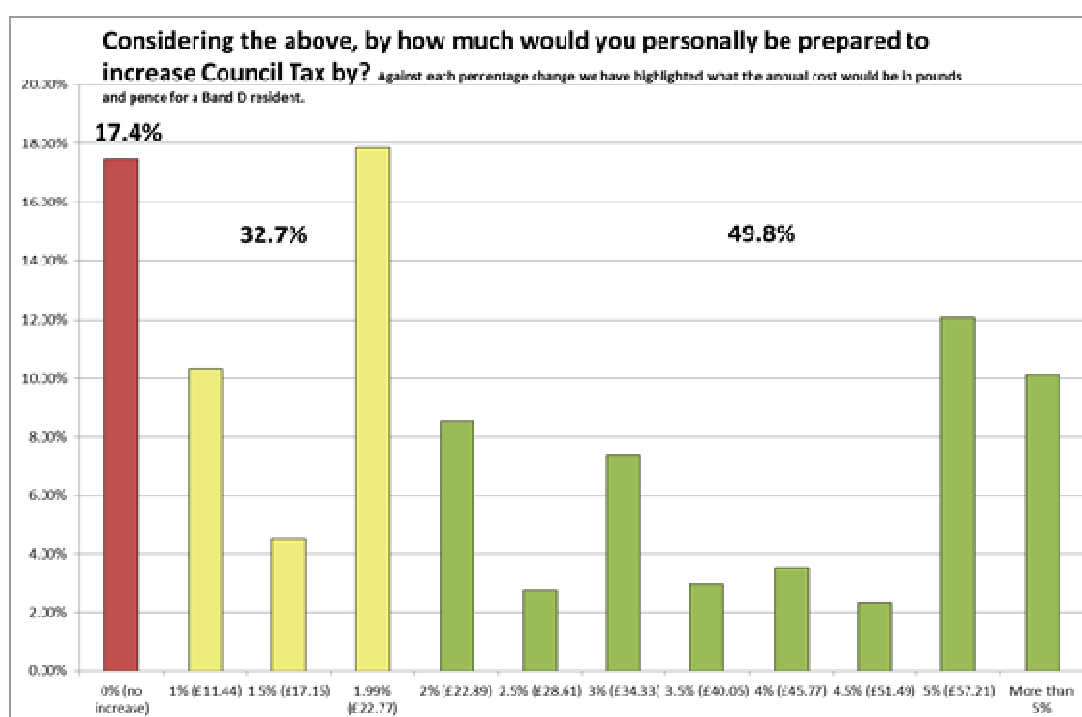
Online Survey

- 3.9 The on-line survey has currently been available for six weeks (at time of writing, 9th November) with 506 completed responses. The survey was supported by a media campaign that had the broader aim of raising awareness of the County Council's situation. As well as press releases which gained positive headlines in the local media, information went to libraries, parish councils and key mailing groups. Twitter impressions for relevant tweets hit over 20,000 impressions during November (with a twitter campaign reach of 130,000¹). One Tweet appeared as a 'Great UK Government Tweet' (this means it was one of the top performing government tweets of that day) and had 2,104 impressions and a reach of 21,820. The Facebook campaign yielded figures of over 25,000 impressions with nearly 20,000 unique people reached via a paid-for Facebook advert.
- 3.10 The budget consultation has featured all month on the front of the County Council's webpage and the budget page itself has had more than 2,640 hits (as at 9th November). The number of views of the budget challenge animation is growing steadily (and will continue to grow as it becomes a feature of other consultation exercises. So far there have been over 1,300 views.
- 3.11 Noting that the on-line consultation remains open, the following are provisional findings thus far:
- 84% of respondents felt that the County Council's budget challenge film gave them a good understanding of the challenges faced by the County Council and over 90% were concerned or very concerned about the challenges
 - There was strong support for all the County Council's seven priority outcomes
 - Looking at the three broad service categories people preferred to spend less money on universal services (19% opting to spend a lot less on these) compared to care packages (5% opting to spend a lot less).

¹ Impressions are the number of times people saw a tweet or a post. This includes people seeing a post multiple times. Reach is the number of people who saw the post 'organically'; as it is shared or appeared on twitter.

- 78% of people felt that it was a good idea to ask people to get more involved in their local community. However, 'available time', 'unwillingness by some' and 'understanding what is expected' were identified as the main barriers to achieving this goal.
- 39% of people indicated their willingness to spend more time supporting their community and there was strong interest across most of the suggested categories of support including 36% of people saying they were interested or very interested in supporting older people within their community and 29% saying that they were interested or very interested in volunteering for their local library.
- Currently 62% of respondents agreed that it was a good idea to put up council tax to protect services.

3.12 The chart below shows the results of the consultation question relating to potential changes in council tax rates.



3.13 Considering the spread of how much people were prepared to increase tax by (see above); currently 17% have indicated that they are opposed to a rise in council tax, 33% opted for a rise of between 0.5% and 1.99% and just under 50% have indicated a rise of in excess of 1.99% (a rate that would trigger a referendum).

3.14 Once the survey closes then a full analysis will be carried out including cross-tabulation of the results.

Business Consultation

3.15 Many of the issues considered during the development of the Council's Business Plan affect small and medium sized businesses (SMEs) so one strand of consultation always targets this audience. There are two key parts to County Council business consultation; attending Chamber of Commerce meetings across the County and having a stall / networking at the annual B2B event, held at Quay Mill Hotel in September.

- 3.16 In total, 75 businesses were engaged with 33 of these were through the in-depth discussions with the Chambers of Commerce Local Committees, with a further 42 individual discussions at the B2B event.
- 3.17 Representatives were asked about their engagement as businesses with the local community. Key examples cited included:
- Taking on apprenticeships and work experience placements
 - Direct engagement with schools and colleges, providing support to develop 'soft skills' such as CV-writing and interview preparation.
 - Supporting the promotion of appropriate waste disposal and recycling.
 - Engaging with providers / councils to seek improvement to local transport options (this was recognised as a significant block to development particularly within rural areas).
- 3.18 At the Chamber of Commerce local committee meetings, five key themes arose from discussions:

Transport and Infrastructure

- 3.19 This was a theme common to all representatives, and was also a major part of the feedback received from businesses last year. It was recognised that improvements are taking place, and things are slowly progressing in the right direction, but that there was a lot more work to be done. It was noted that 'poor road structure stunts business growth'. Specific topics included the A14, A10, public transport, the electrification of railways and road/roadside maintenance.

Broadband

- 3.20 Feedback this year was much more positive than last year. Many commented they had seen an improvement in broadband speeds, but concerns were also raised about the way in which the rollout was taking place, and the results achieved (for example, the reach of provision, and the speeds promised).

Skills and Staffing

- 3.21 Business representatives raised concerns about staffing shortages, especially in the skilled manual labour or customer service industries. They highlighted a need for schools to provide students with a full view of all potential options for their future.

Schools and Apprenticeships

- 3.22 Each Committee discussed how positive apprenticeships were and the significant benefit they gave businesses. The majority of representatives had taken on apprentices and found them to be a very beneficial resource. Representatives noted difficulty in schools engaging with businesses; sometimes this was down to a general lack of awareness of local business, but there was concern that more often it was due to the stigma associated to progressing down alternative routes to university.
- 3.23 Representatives from some committees discussed the role and structure of local government, and the repetitious nature of policy and planning processes. Cambridge City and South Cambridgeshire representatives identified issues where they felt that local government organisations regularly "buck-pass" questions and issues. It was noted that there needs to be a

joined up approach between different parts of local government so this doesn't happen. Many felt that it was currently unclear what the County Council does to support businesses (beyond the obvious maintenance of roads and other universal services).

- 3.24 Communication processes within the Council were also discussed. It was felt that communication both with businesses and with the public was often not as strong as it could be, with a need for greater clarity and consistency of messages.
- 3.25 At the B2B event, the majority of comments focused on the accessibility of their business to their customers. For many this focused on the quality of road and rail networks, for others concern around a lack of suitable office space and broadband was raised. Key issues included:
- Advice and support
 - Communication
 - Transport infrastructure
 - Travel and congestion
 - Availability of office space
 - Broadband
- 3.26 A fuller write-up of all elements of the business plan consultation so far is attached as Appendix C to this paper.

4 FINANCIAL CONTEXT AND BUSINESS PLANNING APPROACH FOR CHILDREN AND YOUNG PEOPLE'S SERVICES

- 4.1 As the Committee is aware, the growing population in Cambridgeshire, the increasing need amongst many vulnerable groups, the impact of inflation, reduced central government funding and a range of specific service pressures mean that the Children, Families and Adults Service has to deliver savings of more than £73m over the next five years and £26.8m in 2016/17 in order to set a balanced budget, whilst meeting statutory duties. These pressures are described more fully in the business planning paper considered by the Committee in November.
<http://www2.cambridgeshire.gov.uk/CommitteeMinutes/Committees/Meeting.aspx?meetingID=1073>
- 4.2 The scale of the savings required is such that they cannot be achieved by finding traditional efficiency savings, or by looking to reduce costs service by service or by focusing exclusively on back office functions. The majority of scope for straightforward efficiency gains has already been exhausted in previous budgeting rounds. Looking back, we have saved £73m in the last two years and are on course to save a further £30m this year (2015/16).
- 4.3 Our draft Strategy for Children, Families and Adults Services in Cambridgeshire 2016/17 to 2020/21 sets out how services will change to respond to the financial position. It is supported by a comprehensive programme of transformation to allow budget reductions to be managed with the least possible detrimental impact on services users and communities. The business plan and strategy set out an ambitious plan to transform services to best meet the needs of children and young people with diminishing resources.
- 4.4 At the November meeting the Children and Young People's Committee

recognised and expressed concern regarding the level of impact and uncertainty associated with the savings proposals presented. This paper, and those presented separately on Looked After Children and Transport proposals, therefore provide further detail to the Committee about the how the key proposals in the business plan will be delivered. The paper also provides an overview of strategies in relation to workforce and procurement which will be essential to successful delivery.

- 4.5 Additional information is provided below for those business planning proposals which have been rated as 'red', either in relation to impact or deliverability. The full list of proposals is attached as Appendix A and is unchanged from the version presented to the November meeting. However business planning discussions across committees are ongoing and there are a number of initiatives and options being considered to try to mitigate some of the impact of the proposals. This includes the decision to review corporate and support services across the authority and LGSS and reshape them into a new corporate centre for the organisation. This review may identify additional savings which could be used to reduce the savings required from front-line services.

5 TRANSFORMATION TO DELIVER HIGH RISK BUSINESS PLANNING PROPOSALS FOR CHILDREN AND YOUNG PEOPLE'S SERVICES

- 5.1 We are clear that the scale of reductions required will have an impact on the amount of support we can provide to vulnerable people, but they do not represent straightforward service reductions. The transformation planned across Children, Families and Adults Services will deliver these reductions whilst meeting statutory duties and minimising risk or impact to service users. Our strategy recognises that people do not generally want to be dependent on public services if this can be avoided and that prevention, early help and support from family and friends and organisations within communities are usually preferable to reliance on local authority teams. If successful, this shared goal of independence from services will allow us to achieve savings whilst also improving outcomes and experiences for children and young people in Cambridgeshire. The paragraphs below describe key proposals and transformations.
- 5.2 *Reductions to the cost of placements for Looked After Children (LAC) (A/R.6.406 -£1,429k in 2016/17, -£1,811k in 2017/18, -£1,523k in 2018/19 -£912k in 2019/20, -£652k in 2020/21,*
- 5.3 The savings relating to the costs of care for looked after children will be driven through the 2015-2021 LAC Commissioning Strategy, and action plan which is also being considered by the Committee at this meeting. Since the end of 2013, numbers of children in care have steadily risen, and in the last year the rate of children in care has increased significantly to an all-time high of 577 in November 2015. The current rate of LAC stands at 40 per 10,000 – based on comparable national statistical data. This is in line with our statistical neighbours at 40.3 per 10,000. The strategy establishes a plan to change these trends and reduce the number of children in care to 453 over the next five years. This would reduce the rate of LAC per 10,000 to 29.3 by 2020/2021. The budget reduction over 5 years would be £6.3m with a total budget of £13,071,809 by 2020/2021.

5.4 *Home to School/College Transport*

(To mainstream schools: A/R.6.611, -£960k in 2016/17, -£855k in 2017/18, -£673k in 2018/19, -£535k in 2019/20, -£517k in 2020/21)

(To special schools: A/R.6.403, -£388k in 2016/17, -£396k in 2017/18, -£1,050k in 2018/19, -£1,113k in 2019/20, -£1,153k in 2020/21)

- 5.5 The Children's and Young People's Committee has on its agenda a separate paper detailing existing pressures on the mainstream and SEND home to school/college transport budgets, the action being taken to reduce these and proposals for changes to policy, which would further reduce demand.
- 5.6 In the case of the mainstream budget, the savings would result from ceasing to provide any form of financial support to post-16 students starting a new course of study effective from 1 September 2016, including those living in low-income households. Under the Council's current policy, these young people would qualify for subsidised transport. Those living in low-income households benefit from a greater level of subsidy. Transport provision for young people over the age of 16 is not statutory, unlike for children aged 5-16. However, the proposed changes would impact negatively on access to learning for young people from disadvantaged backgrounds and with other barriers to learning. Detail of the anticipated impact is included within the Committee report and in the accompanying community impact assessment to inform the Committee's decision on whether to endorse this proposal.
- 5.7 In respect of SEND transport, the proposal is to introduce a new subsidised rate for those living in low-income households effective from 1 September 2016. Currently students who meet the qualifying criteria are entitled to free transport.
- 5.8 There is a wider programme of work to achieve greater cost-effectiveness in delivering our transport duties, address the current pressures and reduce costs without negatively impacting on service delivery. Workstreams are;
- Exploring the viability of the Council running its own fleet of buses;
 - Encouraging schools to take on responsibility for procuring their own transport funded by the Council on the basis of a fixed fee per pupil;
 - Purchasing cycles and associated safety equipment (helmets, lights and high visibility jackets) in place of issuing a bus pass;
 - On-going promotion of the cycle allowance in place of a bus pass;
 - Installing Smart Card readers on buses to provide real-time management information on the number of children travelling compared to the size of the vehicles provided with the aim of managing capacity more effectively and, where possible and appropriate, reducing the number of contracted vehicles;
 - Reviews to reduce the number of single occupancy journeys undertaken and rationalise routes where possible;
 - Working with health professionals to agree an alternative to using ambulances for those with highly complex SEND; and
 - Route reviews to identify where infrastructure improvements can enable children to travel independently to school without requiring a bus service.

- 5.9 In addition, through the Total Transport project we have secured central government funding to find efficiency savings by integrating different transport services, so that school transport can be better aligned, where possible, with adult social care transport, community transport and, NHS non-emergency patient transport. This will be piloted initially in Ely and the surrounding area and the learning will inform savings proposals in future business planning years.
- 5.10 As a result of these changes we recognise that the expectations of families about transport will need to change, but helping children travel independently and making transport provision as cost effective as possible are essential parts of our strategy to protect core services from the significant budget reductions required.
- 5.11 **Recommissioning Early Help**
- 5.12 As part of the strategic transformation of Children, Families and Adults Services, a comprehensive review of the entirety of the early help and prevention offer in Children and Young People's Services has been undertaken. This work has re-designed all areas of service within Enhanced and Preventative Services and already delivered significant savings in 2015/16, as well as those described below for 2016/17 and beyond. The proposals build on our strategic approach to focus core business on preventative work. We will in future offer a more targeted service that is evidence based and outcome focused and decreases the demand on more specialist or intensive services. We will prioritise supporting families overcoming barriers where there is:
- Special Educational Needs and Disability (SEND)
 - Child and/or parental mental health issues
 - Underachievement due to poverty
 - Domestic abuse
 - Substance misuse
 - Families facing multiple problems
- 5.13 The following paragraphs describe the most significant savings and transformations within the early help review. The full detail of the early help recommissioning proposals and consultation is available at <http://camweb/cfa/cenhanprevs/>
- 5.14 *Re-commissioning of Children's Centres and Children's Health services (A/R.6.501, -£2m in 2017-18 & A/R6.503 -£250k in 2016/17)*
- 5.15 For 2016/17 the service will achieve efficiency savings of £250k while maintaining the service offer. This will be delivered through a combination of vacancy savings, further scrutiny of fixed term staff contracts, reductions to non-staff budgets and by setting a net income target for each children's centre. The development of charging for some services has proved successful in children's centres and where previously the income from charged services has been reinvested in service development, in future years it will deliver an income stream to contribute towards the savings target for Children's Centres. Centres are continuing to develop an entrepreneurial approach to both extend the service offer or to contribute further to savings. This includes exploring where grant and other income can be brought in or

where other chargeable services could be offered. There is further development of a robust information offer for families which will enable a degree of self-service or engagement with on-line resources, in order to capitalise on appropriate use of social media and respond to requests from families.

- 5.16 During 2016/17 the Service will also be undertaking redesign and transformation work to prepare to deliver the larger savings target required in 2017/18. The Children's Centre service and resource base will undertake further work to seek opportunities to be further aligned and integrated with a range of other County Council and partner services. It is intended that this will develop a more integrated service for families based on a mix of professionals and services, which will offer an effective service for families and scope to achieve efficiency by eliminating duplication. This includes work with the Library Service, Registry Service and other community functions to develop 'community hubs', as well as considering how to open up the use of children's centres to a wider range of provision as well as continuing to offer children's centre activity from other venues.
- 5.17 The work to fully set out the delivery of the Health Child Programme is underway. This provides opportunities to develop jointly commissioned services across health and early help in the local authority. This builds on the responsibility the Council now has, effective from 1st October 2015, for commissioning Health Visiting, School Nursing and the Family Nurse Partnership provision. Applying a Think Family approach to this work, we will seek to develop services where the range of professionals working with families collaborate and work flexibly to deliver a shared approach to working with whole families. This work is being taken forward in conjunction with partners across Peterborough as well as in Cambridgeshire. This work represents a significant opportunity to create a new way of working with families and seeks to utilise the totality of available resource in the most constructive way. These changes will be developed and consulted upon in 2016-17, and implemented during 2017.
- 5.18 *Speech and Language Therapy*
(A/R.6.512, -£120k in 2016/17)
- 5.19 The Speech and Language Therapy Contract, which currently provides additional support for targeted families in the early years, will be ended. This will mean the specific drop-ins currently provided in Children's Centres will no longer be available. Core speech and language services commissioned by the Clinical Commissioning Group will not be affected, and further work is underway to ensure that the learning from integrated service delivery with Children's Centres over several years is built on. A partnership audit is underway of Speech and Language Therapy in Cambridgeshire and Peterborough and this will inform future commissioning. This work will explore how health teams could offer services in children's centres so that this more accessible offer remains, in addition to the core clinic-based services.
- 5.20 *Recommissioning of Early Help - Locality Teams*
(A/R.6.506, -£615k in 2016/17)
- 5.21 As part of the 2015/16 Business Plan, in March 2015 agreement was confirmed for the recommissioning of services for children and young people

delivered by Locality Teams and the achievement of associated savings. A reduction to Advice and Guidance posts of 50% is planned and this is likely to have an impact on our figures for children not in education, employment or training (NEET), which is currently an area of high performance for the County Council. We will focus the service on the delivery of statutory responsibilities, supporting young people who are NEET or are at high risk of becoming NEET. There will continue to be a dedicated professional group to deliver this work with the most vulnerable young people, but others who may be less high risk but in need are less likely to receive a service. Schools will no longer be provided with a dedicated resource, this will in future be allocated on a need basis. This proposal is made within the context that the statutory expectation for the delivery of careers advice and support now sits with schools (rather than the previous local authority Connexions Service) and schools will have to do more for themselves in future, with the local authority providing oversight and challenge to the quality of the information advice and guidance they are providing.

- 5.22 This saving also includes the removal of Assistant Locality Manager posts, Senior Social Workers, Youth Development Coordinators, and reducing the non-pay budget for Localities.
- 5.23 *Recommissioning of Early Help - Youth Support Services*
(A/R.6.507, -£403k in 2016/17)
- 5.24 In March 2015, agreement was confirmed for the recommissioning of services for children and young people delivered by Youth Support Services. These changes have been introduced during 2015/16, and this savings line shows the financial impact of these changes in 2016/17.
- 5.25 The proposals include the removal of the vacant post to support a reduction in teenage pregnancies. Leadership of the teenage pregnancy strategy and agenda will be undertaken by public health teams as part of their Sexual Health Commissioning role.
- 5.26 It is proposed to remove the dedicated post focussed on developing opportunities for apprenticeships. This post has been successful over the past years in significantly expanding the number, range and quality of apprenticeships and has now reached the point where there is sufficient momentum for the apprenticeships work to be taken forward by the wider education and economic partnership. In particular the Local Enterprise Partnership will take the lead role in stimulating the market for apprenticeship provision and ensuring it is aligned to the needs of young people and businesses.
- 5.27 This savings target includes savings from the Family Intervention Partnership (FIP) which works with families with complex needs over long periods of time (approximately 12-18 months) to bring about sustainable change. The service has been resourced through a combination of funding with the majority from core County Council budgets and Invest to Transform funding plus, Troubled Families funding, a staff in-kind contribution from Cambridgeshire Constabulary, and cash contributions from the City Council, the Clinical Commissioning Group and Circle Roddons Housing Association. The funding available for the service will reduce and the Invest to Transform funding coming to an end. Some of this reduction has been offset by an

increase in the staff in-kind contribution from Cambridgeshire Constabulary and an increase in investment from the 2nd phase of the national Troubled Families funding. However the number of families the service is able to support at any one time will still reduce by approximately 15%.

- 5.28 The savings proposal also includes further reductions in 2016/17 to the Multi Systemic Therapy team (pending the current review as part of the proposed mutualisation process).

- 5.29 *Rural Youth Work and Small Grants for Youth Programmes (A/R.6.508, -£47k in 2016/17)*

- 5.30 The rural youth work contract, which currently funds the Connections Bus project, will be ended. This will potentially reduce the availability of youth work in Cambridgeshire's rural villages. The small grants fund for transformation-driven youth projects will also be closed, which will reduce funding available for new youth projects.

6 RELEVANT PUBLIC HEALTH SAVINGS: DRUG AND ALCOHOL ACTION TEAM

- 6.1 The business planning report to the November Committee highlighted ongoing work by CFA and Public Health teams to identify any potential savings from drug and alcohol misuse services commissioned by the Council. This was being explored as an approach to delivering the reductions to the County Council's public health funding which may be announced by Government. At the time of writing this work is continuing.

7 CAPITAL PROGRAMME

- 7.1 The draft capital programme was reviewed individually by service committees in September and was subsequently reviewed in its entirety, along with the prioritisation of schemes, by General Purposes Committee in October.
- 7.2 The capital programme is shown in full in Appendix A as part of the finance tables. Since the Capital programme was presented in September there have been a number of significant changes to schemes:

- A/C.01.025 Fordham Primary scheme has increased to a 2 Form Entry expansion.
- A/C.01.029 Sawtry Infants scheme to expand the school in response to housing development in the village has decreased in cost following receipt of the milestone 1 report.
- A/C.02.003 Littleport Secondary & Special Schools scheme has increased in cost due to delays in the start on site of the project as a result of issues over land acquisition.
- A/C.02.005 Hampton Gardens Secondary School scheme has reduced by £13,500k. This is a joint project with Peterborough City Council to establish a new free school to serve both the new housing development in Peterborough and children living in Yaxley in Cambridgeshire. The Department for Education (DfE) has now indicated that the build cost will be met by the government. Confirmation of funding will follow receipt and assessment of the final business case by Peterborough City Council, the lead authority.

- A/C.02.005 Bottisham Village College expansion. This scale of this scheme has increased to reflect a joint application with the college for a £4m EFA capital allocation. If the bid is unsuccessful the scheme will need to be reviewed.
- A/C.11.005 CFA Management Information System IT Infrastructure – There has been a £2m reduction in the scheme costs following the conclusion of the detailed tender process which has identified solutions which cost less than initially anticipated.

7.3 There have been two additional scheme added to the programme:

- A/C.01.036 Pendragon Primary, 1 Form Entry expansion as a result of outline planning permission being granted for new housing development in the village.
- A/C.01.058 Chatteris Expansion, 1 Form Entry primary expansion to serve Chatteris scheduled for 2018-19. This is in response to an emerging capacity issue within the town as a result of existing in-catchment need and planned housing development.

7.4 Members are asked to note and be prepared to accept the potential for new projects to be identified for inclusion even after the programme has been approved and published as part of the 2016/17 Business Plan. The capital plan takes into account all outline planning permissions to date; however potential developments in Papworth, Gamlingay, Cottenham, Histon and South Cambridge could impact the programme. Recognition is needed of the fact that neither South Cambridgeshire District Council (SCDC) nor the City Council have had their local plans approved by central government, whilst East Cambridgeshire's plan is being challenged by developers which is resulting in speculative, unplanned housing development proposals across these three districts being received.

8 CONSULTATION AND ENGAGEMENT

8.1 The business planning proposals for Children, Families and Adults Services impact on service users, their families and communities, our partner organisations and our staff teams. We are undertaking a range of consultation and engagement activity to give these various stakeholder groups the opportunity to contribute to the development and finalisation of the proposals.

8.2 The CFA 2020 Strategy and draft business planning proposals are being shared with the following key partner organisations as part of the County Council's partner engagement.

- District Councils
- Health Partners (CCG, Acute Hospitals CCS and CPFT))
- Cambridgeshire Constabulary and Fire and Rescue Service
- The Voluntary and Community Sector
- Schools

8.3 District and parish councils have been proactive in engaging with the County Council to explore what they can do to mitigate the impact of budget

reductions, either by funding services the County Council can no longer support or by developing local solutions to meet the needs of their residents in the absence of County Council services. Huntingdonshire District Council has initiated discussions about how they can support local services and local communities in light of County Council reductions. This is extremely welcome and will be taken forward, with other Councils and organisation invited to be involved wherever they have capacity. Local members are supporting these conversations and we are developing a set of materials for councils which indicate where they and local community groups could support or where they could work with or fund County Council teams to avoid service reductions. We will continue to support these conversations as part of the Community Resilience Strategy which has recently been endorsed by General Purposes Committee.

- 8.4 The County Council has undertaken a public consultation regarding the business plan, using a [film outlining what the Council does](#) and how it is funded, as well as areas where communities can help. The report of feedback has been circulated to all councillors.

9 CFA WORKFORCE STRATEGY

- 9.1 The success of our business plan is dependent on the quality and skills of our staff teams. We are developing a revised workforce strategy to support delivery of the new CFA service model and business plan. The strategy focuses on the skill sets, competencies and ways of working that will be necessary to deliver in the changed context.

- 9.2 Different teams will need to be equipped with different skills and competencies according to their role, but across the workforce.

- We will expect everyone to be expert in their role
- We will expect everyone to be generous with their expertise – working beyond traditional role boundaries and focussing on the whole family
- Everyone will need to be resilient and resourceful – still delivering high quality services in an environment which is ever changing and where resources are reducing.

- 9.3 Key skills for teams will be:

- Confident risk management (all types of risk)
- Financial and care management
- Analysis and assessment skills
- Innovation and creativity – problem solving
- Negotiation and influencing skills – influencing the behaviour of others
- Working with families (including wider family) – brokering solutions
- Working alongside voluntary sector and community organisations
- Working outside of traditional role boundaries

- 9.4 The key principles of our workforce strategy will be based around the ‘think family’ concept, building a common skillset across teams and supporting our staff to work across age, function and service boundaries to find the right solution for each service user or family. Frontline staff and their managers will need training and support in order to focus their work in very different ways – ways which build on prevention and community support rather than crisis

intervention and public services.

9.5 The strategy will inform a refresh of our workforce development and activity and will also be delivered through the workforce stands of key programmes across CFA, specifically;

- Together for Families
- Early Help Strategy
- Social Work: Working for Families (Unit) Model
- Transforming Lives

9.6 The revised workforce strategy will be presented to Committee in January 2016 as we finalise the business plan.

10 CFA PROCUREMENT AND CONTRACTING STRATEGY

10.1 CFA Services are subject to significant inflationary and cost pressures in the coming period, specifically;

- The impact of the national living wage announced by the Chancellor in early July
- Ensuring due regard for the actual costs of providing good quality care, in line with the Care Act 2014
- Current and anticipated market conditions; the amount of care available, and at what price, ensuring overall sustainability, pursuant to the Care Act 2014
- General inflationary increases in prices and costs (such as fuel and rent)

It is clear that the scale of these pressures is greater than the organisation has faced previously and makes it imperative that we bring costs down to the absolute minimum.

10.2 We are therefore developing a revised Procurement and Contracting Strategy to set out the actions being taken across Children, Families and Adults Services to ensure our procurement and contracting of services is as efficient as possible and will deliver the best possible value for money over the five years of the business plan.

10.3 The key themes within the strategy are:

- Helping providers manage their costs and revisiting specification requirements
- Joint Procurement: Working with other Local Authorities
- Reconsidering Contract Lengths
- Efficiency from Scale/Volume
- Integration – Joint commissioning with health
- Incentivising providers to innovate and align with our strategy
- Ensuring the right model – insourcing or outsourcing
- Maximising the contribution of the voluntary and community sector

10.4 The strategy will be shared with the Committee for comment in January 2016.

11 DELIVERY AND OVERSIGHT OF THE BUSINESS PLAN

- 11.1 For all of the business planning proposals a full business case and delivery plan will be developed. This will further detail the savings, benefits assumptions, risks and dependencies of proposals and will describe how they will be delivered and over what timeframe.
- 11.2 A savings monitoring 'tracker' process will be used by Strategic Management Team and at Directorate Management Teams within Children, Families and Adults Services to closely monitor the delivery of savings. Where savings are not on track to be delivered appropriate management actions will be agreed and if necessary additional reductions will be sought elsewhere.
- 11.3 The existing programme and project management and governance arrangements within Children, Families and Adults Services have been revised and aligned with the business plan to ensure that transformational activity is focussed on the achievement of the savings and reductions in the plan.
- 11.4 The key performance indicator set for Children, Families and Adults Services that will be used to monitor the impact of service transformations and reductions on outcomes and performance is being finalised and will be presented along with targets for 2016/17 to Committee in January 2016.
- 11.5 In addition, the performance and management information framework within Children, Families and Adults Services is being revised to align with the business plan. In particular we are developing management information sets for all of the major care budgets based on the modelling used in business planning. These will allow services to monitor whether demand, activity, cost and expenditure are in line with the modelling used for business planning and quickly identify if pressures emerge.

12 NEXT STEPS

- 12.1 The proposals will be considered alongside those from the other service committees at the General Purposes Committee in December. It has recently been determined that Service Committee should have a further opportunity to review proposals at meetings in January before they are then recommended for formal endorsement at the February meeting of Full Council. The revised timeline for this process is shown below.

December	CYP Committee considers final draft revenue proposals. General Purposes Committee considers revenue and capital proposals and proposals for pump-priming investment Ongoing work to finalise savings proposals
January	CYP Committee considers final draft revenue proposals. General Purposes Committee review draft Business Plan for 2016/17. Ongoing work to deliver savings proposals
February	Draft Business Plan for 2016/17 discussed by Full Council. Ongoing work to deliver savings proposals
March	Publication of final CCC Business Plan. Ongoing work to deliver savings proposals.

13 ALIGNMENT WITH CORPORATE PRIORITIES

13.1 Developing the local economy for the benefit of all

- 13.2 The most significant impact on the local economy relates to the independent care sector. The sector is already under significant capacity and cost pressures and the pressure on County Council finances will create further risk of some parts of this economy becoming unviable, if we withdraw contracts or cannot offer contracts at a viable price. The existence and level of additional funding provided to support the living wage proposals will be crucial, if this is not fully funded then the additional cost burden on the sector will have a significant impact.

13.3 Helping people live healthy and independent lives

- 13.4 Supporting people's independence is a central principle of our strategy and business planning proposals and where this can be achieved through prevention, early help or recovery we will reduce the cost of public services and support people's desire to avoid or delay the need to rely on public services. However it is also recognised that the direct impact of providing reduced support for people will have a negative impact on their health and people's ability to lead full and active lives will be diminished.

13.5 Supporting and protecting vulnerable people

- 13.6 The impact of the proposals on our ability to support and protect vulnerable people is provided for each key proposal within the community impact assessments.

14 SIGNIFICANT IMPLICATIONS

14.1 Resource Implications

- 14.2 The proposals set out the response to the financial context described in sections 1,2 and 4 and the need to dramatically change our service offer and model to maintain a sustainable budget. An overview of the resource implication is provided at section 2.1. The full detail of the impact of the proposals on existing budgets is described in Table 3 of the business plan, attached as Appendix A.

- 14.3 The proposals seek to ensure that we make the most effective use of available resources across the system and are delivering the best possible services given the reduced funding.

- 14.4 This set of business planning proposals, more than ever before, is subject to significant financial risk. In particular the proposals for reduced spending on statutory care budgets represent ambitious targets for budgets which are demand-led and therefore not fully controllable. We will always need to meet statutory needs and so we are reliant on our early help and preventative activity being successful in reducing demand. If this is not successful then further savings will have to be found elsewhere. There are also financial risk and uncertainties relating to the outcome of the Government's ongoing spending review.

14.5 Statutory, Risk and Legal Implications

- 14.6 The proposals set out in this report respond to the statutory duty on the Local Authority to deliver a balanced budget.

- 14.7 Children, Families and Adults Services will continue to meet the range of statutory duties for supporting children and young people and in particular vulnerable groups, but as stated the level of help provided to people with statutory needs will reduce. The community impact assessment for each relevant proposal provides further detail about the anticipated impact, including reduction in help provided within statutory frameworks. These assessments are attached as Appendix D.

- 14.8 There is an unprecedented level of risk contained within the proposals. As we reduce the number of people who receive our specialist and intensive support, it follows that more risk will be held within communities and families, which will, in some cases, lead to people being less safe and poorer outcomes for vulnerable groups. Similarly, our workforce will need to operate within the context of this higher level of risk and will need different skills from now. We are likely to see an increase in the number of complaints to the Council and the Local Government Ombudsman, for example, as people seek to challenge the difficult decisions we will be making.

14.9 Equality and Diversity Implications

- 14.10 The size of the financial challenge means that services will continue to seek to improve their effectiveness, but the level and range of services that can be provided is generally reducing. The Community Impact Assessments describe the impact of each proposal, in particular on vulnerable or minority groups.

14.11 Engagement and Consultation Implications

- 14.12 The engagement and consultation approach and implications are described in sections 3 and 8.
- 14.13 Community Impact Assessments (CIAs) for the savings proposals are attached to this paper for consideration by the Committee at [Appendix D](#), and where applicable these have been developed based on consultation with service users and stakeholders.

14.14 Localism and Local Member Involvement

- 14.15 The proposals set out in this report, particularly in the latter years, are predicated on empowering communities (both geographical and of interest) to do more for themselves, as we shift our focus from meeting the needs of individuals to supporting communities and families. The County Council's new Community Resilience Strategy, reviewed at the October Meeting of the CYP Committee, sets out in detail how we will work to support local people and local leaders to play an even more active role in meeting the needs of services, in the context of the diminishing support from statutory services. The success of that strategy will be essential to the delivery of the business planning proposals set out above.
- 14.16 As the proposals develop, we will have detailed conversations with Members about the impact of the proposals on their localities. We are working with members on materials which will help them have conversations with Parish Councils, local residents and other groups about where they can make an impact and support us to mitigate the impact of budget reductions.

14.17 Public Health Implications

- 14.18 A number of the proposals will have implications for the health of vulnerable adults and older people. We are working closely with Public Health colleagues as part of the operating model to ensure our emerging Business Planning proposals are aligned. In particular the work being led within Public focussed on preventative mental health support, drug and alcohol services and sexual health services will be part of the model to reduce the reliance on social care for and the number of children in care.

Source Documents	Location
None	