

GENERAL PURPOSES COMMITTEE



Date: Tuesday, 25 October 2016

Democratic and Members' Services
Quentin Baker
LGSS Director: Law and Governance

10:00hr

Shire Hall
Castle Hill
Cambridge
CB3 0AP

Kreis Viersen Room
Shire Hall, Castle Hill, Cambridge, CB3 0AP

AGENDA

Open to Public and Press

CONSTITUTIONAL MATTERS

- 1 **Apologies for absence and declarations of interest**
Guidance on declaring interests is available at
<http://tinyurl.com/ccc-dec-of-interests>
- 2 **Minutes - 20th September 2016 and Action Log** **5 - 20**
- 3 **Petitions**

OTHER DECISIONS

- 4 **Finance and Performance Report - August 2016** **21 - 50**
- 5 **Integrated Resources and Performance Report for the period** **51 - 72**
ending 31st August 2016

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8	Wisbech Community Led Local Development Fund	119 - 122
9	Service Committee Review of Draft Revenue Business Planning Proposals for 2017-18 to 2021-22	123 - 148
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12	General Purposes Committee Agenda Plan, Training Plan and Appointments to Outside Bodies, Partnership Liaison and Advisory Groups, and Internal Advisory Groups and Panels	231 - 240

The General Purposes Committee comprises the following members:

Councillor Steve Count (Chairman) Councillor Roger Hickford (Vice-Chairman)

Councillor Anna Bailey Councillor Ian Bates Councillor David Brown Councillor Paul Bullen
Councillor Edward Cearnas Councillor Adrian Dent Councillor John Hipkin Councillor David
Jenkins Councillor Maurice Leeke Councillor Mac McGuire Councillor Lucy Nethsingha
Councillor Tony Orgee Councillor Peter Reeve Councillor Ashley Walsh and Councillor Joan
Whitehead

For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact

Clerk Name: Michelle Rowe

Clerk Telephone: 01223 699180

Clerk Email: michelle.rowe@cambridgeshire.gov.uk

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Public speaking on the agenda items above is encouraged. Speakers must register their intention to speak by contacting the Democratic Services Officer no later than 12.00 noon three working days before the meeting. Full details of arrangements for public speaking are set out in Part 4, Part 4.4 of the Council's Constitution <http://tinyurl.com/cambs-constitution>.

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GENERAL PURPOSES COMMITTEE: MINUTES

Date: Tuesday, 20th September 2016

Time: 10.00a.m. – 12.20p.m.

Present: Councillors Bailey, Bates, D Brown, Bullen, Cearns, Count (Chairman), Dent (substituting for the vacant UKIP position), Hickford, Hipkin, Jenkins, Leeke, McGuire, Onasanya (substituting for Councillor Whitehead), Orgee, Reeve and Walsh

Apologies: Councillors Nethsingha and Whitehead

252. DECLARATIONS OF INTEREST

There were no declarations of interest.

253. MINUTES – 26TH JULY 2016 AND ACTION LOG

The minutes of the meeting held on 26th July 2016 were agreed as a correct record and signed by the Chairman. The Action Log and following updates from the Chief Finance Officer (CFO) were noted:

- the ongoing action for the Chief Executive to raise directly with the Chairman of Staffing and Appeals Committee whether a pilot report on staff performance management would be helpful to the Committee. **Action Required.**
- the letter to Government regarding Schools' Funding Formula to be co-signed by the County's MPs had been drafted. Officers were still awaiting two signatures from MPs. The Chairman reported that although Stephen Barclay MP supported the request for transformation support expressed in the letter, it was impractical to sign it given his move to the Whips Office. **Action Required.**
- the need for the CFO to still meet with the Chairman regarding the approval of the changes to the Prudential Borrowing requirement in 2015/16 following clarification of the reasons for the reduction in Section 106 funding available. **Action Required.**
- a report on action to address credit control would be presented to the next meeting. **Action Required.**

In considering the Action Log, it was suggested that any report which had been deferred to a future meeting should be included in the log. **Action Required.**

One Member expressed concern about the lack of action which had followed the recommendation regarding development of land in Rampton Road, Cottenham agreed at 14 January 2016 meeting. The Chairman of Assets and Investments Committee reported that ongoing discussions were taking place with Cottenham Parish Council regarding the formation of a Community Land Trust. The CFO added that this issue

had been raised at the last meeting of the Committee. The Chairman proposed that General Purposes Committee (GPC) should receive a briefing note on the action taken following the recommendation agreed at Committee. **Action Required.**

254. PETITIONS

No petitions were received.

255. TRANSFORMATION FUND BIDS

a) Assistive Technology in Older People's Care & Assessments

The Committee was asked to approve an investment of £260k in the expansion of the use of assistive technology in the care and assessment of older people, which would help support the delivery of significant savings as part of business planning. Attention was drawn to the background to the proposal which was divided into two phases. Phase 1 involved investing and expanding the use of Just Checking (or similar) equipment, which gave a full report of a person's movements during a given period. This was part of a longer strategy which would involve a partnership project to establish an enhanced response service to incidents where social care service users got into difficulties as part of Phase 2. During discussion, some Members raised the following:

- welcomed the proposal and requested that it be introduced across all phases as quickly as possible. It was noted that it would take approximately three months to prepare the business cases for Phase 2. The Chairman invited the Service Director: Older People & Mental Health to approach the Chief Executive for assistance if she did not have sufficient capacity to prepare the business cases. However, it was important that Phase 2 had a high degree of certainty regarding the return.
- the need to make reference in the report to work with families. The Service Director: confirmed that this was part of the work. Consultation took place with families regarding the outcome of monitoring the safe arrangement.
- queried the involvement of neighbours. It was noted that Phase 2 would focus on alternative sources of support if neighbours, friends and family were unable to respond. It was acknowledged that a more systematic approach was needed. Members were informed that any provision would be designed in consultation with family who would always be the first port of call. However, some users did not have family living nearby.
- queried how much the proposal had been driven by reducing costs. The Service Director reported that the Council had a statutory responsibility to ensure that a person eligible for residential care should not be at home. However, it was important to note that the majority of older people wanted to remain in their home. Members acknowledged that the technology would enable both the Council and families to move people into care at the right time. It was therefore believed this measure could improve outcomes as well as delivering financial savings. The Service Director reported that the experience with Learning Disability had provided reassurance. One Member raised the need to describe the outcomes better in the report.

- queried the involvement of Adults Committee and Spokes. It was noted that many discussions had taken place with both the Committee and Spokes about alternative ways of a delivering a service without making cuts. The Vice-Chairwoman of Adults Committee confirmed that this proposal had been endorsed by both the Committee and Spokes as part of the business plan. She expressed support for Phase 2 which was primarily about prevention and welcomed the involvement of the Fire and Rescue Service which reflected neighbourhood working.
- expressed concern about the fact that no equality and diversity implications had been provided. The Chairman queried why there should be any implications for what was effectively a universal service. The Service Director acknowledged that it should have been made clear in the report that this universal service would not be means tested.
- highlighted the need to monitor outcomes to compare what the situation would have been like if the technology had not been installed. In response, the Committee requested that a monitoring report be presented in six months detailing the return on investment. **Action Required.**
- expressed confusion regarding the way the resource implication had been presented in Section 6.1. The CFO reported that it had been presented in the business plan format which showed incremental movement. He agreed to present future bids in absolute sums.
- queried the position regarding warranties if the equipment failed. The Service Director reported that the contract had a maintenance agreement.

It was resolved unanimously to:

- a) approve the business case for phase 1 and the investment from the Strategic Transformation Fund to support the wider use of assistive technology. A finance summary was included in Section 6.1.
- b) comment on the phase 2 concept and the wider work programme.
- b) Renegotiation of the Waste PFI Contract

The Committee was asked to approve an investment of £380k to fund the cost of the Department for Environment, Food and Rural Affairs (DEFRA) in supporting the renegotiating of the Council's waste disposal contract. This reflected 8% of the savings to cover technical support and would be recovered through a reduction in the PFI credits. Members were reminded that a report on the Contract had been presented to a previous committee. It was hoped that renegotiations could result in the Council achieving savings of £5m over three years and then £5m per year. However, there were significant risks. The Executive Director: Economy, Transport and Environment reported that the Council had a good and positive relationship with the contractor Amey. During discussion, some Members raised the following:

- the need to present the financial information in Section 10 in absolute terms rather than that customarily used in the business planning process. The absolute format to

be used for all future reports enabling the public to easily understand the documentation.

- expressed concern that the wrong contract had been let in the first place and that the Council should take quick action and go for Option 5 particularly as Amey had been in breach of contract. The Chairman clarified the fact that the breach had been a technical one. The Executive Director acknowledged that with hindsight the Council could have acted differently but the outcome would have been the same. The technical breach had been remedied by Amey and it would have been very difficult and expensive for the Council to have withdrawn from the contract. It was noted that the Council would need to pay for financing, loss of profit and still need to remove the waste if it opted for Option 5.
- highlighted the need to have an Option 5 in order to be able to implement Option 4. The Executive Director explained that the Council was already progressing Option 2 and working on Option 3. It was therefore queried whether options was the right word rather than actions as Option 4 was a cumulative package involving Options 2 and 3. The Vice-Chairman stressed the importance of working up Option 5. The Chairman requested a confidential briefing note to the committee detailing what Option 5 would look like. **Action Required.**
- expressed concern about any possible slippage in the key milestones detailed in Section 5. The Executive Director reported that the Council had set a challenging timescale regarding the re-negotiations. It was currently withholding money from Amey to encourage progress. He explained that next year was the window of opportunity which would then diminish. He informed Members that the Council would do all it could to stick to the timescales in order to deliver savings as quickly as possible. The Chairman asked for specific cut off dates to be included in the timescales when it was reported back to Committee.
- the need to communicate the risk to all members of the Council. The Executive Director reported that there was a Steering Group involving Members. One Member queried why the Steering Group was not recommending options to GPC. The Executive Director offered to review arrangements to make sure that Members felt they had sufficient involvement. He explained that negotiations could involve just GPC and or the Steering Group. The Vice-Chairman, proposed with the agreement of the Committee, that the Chairman of GPC as well as the Chairman of Highways and Community Infrastructure Committee should be members of the Steering Group. It was agreed that the Vice-Chairman of GPC should attend in his absence.
- queried the relationship with DEFRA if the Council adopted Option 4 as the credits were predicated on DEFRA criteria. The Executive Director reported that this issue of the PFI credits was a significant risk and the Council would want to ensure that it was protected. He acknowledged that the credits were linked to objectives set by DEFRA at the beginning of the contract. The Mechanical Biological Treatment plant was doing effectively what it had been designed to do but the regulatory regime had changed. It was noted that recycling rates were currently good. The Council was trying to come up with a better solution in order to reduce waste to landfill but this was not what DEFRA had asked the Council to do in the beginning. It could therefore potentially take the Council's PFI credits away. However, the Council

could argue that all the waste product would be used and not sent to landfill. One Member raised the need for a confidential briefing session for GPC.

- expressed concern that the Council was effectively discussing its negotiating position in public. The CFO reported that the two negotiating teams had agreed a joint process and a document detailing the information contained in the report had been shared with both parties. The Executive Director confirmed that the report did not include any information of which Amey was not aware of. It was noted that Amey had identified the risk with DEFRA to the Council.

There was concern from some Members that they were being asked to support a preferred option without the appropriate information. It was suggested that a confidential item should be added to a future meeting detailing the risk and the relationship with the Council's business plan. The Chairman reminded the Committee that it was being asked to approve the outline business case. As it progressed the Committee would be able to have an in depth confidential briefing. It was noted that the Steering Group was scheduled to meet before the next meeting of GPC. The Executive Director reported that the Steering Group could work with the Council's financial advisers to bring a recommendation to the next meeting. With the agreement of the Committee, the Chairman proposed that the full business case and savings be presented to the first meeting of GPC following a meeting of the Steering Group.

It was resolved unanimously to:

- a) approve the outline business case and savings proposals from renegotiation of the Council's waste disposal contract.
- b) bring back a full business case and savings to the first General Purposes Committee following a meeting of the Steering Group.

256. FINANCE AND PERFORMANCE REPORT – JULY 2016

The Committee was presented with the July 2016 Finance and Performance report for Corporate Services and LGSS Cambridge Office. Attention was drawn to the Corporate Capacity Review (CCR) where the overspend had reduced from £1.2m to £0.4m, partly as a result of further work to refine the projection for savings from CCR. It was also proposed to bring forward some of the early proposals for the second phase of the CCR, which were anticipated to deliver £300k of savings in 2016/17. Members were informed that financing costs were predicted to underspend due to a change in the base rate.

One Member highlighted the need for all overspends to include an explanation. She queried why the LGSS Cambridge Office was predicting an overspend of £98k and asked whether the sharing arrangement with Northamptonshire County Council and Milton Keynes Council was creating a perverse incentive. The CFO agreed to provide the Committee with a briefing note on both issues. **Action Required.**

Another Member expressed concern about the percentage of debt over 90 days old. The CFO reminded the Committee that a report would be presented to the next meeting. There was concern from one Member regarding the fact that there was no

mention in the report of the number of people at risk of redundancy as a result of the CCR. The Chairman reminded the Committee that the report was a monitoring report rather than a report about the CCR. The CFO offered to circulate the link to the Intranet where the information was available. **Action Required.**

The Chairman drew attention to the overspends in Corporate Services and LGSS Managed. He reminded the Committee that he was challenging other Chairs to tackle overspends in their areas so it was important that he did the same. The CFO confirmed that these services would continue to work to get to zero.

It was resolved unanimously to review, note and comment upon the report.

257. INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 31ST JULY 2016

The Committee received a report detailing the financial and performance information to assess progress in delivering the Council's Business Plan. The CFO reported that there had been a reduction in the Children, Families and Adults (CFA) overspend of approximately £700k (0.3% of the overall budget). Unfortunately, the draft figures for August showed a bounce back up particularly in Learning Disability and Looked After Children where it was difficult to manage demand. Members were informed that the Capital Programme was in line with the profile to date, and performance indicators presented a mixed range of positives and challenges.

One Member queried how the Chairman of Health Committee would approach the long standing problem of delayed transfers of care from hospital as detailed in the performance indicator on page 79. The Chairman of Health Committee reported that he had asked how the turnover of staff in CFA had impacted on this area. He had been in regular conversation with the Executive Director: CFA about this issue. The CFO reminded the Committee that the appropriateness of some of the indicators had been raised and as a result Strategic Management Team was reviewing and evaluating them as part of the business plan process.

The Chairman added that in relation to delayed transfers of care there was an element which related to the Council and one to the NHS. The Vice-Chairwoman of Adults Committee drew attention to the number of adult social care attributable bed delays. There had been a relentless focus by Adults Committee on this target and the numbers had come down. When local hospitals went to black alert, resources were targeted to help ease the problem. However, it was important to note that adult social care was not the root of the problem. The Chairman reported that the Council could not keep being blamed for this issue but it should also not attack the NHS. Therefore the challenge was to help the media understand the background. He asked the Chief Executive to take action. **Action Required.**

It was resolved unanimously to:

Analyse resources and performance information and note any remedial action currently being taken and consider if any further remedial action was required.

258. COMMUNITY RESILIENCE AND CAMBRIDGESHIRE COUNTY COUNCIL'S INNOVATION FUND

The Committee received the Delivery Plan for “Stronger Together – Cambridgeshire County Council’s strategy for building resilient communities” as requested by Full Council. Attention was drawn to the background detailing how the strategy had been agreed. Members were advised of the activities associated with delivering the strategy and how these would help to deliver new savings over and above those already outlined in the business plan. Information detailing examples of work with Parish Councils was available at the meeting and could be circulated electronically. It was noted that the launch of an Innovation Fund in partnership with the Cambridgeshire Community Foundation would encourage the local voluntary and community sector to bid for transformation funding for projects which would demonstrate value for money and make a significant contribution to the Council’s corporate objectives. Bids would be considered by an officer and the Localism Member Champion, Councillor Criswell. Any bids over £50k would need to be considered by GPC. In welcoming the report, some Members raised the following:

- the need for more Member involvement. It was noted that a third of Councillors had taken part in the Councillors as Connectors programme. It was also proposed to hold a Members’ Seminar in February. The Chairman acknowledged the need to reinvigorate the programme early on in the new cycle but suggested that February would be too close to the County Council elections. It was noted that there was an ongoing role for those Members involved in the programme. However, it was also important to talk to Community Champions who were not Councillors.
- disappointment expressed by one Member that only 23 Councillors had signed up to the Councillors as Connectors programme. It was suggested that officers needed to learn from the drop out rates.
- queried the size of the Innovation Fund. The CFO reported that there was no definitive sum as it would depend on the proposals. The Fund was all about return on outcomes and was similar in terms of pump priming and objectives to the Council’s own Transformation Fund. It was about better and more efficient use of Council services using the community as the vehicle of delivery.
- the need to apply some rigour to monitoring in relation to the effectiveness of the Fund. It was also important to learn from failure. In response, the Committee requested that a monitoring report be presented in six months detailing the return on investment. **Action Required.**
- the need to circulate examples of projects to all Members. **Action Required.**
- the need to consider all outcomes such as the handyman employed by Parish Councils to cut the grass. It was noted that bids could cover any aspect of Council business provided they could demonstrate value for money. Members were informed that the fund was open to any organisation. The Chairman added that the fund should consider any innovative project if it met the criteria such as filling in pot holes.

- queried whether the target areas detailed in section 3.5 had been identified. It was noted that the target areas identified were thematic areas. Members were informed that there was a section on Cambridgeshire Insight detailing geographically where the Council spent its money. The Community Foundation along with staff members would be working with local communities to target specific areas which needed additional support.
- queried whether sufficient staff resource capacity was available. Members were informed that Phase 2 of the CCR would look at the roles of staff in relation to community engagement and galvanise that support. It was noted that conversations had taken place with community groups.
- the need to consider areas which did not have Parish Councils. It was noted that discussions had taken place with the City Council regarding a different approach. One Member reported that the City had an Anti Poverty Strategy which involved Credit Unions. The County Council could therefore work jointly with the City on this issue. The Chairman added that the project provided a significant opportunity for the County Council to work with District and Parish Councils to support adult social care.

It was resolved unanimously to:

- a) agree the Delivery Plan for 'Stronger Together' as a reflection of the Council's ambitions to support community resilience;
- b) as requested by Full Council, note the development of the Innovation Fund as an *"appropriate investment in community initiatives to deliver the outcomes of the Strategy, that will have a social and financial value that will enhance peoples' lives"; and*
- c) note the establishment of a governance structure to oversee this investment.
- d) receive future updates at six monthly intervals on progress of the strategy.

259. DEMOGRAPHY UPDATE

The Committee considered a report setting out the changes to the approach to demography in the Business Planning process. Members were aware that there had been some disquiet regarding the presentation of demography. It was proposed that the financial impact of general population growth should be absorbed by all services, thereby reducing the number of demography proposals in Cambridgeshire. This would mean demography funding only being given to services which experienced growth greater than the general population. To manage the financial impact for these services a corporate budget would be established. Services would then need to make evidence based Business Cases from this provision, which would be considered by GPC.

The Chairman highlighted the fact that the process was common practice in other authorities and it would improve transparency as it would be identified fully in the narrative of the business plan. The Vice-Chairwoman of Adults Committee expressed support for this approach. Demography particularly in Adult Services was very

nebulous which made it difficult to analyse. She added that this approach could avoid the need to make unnecessary reductions to achieve savings. One Member in support of this approach highlighted the fact that it reflected the outcome approach being rolled out by the Council.

It was resolved unanimously to:

- a) agree that the Business Plan should be developed with demography being budgeted for corporately;
- b) agree that any service committee requests for funding from this central allocation be delegated to the Chief Finance Officer in consultation with the Chair of this Committee; and
- c) approve the revised presentation of demographic pressures and demand management savings.

260. SERVICE COMMITTEE REVIEW OF THE DRAFT 2017-18 CAPITAL PROGRAMME

The Committee received a report which provided an overview of the draft Business Plan Capital Programme for Corporate and Managed Services.

It was resolved unanimously to:

- a) note the overview and context provided for the 2017-18 Capital Programme for Corporate and Managed Services; and
- b) comment on the draft proposals for Corporate and Managed Services' 2017-18 Capital Programme and endorse their development.

261. TREASURY MANAGEMENT QUARTER 1

The Committee received the first quarterly update on the Treasury Management Strategy 2016-17, approved by Council in February 2016. The Chairman reported that the Municipal Bonds Agency was scheduled to issue its first bond in the autumn. The CFO added that Milton Keynes Council was not part of the retender of the Treasury Management Advisory Contract because its contract did not expire for another year. However, it was expected to join in the future.

It was resolved unanimously to note the Treasury Management Report.

262. CORPORATE RISK REGISTER

The Committee considered a report detailing the current status of corporate risk. Attention was drawn to changes to the Corporate Risk Register for GPC to review. Following on from previous discussions regarding delayed transfers of care, it was noted that Risk 32 "Insufficient availability of care services at affordable rates" had moved to Amber. Members were also advised that the Council had a new online risk management system.

It was resolved unanimously to note the position in respect of corporate risk.

**263. GENERAL PURPOSES COMMITTEE AGENDA PLAN, TRAINING PLAN
APPOINTMENTS TO OUTSIDE BODIES, PARTNERSHIP LIAISON AND ADVISORY
GROUPS AND INTERNAL ADVISORY GROUPS AND PANELS**

The Committee considered its agenda plan, training plan and appointments to Partnership Liaison and Advisory Groups. Members noted the following changes to the agenda plan:

- delete "Draft Strategic Framework" from the October meeting;
- move "County Council Elections 2017" to November; and
- add "A Corporate Energy Strategy" to November.

The Committee also considered appointments to the LGSS Scrutiny Steering Group.

It was resolved unanimously to:

- a) review its Agenda Plan;
- b) review and agree its Training Plan;
- c) appoint Councillors Lynda Harford, Paul Clapp and Mike Mason to the LGSS Scrutiny Working Group.

Chairman

GENERAL PURPOSES COMMITTEE

Minutes-Action Log



Introduction:

This log captures the actions arising from the General Purposes Committee on 20th September 2016 and updates members on the progress on compliance in delivering the necessary actions.

This is the updated action log as at 17th October 2016.

Minutes of 20th September 2016

Item No.	Item	Action to be taken by	Action	Comments	Completed
253.	Minutes – 26th July 2016 and Action Log	G Beasley	The Chief Executive to raise directly with the Chairman of Staffing and Appeals Committee whether a pilot report on staff performance management would be helpful to the Committee.	The Chief Executive has spoken with the Chairman of Staffing and Appeals and they have agreed that a paper will be brought back to staffing and appeals on this subject.	Completed

Item No.	Item	Action to be taken by	Action	Comments	Completed
253.		G Beasley	Letter to Government regarding Schools' Funding Formula to be co-signed by the County's MPs	Letter has been e-mailed to the Secretary of State.	Completed
		C Malyon	Delegate to the CFO, in consultation with the Chairman of General Purposes Committee, the approval of the changes to the Prudential Borrowing requirement in 2015/16, as set out in section 11.5, following clarification of the reasons for the reduction in Section 106 funding available.	Published on 6 October 2016 and copy sent to all members of Council.	Completed
253.		C Malyon	The CFO to provide a report on action to address credit control as detailed in section 8.1	Report to be provided for October GPC.	Completed
253.		M Rowe	A report deferred at a meeting should be included in the Action Log.		Completed

Item No.	Item	Action to be taken by	Action	Comments	Completed
253.		C Malyon	GPC to receive a briefing note on the action taken following the recommendation agreed at Committee regarding the development of land at Rampton Road, Cottenham,	<p>The County Council own land at Ramphill Farm, Cottenham, part of the County Farms Estate. The majority is let to a tenant farmer and 3.4 ha are let to Cottenham Parish Council for playing fields.</p> <p>GPC resolved on 14 January 2016 to proceed with a planning application for residential development on part of Ramphill Farm and to explore whether it is possible to bring forward a Community Land Trust or similar, working with the community.</p> <p>County Council Officers have met the Parish Council on several occasions to discuss the issues arising, culminating in a meeting between the Chair of the Parish Council, a Local Member, and Members of Assets & Investments Committee</p>	Completed

				<p>on 16th September. At the subsequent meeting of the A&I Committee on the same day, Members were given a confidential update on the wider site issues, and having made reference to the GPC decision above, confirmed the approach that Officers are pursuing.</p> <p>Meanwhile the planning application has been progressed and, following public consultation with the Cottenham community, will be submitted in early October. Officers remain in contact with the Parish Council and will continue discussions with them on wider issues, and as part of the formal consultation arising out of the planning application process.</p>	
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Item No.	Item	Action to be taken by	Action	Comments	Completed
255.	Transformation Fund Bids	C Black	A monitoring report to be presented in six months' time.	Scheduled for GPC meeting on 21 March 2017.	Completed
	a) Assistive Technology in Older People's Care & Assessments				
	b) Renegotiation of the Waste PFI Contract	G Hughes	Confidential briefing note detailing what Option 5 would look like. Business case and savings to be reported to the first GPC following a meeting of the Steering Group.	To be included in overall business case to be presented back to GPC. Scheduled for GPC meeting on 29 November 2016	Completed Completed
256.	Finance and Performance Report – July 2016	C Malyon	Briefing note on LGSS Cambridge Office overspend and whether a perverse incentive was being created.	E-mailed to GPC on 13 October 2016	Completed
		C Malyon	Link to CCR on intranet to be circulated.	http://camweb/ccr	Completed
257.	Integrated Resources and Performance Report for the Period Ending 31st July 2016	G Beasley	The Chief Executive to take action to help the media understand the facts behind delayed transfers of care.	A number of actions have been agreed ensuring that we work alongside Health partners as part of these actions: To suggest a feature in local media highlighting the way the process works and to correct the misunderstandings	Completed

				<p>To put the dashboard of figures (or a link to it) on our website</p> <p>To post daily snapshots and headlines on social media</p> <p>When the issue becomes higher profile (eg in the winter) we will work with all media (especially BBC Look East and Anglia) before broadcast to ensure the issues are understood</p>	
258.	Community Resilience and Cambridgeshire County Council's Innovation Fund	<p>D Lane</p> <p>S Ferguson</p>	<p>E-mail all Members examples of projects.</p> <p>Monitoring report to be presented to GPC in six months' time.</p>	<p>Scheduled for GPC meeting on 21 March 2017.</p>	<p>Completed</p> <p>Completed</p>

FINANCE AND PERFORMANCE REPORT – AUGUST 2016

To: **General Purposes Committee**

Meeting Date: **25 October 2016**

From: **Director of Customer Service and Transformation
Chief Finance Officer**

Electoral division(s): **All**

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

Purpose: **To present to General Purposes Committee (GPC) the August 2016 Finance and Performance Report for Corporate Services and LGSS Cambridge Office.**

The report is presented to provide GPC with an opportunity to comment on the projected financial and performance outturn position, as at the end of August 2016.

Recommendation: **The Committee is asked to review, note and comment upon the report.**

<i>Officer contact:</i>	
Name:	Chris Malyon
Post:	Chief Finance Officer
Email:	Chris.malyon@cambridgeshire.gov.uk
Tel:	01223 699796

1. BACKGROUND

- 1.1 General Purposes Committee receives the Corporate Services and LGSS Cambridge Office Finance and Performance Report at all of its meetings, where it is asked to both comment on the report and potentially approve recommendations, to ensure that the budgets and performance indicators for which the Committee has responsibility, remain on target.

2. MAIN ISSUES

- 2.1 Attached as **Appendix A**, is the August 2016 Finance and Performance report.

- 2.2 **Revenue:** At the end of August, Corporate Services (including the LGSS Managed and Financing Costs) is forecasting a year-end overspend on revenue of £179k.

Financing Costs are predicted to underspend by £250k at year-end.

There are no new significant forecast outturn variances by value (over £100,000) to report for Corporate Services / LGSS Managed.

The LGSS Operational budget is forecasting a year-end overspend on revenue of £213k. This element of the budget is monitored by the LGSS Joint Committee and is not the responsibility of General Purposes Committee.

- 2.3 **Capital:** At the end of August, Corporate and LGSS Managed are forecasting that the capital budget will be fully spent in 2016-17.

At the end of August, LGSS Operational is forecasting that the capital budget will be fully spent in 2016-17.

There are no new significant forecast outturn variances by value (over £500,000) to report.

- 2.4 Corporate Services / LGSS have nine **performance indicators** for which data is available. Five indicators are currently at green status, three at amber and one red.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

3.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

3.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

This report sets out details of the overall financial position for Corporate Services / LGSS and this Committee.

4.2 Statutory, Risk and Legal Implications

There are no significant implications within this category.

4.3 Equality and Diversity Implications

There are no significant implications within this category.

4.4 Engagement and Consultation Implications

There are no significant implications within this category.

4.5 Localism and Local Member Involvement

There are no significant implications within this category.

4.6 Public Health Implications

There are no significant implications within this category.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Officer: Sarah Heywood
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	Yes Name of Legal Officer: Lynne Owen
Are there any Equality and Diversity implications?	Yes Name of Officer: Dan Thorp
Have any engagement and communication implications been cleared by Communications?	Yes Name of Officer: Mark Miller
Are there any Localism and Local Member involvement issues?	Yes Name of Officer: Dan Thorp
Have any Public Health implications been cleared by Public Health	Yes Name of Officer: Tess Campbell

Source Documents	Location
CS and LGSS Cambridge Office Finance & Performance Report (Aug 16)	1 st Floor, Octagon, Shire Hall, Cambridge

Corporate Services and LGSS Cambridge Office

Finance and Performance Report – August 2016

1. SUMMARY

1.1 Finance

Previous Status	Category	Target	Current Status	Section Ref.
N/A	Income and Expenditure	Balanced year end position	Amber	2.1 – 2.4
N/A	Capital Programme	Remain within overall resources	Green	3.2

1.2 Performance Indicators – Current status: (see section 4)

Monthly Indicators	Red	Amber	Green	Total
August (Number of indicators)	1	3	5	9

2. INCOME AND EXPENDITURE

2.1 Overall Position

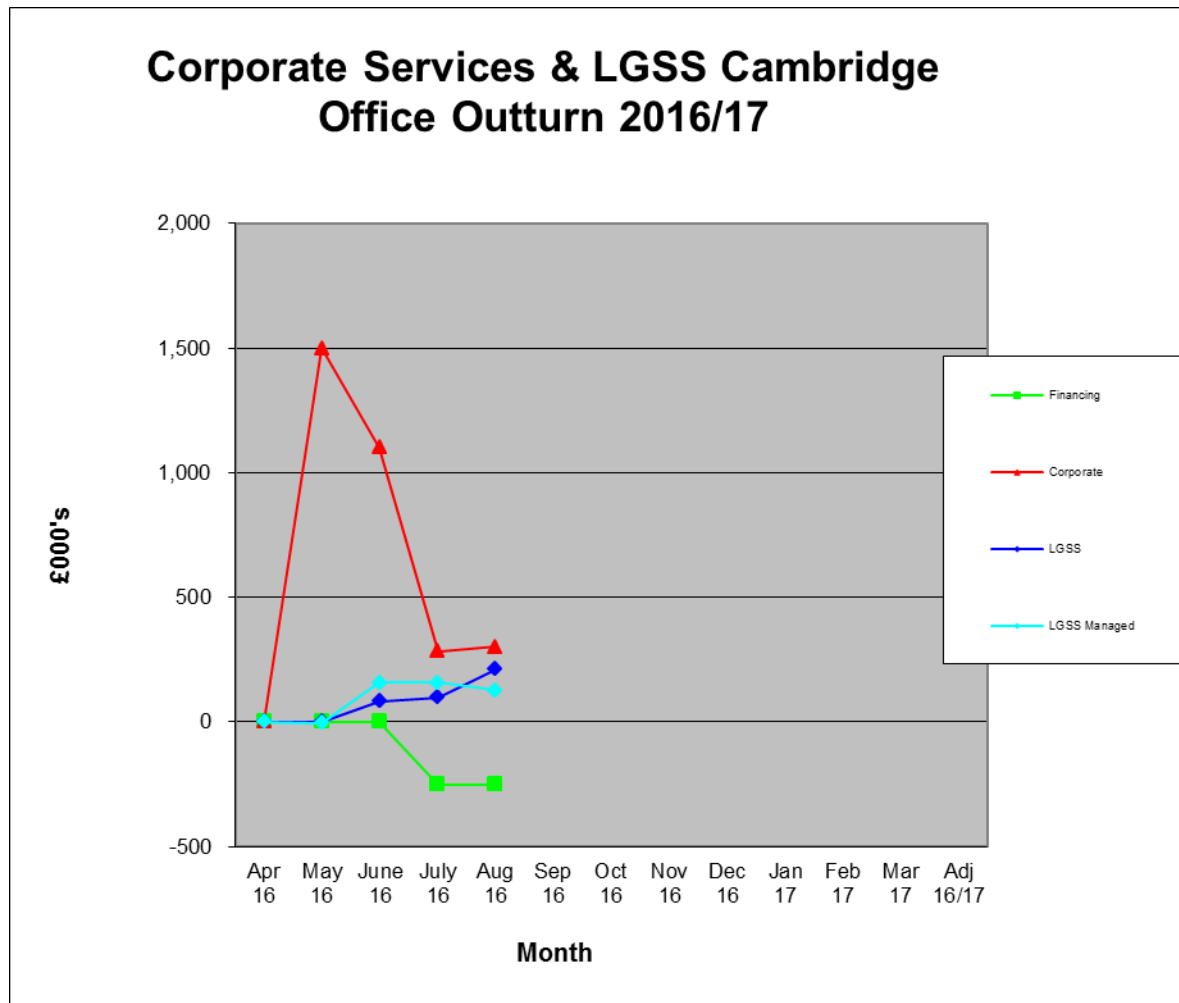
The budget figures in this table are net, with the 'Original Budget as per BP' representing the Net Budget column in Table 1 of the Business Plan for each respective Service. Budgets relating to Assets and Investments Committee have been disaggregated from these figures.

Original Budget as per BP ⁽¹⁾	Directorate	Current Budget	Forecast Variance - Outturn (July)	Forecast Variance - Outturn (Aug)	Forecast Variance - Outturn (Aug)	Current Status	DoT
£000		£000	£000	£000	%		
4,674	Corporate Services	4,830	285	301	6	Amber	↓
6,010	LGSS Managed	6,010	157	128	2	Amber	↑
34,206	Financing Costs	34,206	-250	-250	-1	Green	↔
44,890	Sub Total	45,046	192	179			
9,589	LGSS Cambridge Office	9,682	98	213	2	Amber	↓
54,479	Total	54,728	290	392			

The service level budgetary control report for Corporate Services, LGSS Managed and Financing Costs for August 2016 can be found in [CS appendix 1](#).

The service level budgetary control report for LGSS Cambridge Office for August 2016 can be found in [LGSS appendix 1](#)

Further analysis of the results can be found in [CS appendix 2](#) and [LGSS appendix 2](#)



2.2.1 Significant Issues – Corporate Services

- Corporate Services is currently predicting a year-end overspend of £301k.
- There are no exceptions to report this month.

2.2.2 Significant Issues – LGSS Managed

- LGSS Managed is currently predicting a year-end overspend of £128k.
- There are no exceptions to report this month.

2.2.3 Significant Issues – Financing Costs

- Financing costs are currently predicting an underspend of £250k for the year.
- A £250k underspend is currently forecast for Debt Charges. This reflects the fall in the forecast for net interest payable following falls in interest rates across all parts of the yield curve. The impact of lower borrowing on the Debt Charges budget would normally result in a favourable forecast variance (due to lower interest payments). However the Debt Charges budget was reduced in anticipation of capital expenditure slippage during the budget setting process, so the magnitude of the variance reported is muted.

2.2.4 Significant Issues – LGSS Cambridge Office

- LGSS Cambridge Office is currently predicting an overspend of £213k. Any year-end deficit / surplus is subject to a sharing arrangement with Northamptonshire County Council and Milton Keynes Council and will therefore be split between partner authorities on the basis of net budget, with an equalisation adjustment processed accordingly at year-end. This will be incorporated into the report as outturn figures become available during the course of the year.
- There is a forecast deficit of £131k on the consolidated trading activities in place prior to April 2016. This will be ring-fenced and met, if necessary, from the LGSS Smoothing Reserve at year end.
- It is forecast that IT Services in the LGSS Cambridge Office will overspend by £154k at year end. There is a £70k forecast overspend within NCC/CCC operations due to the additional recruitment of digital analysts to in-source work previously procured at a premium by the retained organisations and additional developer posts recruited over and above the establishment in agreement with NCC and CCC. A £208k saving was planned to be delivered from additional IT budgets being transferred from the CCC retained organisation into LGSS; this has not happened to date and therefore the saving will not be achieved this year. There is a £30k pressure due to a decision to recruit to a Head of IT in Norwich in order to expand the LGSS offering in this geographical area.

2.3 Additional Income and Grant Budgeted this Period (De minimis reporting limit = £30,000)

There were no items above the de minimis reporting limit recorded in June.

A full list of additional grant income for Corporate Services and LGSS Managed can be found in [CS appendix 3](#).

A full list of additional grant income for LGSS Cambridge Office can be found in [LGSS appendix 3](#).

2.4 Virements and Transfers to / from Reserves (including Operational Savings Reserve)
(De minimis reporting limit = £30,000)

No virements have been made this month to reflect changes in responsibilities.

A full list of virements made in the year to date for Corporate Services, LGSS Managed and Financing Costs can be found in [CS appendix 4](#).

A full list of virements made in the year to date for LGSS Cambridge Office can be found in [LGSS appendix 4](#).

3. BALANCE SHEET

3.1 Reserves

A schedule of the Corporate Services and LGSS Managed reserves can be found in [CS appendix 5](#).

A schedule of the LGSS Cambridge Office Reserves can be found in [LGSS appendix 5](#).

3.2 Capital Expenditure and Funding

Expenditure

- Corporate Services has a capital budget of £48k in 2016/17 and there is £38k spend to date. It is currently expected that the programme will be fully spent at year-end and the total scheme variances will amount to £0k across the programme.

There are no exceptions to report for August.

- LGSS Managed has a capital budget of £4m in 2016/17 and there is spend to date of £1m. It is currently expected that the programme will be fully spent at year-end and the total scheme variances will amount to £0k across the programme.

There are no exceptions to report for August.

- LGSS Cambridge Office has a capital budget of £618k in 2016/17 and there is spend to date of £0k. It is currently expected that the programme will be fully spent at year-end and the total scheme variances will amount to £0k across the programme.

There are no new exceptions to report for August.

Funding

- Corporate Services has capital funding of £48k in 2016/17 with the current expectation being that this continues to be required in line with the original budget proposals. There are no key funding changes to report.
- LGSS Managed has capital funding of £4m in 2016/17 with the current expectation being that this continues to be required in line with the original budget proposals.
- LGSS Cambridge Office has capital funding of £618k in 2016/17 with the current expectation being that this continues to be required in line with the original budget proposals.

A detailed explanation of the position for Corporate Services and LGSS Managed can be found in [CS appendix 6](#).

A detailed explanation of the position for LGSS Cambridge Office can be found in [LGSS appendix 6](#).

4. PERFORMANCE

4.1 The table below outlines key performance indicators for Customer Services and Transformation and LGSS Managed Services.

Measure	Reporting frequency	What is good	Unit	Data last entered	Target	Actual	RAG status	Direction of travel	Comments
Customer Service & Transformation									
Proportion of FOI requests responded to within timescales	Monthly	High	%	07/09/16	90.0%	87.0%	Amber	↓	
For context only - number of FOI requests received annually	Annually	Low	Num	05/07/16	N/A*	311	N/A	N/A	Data to be next reported on in October 2016 for Q2 2016/17.
Proportion of customer complaints received in the month before last that were responded to within minimum response times	Monthly	High	%	06/09/16	90.0%	83.6%	Amber	↓	
For context only - number of complaints received annually per thousand population	Annually	Low	Num	12/07/16	N/A*	2.2**	N/A	N/A	Data to be next reported on in May 2017 for period of 1 April 2016 - 31 March 2017
Proportion of all transformed transaction types to be completed online by 31 March 2015***	Annually	High	%	15/07/16	75.0%	70.4%	Amber	↓	To be next reported on in October 2016 for Q2 2016/17.
Deprivation measure - Number of physically active adults (narrowing the gap between Fenland and others)	Annually	High	%	24.03.16 (change to target and 2014 actual)	53.1% (2015) 54.1% (2016)	52.1% (2014)	TBC	N/A	Data to be reported on in May 2017 for year end.
LGSS Managed Services									
IT – availability of Universal Business System****	Half-yearly	High	%	28/07/16	95.0%	95.0%	Green	↑	To next be reported on in November
IT – incidents resolved within Service Level Agreement	Half-yearly	High	%	28/07/16	90.0%	92.0%	Green	↓	To next be reported on in November 2016 for Q1 and Q2 2016/17.

The full scorecard for Customer Services and Transformation and LGSS Managed Services can be found at [CS appendix 7](#).

4.2 The table below outlines key performance indicators for LGSS Cambridge Office

Measure	Reporting frequency	What is good	Unit	Data last entered	Target	Actual	RAG status	Direction of travel	Comments
LGSS Cambridge Office									
Percentage of invoices paid within term for month	Monthly	High	%	01/09/16	97.5%	99.6%	Green	↔	99.6% last period
Percentage of invoices paid within term cumulative for year to date	Monthly	High	%	01/09/16	97.5%	99.6%	Green	↓	99.7% last period
Total debt as a percentage of turnover	Monthly	Low	%	01/09/16	10.0%	5.6%	Green	↑	11.8% last period
Percentage of debt over 90 days old	Monthly	Low	%	01/09/16	20.0%	34.2%	Red	↓	9.2 last period

CS APPENDIX 1 – Corporate Service Level Budgetary Control Report

The variances to the end of August 2016 for Corporate Services, LGSS Managed and Financing Costs are as follows:

Original Budget as per BP £000	Service	Current Budget for 2016/17 £000	Forecast Variance - Outturn (July) £000	Forecast Variance - Outturn (August) £000	%
<u>Corporate Services</u>					
-846	Director, Policy & Business Support	-820	403	398	49
198	Chief Executive	198	-65	-66	-33
449	Corporate Information Management	449	0	0	0
1,305	Customer Services	1,382	0	0	0
381	Digital Strategy	381	0	0	0
237	Research	330	-30	-4	-1
0	Service Transformation	0	0	0	0
-1	Smarter Business	0	0	0	0
545	Strategic Marketing, Communications & Engagement	545	-10	-10	-2
165	Elections	165	0	0	0
908	Redundancy, Pensions & Injury	908	-13	-18	-2
1,434	City Deal	1,434	0	0	0
-101	Grant Income	-141	0	0	0
4,674		4,830	285	301	6
<u>LGSS Managed</u>					
141	External Audit	141	0	0	0
1,894	Insurance	1,894	0	0	0
1,869	IT Managed	1,869	175	139	7
1,020	Members' Allowances	1,020	-6	0	0
131	OWD Managed	131	-12	-12	-9
108	Subscriptions	108	0	0	0
1,000	Corporate Redundancies	1,000	0	0	0
-53	Authority-wide Miscellaneous	-53	0	0	0
-100	Grant Income	-100	0	0	0
6,010		6,010	157	128	2
<u>Financing Costs</u>					
34,206	Debt Charges and Interest	34,206	-250	-250	-1
44,890	CORPORATE SERVICES TOTAL	45,046	192	179	0
<u>MEMORANDUM - Grant Income</u>					
-165	Public Health Grant - Corporate Services	-101	0	0	0
-100	Public Health Grant - LGSS Managed	-100	0	0	0
0	Other Corporate Services Grants	-40	0	0	0
-265		-241	0	0	0

CS APPENDIX 2 – Commentary on Forecast Outturn Position

Number of budgets measured at service level that have an adverse/positive variance greater than 2% of annual budget or £100,000 whichever is greater.

Service	Current Budget £'000	Forecast Variance - Outturn	
		£'000	%
Director, Policy & Business Support	-820	398	49%
<p>It is predicted that the Corporate Capacity Review will be unable to achieve the full year savings that were anticipated in Business Planning in the current year as a result of the unforeseen complexity and the capacity of the Council to manage a cross organisation, multi discipline, restructure of this nature without a central resource to call upon to support its delivery, which led to a delay in the timing of the consultation process and thus the implementation of the restructure.</p> <p>Since last month the position has moved by -£0.8m.</p> <p>A recruitment freeze has been in place since the consultation process commenced and although the position will improve slightly over the coming months as some staff that are at risk take the opportunity to leave the organisation it is likely that directly attributable savings from CCR will be in the region of £875k.</p> <p>In addition to the refining of the projection as set out above there are two opportunities to further reduce this pressure:</p> <ul style="list-style-type: none"> • A larger more in depth review of the whole organisation looking at spans of control and tiers of management was planned to be implemented on a phased basis over 2017/18 and 2018/19. Given the scale of these potential changes, and the slippage in delivering the CCR, it has been agreed to approach the review on a more tactical basis and therefore bring forward some early proposals. <p>It is anticipated that this will lead to a significant reduction in the numbers of management within the Council, the potential for some jointly funded posts with other organisations, leading to substantial savings in management costs. This will provide some protection to the services that we provide to our communities whilst potentially leading to a more integrated service offer that could provide improved outcomes for the population. The details of these proposals are still being refined but it is anticipated that savings in the region of £300k could be achieved in the current financial year.</p> <ul style="list-style-type: none"> • The Council has held a contractual provision in relation to Capita/Mouchel latent defect corrections. Given the passage of time it is believed that it is reasonable to release £322k of this provision. • During the budget setting process the Council is provided with revised projections of both in-year council tax and business rate collections and future years. The 			

Service	Current Budget £'000	Forecast Variance - Outturn £'000	%
<p>2015/16 year end position for business rates has resulted in an improvement of the sums that were assumed. Additional revenue in the sum of £100k will therefore be received that will negate the impact of slippage in delivery of the CCR.</p> <p>The overall net position of these adjustments will therefore leave a shortfall of around £400k. Officers will continue to work on reducing this shortfall further throughout the year.</p>			
IT Managed	1,869	139	7%
<p>An overspend of £139k is predicted for IT Managed budgets. This is made up primarily of £100k costs of WAN upgrades in libraries and community hubs and £65k revenue costs of new tablets, and offset by a credit in respect of a goods receipt relating to 2015/16.</p>			

CS APPENDIX 3 – Grant Income Analysis

The table below outlines the additional grant income, which was not built into base budgets.

Grant	Awarding Body	Expected Amount £000
Grants as per Business Plan	Public Health	201
LGA Digital Transformation		40
Non-material grants (+/- £30k)		
Total Grants 2016/17		241

CS APPENDIX 4 – Virements and Budget Reconciliation

Corporate Services:

	£000	Notes
Budget as per Business Plan	4,674	
Transfer of SLA budget from CFA to Contact Centre	77	
Transfer of SLA budget from CFA to Research Team	52	
Non-material virements (+/- £30k)	27	
Current Budget 2016/17	4,830	

LGSS Managed:

	£000	Notes
Budget as per Business Plan	8,720	
Disaggregation of Assets and Investments budgets	-2,714	
Non-material virements (+/- £30k)	4	
Current Budget 2016/17	6,010	

Financing Costs:

	£000	Notes
Budget as per Business Plan	34,206	
Non-material virements (+/- £30k)	0	
Current Budget 2016/17	34,206	

CS APPENDIX 5 – Reserve Schedule

1. Corporate Services Reserves

Fund Description	Balance at 31 March 2016	Movements in 2016-17	Balance at 31/08/16	Forecast Balance at 31 March 2017	Notes
	£'000	£'000	£'000	£'000	
General Reserve					
Corporate Services Carry-forward	1,218	0	1,218	92	1
subtotal	1,218	0	1,218	92	
Equipment Reserves					
Postal Service	57	0	57	57	
subtotal	57	0	57	57	
Other Earmarked Funds					
Shape Your Place - Fenland Grant	18	0	18	18	2
Election Processes	325	0	325	490	
EDRM Project	232	0	232	0	
City Deal - NHB funding	699	0	699	699	
subtotal	1,274	0	1,274	1,207	
Short Term Provisions					
Transforming Cambridgeshire	962	0	962	962	
Overarching Transformation Programme	0	250	250	250	
Community Resilience	100	0	100	100	
subtotal	1,312	0	1,312	1,312	
TOTAL	3,862	0	3,862	2,669	

Notes

- 1 The year-end position reflects the Corporate Services overspend of £301k and expected use of £825k from reserves to fund Transformation services as previously approved. Due to vacant posts, it is currently estimated that a reduced amount of £825k will be required to fund Transformation services in 2016-17; this compares to an original estimate of £907k.
- 2 The underspend on the Elections budget will be transferred to the earmarked reserve. This is to ensure that sufficient funding is available for the four-yearly County Council election.
- 3 Provision for consultancy costs in respect of Transformation Fund work.
- 4 Provision in respect of Community Resilience.

2. LGSS Managed Reserves

Fund Description	Balance at 31 March 2016	Movements in 2016-17	Balance at 31/08/16	Forecast Balance at 31 March 2017	Notes
	£'000	£'000	£'000	£'000	
Other Earmarked Funds					
CPSN Partnership Funds	149	43	192	192	1
subtotal	149	43	192	192	
Short Term Provisions					
Insurance Short-term Provision	2,324	0	2,324	2,324	
External Audit Costs	89	0	89	89	
Insurance MMI Provision	1,182	0	1,182	1,182	
Back-scanning Reserve	56	0	56	56	
Contracts General Reserve	893	0	893	893	
Operating Model Reserve	1,000	0	1,000	1,000	
subtotal	5,545	0	5,545	5,545	
Long Term Provisions					
Insurance Long-term Provision	3,613	0	3,613	3,613	
subtotal	3,613	0	3,613	3,613	
SUBTOTAL	9,306	43	9,349	9,349	
Capital Reserves					
P&P Commissioning (Property)	422	-322	100	100	2
subtotal	422	-322	100	100	
TOTAL	9,728	-279	9,449	9,449	

Notes

- 1 Funds ring-fenced for CPSN partnership to be used for procurement of replacement contract.
- 2 Reserves totalling £322k have been written back to revenue - this relates to Capita/Mouchel latent defect corrections for which no further costs are expected.

CS APPENDIX 6 – Capital Expenditure and Funding

Capital Expenditure

Corporate Services & LGSS Managed Capital Programme 2016/17						TOTAL SCHEME	
Original 2016/17 Budget as per BP £000	Scheme	Revised Budget for 2016/17 £000	Actual Spend 2016/17 £000	Forecast Spend - Outturn (August) £000	Forecast Variance - Outturn (August) £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
	Corporate Services						
33	Essential CCC Business Systems Upgrade	60	33	60	-	300	-
-	- Other Schemes	-	-	-	-	-	-
-	- Capital Programme Variations	(12)	-	(12)	-	-	-
33		48	33	48	-	300	-
	LGSS Managed						
1,105	Sawston Community Hub	1,105	2	1,105	-	1,309	-
1,150	Optimising IT for Smarter Business Working	1,638	897	1,638	-	3,863	-
900	IT Infrastructure Investment	912	104	912	-	2,400	(0)
-	- Cambridgeshire Public Sector Network	33	28	33	-	5,554	-
1,000	Microsoft Enterprise Agreement	1,000	-	1,000	-	1,902	-
250	Implementing IT Resilience Strategy for Data Centres	250	9	250	-	500	-
-	- Other Schemes	87	7	87	-	100	-
-	- Capital Programme Variations	(1,029)	-	(1,029)	-	-	-
4,405		3,996	1,047	3,996	-	15,628	(0)
4,438	TOTAL	4,044	1,080	4,044	-	15,928	(0)

Previously Reported Exceptions

The Implementing IT Resilience Strategy for Data Centres scheme has been rephased, resulting in an increase of £500k in the budget for 2016/17. This will not affect the overall scheme cost.

Capital Funding

Corporate Services & LGSS Managed Capital Programme 2016/17					
Original 2016/17 Funding Allocation as per BP £000	Source of Funding		Revised Funding for 2016/17 £000	Forecast Spend Outturn (August) £000	Forecast Funding Variance Outturn (August) £000
	Corporate Services				
33	Prudential Borrowing	CS	48	48	-
33			48	48	-
	LGSS Managed				
4,405	Prudential Borrowing	Mgd	3,996	3,996	-
4,405			3,996	3,996	-
4,438	TOTAL		4,044	4,044	-

Previously Reported Exceptions

As previously reported, the Capital Programme Board recommended that services include a variation budget to account for likely slippage in the capital programme, as it is sometimes difficult to predict this against individual schemes in advance. As forecast underspends start to be reported, these are offset with a forecast outturn for the variation budget, leading to a balanced outturn overall up to the point when slippage exceeds this budget.

CS Appendix 7 – Performance Scorecard

Measure	Reporting frequency	What is good	Unit	Data last entered	Time period covered	Target	Actual	RAG status	Direction of travel	Comments
Customer Service and Transformation										
Proportion of FOI requests responded to within timescales	Monthly	High	%	07/09/16	1 - 31 August 2016	90%	87%	Amber	↓	117 Requests received and 102 Requests responded to on time. Team experienced significant IT difficulties as FOI Managing site was offline for 7 working days in August.
<i>For context only - number of FOI requests received annually</i>	<i>Annually</i>	<i>Low</i>	<i>Num</i>	05/07/16	1 April - 30 June 2016	N/A*	311	N/A	N/A	<p>* No target or RAG status for this indicator. Purpose is to set the context.</p> <p>2015/16 - 1228 2014/15 - 1177 2013/14 - 1153 2012/13 - 899 2011/12 - 917 2010/11 - 834</p> <p>Running total will be collected quarterly. Data to be next reported on in October 2016 for Q2 2016/17.</p>
Proportion of customer complaints received in the month before last that were responded to within minimum response times	Monthly	High	%	06/09/16	1 - 30 June 2016	90%	83.6%	Amber	↓	<p>Number of customer complaints for June 2016 = 122</p> <p><u>Breakdown of June 2016 figures</u> CS&T - 11 complaints all responded to in time. ETE - 74 complaints . 63 responded to within 10 working days (85.13% pass rate) CFA - 37 complaints . 28 responded to within 10 working days (75.68% pass rate)</p>
<i>For context only - number of complaints received annually per thousand population</i>	<i>Annually</i>	<i>Low</i>	<i>Num</i>	12/07/16	1 April 2015 - 31 March 2016	N/A*	2.2**	N/A	N/A	<p>2014/15 was 1.68.</p> <p>* No target or RAG status for this indicator. Purpose is to set the context.</p> <p>Data to be next reported on in May 2017 for period of 1 April 2016 - 31 March 2017</p>
Proportion of all transformed transaction types to be completed online by 31 March 2015***	Annually	High	%	15/07/16	1 April - 30 June 2016	75%	70.4%	Amber	↓	To be next reported on in October 2016 for Q2 2016/17.
Deprivation measure - Number of physically active adults (narrowing the gap between Fenland and others)	Annually	High	%	24.03.16 (change to target and 2014 actual)	1 April 2015 - 31 March 2016	53.1% (2015) 54.1% (2016)	52.1% (2014)	TBC	N/A	<p>New indicator identified by GPC in response to the deprivation motion passed by Council in July 2014. Indicator shared with Public Health.</p> <p>Update 24.03.16 - actual for 2014 and therefore target for 2015 and 2016 amended to reflect updates to data.</p> <p>Data to be reported on in May 2017 for year end.</p>

LGSS Managed Services										
IT – availability of Universal Business System****	Half-yearly	High	%	28/07/16	1 January - 31 March 2016 (Q4)	95%	95.0%	Green	↑	Q3 2015/16 - 94% Q2 2015/16 - 100.0% Q1 2015/16 - 100.0% <i>To next be reported on in November 2016 for Q1 and Q2 2016/17.</i>
IT – incidents resolved within Service Level Agreement	Half-yearly	High	%	28/07/16	1 January - 31 March 2016 (Q4)	90%	92.0%	Green	↓	Q3 2015/16 - 97% Q2 2015/16 - 83% Q1 2015/16 - 98% <i>To next be reported on in November 2016 for Q1 and Q2 2016/17.</i>

LGSS APPENDIX 1 – Service Level Budgetary Control Report

The variances to the end of August 2016 for LGSS Cambridge Office are as follows:

Original Budget as per BP £000	Service	Current Budget for 2016/17 £000	Forecast Variance - Outturn (July) £000	Forecast Variance - Outturn (August) £000	%
<u>LGSS Cambridge Office</u>					
<u>Central Management</u>					
62	Service Assurance	8	0	0	0
-8,787	Trading	-8,634	0	0	0
587	LGSS Equalisation	308	0	0	0
-410	Grant Income	-220	0	0	0
-8,548		-8,537	0	0	0
<u>Finance & Property</u>					
1,019	Chief Finance Officer	1,049	0	0	0
1,955	Professional Finance	1,985	-2	-2	0
571	Property Operations & Delivery	708	0	0	0
823	Strategic Assets	823	0	0	0
0	Pensions Service	0	0	0	0
4,368		4,565	-2	-2	0
<u>Milton Keynes Council</u>					
740	Audit	448	0	0	0
213	Procurement	319	0	0	0
0	MKC	0	12	12	0
954		767	12	12	0
<u>People, Transformation & Transactional</u>					
1,312	HR Business Partners	1,328	0	0	0
322	HR Policy & Strategy	334	0	0	0
1,852	LGSS Programme Team	1,853	50	50	3
291	Organisational & Workforce Development	300	0	0	0
2,327	Revenues and Benefits	2,382	0	0	0
1,277	Transactional Services	1,240	0	0	0
7,381		7,436	50	50	1
<u>Law & Governance</u>					
425	Democratic & Scrutiny Services	425	0	-22	-5
-174	LGSS Law Ltd	-219	-12	21	9
250		205	-12	-1	0
5,184	<u>IT Services</u>	5,246	50	154	3
9,589	Total LGSS Cambridge Office	9,682	98	213	2
<u>MEMORANDUM - Grant Income</u>					
-220	Public Health Grant	-220	0	0	0
0	Counter Fraud Initiative Grant	0	0	0	0
-220		-220	0	0	0

LGSS APPENDIX 2 – Commentary on Forecast Outturn Position

Number of budgets measured at service level that have an adverse/positive variance greater than 2% of annual budget or £100,000 whichever is greater.

Service	Current Budget £'000	Forecast Variance - Outturn	
		£'000	%
IT Services	5,201	50	1
IT Services is currently predicting an overspend of £50k at yearend due to a decision to recruit to a Head of IT in Norwich, in order to expand the LGSS offering in this geographical area. The previously reported pressure of £104k relating to the unlikely delivery of savings has now been removed following discussion with the CFO at CCC and this saving has been reassigned to the IT Managed budget.			

LGSS APPENDIX 3 – Grant Income Analysis

The table below outlines the additional grant income, which is not built into base budgets.

	Awarding Body	Expected Amount £'000
Grants as per Business Plan	Various	220
Non-material grants (+/- £30k)		0
Total Grants 2014/15		220

LGSS APPENDIX 4 – Virements and Budget Reconciliation

	£'000	Notes
Budget as per Business Plan	9,589	
Transfer of Reablement budget from CFA to LGSS Finance	113	
Non-material virements (+/- £30k)	-20	
Current Budget 2015-16	9,682	

LGSS APPENDIX 5 – Reserve Schedule

Fund Description	Balance at 31 March 2016	Movements in 2016-17	Balance at 31/08/16	Forecast Balance at 31 March 2017	Notes
	£'000	£'000	£'000	£'000	
<u>General Reserve</u>					
LGSS Cambridge Office Carry-forward	1,013	-702	311	0	1
subtotal	1,013	-702	311	0	
<u>Other Earmarked Funds</u>					
Counter Fraud Initiative	130	0	130	130	
subtotal	130	0	130	130	
SUBTOTAL	1,143	-702	442	130	
TOTAL	1,143	-702	442	130	

Notes

- 1 The year-end position reflects £701.5k expected use of operational savings.

LGSS APPENDIX 6 – Capital Expenditure and Funding

Capital Expenditure

LGSS Cambridge Office Capital Programme 2016/17						TOTAL SCHEME	
Original 2016/17 Budget as per BP £000	Scheme	Revised Budget for 2016/17 £000	Actual Spend 2016/17 £000	Forecast Spend - Outturn (August) £000	Forecast Variance - Outturn (August) £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
	- R12 Convergence*	-	-	-	-	416	-
1,104	Next Generation ERP	773	-	773	-	1,288	-
	- Capital Programme Variations	(155)	-	(155)	-	-	-
1,104	TOTAL	618	-	618	-	1,704	-

Previously Reported Exceptions

There are no previous exceptions to report.

Capital Funding

LGSS Cambridge Office Capital Programme 2016/17					
Original 2016/17 Funding Allocation as per BP £000	Source of Funding		Revised Funding for 2016/17 £000	Forecast Spend Outturn (August) £000	Forecast Funding Variance Outturn (August) £000
1,104	Prudential Borrowing	LGSS	618	618	-
1,104	TOTAL		618	618	-

Previously Reported Exceptions

There are no previous exceptions to report.

**INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING
31ST AUGUST 2016**

To: **General Purposes Committee**

Date: **25th October 2016**

From: **Chief Finance Officer**

*Electoral
division(s):* **All**

Forward Plan ref: **N/A**

Key decision: **N/A**

Purpose: **To present financial and performance information to assess progress in delivering the Council's Business Plan.**

Recommendations: **General Purposes Committee (GPC) is recommended to:**

- **Analyse resources and performance information and note any remedial action currently being taken and consider if any further remedial action is required.**

<i>Officer contact:</i>
Name: Chris Malyon
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Email: Chris.Malyon@cambridgeshire.gov.uk
Tel: 01223 699796

1. PURPOSE

- 1.1 To present financial and performance information to assess progress in delivering the Council's Business Plan.

2. OVERVIEW

- 2.1 The following table provides a snapshot of the Authority's forecast performance at year-end by value, RAG (Red, Amber, Green) status and direction of travel (DoT).

Area	Measure	Forecast Year End Position (July)	Forecast Year End Position (August)	Current Status	DoT (up is improving)
Revenue Budget	Variance (£m)	+£0.5m	+1.9m	Amber	↓
Basket Key Performance Indicators	Number at target (%)	38% (6 of 16) ¹	31% (5 of 16) ¹	Amber	↓
Capital Programme	Variance (£m)	+£0.2m	+£0.2m	Green	↔
Balance Sheet Health	Net borrowing activity (£m)	£415m	£418m	Green	↔

¹ The number of performance indicators on target reflects the current position.

- 2.2 The key issues included in the summary analysis are:

- The overall revenue budget position is showing a forecast year-end overspend of £1.9m, which is an increase of £1.8m on the position reported last month. The change in position is largely due to a net increase in Children, Families and Adults (CFA) overspends, particularly in Looked After Children placements. See section 3 for details.
- Key Performance Indicators; the corporate performance indicator set has been refreshed for 2016/17. There are 18 indicators in the Council's new basket, with data currently being available for 16 of these. Of these 16 indicators, 5 are on target. However, 7 indicators are currently rated amber, with 6 of these being within 5% of their target values. See section 5 for details.
- The Capital Programme is showing a forecast year-end overspend of £0.2m (0.1%). This is within Assets & Investments (A&I). Although Economy, Transport and Environment (ETE) and CFA are reporting £4.1m and £1.6m in-year slippage on their capital programmes respectively, this is within the allowances they have been allocated for capital programme variations, giving them a balanced outturn overall. See section 6 for details.
- Balance Sheet Health; the original forecast net borrowing position for 31st March 2017, as set out in the Treasury Management Strategy Statement (TMSS) is £479m. This

projection has now fallen to £418m, which is £3m higher than reported last month. The change since last month is due to the forecast for prudential borrowing in 2016/17 increasing from £70m to £73m. See section 7 for details.

3. REVENUE BUDGET

3.1 A more detailed analysis of financial performance is included below:

Key to abbreviations

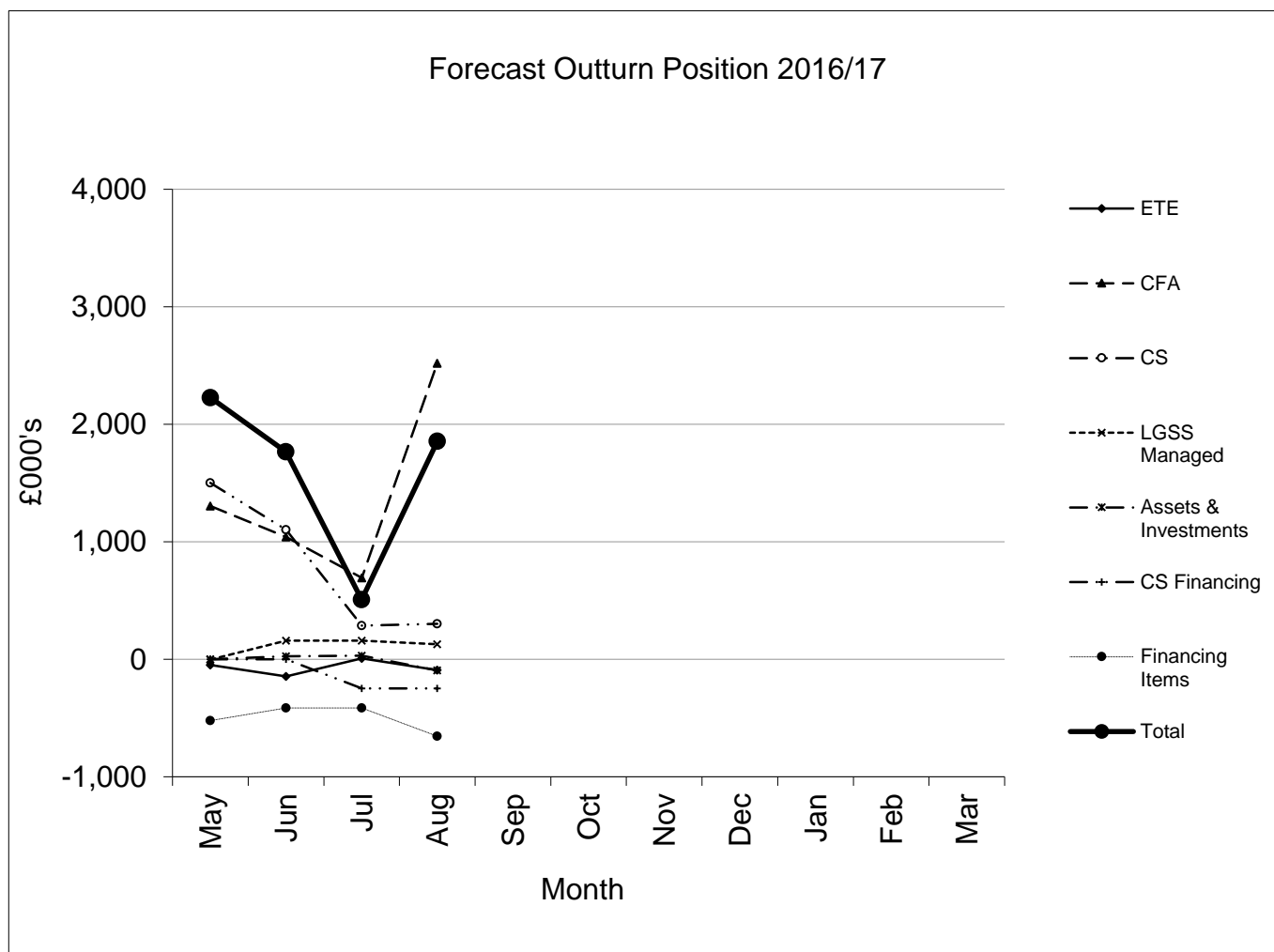
ETE – Economy, Transport and Environment
 CFA – Children, Families and Adults
 CS Financing – Corporate Services Financing
 DoT – Direction of Travel (up arrow means the position has improved since last month)

Original Budget as per Business Plan £000	Service	Current Budget for 2016/17 £000	Forecast Variance - Outturn (July) £000	Forecast Variance - Outturn (August) £000	Forecast Variance - Outturn (August) %	Overall Status	DoT
59,952	ETE	61,967	7	-93	-0.1%	Green	↑
242,563	CFA	242,310	693	2,520	1.0%	Red	↓
182	Public Health	182	0	0	0.0%	Green	↔
4,674	Corporate Services	4,830	285	301	6.2%	Amber	↓
6,010	LGSS Managed	6,010	157	128	2.1%	Amber	↑
2,711	Assets & Investments	2,714	31	-96	-3.5%	Green	↑
34,206	CS Financing	34,206	-250	-250	-0.7%	Green	↔
350,298	Service Net Spending	352,219	923	2,510	0.7%	Amber	↓
4,677	Financing Items	1,900	-415	-655	-34.5%	Green	↑
354,975	Total Net Spending	354,119	508	1,855	0.5%	Amber	↓
	Memorandum items:						
9,589	LGSS Operational	9,682	98	213	2.2%	Amber	↓
222,808	Schools	222,808					
587,372	Total Spending 2016/17	586,610					

¹ The budget figures in this table are net, with the 'Original Budget as per BP' representing the Net Budget column in Table 1 of the Business Plan for each respective Service.

² The forecast variance outturn does not include the £9.3m budget saving in 2016/17 following the change in Minimum Revenue Provision (MRP) policy, which was approved by Council on 16 February 2016.

³ For budget virements between Services throughout the year, please see [Appendix 1](#).



3.2 Key exceptions this month are identified below.

3.2.1 **Economy, Transport and Environment:** -£0.093m (-0.1%) underspend is forecast at year-end. There are no new exceptions to report; for full and previously reported details see the [ETE Finance & Performance Report](#).

3.2.2 **Children, Families and Adults:** +£1.675m (0.7%) overspend is forecast at year-end.

- | | £m | % |
|---|--------|--------|
| <ul style="list-style-type: none"> Learning Disability Head of Services – The Head of Service policy line is currently forecasting an underspend of £1.031m. This is a movement of -£272k from last month. The movement is the result of holding back additional expenditure on vacant posts and contracts to offset against pressures elsewhere in the pool totalling -£186k, and increasing the forecast Clinical Commissioning Group (CCG) contribution to the Learning Disability Partnership (LDP) overspend by -£86k, due to the risk share on the pooled budget. | -1.031 | (-65%) |

The total underspend in this policy line is a result of mitigating actions across the LDP, including holding providers to flat prices

despite costs increasing due to the living wage, negotiating appropriate NHS funding, and holding appropriate posts vacant.

- Learning Disability: In House Provider Services** – An overspend of £374k is forecast for year-end. This is an increase of £209k on the forecast reported last month. The increase is due to a number of provider units expecting to overspend on over-time and weekend/night-working enhancements paid to staff. The remainder of the forecast is a £165k pressure due to the delay until 2017/18 of delivering 2016/17 Business Plan savings. +0.374 (+7%)
- Older People and Mental Health: Central Commissioning** – An underspend of £260k is forecast for year-end. It is anticipated that the rationalisation of domiciliary care as part of the creation of the transition service will deliver an underspend of £200k. A further £60k underspend is expected due to the reduction of respite block beds undertaken based on analysis suggesting we were not fully utilising the blocks. This is being fed into the business planning process for next year. -0.260 (-2%)

These savings are through efficiencies in the better distribution of domiciliary care cars serving the County, rather than a reduction in service to people needing care at home.

- Children's Social Care (CSC): Safeguarding & Standards** – An overspend of £251k is forecast at year-end. This is a movement of +£139k from the position reported last month. The overspend is due to the use of agency staff to cover the increased number of initial and review child protection (CP) conferences and initial and review Looked After Children (LAC) Reviews. The team currently operates with a staff group that was predicated for CP numbers of 192-230 (in 2013) and LAC numbers of 480 (in 2013). These numbers have risen steadily and then recently more sharply to 457 CP and 627 LAC, and show no immediate sign of decreasing. Independent Reviewing Officer caseloads are defined by statutory legislation so extra staff are required to manage that obligation. +0.251 (+14%)

New procedures on better use of staff time to free up capacity are being implemented. The service is also exploring other avenues to secure resource to better manage the current caseloads.

- CSC Units, Hunts & Fenland** – An overspend of £392k is forecast at year-end. This is a movement of +£157k since last month. The overspend is due to the use of agency staff, who are needed to cover vacancies in essential posts to ensure the Council meets its safeguarding responsibilities. +0.392 (+10%)

The implementation of the recruitment and retention strategy for social work staff should decrease the reliance on agency staffing.

The option of recruiting peripatetic social workers over establishment to fill vacancies in the unit model is also under consideration. This would be more cost effective than using agency staff.

- **Looked After Children (LAC) Placements** – An overspend of £2.2m is forecast for year-end, which is an increase of £1.45m on the overspend reported last month. The forecast position reflects a combination of the underlying pressures from 2015/16 (£1.4m), due to more LAC in care than budgeted, and the number of children in care and in placements not reducing as originally budgeted. Furthermore, the recent cohort of children becoming LAC has included children requiring high cost placements due to their complex needs.

Actions currently being taken to address the forecast overspend include:

- A weekly Section 20 panel to review children on the edge of care, specifically looking to prevent escalation by providing timely and effective interventions. The panel also reviews placements of children currently in care to provide more innovative solutions to meet the child's needs.
 - A weekly LAC monitoring meeting chaired by the Executive Director of CFA, which looks at reducing the number of children coming into care and identifying further actions that will ensure further and future reductions. It also challenges progress made and promotes new initiatives.
- +2.200 (+15%)

Over the coming weeks an intensive piece of work is being carried out to look at the funding requirement to deliver services to LAC going forward. This will enable the Council to anticipate the number of children over the next few years in order to set as accurate a budget as possible. Some of the optimism around the LAC savings for both the current year and future years is also being given an in depth review. The outcome of this work may reveal that there is inadequate budget to service the number of LAC in the care system currently and the anticipated LAC numbers going forward. This would be reflected in the forecast outturn position for any impact on the delivery of in-year savings. Any impact to future year savings will be dealt with as part of the current Business Planning process.

The LAC budget is successfully delivering its procurement savings for 2016/17. To date c.£1.4m of savings have been delivered against an annual savings target of £1.5m.

- Other areas in CFA account for the additional +£405k movement in the overall position of CFA since last month, but none meet the exception threshold of £250k for reporting.
 - For full and previously reported details see the [CFA Finance & Performance Report](#).
 - As well as the mitigating actions restricting the forecast overspend to +£2.52m at this point, CFA is continuing to review all expenditure headings to identify further offsetting underspends.
- 3.2.3 **Public Health:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the [PH Finance & Performance Report](#).
- 3.2.4 **Corporate Services:** +£0.301m (+6.2%) overspend is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).
- 3.2.5 **LGSS Managed:** +£0.128m (+2.1%) overspend is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).
- 3.2.6 **CS Financing:** -£0.250m (-0.7%) underspend is currently forecast for Debt Charges. This reflects the fall in the forecast for net interest payable following falls in interest rates across all parts of the yield curve. For full and previously reported details see the [CS & LGSS Finance & Performance Report](#).
- 3.2.7 **LGSS Operational:** +£0.213m (+2.2%) overspend is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).
- 3.2.8 **Assets & Investments:** -£0.096m (-3.5%) underspend is forecast at year-end. There are no new exceptions to report this month; for full and previously reported details see the [A&I Finance & Performance Report](#).

***Note:** exceptions relate to Forecast Outturns that are considered to be in excess of +/- £250k.*

4. KEY ACTIVITY DATA

- 4.1 The latest key activity data for: Looked After Children (LAC); Special Educational Needs (SEN) Placements; Adult Social Care (ASC); Adult Mental Health; Older People (OP); and Older People Mental Health (OPMH) can be found in the latest [CFA Finance & Performance Report](#) (section 2.5).

5. PERFORMANCE TARGETS

Corporate priority	Indicator	Service	What is good? High (good) or low	Date	Unit	Actual	Target	Status (Green, Amber or Red)	Direction of travel (up is good, down is bad)
Developing our economy	Percentage of Cambridgeshire residents aged 16 - 64 in employment: 12-month rolling average	ETE	High	At-31-Mar-2016	%	78.7%	80.3% (2015/16 target)	Amber	↓
	Additional jobs created*	ETE	High	To 30-Sep-2014	Number	+14,000	+ 3,500 (2015/16 target)	Green	↑
	'Out of work' benefits claimants – narrowing the gap between the most deprived areas (top 10%) and others*	ETE	Low	At-29-Feb-2016	%	Gap of 6.4 percentage points Most deprived areas (Top 10%) = 11.5% Others = 5.1%	Most deprived areas (Top 10%) <=12% Gap of <7.2 percentage points (2015/16 target)	Green	↔
	The proportion of children in year 12 taking up a place in learning	CFA (Enhanced & Preventative – E&P)	High	July 16	%	94.1%	96.5%	Amber	↓
	Percentage of 16-19 year olds not in education, employment or training (NEET)	CFA	Low	July 16	%	3.4%	3.3%	Amber	↔
	The proportion pupils attending Cambridgeshire Primary schools judged good or outstanding by Ofsted	CFA (Learning)	High	July 16	%	80.8%	82.0%	Amber	↔
	The proportion pupils attending Cambridgeshire Secondary schools judged good or outstanding by Ofsted	CFA (Learning)	High	July 16	%	55.5%	75.0%	Red	↔

Corporate priority	Indicator	Service	What is good? High (good) or low	Date	Unit	Actual	Target	Status (Green, Amber or Red)	Direction of travel (up is good, down is bad)
	The proportion pupils attending Cambridgeshire Special schools judged good or outstanding by Ofsted	CFA (Learning)	High	July 16	%	94.8%	100%	Amber	↔
	The proportion of Adult Social Care and Older People's Service users requiring no further service at end of re-ablement phase	CFA	High	June 16	%	52.8%	57%	Amber	↓
	Reduced proportion of Delayed Transfers of care from hospital, per 100,000 of population (aged 18+)	CFA	Low	June 16	Number	578	429 per month (4874.5 per year)	Red	↓
	Number of ASC attributable bed-day delays per 100,000 population (aged 18+)	CFA	Low	June 16	Number	129	114	Red	↓
	Healthy life expectancy at birth (males)	Public Health	High	2012 – 2014	Years	66.1	N/A – contextual indicator	Green (compared with England)	↓ (compared with previous year)
	Healthy life expectancy at birth (females)	Public Health	High	2012 – 2014	Years	67.6	N/A – contextual indicator	Green (compared with England)	↑ (compared with previous year)
	Absolute gap in life expectancy between the most deprived 20% of Cambridgeshire's population and the least deprived 80% (all persons)	Public Health	Low	2013-2015 (Q4 2015)	Years	2.6	N/A – contextual indicator	N/A – contextual indicator	↔

Corporate priority	Indicator	Service	What is good? High (good) or low	Date	Unit	Actual	Target	Status (Green, Amber or Red)	Direction of travel (up is good, down is bad)
Supporting and protecting vulnerable people	The number of looked after children per 10,000 children	CFA (Children's Social Care)	Low	July 16	Rate per 10,000	46.4	40	Red	↑
	No/ % of families who have not required statutory services within six months of have a Think Family involvement.	CFA (E&P)	TBC	TBC	TBC	TBC	<i>TBC new measure for 2016/17</i>	TBC	TBC
An efficient and effective organisation	The percentage of all transformed transaction types to be completed online	Customer Service & Transformation	High	1 Apr– 30 June 2016	%	70.4%	75%	Amber	↓
	The average number of days lost to sickness per full-time equivalent staff member	LGSS HR	Low	July 2016	Days (12 month rolling average)	6.65	7.8	Green	↓

* 'Out of work' benefits claimants - narrowing the gap between the most deprived areas (top 10%) and others – the target of ≤12% is for the most deprived areas (top 10%). At 6.7 percentage points the gap is the same as last quarter, but is narrower than the baseline (in May 2014) of 7.2 percentage points.

5.2 Key exceptions: there are no exceptions to report this month; for full and previously reported details go to the respective Service Finance & Performance Report:

- [ETE Finance & Performance Report](#)
- [CFA Finance & Performance Report](#)
- [PH Finance & Performance Report](#)
- [CS & LGSS Finance & Performance Report](#)
- [A&I Finance & Performance Report](#)

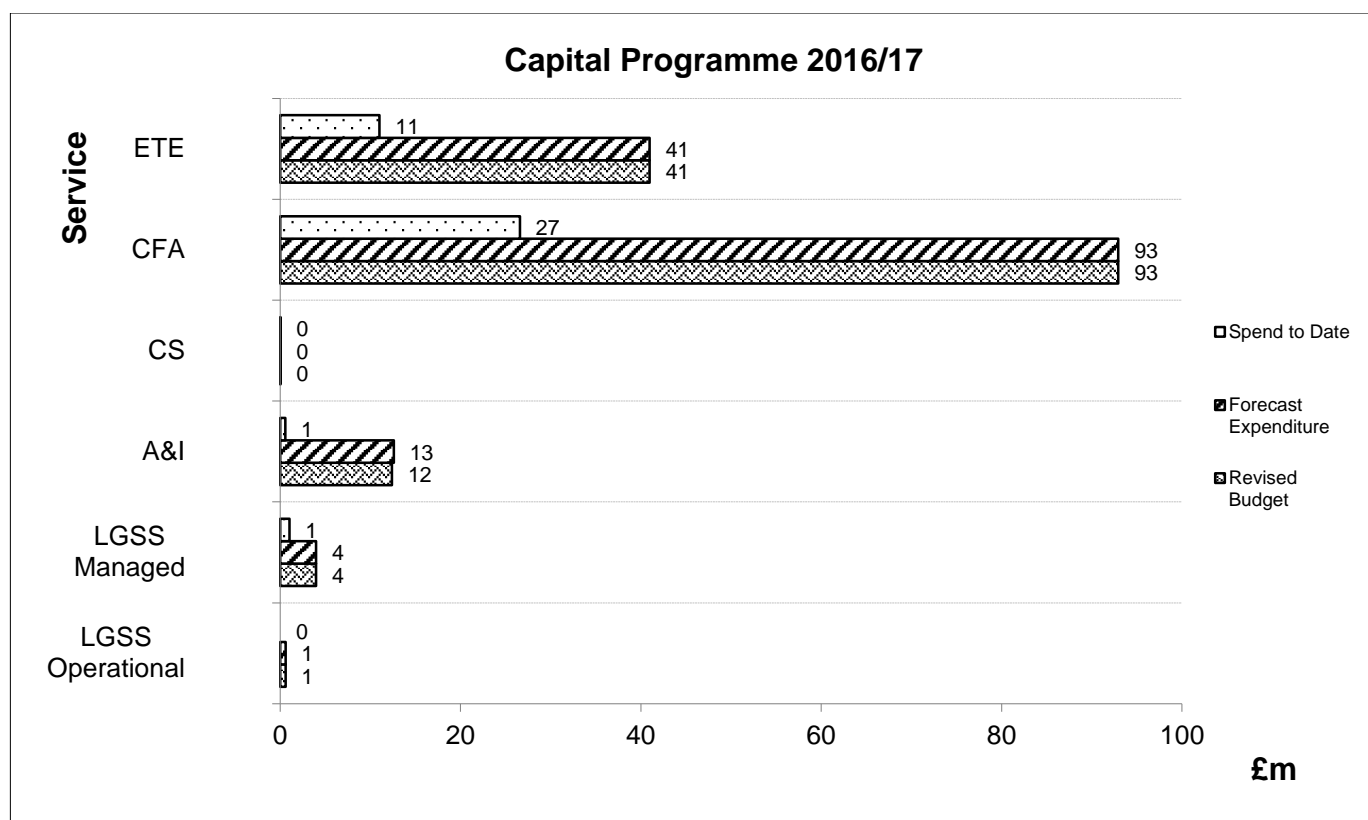
6. CAPITAL PROGRAMME

6.1 A summary of capital financial performance by service is shown below:

2016/17						TOTAL SCHEME	
Original 2016/17 Budget as per Business Plan £000	Service	Revised Budget for 2016/17 £000	Forecast Variance - Outturn (July) £000	Forecast Variance - Outturn (August) £000	Forecast Variance - Outturn (August) %	Total Scheme Revised Budget (August) £000	Total Scheme Forecast Variance (August) £000
71,699	ETE	40,973	-	-	0.0%	415,047	-
97,156	CFA	92,921	0	0	0.0%	543,222	13,984
33	Corporate Services	48	-	-	0.0%	300	-
4,405	LGSS Managed	3,996	-	-	0.0%	15,628	-0
11,397	A&I	12,398	232	195	1.6%	240,310	-1,767
1,104	LGSS Operational	618	-	-	0.0%	1,704	-
185,794	Total Spending	150,954	232	195	0.1%	1,216,211	12,216

Notes:

1. The 'Revised Budget' incorporates any changes in the funding available to what was originally budgeted, including the capital programme variations budget allocated to each service. A breakdown of the use of the capital programme variations budget by service is shown in section 6.2.
2. The reported ETE capital figures do not include City Deal, which has a budget for 2016/17 of £7.4m and is currently forecasting an in-year underspend of £0.15m.



Note: The 'Revised Budget' incorporates any changes in the funding available to what was originally budgeted.

6.2 A summary of the use of capital programme variations budgets by services is shown below. As forecast underspends start to be reported, these are offset with a forecast outturn for the variation budget, leading to a balanced outturn overall up to the point when slippage exceeds this budget.

2016/17					
Service	Capital Programme Variations Budget	Forecast Variance - Outturn (August)	Capital Programme Variations Budget Used	Capital Programme Variations Budget Used	Revised Forecast Variance - Outturn (August)
	£000	£000	£000	%	£000
ETE	-10,500	-4,069	4,069	38.75%	0
CFA	-10,282	-1,632	1,632	15.87%	0
Corporate Services	-12	0	0	0.00%	0
LGSS Managed	-1,029	0	0	0.00%	0
A&I	-2,850	195	0	0.00%	195
LGSS Operational	-155	0	0	0.00%	0
Total Spending	-24,828	-5,506	5,701	22.96%	195

6.3 A more detailed analysis of current year key exceptions this month by programme for individual schemes of £0.5m or greater are identified below.

6.3.1 **Economy, Transport and Environment:** a balanced budget is forecast at year-end.

	£m	%
<ul style="list-style-type: none"> Connecting Cambridgeshire – a £1.1m in-year underspend is forecast as some of the expenditure on the contract with BT is being re-phased into future years. The work completed to date has been delivered at a lower cost than expected, so the scheme is likely to be extended within the existing funding. The rollout contract with BT includes a “claw-back” provision which requires BT to reinvest any surplus profits into further broadband rollout if take-up exceeds the original forecast. A third rollout phase would significantly reduce the “final 5%” of premises that are not covered by the current rollout. 	-1.1	(-22%)
<ul style="list-style-type: none"> Delivering the Transport Strategy Aims – a number of Highways schemes that were originally budgeted within Cambridgeshire Sustainable Transport and Operating the Network are now being charged to Delivering the Transport Strategy Aims as they fit better within this category. This causes an in-year overspend on Delivering the Transport Strategy, matched by an in-year underspend in the other areas. 	+0.7	(+28%)
<ul style="list-style-type: none"> Operating the Network – as above, a number of Highways schemes have been moved from Operating the Network to Delivering the Transport Strategy Aims. 	-0.5	(-3%)
<ul style="list-style-type: none"> ETE Capital Variation – as agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall. There has been a movement of +£1.24m in the outturn for ETE capital variation since last month. 	+4.1	(+39%)
<ul style="list-style-type: none"> For full and previously reported details see the ETE Finance & Performance Report. 		

6.3.2 **Children, Families and Adults:** a balanced budget is forecast at year end.

	£m	%
<ul style="list-style-type: none"> Basic Need – Secondary – a +£1.3m in-year overspend is forecast. This is a movement of +£1.8m on the position reported last month and has been caused by accelerated spend on the St Bede’s programme, which is part of the Cambridge City 3 form entry scheme. This has arisen due to works commencing earlier than anticipated to accommodate the fire damage sustained at the school. A revised budget for the project will be known in September 2016, which will include funding from the loss adjuster. 	+1.3	(+3%)

- **CFA Capital Variation** – as agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall. There has been a movement of -£2.1m +1.6 (+16%) in the outturn for CFA capital variation since last month, reducing the slippage used to £1.6m.
- For full and previously reported details see the [CFA Finance & Performance Report](#).

6.3.3 **Corporate Services:** a balanced budget is forecast at year end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

6.3.4 **LGSS Managed:** a balanced budget is forecast at year end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

6.3.5 **LGSS Operational:** a balanced budget is forecast at year end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

6.3.6 **Assets & Investments:** +£0.195m (1.6%) overspend is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the [A&I Finance & Performance Report](#).

6.4 A more detailed analysis of total scheme key exceptions this month by programme for individual schemes of £0.5m or greater are identified below:

6.4.1 **Economy, Transport and Environment:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the [ETE Finance & Performance Report](#).

6.4.2 **Children, Families and Adults:** +£14.0m (3%) total scheme overspend is forecast. There are no exceptions to report this month; for full and previously reported details see the [CFA Finance & Performance Report](#).

6.4.3 **Corporate Services:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

6.4.4 **LGSS Managed:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

6.4.5 **LGSS Operational:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

6.4.6 **Assets & Investments:** -£1.8m (-0.7%) total scheme underspend is forecast. There are no new exceptions to report this month; for full and previously reported details see the [A&I Finance & Performance Report](#).

6.5 A breakdown of the changes to funding has been identified in the table below.

Funding Source	B'ness Plan Budget £m	Rolled Forward Funding ¹ £m	Revised Phasing £m	Additional/Reduction in Funding £m	Revised Budget £m	Outturn Funding £m	Funding Variance £m
Department for Transport (DfT) Grant	20.5	0.2	-1.7	1.0	20.0	20.0	-
Basic Need Grant	3.8	-	-	-	3.8	3.8	-0.0
Capital Maintenance Grant	4.6	-	-	0.1	4.7	4.7	-
Devolved Formula Capital	1.1	0.9	-	-0.0	1.9	1.9	-0.0
Specific Grants	21.1	3.6	-12.7	1.6	13.7	10.9	-2.8
S106 Contributions & Community Infrastructure Levy	30.3	1.1	-3.7	0.1	27.8	27.7	-0.2
Capital Receipts	10.3	-	-	-4.0	6.2	6.2	-0.0
Other Contributions	10.7	0.2	-8.8	0.5	2.6	2.6	-0.0
Revenue Contributions	-	-	-	-	-	-	-
Prudential Borrowing	83.4	10.2	-29.3	5.9	70.2	73.4	3.2
TOTAL	185.8	16.3	-56.1	5.0	151.0	151.1	0.2

¹ Reflects the difference between the anticipated 2015/16 year end position, as incorporated within the 2016/17 Business Plan, and the actual 2015/16 year end position.

7. GRANT ALLOCATIONS

7.1 Where there has been a material change in 2016/17 grant allocations to that budgeted in the Business Plan (BP) i.e. +/- £160k, this will require Strategic Management Team (SMT) discussion in order to gain a clear and preferred view of how this additional/shortfall in funding should be treated. The agreed approach for each grant will then be presented to the General Purposes Committee (GPC) for approval.

Education Services Grant (ESG)

The ESG is an unringfenced grant, which is allocated to local authorities and academies on a per-pupil basis that takes account of school type (mainstream/high needs) and status (academy/maintained). Funding will therefore reduce for local authorities if a school converts to an academy.

Based on the expected number of academy conversions during 2016/17 a figure of £4,049,288 was budgeted for the ESG during the Business Planning process. Recent conversions and projections for the rest of the year indicate academy conversions at a slower rate than originally expected, resulting in an increased total ESG funding of c.£4.29m for 2016/17, c.£241k more than was originally budgeted.

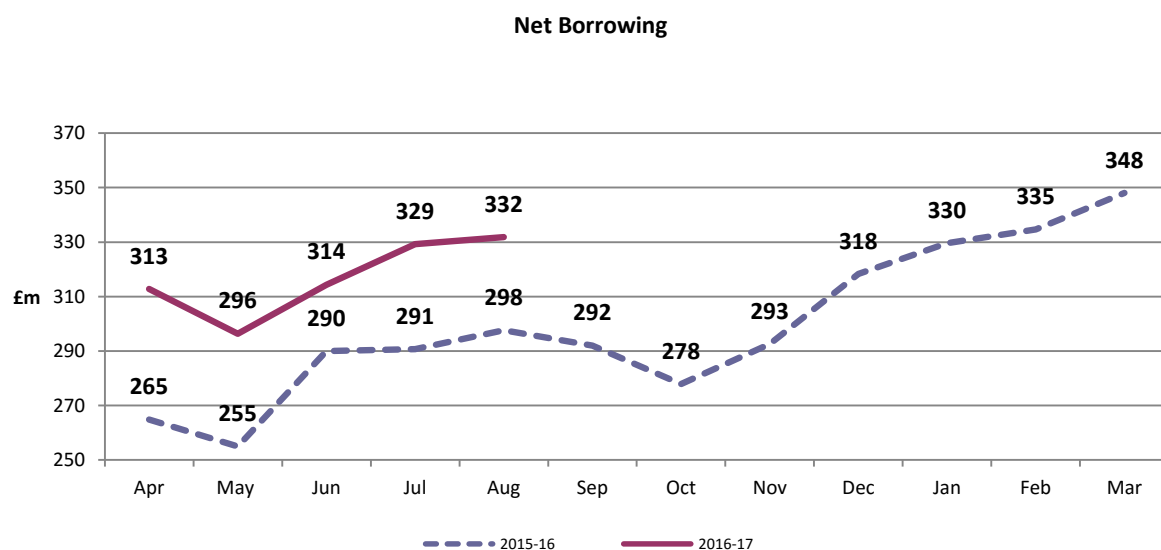
It is proposed that this additional income will be transferred to corporate reserves at year end, subject to General Purposes Committee (GPC) approval. An update to the current reported position will be provided if this projection changes and approval will be sought at year-end once the final figure is known.

8. BALANCE SHEET

8.1 A more detailed analysis of balance sheet health issues is included below:

Measure	Year End Target	Actual as at the end of August
Level of debt outstanding (owed to the council) – 4-6 months, £m	£0.4m	£0.8m
Level of debt outstanding (owed to the council) – >6 months, £m	£1.0m	£2.1m
Invoices paid by due date (or sooner)	97.5%	99.6%

8.2 The graph below shows net borrowing (investments less borrowings) on a month by month basis and compares the position with the previous financial year. The levels of investments at the end of August were £30.2m (excluding 3rd party loans) and gross borrowing was £362.1m.



8.3 Key exceptions are identified below:

Key exceptions	Impacts and actions
Less borrowing activity than planned –original net borrowing forecast was £479m. Actual net borrowing at 31st August was £332m.	<p>A £250k underspend is currently forecast for Debt Charges. This reflects the fall in the forecast for net interest payable following falls in interest rates across all parts of the yield curve.</p> <p>The impact of lower borrowing on the Debt Charges budget would normally result in a favourable forecast variance (due to lower interest payments). However the Debt Charges budget was reduced in anticipation of capital expenditure slippage during the budget setting process, so the magnitude of the variance reported is muted.</p> <p>The Council is continually reviewing options as to the timing of any potential borrowing and also the alternative approaches around further utilising cash balances (where possible) and undertaking shorter term borrowing which could potentially generate savings next year, subject to an assessment of the interest rate risks involved.</p>

8.4 Further detail around the Treasury Management activities can be found in the latest [Treasury Management Report](#).

8.5 A schedule of the Council's reserves and provisions can be found in [appendix 2](#).

9. ALIGNMENT WITH CORPORATE PRIORITIES

9.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

9.2 **Helping people live healthy and independent lives**

There are no significant implications for this priority.

9.3 **Supporting and protecting vulnerable people**

There are no significant implications for this priority.

10. **SIGNIFICANT IMPLICATIONS**

10.1 **Resource Implications**

This report provides the latest resources and performance information for the Council and so has a direct impact.

10.2 **Statutory, Risk and Legal Implications**

There are no significant implications within this category.

10.3 **Equality and Diversity Implications**

There are no significant implications within this category.

10.4 **Engagement and Consultation Implications**

No public engagement or consultation is required for the purpose of this report.

10.5 **Localism and Local Member Involvement**

There are no significant implications within this category.

10.6 **Public Health Implications**

There are no significant implications within this category.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Chris Malyon
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	No Name of Legal Officer: Not applicable
Are there any Equality and Diversity implications?	No Name of Officer: Not applicable

Have any engagement and communication implications been cleared by Communications?	No Name of Officer: Not applicable
Are there any Localism and Local Member involvement issues?	No Name of Officer: Not applicable
Have any Public Health implications been cleared by Public Health	No Name of Officer: Not applicable

Source Documents	Location
ETE Finance & Performance Report (August 16) CFA Finance & Performance Report (August 16) PH Finance & Performance Report (August 16) CS and LGSS Cambridge Office Finance & Performance Report (August 16) A&I Finance & Performance Report (August 16) Performance Management Report & Corporate Scorecard (August 16) Capital Monitoring Report (August 16) Report on Debt Outstanding (August 16) Payment Performance Report (August 16)	1 st Floor, Octagon, Shire Hall, Cambridge

APPENDIX 1 – transfers between Services throughout the year (only virements of £1k and above (total value) are shown below)

	CFA	Public Health	ETE	CS Financing	Corporate Services	LGSS Managed	Assets & Investments	LGSS Operational	Financing Items
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening Cash Limits as per Business Plan	242,563	182	59,952	34,206	4,674	8,720	0	9,589	3,915
Adjustment LGSS Managed and Operational						10		-10	
LGSS property virement					10			-10	
Licenses budget from LGSS Op. to CS					17	-17			
Contact Centre budget from CFA to CS	-77				77				
CPFT NHS accommodation budget from CFA to LGSS Man.	-10					10			
Reablement budget from CFA to LGSS Op.	-113							113	
Pupil forecasting/demography budget to research group	-53				53				
ETE use of service reserves			2,015						-2,015
Disaggregation of Assets and Investments budgets						-2,714	2,714		
Current budget	242,310	182	61,967	34,206	4,831	6,010	2,714	9,682	1,900
Rounding	0	0	0	0	0	0	0	0	0

APPENDIX 2 – Reserves and Provisions

Fund Description	Balance at 31 March 2016	2016-17		Forecast Balance 31 March 2017	Notes
		Movements in 2016-17	Balance at 31 August 16		
	£000s	£000s	£000s	£000s	
<u>General Reserves</u>					
- County Fund Balance	18,921	-27	18,894	19,671	
- Services					
1 CFA	1,623	-1,062	561	-1,075	
2 PH	1,138	0	1,138	638	
3 ETE	3,386	-2,015	1,371	0	
4 CS	1,218	0	1,218	92	
5 LGSS Operational	1,013	-702	311	0	
subtotal	27,299	-3,806	23,493	19,326	
<u>Earmarked</u>					
- Specific Reserves					
6 Insurance	2,864	0	2,864	2,864	
subtotal	2,864	0	2,864	2,864	
- Equipment Reserves					
7 CFA	782	0	782	98	
8 ETE	218	0	218	250	
9 CS	57	0	57	57	
subtotal	1,057	0	1,057	405	
<u>Other Earmarked Funds</u>					
10 CFA	4,097	-2,050	2,047	766	Includes liquidated damages in respect of the Guided Busway - current balance £2.4m.
11 PH	2,020	0	2,020	1,445	
12 ETE	6,631	-431	6,200	4,919	
13 CS	1,274	0	1,274	1,207	
14 LGSS Managed	149	43	192	192	
15 Assets & Investments	233	47	280	327	
16 LGSS Operational	130	0	130	130	
17 Transformation Fund	9,891	-158	9,733	18,984	Savings realised through change in MRP policy
subtotal	24,425	-2,549	21,876	27,970	
SUB TOTAL	55,645	-6,355	49,290	50,565	
<u>Capital Reserves</u>					
- Services					
18 CFA	2,428	7,251	9,679	505	Section 106 and Community Infrastructure Levy balances.
19 ETE	11,703	13,767	25,470	10,200	
20 LGSS Managed	422	-322	100	100	
21 Assets & Investments	230	85	315	230	
22 Corporate	39,388	1,530	40,918	21,540	
subtotal	54,171	22,311	76,482	32,575	
GRAND TOTAL	109,815	15,956	125,772	83,140	

Notes:

1. The figures do not include City Deal reserves, which have a current balance of £37.8m and are anticipated to have a year-end balance of £30.4m.

In addition to the above reserves, specific provisions have been made that set aside sums to meet both current and long term liabilities that are likely or certain to be incurred, but where the amount or timing of the payments are not known. These are:

Fund Description	Balance at 31 March 2016	2016-17		Forecast Balance 31 March 2017	Notes
		Movements in 2016-17	Balance at 31 August 16		
	£000s	£000s	£000s	£000s	
- Short Term Provisions					
1 ETE	712	0	712	0	
2 CS	1,312	0	1,312	1,312	
3 LGSS Managed	5,545	0	5,545	5,545	
4 Assets & Investments	50	0	50	50	
subtotal	7,619	0	7,619	6,907	
- Long Term Provisions					
5 LGSS Managed	3,613	0	3,613	3,613	
subtotal	3,613	0	3,613	3,613	
GRAND TOTAL	11,232	0	11,232	10,520	

LOOKED AFTER CHILDREN STRATEGY AND SAVINGS

To: General Purpose Committee

Meeting Date: Tuesday 25 October 2016

From: Theresa Leavy, Interim Service Director,
Children's Social Care

Electoral division(s): All

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

Purpose: To update the Committee on the Looked After
Children Strategy and savings delivery.

Recommendation: It is recommended that Committee note the
identified pressures in the placements budget
and the associated savings proposals and
agree that these need to be addressed through
the wider business planning process.

<i>Officer contact:</i>	
Name:	Theresa Leavy
Post:	Interim Service Director Children's Social Care
Email:	Theresa.leavy@cambridgeshire.gov.uk
Tel:	01223 727989

1 PURPOSE

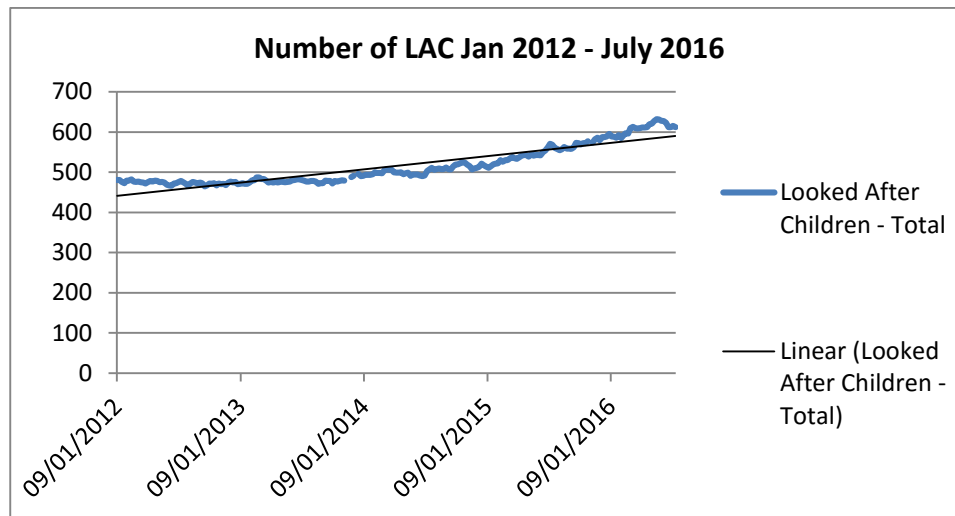
- 1.1 This paper will summarise progress on the Looked After Children strategy to date. It will detail where savings have presently been achieved and where there is concern in relation to the achievability of future savings. It will discuss the fundamental concern that there is not enough money in the budget to support Looked After Children to meet demand at a safe level for Cambridgeshire, and outline why the strategic approach taken to date has not always had the desired impact by not always being focussed in the right areas. The paper indicates the forward approach to our work across children services.

2 BACKGROUND

- 2.1 Council agreed reductions to the budget for Looked After Children (LAC) placements in February 2016, and Children and Young People Committee agreed the LAC strategy ('Building Family Resilience 2015-2021') in March 2016. The strategy set out the principles underpinning a planned reduction in the LAC Placements Budget over the next 5 years.
- 2.2 The LAC strategy set out how we planned to help families so that more children are able to stay safely at home. The three key principles were:
- Providing early help to reduce call on specialist services;
 - Increasing in-county foster care provision and reducing out of county residential provision;
 - Ensuring reunification as quickly as possible wherever possible or moving children quickly through to adoption.
- 2.3 However, it is now believed that the numbers of children projected to be kept out of LAC status was set at an unsafely high level and was unachievable. When all of the proposals to reduce the number of children coming into care were brought together, they implied that 578 children would need to be diverted from becoming LAC in order to achieve the savings over the business planning period. Over the next three year period (based on average rate of new entrants over the past three years) it is estimated that this would equate to 3 out of 5 children who are presently coming into the system being safely diverted. In all likelihood this is not a safe proposal and the ratio of children who may safely be diverted from the care system requires revisiting and re-baselining.
- 2.4 At the same time, we have not yet suitably focussed and deployed our Early Help services to have impact on the children and families with the highest level needs. Neither have we focussed enough on reunification and we do not have a suitably skilled resource in this area. These matters will be addressed as part of the Children's Change Programme as outlined in the accompanying business planning paper which is on the agenda for the October Committee meeting. As well as these system improvements, we also need to urgently re-consider a realistic estimate of the required resources to maintain the number of Looked After Children at a safe level. The remainder of this paper discusses this issue.

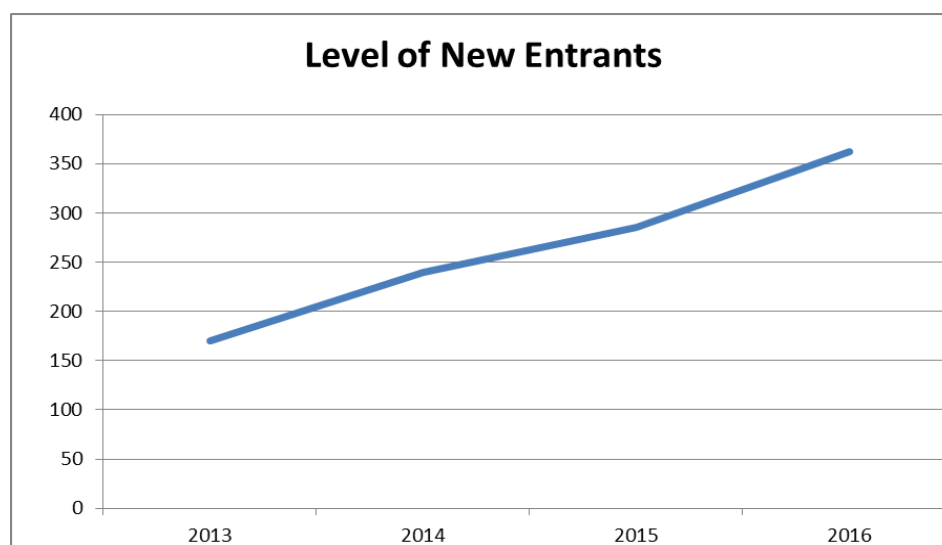
3 ANALYSIS OF THE TRENDS IN LOOKED AFTER CHILDREN POPULATION

- 3.1 Our LAC population has been growing over the last three years, as shown in the graph below.



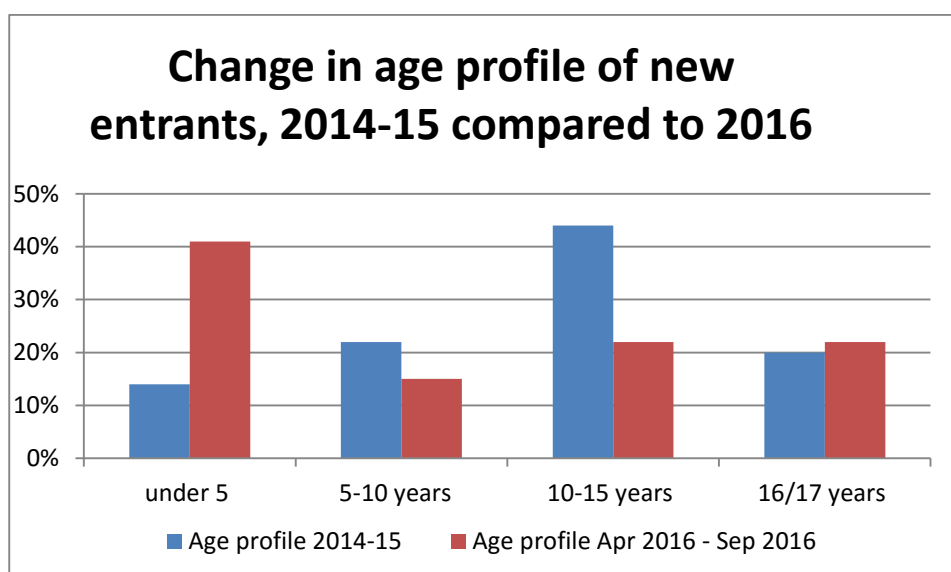
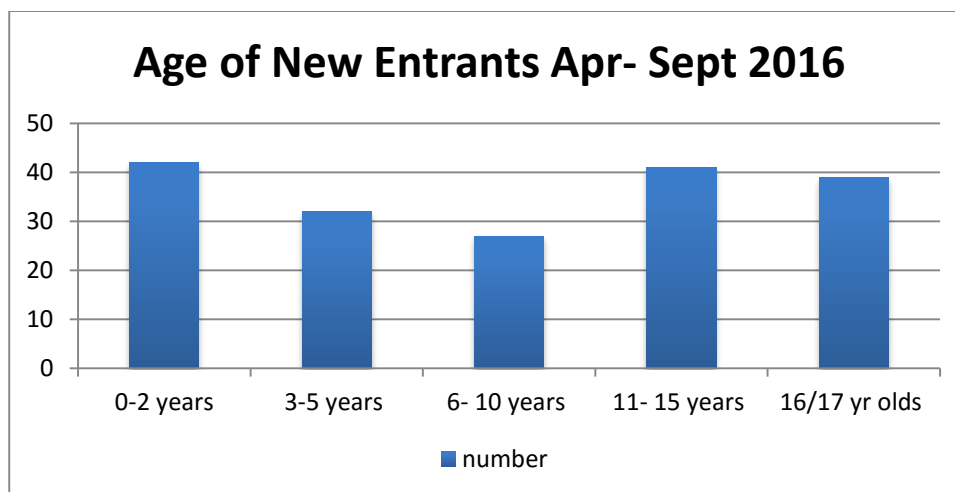
Source: ICS / CFA Metrics

- 3.2 The number of children entering the LAC population has increased every year over the past three years.

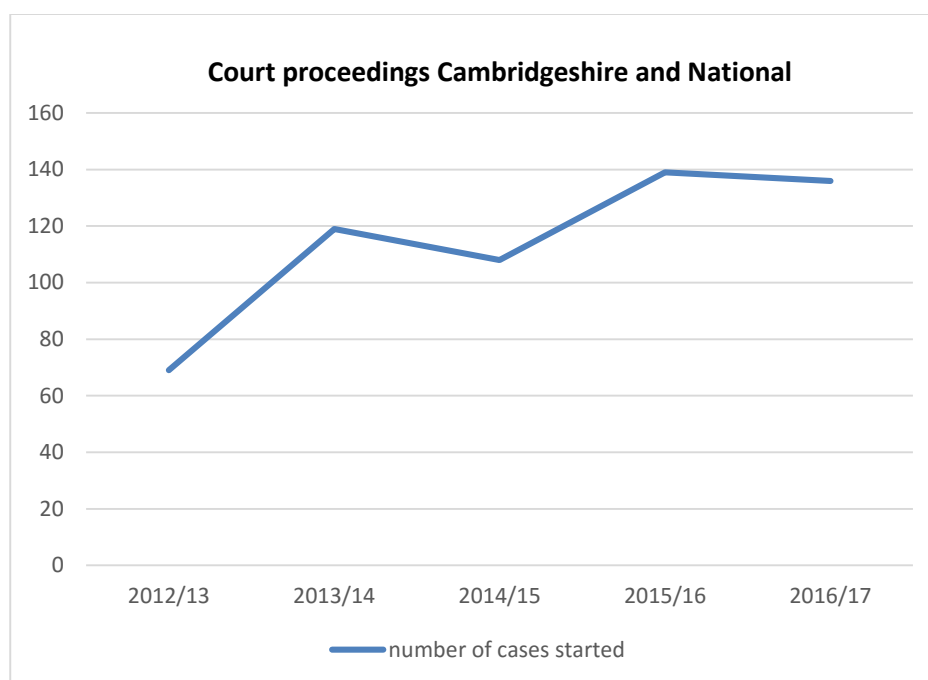


*The 2016 figure is calculated on 6 months and doubled

- 3.3 We are seeing the demographic characteristics of our LAC population change, reflecting a sharper focus on intervention, children being younger and moving through the looked after children services in a more timely manner. Having an increasingly younger population, whose care pathways are progressed through the courts in a timely manner, indicates that we are acting more effectively. We remain challenged however by higher numbers of older children and young people that case audits reflect have experienced many years of intervention that has not been impactful on what is very often chronic neglect, alcohol abuse or mental health. These children's needs and behaviours are often complex and require an enhanced level of provision.



- 3.4 The Cambridgeshire picture of increasing demand appears to be in line with the national trend. Both locally and nationally we have seen the number of court proceedings increasing in recent years, with the rate of increase in Cambridgeshire being similar to the national trend.
- 3.5 However, our most recent data for Cambridgeshire on the level of court interventions appear to show a levelling off of demand; the 2016/17 figure above is extrapolated from the number in year to date and based on the assumption that numbers continue at the rate so far for the year.



4 PROGRESS TO DATE ON SAVINGS AND PRESENT POSITION

- 4.1 The LAC Action Plan is the delivery mechanism for savings identified in the Business Plan relating to the LAC Placements Budget. It is forecast to deliver savings in 2016/17 as follows:

Saving description	Saving Target	Actual Saving achieved to date	Forecast Saving
Secure discounts from negotiating fees.	-280	-193	-193
Top 50 placements reviewed on a monthly basis.	-200	-583	-694
Reducing cost of external placements	-132	-312	-312
Review of Purchased placements	-200	-265	-265

- 4.2 These savings have come from actions such as limiting the level of residential placements and in increasing the numbers of in-house foster carers. We have also regularly reviewed the most expensive placements to ensure they are delivering the best outcomes for the best value and generally managed costs by better procurement. To go further on these actions, we require significant improvement in our in-house carers being willing and skilled to manage our more challenging children and young people.
- 4.3 Commissioning the best value placement, that is appropriate to the child's needs and delivers good value for the Council, is a very difficult job and is affected by a number of issues in the market in Cambridgeshire. More detail can be found in the LAC Sufficiency Strategy and **Appendix 1**, which contains information about different types of placement used for different children's needs.
- 4.4 The impact of this work is demonstrated in the following table, which shows a comparison of the number of different types of placement and

the unit cost captured at the end of March 2015 and the comparison, now, 18 months later in August 2016. It clearly shows an increase in the less costly forms of placement; in-house fostering, kinship, alongside a decrease in the number of more expensive placements like internal residential and external residential.

Source: Finance / Access to Resources Team

All placement capacity/usage and cost March 15 and Aug 16.						
	March 2015		Current			
Placement	Number placed	Average Unit Cost (per week)	Number placed	Average Unit Cost (per week)	Range (per week)	Capacity
In house Fostering	133	£342	164	£355	£140 - £505	195
Kinship	18	£199	45	£191	£140 - £292	
Independent Fostering Agency	247	£781	244	£783	£580 (Limited) - £1850 (intensive).	Market dictates
16+	Not available	Not available	24	£541	£123 - £2,450	
Internal Residential	12	£2,562	8	£3,035	n/a	9
External Residential	43	£2,637	24	£2,704	£995 - £5,985	Market dictates
Supported Accommodation	31	£698	18	£1,392	£580 - £4,175	Market dictates

- 4.5 These actions and savings have delivered against the following lines in the Business Plan:

BP Ref	Title	Saving Target	Actual Saving achieved	Forecast Saving
		£'000	£'000	£'000
A/R.6.406	Looked After Children Savings	-1,429	-1,041	-1,152
A/R.6.407	LAC Inflation Savings	-132	-312	-312
	Total	-1,561	-1,353	-1,464

- 4.6 Despite this success in managing costs, demand has not reduced over the last 12 months, and the numbers of children entering the Looked after Children population has continued to grow with a general upward trend over the past three years (as seen above), giving rise to an underlying pressure of £1.3m in the LAC Placements budget. This is part of a more general trend of pressure on the children's social care budgets, with c.£2m of further pressure due to capacity issues both as a result of increasing LAC numbers (22% increase in past two years) and the continuing increase in child protection plans (82%

increase in past two years). This is a national trend and will require us to invest further in children's safeguarding to ensure a safe delivery of service.

- 4.7 Essentially, although we have been managing unit costs down, spend is forecast to be greater than budgeted simply because of the sheer volume.
- 4.8 In the August 2016 Integrated Resources and Performance Report, the forecast overspend on the LAC Placements budget has been identified as £2.2m due to the underlying pressures from 2015/16, as there are more LAC in care than budgeted. The number of children in care and in placements is not reducing and the recent cohort of children becoming LAC have included children requiring high cost placement due to their complex needs.
- 4.9 In order to accurately quantify and manage this pressure, over the coming weeks an intensive piece of work is also being carried out to look at the funding requirement to deliver services to LAC going forward. The early part of that work is in this paper. This will enable the Council to accurately estimate the number of children that will require care over the next few years, in order that as accurate a budget as possible can be set in each of these years. The outcome of this work may reveal that there is inadequate budget to service the number of LAC in the care system currently and the anticipated LAC numbers going forward. This would therefore be reflected in the forecast outturn position accordingly, for any impact on the delivery of in-year savings. Any impact to future year savings will be dealt with as part of the current Business Planning process.

5 SPECIALIST SERVICES TO SUPPORT CHILDREN REMAINING IN THEIR FAMILIES AND COMMUNITIES

- 5.1 The Council maintains a number of specialist services, designed to work with families where children are at the 'edge of care'. The specialist edge of care services includes: Alternatives to Care, Multi-Systemic Therapy, Specialist Family Support Services, Family Group Conferencing, and Family Intervention Partnership. More information about these services is included in **Appendix 2**.
- 5.2 Each service has an individual service specification and referral process. The pathways for children in and out of these services are complex and many of the children coming into care have been supported by multiple services. The structure and processes that exist in providing Edge of Care services are therefore complicated for both staff and families, which does not support the best outcomes for families. Although each service has evidence of successful performance individually, impact could be much greater if the efficiency of the system were improved.
- 5.3 Furthermore, the services are currently under a great deal of pressure due to high demand. These services are currently estimated to be able to support 252 families at any one time. However, demand is currently much greater than capacity, with services currently working with 290 families with a further 26 families awaiting a services. This

demand is being managed by using relief staff and overtime for existing staff, which is costly, and families are spending longer on waiting lists.

- 5.4 A review of these services was carried out between June and August 2016 and it will feed into the intention within the Children's Change Programme of streamlining our Edge of Care provision into a singular service that more effectively supports staff within the units in managing complex Children in Need and Child Protection cases. However it is unlikely to impact on outcomes this financial year as anticipated when the savings profile was set.

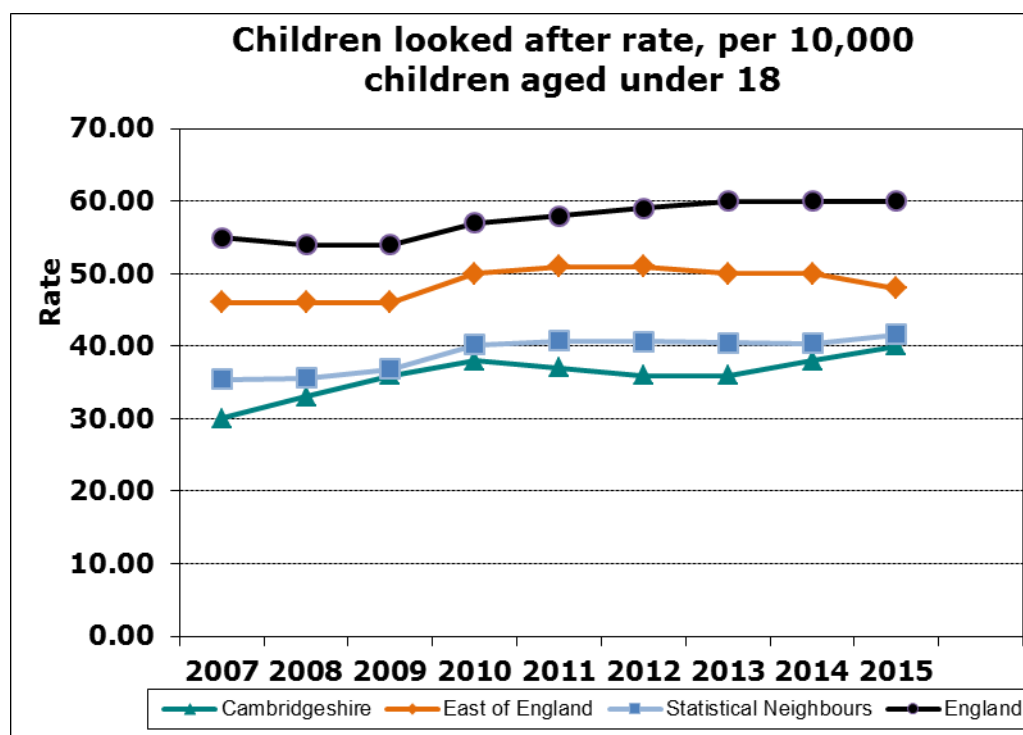
6 ENSURING A SAFE AND SUSTAINABLE SYSTEM WHICH SUPPORTS OUR KEY PRIORITIES

- 6.1 Short term actions being taken to address the forecast overspend:
- Continue to deliver the actions in the LAC Action Plan to achieve as many savings as possible this year
 - A weekly Creative Care Panel reviews children on the edge of care, specifically looking to prevent escalation by providing timely and effective interventions. The panel also reviews placements of children currently in care to provide more innovative solutions to meet the child's needs.
 - 'Edge of care' services now meet on a fortnightly basis, to secure a coordinated response to need
 - A weekly LAC monitoring meeting will now be chaired by the Interim Director for Children's Social Care and looks at identifying emerging needs and themes across all new entrants. It also challenges progress made and promotes new initiatives.
 - All decisions regarding children becoming Looked After and changes in placements are considered in a weekly panel meeting. This panel has recently reported seeing copious evidence of long-term neglect to children that has not previously been effectively targeted.
 - We continue to reduce our reliance on residential and out-of-county placements and increase our numbers of in-house foster carers;
 - Whilst we experience a higher number of LAC than budgeted but will ensure unit costs are lowered to accommodate this pressure wherever possible
- 6.2 As discussed at 4.6 above, children's services are currently under a great deal of pressure from increases in demand. For example, our own services, and our partners, have experienced an increase in demand as a result of increased mental health needs in children and young people and behavioural difficulties experienced in our schools. This capacity pressure puts strain on the sustainability of the current set of children's services as well as hampering our ability to further improve outcomes or address current weaknesses in our arrangements. Addressing the long-term sustainability of LAC services and budgets needs to be seen in this context.
- 6.3 We have begun a significant review of our services and arrangements through the Children's Change Programme. The programme is at a comparatively early stage and has focused to date on staff and

partner engagement, seeking ideas and input to inform the redesign of services. The Children and Young People's Committee will receive a detailed paper at its November meeting describing the initial Children's Change proposals in more detail. Updated financial estimates relating to savings, costs and pressures will be provided at that point. Appendix 3 of the business planning paper also includes some further information about the programme and its next steps.

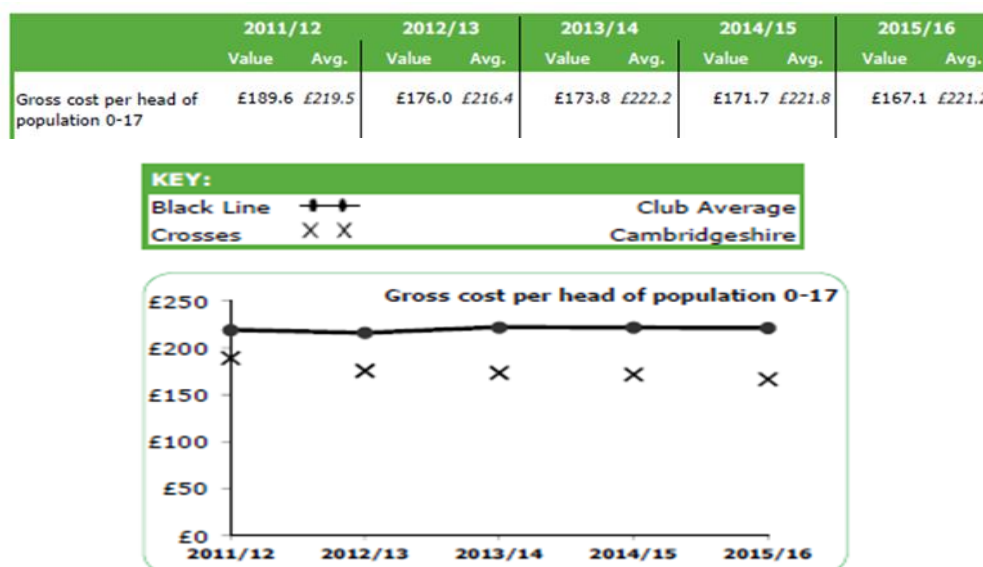
7 COMPARISON TO OTHER AREAS

- 7.1 In order to establish an estimate of the budget that will be required to safely and sustainably meet the level of need required in the county, comparisons to other authorities can help. Two key areas to compare are the number of LAC and the total budget.
- 7.2 Firstly, it should be recognised that Cambridgeshire has had a low number of looked after children for its population in the past, but that it has recently been increasing. Cambridgeshire had only 40 looked after children per 10,000 in 2015 against Hampshire's 48 and Oxfordshire's 52. However, the Cambridgeshire rate grew closer to the statistical neighbours average in 2014 and 2015 according to Department for Education data.



Local Authority, Region and England	2007	08	09	10	11	12	13	14	15	Change from previous year
Cambs	30	33	36	38	37	36	36	38	40	2.0
East of England	46	46	46	50	51	51	50	50	48	-2.0
Statistical Neighbours	35.4	35.6	36.8	40.2	40.7	40.6	40.5	40.4	41.6	1.2
England	55	54	54	57	58	59	60	60	60	0.0

- 7.3 It is likely that the rate in Cambridgeshire will increase further and be above the average in 2016. In 2016, Cambs reported a figure of 607 LAC at 31 March 2016. Using the same population figures as used to calculate the rates in the chart above, this would suggest a rate of around 45.7 LAC per 10,000 children, an increase of around 5.7 LAC per 10,000 children. This is higher than statistical neighbours' average in 2015.
- 7.4 Cambridgeshire is a member of the CIPFA Benchmarking Club for Looked After Children, which allows comparison between the spend of different authorities. These data suggests that Cambridgeshire spends less overall than the average authority on LAC per head of population 0-17. As there has been a lower rate of LAC in Cambridgeshire than other authorities this might be expected.



Source: CIPFA benchmarking club

- 7.5 Some of the difference between the Cambridgeshire figure and the benchmarking club average may be accounted for by socio-economic and demographic differences between Cambridgeshire and the 'average' authority, which includes some urban, more deprived areas, which tend to have much higher LAC rates than predominantly rural and less deprived areas like Cambridgeshire. The same calculation focused on statistical neighbours' average would refine the estimate.
- 7.6 However, comparing the difference and relating it to the budgets in Cambridgeshire provides a useful sense of the scale of the possible difference. Based on multiplying the difference up by the number of children in Cambridgeshire, approximately, if Cambridgeshire were to spend the same as the average of the CIPFA benchmarking club on LAC, it would spend around £4m more (across all LAC budgets included in the CIPFA benchmarking exercise, not just LAC Placements).
- 7.7 This is a significant difference, and further work is necessary to understand the pressures and specific conditions affecting Cambridgeshire in order to accurately estimate the likely real requirement. It will also be helpful to project the possible changes to the existing LAC population and then compare that to the statistical

neighbours cost per head of population in order to test the validity of the scenarios. Scenarios that could be modelled would be as follows:

- Project a small (5%) decrease in new entrants to care over the next three years
- Project the impact of the group of looked after children getting younger on average, because placements for younger children are usually cheaper
- Reduce the number of children we look after for less than a month – because coming into care temporarily is not a good outcome for
- Model a reduction in the number of placement breakdowns of in-house foster carers (which often require more expensive independent agency foster care subsequently)
- Continue to achieve success in increasing the number of in-house foster carers
- Reduce the cost of 16+ provision by 20% over two years
- Model the impact of reducing length of stay in care by 10% on average

8 CONCLUSIONS

- 8.1 Despite some success in delivering low unit costs and associated savings, the LAC Placement Budget is likely to overspend at the end of the year, as a result of being unable to contain demand. This is highlighted and discussed in the Integrated Resources and Performance Reports provided to committee.
- 8.2 The LAC Placement Budget may need to be increased, as it is low compared to other authorities, and the savings allocated to it at the moment are considered to be potentially unsafe against a backdrop of increasing demand. This therefore also implies that the LAC Strategy itself will need to be reviewed and refreshed to reflect the issues discussed in this paper.
- 8.3 This will require the revisiting and re-baselining of the budget and Business Plan in relation to this area. The Business Plan for CFA currently contains a number of savings based on successful delivery of the LAC strategy. For 2017/18 these total £2.6m, with further savings in the next 3 years. In line with the proposals currently in Sharepoint, the table below identifies the total LAC related savings in each year (for more detail, see **Appendix 3**):

£'000	17-18	18-19	19-20	20-21	21-22
Total Savings (£)	2,584	1,937	-513	-308	-
Total Savings (as a % of the estimated LAC Placement cash limit)	21%	15%	3%	2%	0%

- 8.4 The Business Plan also contains assumptions about demographic pressures which will need to be revisited in the light of the new strategy.
- 8.5 It is recommended that Committee note the identified pressures in the placements budget and agree that these need to be addressed

through the business planning process, in liaison with General Purposes Committee.

9 ALIGNMENT WITH CORPORATE PRIORITIES

9.1 Developing the local economy for the benefit of all

There are no significant implications for this priority at this point.

9.2 Helping people live healthy and independent lives

There are no significant implications for this priority at this point.

9.3 Supporting and protecting vulnerable people

This proposal discusses the budget and services that support and protect some of the most vulnerable people in the county, children who are looked after by the authority.

10 SIGNIFICANT IMPLICATIONS

10.1 Resource Implications

This will have implications for the Council's financial resources should the LAC Placement budget be re-baselined to mitigate the current financial pressure being experienced. This would be managed as part of the Business Planning process, where GPC will review and approve the Business Plan for formal approval by Full Council.

10.2 Statutory, Legal and Risk

This paper has discussed concerns that the current level of savings proposals relating to the LAC budget is not safe when considered all together. It recommends further work to ensure that the budget is set at a sustainable and safe level in order to manage risk appropriately and meet legal and statutory requirements.

10.3 Equality and Diversity

There are no significant implications for this area.

10.4 Engagement and Communications

There are no significant implications for this area.

10.5 Localism and Member Involvement

There are no significant implications for this area.

10.6 Public Health

There are no significant implications for this area.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	N/a
Are there any Equality and Diversity implications?	No
Have any engagement and communication implications been cleared by Communications?	N/a
Are there any Localism and Local Member involvement issues?	No
Have any Public Health implications been cleared by Public Health	N/a

Source Documents	Location
Statistical information from Department for Education statistical releases	Department for Education website
CIPFA Benchmarking Club Annual Report – Looked After Children	Finance department
Statistical information from internal databases about activity, commissioning and finance	Management Information Team

APPENDIX 1 – LAC PLACEMENT TYPE – USAGE AND TURNOVER

Estimated turnover of the different types of placement is included below. Short term means the average length of placement is expected to be under 6 months, medium term is 6 months to 1 year and long term is 1 year plus. This is based on estimations by ART's duty team and will not necessarily hold for each individual placement in that placement type.

- Independent Fostering Agency (IFA) fostering –short term/medium term for limited/standard and long term for intensive
 - Private fostering placements if no suitable in-house provision available.
 - All purchased placements are reviewed monthly by ART, Group Managers, In-house Fostering/Family Finding and IROs. Support level is reduced when Children/Young People settle in placement and professionals agree that IFA support to carers can be reduced)
 - Include mother and baby project – currently only 1 in-house supported loggings carer who is able to accommodate mother and baby placement.
- Limited Fostering
 - Children and Young People placed are attending full time education and present with no ongoing challenging behaviours or complex needs.
 - Foster Carers with low to medium levels of skills and experience. Undertake basic core training and are committed to continuous development.
 - Low levels of support required from Supervising Social Worker
- Standard Fostering
 - Children/Young People with mild/moderate health needs, learning/physical difficulties and sensory impairment that requires more than routine support and guidance.
 - Children placed are attending education on reduced timetable and or have history of education exclusions.
 - Children and Young people placed present with some/have a history of challenging behaviours or complex needs including infrequent self-harm, sexually harmful behaviour and substance misuse.
 - History of placement breakdown that is directly attributable to the child/young person.
 - Foster Carers with medium to high levels of skills and experience and who have attended relevant core training courses and/ or developed a specialism and are committed to continuous development. Undertake basic core training and are committed to continuous development.
 - Medium levels of support from Supervising Social Worker

- Intensive Fostering
 - Children/Young People with complex health needs (Child/Young Person requiring multiple health appointments due to their condition), severe learning/physical difficulties requiring constant supervision and support or dual sensory impairment.
 - Children/Young People placed are excluded from education where there is no identified alternative package of support.
 - Children/Young people placed present with current, ongoing challenging behaviours or complex needs including frequent self-harm, sexually harmful behaviour and substance misuse.
 - Significant history of placement breakdown that is directly attributable to the Child/Young Person.
 - Foster carer with high levels of skills and experience. Foster carer will have received over and above the basic training offered and are able to demonstrate continuous development in a specialist area and/or to meet the specific needs of an individual placement.
 - High levels of support from Supervising Social Worker
- Emergency fostering
 - Where placement is required within 24 hours of ART receiving placement referral from/placement request
- Out of county fostering
 - Due to limited availability of in-house foster carers being able to accommodate large sibling groups, number of Children/Young People have been placed in out of county IFA placements together.
 - Children/Young People can be placed out of county to enable them to continue accessing current education provision i.e. Children/Young People accessing education in St Neots placed in Bedfordshire - 5-10 miles from school
- Residential - long term
 - Private residential placements fee can include therapy and education on site
- Emergency residential
 - Limited availability of placements with highly skilled/experienced Foster Cares who are able to offer (initially) solo placements mean that some children have been referred to residential placement to enable high level of supervision and period of assessment of needs. When available, ART create placement packages with highly skilled carers who may be registered to care for more than one Child/Young Person and pay a bespoke fee to enable solo placement until assessment of needs is completed. Those placements are reviewed monthly.
- Out of county residential
 - Include specialist services for Children/Young People who display harmful sexual behaviour. Placement fees can include therapy and education on site.

- Residential School – long term
 - care, education and often additional therapies and health support available to meet complex need.
- Supported Accommodation – medium term
 - 3-7 bed supported accommodation homes. Some offering 24/7 staff assistance (on call or sleep in during the night). On average providing between 15 and 40 hours of weekly 1 to 1 support.
 - Offered to Young People as first supported accommodation placement (such as step down from Residential) to enable preparation for more independent living and future move to larger, housing benefit sustainable projects.
 - Project workers provide support to Young People presenting challenging behaviours or complex needs including frequent self-harm and substance misuse.
 - Include placements where 24/7 1 to 1 staff support is provided due to decline to place in residential care. ART prompt review of 24/7 1:1 Supported Accommodation after transition period to ensure Supported Accommodation is the right provision if need is so high.
- Supporting People –medium turnover
 - 20-80 bed Foyers. Mainly offering day support where key working staff is available on site for drop-in sessions. On average providing up to 5 hours of weekly 1 to 1 support.
 - Housing Benefit sustainable projects.
 - Projects workers provide support to Young People presenting some behaviours or complex needs including infrequent self-harm and substance misuse who are also independently accessing support through external agencies like CASUS or Centre 33.
- In House Fostering - short term/medium term but permanence are long term
 - this refers to placements made with our in house fostering service. We place with our in house service where possible and only send referrals to independent fostering agencies when our in house service are unable to find a placement. The in house fostering service is funded through a separate budget. The figure we assume for in house fostering placements is £475 per week, this assumption does not change according to the age of the child or the level of need.
- In House Residential – short/medium term
 - we have one in house residential home, which has 5 placements available. We use the home as a short-term assessment unit for teenagers following an emergency referral. The cost assumption that we use for in house residential is £3513.08 per week.
- Other placements through ART – this includes placements that do not fit into any other category e.g. staying put, YOI, secure units, adult provisions etc.

- Kinship/adoptive – ART are not involved with placements made with friends/family or with adoptive placements, so these have been separated out.

APPENDIX 2 – SPECIALIST EDGE OF CARE SERVICES

Name of Service	Numbers of families engaged with in the past 18 months	Numbers of families currently on Waiting List	Annual Budget/Cost	Service Rationale
<i>Specialist Family Support Service (SFSS)</i> (excludes supervised contact)	656	3	£1,096k	Support to families in crisis and where children are at risk of harm. Working with all ages from 0 - 19 years
<i>Alternatives to Care (ATC)</i>	77 AtC has only been operational for 14 months)	N/A – no waiting list	£625k	Intensive, crisis support for up to 12 weeks to young people aged between 11 and 17 years and their families at high risk of care
Family Intervention Partnership (FIP) (figures include 'edge of care' cases only - defined as those with a CP plan)	40	5	£234k	Family support for up to 64 weeks in families where at least one child is aged 15 or under. Work with families that are edge of care but also at a lower level of need.
Family Group Conferencing (FGC)	210	6	£242k	A short term intervention to support families to find their own solutions to improving family functioning. Working with all ages 0-19 years
Multi-systemic Therapy (MST) Standard	55	10	£431k	Intensive therapeutic family support for 11 – 17 year olds for up to 20 weeks, effective in addressing conduct disorder in adolescents
Problem Sexual Behaviour MST	15	2	£209k	Intensive therapeutic support for 11 – 17 year olds showing problematic sexualised behaviour for up to 28 weeks

APPENDIX 3 – DEMOGRAPHY AND SAVINGS PROPOSALS AFFECTING LAC IN BUSINESS PLAN (AS AT OCTOBER 2016)

Ref	Title	2017- 18 £000	2018- 19 £000	2019- 20 £000	2020- 21 £000	2021- 22 £000
A/R.2.00 3	<i>Inflation:</i> Centrally funded inflation - Looked After Children (LAC) placements	211	268	242	244	246
A/R.3.01 1	<i>Demography:</i> LAC Numbers	2,070	2,195	2,331	2,474	2,627
A/R.6.21 6	<i>Demand Management Savings:</i> Pathways to access contraception and sexual health services for priority groups	-185	-	-	-	-
A/R.6.21 7	Enhanced intervention service for children with disabilities	-174	-522	-	-	-
A/R.6.21 8	LAC Commissioning Strategy Outcome: The SPACE programme pilot	-111	-111	-	-	-
A/R.6.21 9	Systemic family meetings to be offered at an earlier stage to increase the number of children being diverted from LAC placements	-461	-150	-	-	-
A/R.6.22 1	Link workers within Adult Mental Health Services	-	-480	-	-	-
	<i>Total Demand Management Savings</i>	-931	-1,263	-	-	-
	Demography less Demand Management Savings	1,139	932	2,331	2,474	2,627
A/R.6.21 2	<i>Composition Savings:</i> Looked After Children Savings	-734	-168	-353	-119	-

A/R.6.21 5	Adaptation and refurbishment of Council Properties to reduce the unit cost of placements	-600	-	-	-	-
A/R.6.22 0	LAC Commissioning Strategy Outcome: increase the capacity of in-house foster caring	-195	-396	-64	-101	-
A/R.6.21 3	LAC Inflation Savings	-124	-110	-96	-88	-
	<i>Total Composition Savings</i>	-1,653	-674	-513	-308	-
	Net change to LAC Placement Budget	-303	526	2,060	2,410	2,873

Closing LAC Placements Cash Limit	12,209	12,735	14,795	17,205	20,078
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TRANSFORMATION FUND BIDS

To: General Purposes Committee

Meeting Date: 25th October 2016

From: Chief Finance Officer

Electoral division(s): All

Forward Plan ref: Not applicable Key decision: No

Purpose: This report sets out requests for investments from the Transformation Fund that are required to deliver transformational improvements in service delivery and associated savings within the 2017-22 business plan.

Recommendation: It is recommended that General Purposes Committee approves the following business cases and associated investment from the Transformation Fund for:

- a) Enhanced Intervention Service for children with disabilities;**
- b) Link workers within adult mental health services;**
- c) Systemic family meetings offered at an earlier stage to increase the number of children diverted from care; and**
- d) Improving commercial governance and investing in procurement savings opportunities.**

<i>Officer contact:</i>	
Name:	Chris Malyon
Post:	Chief Finance Officer
Email:	Chris.Malyon@cambridgeshire.gov.uk
Tel:	01223 699796

1. BACKGROUND

- 1.1 In response to recognising that the traditional method of developing budgets and savings targets through departmental based cash limits was unsustainable in the long term, the Council has agreed a new approach that will result in an outcome focussed method to Business Planning.
- 1.2 As a consequence it was agreed that the Council would need to establish a fund that could be used to supplement base budgets, ensuring that finance is not seen as a barrier to the level and pace of transformation that can be achieved. The approval of a change in the basis for defraying the Council's debt enabled the establishment of a Transformation Fund of nearly £20m.
- 1.3 It has been agreed that executive summaries of proposals seeking pump priming investments of over £50,000 from the Transformation Fund will be presented to the Committee. Investments below this level can be approved without Committee approval but will be reported to the Committee retrospectively.

2. INVESTMENT PROPOSALS

- 2.1 Attached within the appendices to this report are four proposals requesting funding from the Transformation Fund. These proposals should secure significant revenue reductions in the base revenue budget. Three of these proposals relate to additional care interventions and the fourth is seeking to invest in creating a more commercial approach to managing the Council's significant purchasing power.
- 2.2 The four proposals are:-
 - a) Enhanced Intervention Service for children with disabilities
 - b) Link workers within adult mental health services
 - c) Systemic family meetings offered at an earlier stage to increase the number of children diverted from care
 - d) Improving commercial governance and investing in procurement savings opportunities
- 2.3 As a package, the cash investment for the three care interventions totals £719k. The cash savings over the period 2017-18 to 2021-22 is £7,783k. This saving will be achieved by diverting a total of 34 children from becoming Looked After during this period.
- 2.4 The proposals in the appendices are very prudent in their assessment of the extent of savings that will be achieved by the enhanced intervention service for children with disabilities.
- 2.5 The fourth proposal is seeking to invest in the commercial acumen of the Council and to develop robust governance arrangements to ensure the maximum benefit is derived from the significant purchasing power of the County Council.
- 2.6 The total investment sought is £400k which will be part of a commercial agreement that will require £2m of procurement savings to be derived as part of the package of works. This will enable the up-skilling of the internal workforce as part of a new commercial approach whilst driving out financial savings from proactively managing the Council's supplier engagement and contract re-negotiations.

- 2.7 One of the proposals is to establish a Commercial Board that will provide greater rigor and challenge to the existing modus operandi. It has been proposed that the Chairman of Assets and Investments Committee join the Board to provide some political engagement to the process.
- 2.8 The following tables set out the total request for funding from the Transformation Fund for the four proposals, aligned to the relevant Transformation workstreams, and the total savings across the period of the Business Plan. Please note, that the figures are in absolute terms as opposed to the previous presentation that was aligned to the approach that is adopted for the Business Plan i.e. marginal movements between years. This is in accordance with the request from Members at the last Committee meeting.

Investment request:

	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000
Commissioning	73	352	294	-	-	-
Contracts, procurement and commercial	-	400	-	-	-	-
Total	73	752	291	-	-	-
Cumulative total	73	825	1,119	1,119	1,119	1,119

Savings:

	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000
Commissioning	-	-635	-1,787	-1,787	-1,787	-1,787
Contracts, procurement and commercial	-	-2,000	-2,000	-2,000	-2,000	-2,000
Total	-	-2,635	-3,787	-3,787	-3,787	-3,787
Cumulative total	-	-2,635	-6,422	-10,209	-13,996	-17,783

- 2.9 The Committee is asked to approve the investment requested from the Transformation Fund. These proposals, both investments and savings, are also included in the Business Planning Tables.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

This report sets out proposed investments and savings across Transformation workstreams. Although the investment in the Council's contract and procurement commercial arrangements is seeking to reduce the overall cost of services that the Council currently pays for, the focus will be on the larger contracts which tend to be national or international providers. Furthermore the proposition is predicated on using the Council's purchasing power to work with relevant markets to ensure that a healthy market place is retained but that these are more effective and efficient.

3.2 Helping people live healthy and independent lives

This report sets out proposed investments and savings across Transformation workstreams. The impacts associated with the people living healthy and independent lives

will be captured within supporting detail and/or Community Impact Assessments within the Business Plan.

3.3 Supporting and protecting vulnerable people

This report sets out proposed investments and savings across Transformation workstreams. The impacts associated with supporting and protecting vulnerable people will be captured within supporting detail and/or Community Impact Assessments within the Business Plan.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

The report above sets out details of significant implications in paragraph 2.8.

4.2 Statutory, Risk and Legal Implications

There are no significant implications within this category.

4.3 Equality and Diversity Implications

The draft Community Impact Assessments (detailed in appendices A, B and C) capture the current understanding from the services of the impacts on Equality and Diversity. These CIAs should continue to be updated as the projects progress in order to continue developing that understanding.

4.4 Engagement and Consultation Implications

There are no significant implications within this category.

4.5 Localism and Local Member Involvement

There are no significant implications within this category.

4.6 Public Health Implications

There are no significant implications within this category.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Chris Malyon
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	Yes – no legal implications Fiona McMillan
Are there any Equality and Diversity implications?	Yes Daniel Thorp
Have any engagement and communication implications been cleared by Communications?	N/A – no implications Mark Miller
Are there any Localism and Local Member involvement issues?	N/A – no implications Mark Miller
Have any Public Health implications been cleared by Public Health?	N/A – no implications Tess Campbell

Source Documents	Location
None	N/A

ENHANCED INTERVENTION SERVICE FOR CHILDREN WITH DISABILITIES

This proposal seeks investment to establish an Enhanced Intervention Service in Cambridgeshire. The purpose of the team would be to reduce the number of children with disabilities placed in out of county residential homes by enabling them to safely live with their family and access education in their local area. This will make savings to the LAC Placement Budget.

The Department of Health review, Transforming Care (DoH, 2012), published following the discovery of abuse of people with learning disabilities at Winterbourne View, states that “the norm should always be that children, young people and adults live in their own homes with the support they need for independent living within a safe environment”. At any one time, between 100 and 300 Cambridgeshire children are living in assessment and treatment units. Over 1000 children with learning difficulties or an Autistic Spectrum Condition are boarding in residential schools, over one third of them in another local authority.

This proposal is asking for two years of investment in an Enhanced Intervention Service. The team would consist of the following staff:

Profession	Banding	WTE	Mid-scale inc on-costs
Clinical Psychologist	Band 8a	1.0	£52,300
Clinician (Nurse/OT)	Band 6	1.0	£35,467
Assistant Psychologist	Band 5	1.0	£29,555

A training budget of £3,000 in both years would also be required to ensure fidelity to the PBS model. This equates to a total investment over two years of £240k.

Interventions would include the following:

- Clinical psychology interventions drawing primarily on Positive Behaviour Support (PBS)
- Training for key people in the network in PBS approaches, specific to that child, including professionals from education, link carers, residential short breaks providers, and support workers
- Family work and individual therapy, based on a comprehensive systemic formulation, targeted to reduce the risk of family breakdown
- Supporting the child's social worker to map out a clear multi agency plan for each family and connecting with the network to develop clarity about roles and responsibilities.

The team structure will be based on The Ealing Intensive Short Break Service and Southwark Enhanced Intervention Service which have been extensively positively evaluated in terms of economic and clinical impact. The team would hold a caseload of no more than eight families at any one time to allow for the intensive approach that is required. Referrals would be identified by social workers and discussed/agreed at S21 Panel.

The potential savings deliverable from this service has been modelled as follows: The average weekly cost of an out of authority placement for a child with disabilities is £2,223, making the average annual cost £116k per child. A conservative estimate of the number of admissions prevented is two in year 1 and four in year 2 (once the team has fully established itself). This is a very achievable target considering the population of children currently boarding in out of county residential schools is over 300.

With these assumptions, the predicted cumulative saving is £696k over 2017/18 and 2018/19 financial years. This compares to the total investment of £240k.

A return to the local area is very difficult to achieve for those children placed out of county. Instead, young people often move to adult placements in residential care homes or colleges out of county at an annual average cost of £97,618. Therefore, the investment in this bid now will also result in significant longer term savings to adult budgets in the future.

If the trial of this service yields the positive results expected then it will be absorbed into the clinical team in social care units in the future.

A/R.6.217	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	TOTAL
Investment	-	120	120	-	-	-	240
Savings	-	-174	-696	-696	-696	-696	-2,958
Return on Investment							290%

DRAFT COMMUNITY IMPACT ASSESSMENT

Directorate / Service Area		Officer undertaking the assessment
Children's Social Care		Name: Rachel Watson Job Title: Professional Lead for Systemic Practice Contact details: Rachel.Watson@cambridgeshire.gov.uk Date completed: 19.9.2016 Date approved:
Proposal being assessed		
Enhanced intervention service for children with disabilities (Edge of Care: children with disabilities and behaviour that challenges- PBS clinical service)		
Business Plan Proposal Number (if relevant)	A/R6.217	
Aims and Objectives of the Service or Function affected		
<p>National picture:</p> <p>Around 415,000 children in the UK have learning disabilities and display behaviours that challenge (Challenging Behaviour Foundation, 2014). The Department of Health review, Transforming Care, (DoH, 2012) published following the discovery of abuse of people with learning disabilities at Winterbourne View states that “the norm should always be that children, young people and adults live in their own homes with the support they need for independent living within a safe environment”</p> <p>Four years after the DoH publication, between 100 and 300 children are currently living in assessment and treatment units. Over 1000 children with learning difficulties or ASC are boarding in residential schools, over one third of them in another local authority.</p> <p>Evidence based early interventions, delivered locally and at the right time can improve wellbeing and reduce challenging behaviour. They can also deliver considerable savings in long term care costs. A financial review of the Bristol Positive Behaviour Service, specifically set up to address this problem, estimated savings of 1.8 million over four years. A similar service in Ealing found that almost all of the children they worked with were able to continue living with their families. The service cost £109,337 for one year for seven young people. This is significantly less than the annual financial cost of one residential placement. The economic case for offering intensive PBS services to reduce challenging behaviour and support people with learning disabilities to live at home is convincing and there are well established models of good practice to draw upon.</p>		
What is the proposal?		
<p>This proposal seeks to establish an Enhanced Intervention Service in Cambridgeshire. The purpose of the team would be to reduce the number of children with disabilities placed in out of county residential homes, to enable children to safely live with their family and access education in their local area.</p> <p>The Enhanced Intervention service would augment treatment as usual rather than seek to replace or fill gaps in existing services.</p> <p>All of the good practice models available emphasise the importance of an intensive, multi-agency, multi-disciplinary approach. Although this proposal is limited by being entirely based within social care, by building in service evaluation, development and professional networking</p>		

time, this can be addressed and overcome longer term, whilst still offering a much improved, effective service for children and families.

Interventions would include the following:

Clinical psychology interventions drawing primarily on Positive Behaviour Support

Training for key people in the network in PBS approaches, specific to that child, including professionals from education, link carers, residential short breaks providers, and support workers

Family work and individual therapy, based on a comprehensive systemic formulation, targeted to reduce the risk of family breakdown

Supporting the child's social worker to map out a clear multi agency plan for each family and connecting with the network to develop clarity about roles and responsibilities.

Evaluation – this will include families' experience of the service and routine outcomes (using standardised measures and financial markers). This aspect of the work will also record gaps in services and barriers to achieving desired outcomes as part of shaping future services.

Who will be affected by this proposal?

Families with children with disabilities will be supported to allow children to stay at home, rather than be placed out of county in specialised placements.

What positive impacts are anticipated from this proposal?

Evidence based early interventions, delivered locally and at the right time can improve wellbeing and reduce challenging behaviour. They can also deliver considerable savings in long term care costs. A financial review of the Bristol Positive Behaviour Service, specifically set up to address this problem, estimated savings of 1.8 million over four years. A similar service in Ealing found that almost all of the children they worked with were able to continue living with their families. The service cost £109,337 for one year for seven young people. This is significantly less than the annual financial cost of one residential placement. The economic case for offering intensive PBS services to reduce challenging behaviour and support people with learning disabilities to live at home is convincing and there are well established models of good practice to draw upon.

All of the good practice models available emphasise the importance of an intensive, multi-agency, multi-disciplinary approach. Although this proposal is limited by being entirely based within social care, by building in service evaluation, development and professional networking time, this can be addressed and overcome longer term, whilst still offering a much improved, effective service for children and families.

What negative impacts are anticipated from this proposal?

We need to ensure partnership agencies, schools, and health in particular are on board with this proposal and will support the team, in order to ensure effectiveness.

Are there other impacts which are more neutral?

This might be where people receive a very different service or support from the local authority as a result of the proposal but this is not considered to be better or worse than before – just different.

Impacts on specific groups with protected characteristics

Specific consideration should be given as to whether the proposal has a particular or disproportionate impact on any of the groups listed below.

Please consider each characteristic and tick to indicate any where there will potentially be a disproportionate impact (positive or negative) from implementation of the proposal. Do not tick the boxes if the impact on these groups is the same as the impact on the community as a whole (described in the above sections)

Impact	Tick if disproportionate impact
Age	
Disability	
Gender reassignment	
Marriage and civil partnership	
Pregnancy and maternity	
Race	

Impact	Tick if disproportionate impact
Religion or belief	
Sex	
Sexual orientation	
Rural isolation	
Deprivation	

Details of Disproportionate Impacts on protected characteristics and how these will be addressed

If any of the boxes above have been ticked to indicate that people with the protected characteristics will be affected more than other people then use this section to describe that impact and any measures which will be put in place to mitigate those potential impacts

Version Control

Version no.	Date	Updates / amendments	Author(s)

LINK WORKERS WITHIN ADULT MENTAL HEALTH SERVICES

This proposal is to invest in embedding a culture of a Think Family approach in adult mental health services to better support families at the edge of care and to keep families together. This short term investment will create sustainable change that will achieve savings for the Council long into the future.

Of all the children that became looked after in 2015/16 'mental health of parent/ carer' was the most common risk factor identified by social workers in their assessments (in 45.2% of cases). In 2015, a case review was conducted that looked at a sample of all those children that became looked after between 1st April 2014 and 31st July 2015 that had 'parental mental health' marked in their single assessment as a factor contributing to them becoming looked after. Just over half (51%) of the cases sampled had evidence of recent or active support for the parents mental health issue but it did not appear that the mental health support for the parent was linked into the child protection or other family plan.

Feedback from social workers and locality workers in Cambridgeshire is that the biggest issue they come across in working with families is a lack of engagement from adult mental health services. This impacts upon the resilience of the family to be able to function and stay together. For example, in a recent case, a mother stopped taking her medication and her mental health nurse did not notify children's services so an assessment could be made. This family rapidly slipped into crisis which resulted in three children being removed and taken into care. Procedures and relationships between Council services, along with wider services, and adult mental health teams need to be significantly improved to identify children early and prevent needs escalating so it is necessary to take children into care.

A similar situation to this used to exist in adult drug and alcohol services in Cambridgeshire. To achieve a culture change and improve the joint working and a 'Think Family' approach between adult and children's services, a two year pilot was conducted that placed two Children's Link Workers in Inclusion (the substance misuse treatment service). This project has been evaluated as being very effective in challenging adult services to recognise and respond to the impact of parental substance misuse on children.

The Link Worker project in Inclusion resulted in a stronger focus in these adult services on a 'Think Family' approach; safeguarding children at risk and seeking opportunities for early prevention work to support families. For example, at the start of the project the Link Workers found that staff in Inclusion services didn't know what a 'Locality' was, let alone what they did or how they could support families if they referred them. Inclusion workers were only intervening when the family had reached a crisis situation and they thought they should contact social care services. Now, three years later, Inclusion workers are initiating CAFs and a pilot project recently began where Locality staff members are going along with Inclusion workers to carry out joint visits with families where there are children who are not known to them. This is a massive cultural shift in the space of just a couple of years which will identify needs at a much earlier and preventative point.

It is proposed that the success in Inclusion could be replicated in adult mental health services:

To recruit two fte MB1 level Link Worker roles on fixed term contracts for two years would cost £168k in total. Link workers would work for a proportion of their time in CPFT to enable learning to take place on both sides and for them to form relationships and challenge the culture from within. The role would include:

- Establishing procedures between adult mental health services and children's services, such as implementing children's safeguarding checklists to establish need, agreeing 'what if' plans that will kick in to keep the family stable if there is a crisis, the response to a concern arising e.g. parent doesn't turn up for an appointment or stops taking medication, the identification and referral of young carers who have support needs, and involving children's workers in discharge planning.
- Raising awareness among children's services and adult mental health services about how the work of each service impacts upon the other.
- Improving understanding through training and other methods among children's services and adult mental health services about what each other does, knowledge of the services available in the area, who to contact and referral criteria etc.
- Working with social work units to improve referrals in to mental health services.

The potential savings that this intervention will deliver have been modelled as follows:

- 160 children that became Looked After in 2015/16 had 'parental mental health' flagged as a risk factor that contributed to them coming into Local Authority care.
- A reasonable assumption is being made that 12 (8%) of these 160 children will be diverted from care per year as a result of the Link Worker project.
- This would achieve a saving of £480k based on an average placement cost of a child Looked After being £40k.

We know from previous experience that the impact on culture change is not immediate and for this reason the savings have been extrapolated across later years. The impact of the link workers will follow the same model as in drug and alcohol services and will deliver sustainable change and momentum through the creation of Think Family 'champions' within adult mental health services once the project has concluded. This means that saving would continue and likely increase over time.

A/R.6.221	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	TOTAL
Investment	21	84	63	-	-	-	168
Savings	-	-	-480	-480	-480	-480	-1,920
Return on Investment							286%

COMMUNITY IMPACT ASSESSMENT

Directorate / Service Area		Officer undertaking the assessment
CFA Together for Families		Name: Alison Smith
Proposal being assessed		Job Title: Together for Families Lead Officer
Link Workers within Adult Mental Health Services		Contact details: 01223 703239
Business Plan Proposal Number (if relevant)	A/R.6.221	Date completed: 21.09.16.....
		Date approved:
Aims and Objectives of the Service or Function affected		
<p>This proposal relates to CPFT Adult Mental Health Services. Feedback from social workers and Locality workers in Cambridgeshire is that the biggest issue they come across in working with families is lack of engagement from adult mental health services when trying to work in partnership. This impacts negatively upon the resilience of the family to be able to function and stay together. For example, in a recent case, a mother stopped taking her medication and her mental health nurse did not notify children's services about this so an assessment could be made. This family rapidly slipped into crisis which resulted in three children being removed and taken into care.</p>		
What is the proposal?		
<p>This proposal is to change the culture of adult mental health services in CPFT to ensure they Think Family when working with an adult, and changing processes to enable this to happen more effectively.</p> <p>To achieve this, 2 fte MB1 level Link Worker roles are to be recruited on fixed term contracts for two years. The aim of the Link Worker roles will be to embed a Think Family approach in adult mental health services and increase access to preventative and early help services to keep families together wherever possible. Link workers would work for a proportion of their time in CPFT to enable learning to take place on both sides and for them to form relationships and challenge the culture from within.</p>		
Who will be affected by this proposal?		
<p>The proposal will specifically affect:</p> <ul style="list-style-type: none"> - Staff (Clinicians, Social Workers, Managers and Business Support) working in CPFT Adult Mental Health Services as the link workers will be supporting them to change thinking and practice - Adults who are currently a patient of CPFT adult mental health services who have a wider family as the work should result in them experiencing a more integrated approach to support for their family 		
What positive impacts are anticipated from this proposal?		
<p>The specific positive impact which is sought is the reduction of the number of children becoming looked after by increasing the number of children in these high risk families being picked up by early help services, increasing the initiation of family CAFs by adult mental health services, increasing the engagement of families in 'edge of care' services if this level of need exists, and ensuring the right people are referred and have access to mental health services.</p> <p>The work will also ensure that support provided to families with multiple needs, where there is an adult who is a patient of adult mental health services in CPFT, experience a much more coherent and integrated response.</p>		

What negative impacts are anticipated from this proposal?
None
Are there other impacts which are more neutral?
No

Impacts on specific groups with protected characteristics

Specific consideration should be given as to whether the proposal has a particular or disproportionate impact on any of the groups listed below.

Please consider each characteristic and tick to indicate any where there will potentially be a disproportionate impact (positive or negative) from implementation of the proposal. Do not tick the boxes if the impact on these groups is the same as the impact on the community as a whole (described in the above sections)

Impact	Tick if disproportionate impact
Age	x
Disability	
Gender reassignment	
Marriage and civil partnership	
Pregnancy and maternity	
Race	

Impact	Tick if disproportionate impact
Religion or belief	
Sex	
Sexual orientation	
Rural isolation	
Deprivation	

Details of Disproportionate Impacts on protected characteristics and how these will be addressed

Age – the work focusses on adults with mental health issues. The benefits of a more integrated approach should be felt more acutely by those adults however other members of their family should also benefit

Version Control

Version no.	Date	Updates / amendments	Author(s)

SYSTEMIC FAMILY MEETINGS TO BE OFFERED AT AN EARLIER STAGE TO INCREASE THE NUMBER OF CHILDREN BEING DIVERTED FROM CARE

This proposal seeks investment to enable systemic family meetings to take place with families at an earlier stage.

Systemic family meetings have two functions. Firstly, to improve and maintain children and young people's lives at home. Secondly, to work with family and friends networks to contingency plan how a child or young person will be cared for if the situation does not improve at home, to avoid the child becoming looked after. Recently there has been a narrowing of criteria for these meetings in Cambridgeshire as annual expenditure has been reduced and the primary function of meetings has become the contingency planning. Currently, a case must be on the edge of care to be considered for the intervention and the majority of cases are 'pre-proceeding meeting' (PLO) level or at court proceedings.

Extending the criteria of systemic family meetings would mean moving their delivery from pre-court proceedings to child protection level. Our experience is that, by the time cases get to pre-court proceedings, relationships with wider family members have often been exasperated and the likelihood of a successful family placement is diminished. In addition, the preventative element of the service is lost i.e. working with the family so that the child doesn't have to leave the family home at all.

The breakdown in relationships and motivation by the time the case reaches court proceedings is arguably reflected in the number of group conferences that are cancelled by families before they take place. The conversion rate from the referral to a meeting actually taking place has decreased significantly since the referral criteria have been tightened. In 2008/09 the conversion rate was 89%, gradually dropping to 65% in 2014/15 and to 41% in the first half of 2015/16. Poor conversion rates mean a reduction in successful outcomes in regards to family placements but are also costly to the Council as much of the preparatory work will have been done by FCG co-ordinators which can often add up to almost two weeks of work per meeting.

Changing the criteria to work with families at an earlier stage will result in a group of families that are currently at PLO level falling through the gap as the delivery changes over (the 'cross-over' group).

This proposal is asking for an investment of £311k over 25 months, including work with the cross-over group, so that families are referred for a systemic family meeting prior to or immediately after the initial child protection conference. This funding will be used to increase our capacity to manage the increase in meetings by employing additional staff on fixed term contracts. This will enable us to work with 390 children at child protection level, compared to 240 children at PLO level.

The savings that we expect to be achieved have been modelled as follows:

- 558 initial child protection conferences took place in 2015/16.
- Assuming that the number remains static, we must take into account the fact that some families refuse a systemic family meeting altogether or at some point prior to the meeting taking place.
- Also, some families will not be appropriate for systemic family meeting because they do not have a family or friend network that can be called upon.
- Based on experience, we estimate that 70% (390) of those children at the point of initial

child protection conference will also complete the systemic family meeting process.

Based on unit costs in 2015/16, to deliver the systemic family meeting process with 390 children will cost £390k. Compared to the current budget of £242k, this requires an annual investment of £148k. The phasing of this may not match financial years.

Taking a very cautious approach, delivery at child protection level is expected to divert 23 more children from care per year than it does now, however, this has been reduced to 16 to take account of potential double-counting with other savings identified in business cases. For example, adult mental health services could also be working with a proportion of these families.

With the investment of £311k over 25 months, systemic family meetings would achieve a saving of £642k (an additional 16 children avoiding care placement at an average annual cost of £40k). This saving has been spread across years to account for children coming into care at different stages during the year, and includes a savings of £31k expected to be made in 2016-17 so does not appear in the 2017-22 Business Planning tables.

Cambridgeshire has also been offered an opportunity to work with a voluntary organisation called Daybreak FGC. If Daybreak is successful in its DfE bid, this presents a valuable learning opportunity as it delivers systemic family meetings, from referral to conference, in 22 days compared to the 6-8 weeks

A/R.6.219	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	TOTAL
Investment	52	148	111	-	-	-	311
Savings	-	-461	-611	-611	-611	-611	-2,905
Return on Investment							196%

DRAFT COMMUNITY IMPACT ASSESSMENT

Directorate / Service Area		Officer undertaking the assessment
Children's Social Care		Name: Fiona Van Den Hout Job Title: Head of Service, Childrens Social Care: Access, CIN and LAC Units, East Cambs, South Cambs and Cambridge City Contact details: Fiona.VanDenHout@cambridgeshire.gov.uk Date completed: 22/09/16 Date approved:
Proposal being assessed		
Systemic family meetings to be offered at an earlier stage to increase the number of children being diverted from LAC placements		
Business Plan Proposal Number (if relevant)	A/R.6.219	
Aims and Objectives of the Service or Function affected		
<p>Systemic family meeting have two functions. Firstly, to utilise family, friends and community networks to improve and maintain children and young people's lives at home. Secondly, to work with family and friends networks to contingency plan how a child or young person will be cared for if the situation does not improve at home, to avoid the child becoming looked after. Recently there has been a narrowing of criteria for these meetings in Cambridgeshire as annual expenditure has been reduced and the primary function of meetings has become the contingency planning. Currently, a case must be on the edge of care to be considered for the intervention and the vast majority of cases are 'pre-proceeding meeting' (PLO) level or at court proceedings.</p>		
What is the proposal?		
<p>This proposal seeks to enable systemic family meetings to take place with families at an earlier stage. This would mean moving the delivery from pre-court proceedings to the point just before the social worker is about to begin a child protection plan. Our experience is that, by the time cases get to pre-court proceedings, relationships with wider family members have often been exasperated and the likelihood of a successful family placement is diminished. In addition, the preventative element of the service is lost i.e. working with the family so that the child doesn't have to leave the family home at all. The breakdown in relationships and motivation by the time the case reaches court proceedings is arguably reflected in the number of meetings that are cancelled by families before they take place.</p> <p>The conversion rate from the referral to a meeting actually taking place has decreased significantly since the referral criterion has been tightened. In 2008/09 the conversion rate was 89%, gradually dropping to 65% in 2014/15 and to 41% in the first half of 2015/16. Poor conversion rates mean a reduction in successful outcomes in regards to family placements but are also costly to the Council as much of the preparatory work will have been done by staff which can often add up to almost two weeks of work per conference.</p>		
Who will be affected by this proposal?		
<p>Families with children across Cambridgeshire who are subject to a child protection plan Families with children across Cambridgeshire who are subject to court proceedings</p>		
What positive impacts are anticipated from this proposal?		
<p>More children will be enabled to remain at home and will not become looked after (data tells us that Looked After Children have poorer outcomes) Families will become more stable as a result of a systemic family meeting Families are less likely to escalate to court proceedings, reducing stress that can be experienced</p>		

What negative impacts are anticipated from this proposal?
None
Are there other impacts which are more neutral?
None

Impacts on specific groups with protected characteristics

Specific consideration should be given as to whether the proposal has a particular or disproportionate impact on any of the groups listed below.

Please consider each characteristic and tick to indicate any where there will potentially be a disproportionate impact (positive or negative) from implementation of the proposal. Do not tick the boxes if the impact on these groups is the same as the impact on the community as a whole (described in the above sections)

Impact	Tick if disproportionate impact
Age	
Disability	
Gender reassignment	
Marriage and civil partnership	
Pregnancy and maternity	
Race	

Impact	Tick if disproportionate impact
Religion or belief	
Sex	
Sexual orientation	
Rural isolation	
Deprivation	

Details of Disproportionate Impacts on protected characteristics and how these will be addressed
N/A

Version Control

Version no.	Date	Updates / amendments	Author(s)

Improving commercial governance and investing in procurement savings opportunities

Background

In April 2016 the Council commissioned a piece of work to review procurement activity and processes across the Council which included a detailed analysis of the Council's third party supplier spend in order to identify and progress opportunities for significant savings.

Activity has included:

- Detailed analysis of all third party spend
- Long-listing of opportunities by contract
- Qualification of the 'long list' through further stakeholder meetings
- Detailed review of contract documents
- Development of opportunity plans for key contracts

This review has highlighted a number of areas where adopting a more commercial approach will create financial savings opportunities. The current operations tend to be reactive and transactional; missed opportunities in developing and understanding the market place; a lack of compliance, and a high level of exemptions.

The requirement

The skills and capacity required to deliver the savings required are in short supply within the Council. As 75% of the Council's annual spend is with external suppliers if we are to move to a sustainable financial model the majority of financial savings will have to be derived from this spend. The approach to this challenge is therefore:-

Tactical interventions including supplier engagement

There are a number of short-term and tactical actions that can be taken to begin redressing the balance of procurement 'power', as part of a structured approach to introducing effective contract management processes. We will do this through a Supplier Engagement Programme which involves a proactive approach to the management of key suppliers in order to drive savings and improvements through clear supplier management strategies. The opportunity is exemplified by the fact that:

- 80% of the annual spend is with 5% of suppliers;
- The top 50 suppliers accounting for 53% of spend.
- Exemptions for 2015/16 accounting for total annual contract value of £14m of spend.

Strategic recommissioning

Over the next three years more than 400 contracts (with a total of £1.5bn) will expire resulting in a significant volume of requirements to be taken to the market. Whilst this provides a challenge in terms of the available skills and capacity within the organisation it also provides major opportunities for savings. The significance of this opportunity over the

next three years lies in 'market-making', which will require a strategic focus to drive innovation and improved outcomes.

This requires significant commercial support to maximise the potential opportunity. This does not simply mean additional resources but a completely different approach. This must include greater challenge of requirements and an increased focus on outcomes rather than inputs, demanding innovation from providers and undertaking a structured approach to early market engagement with suppliers. This will enable the delivery of the same or improved outcomes for lower cost.

Implementation of demand management

The Council has a number of contracts where expenditure is 'demand-driven'. A strong corporate approach needs to be developed, implemented, and embedded which actively challenges requirements and controls expenditure through a number of routes including 'gatekeeping'

Implementation of appropriate infrastructure

The three approaches above will require the establishment of appropriate commercial governance or 'plumbing' as well as the training and development of key managers in commercial skills. A key vehicle in the delivery of this change will be through the development of an academy approach. In terms of governance, proposals are summarised below and set out in more detail through Commercial Academy Outline ([linked](#)). This approach involves not just the establishment of an academy but also a robust commercial board.

The purpose of the academy is to equip budget holders, commissioners and contract managers with a core set of common skills and tools that are required to interact with the supplier market in a commercial manner. This investment will be critical in building sustainability for the improvements.

Priority list of opportunities

Recent work has focused on a number of priority contracts and spend areas which represent annual addressable spend in the region of £30million and that have the potential to deliver annual savings in the region of £600,000 to £1.2million through tactical renegotiation. Further savings will come about through influencing the recommissioning and re-procurement of expiring contracts and new requirements.

Examples of the priority areas and opportunities being progressed are as follows:

Area	Annual addressable spend £m	Levers for savings
Learning Disabilities	2.0	Block contract/ voids
Drugs & Alcohol Services	4.3	Demand management, property costs
Facilities Management	4.9	Aggregation of requirements & demand management

SEN placements	6.7	Cost model and contract management – addressing apparent variations in hourly rates for care between children’s and adults’ services. Potential opportunities through a <u>wider category review of personal care services</u> across children’s and adults’ services and link to recommissioning of domiciliary care in adults
Extra care (Ditchburn)	0.6	Contract renewal - block contract/ voids, specification levels, mitigating potential TUPE costs
Exemptions	7.0	New process and tighter controls/ scrutiny – forward planning, opportunities for renegotiation, better definition of outcomes to promote competition, etc.
Home Care	25.0	Aggregation and demand management. Market shaping.

The Commercial Board

Delivering the opportunities for savings, improvements and cultural change will require senior-level leadership, including ensuring a robust and consistent approach to all commercial decision-making and ensuring that all purchasing and income generation decisions and activities look holistically at the opportunity for greater benefits not just across the Council but across the sector(s).

It is therefore proposed to establish a cross organisational Commercial Board chaired. The draft Terms of Reference for the Board and how the Board will operate (Commercial and Transformation Governance) can be found on the Committee papers website ([linked](#)). The Board will operate through a system of procurement mandates which will be subject to scrutiny and challenge. This will provide clarity to the initiatives to be pursued and facilitate robust challenge to ensure all commercial opportunities are being robustly pursued.

It is proposed that the Chairman of Assets and Investments Committee join the Board in order to ensure some political engagement in this important process.

Business case for external support

In order to drive a more commercial approach and secure the level of savings required the Council will need to invest in external capacity and capability.

The support arrangement will adopt a number of key principles as set out below:

- It will be a ‘co-managed’ approach, delivering the transformation “with” staff and not “to” them
- Delivery of significant savings, defined as reduced expenditure for the same or improved outcomes
- Acceleration of the benefits available to the County Council
- A transfer of skills and expertise will occur where these do not currently exist
- Avoidance of duplication of effort and providing specific skillsets and experience to supplement those within the Council

- Payment linked to outcomes
- Inclusion of some risk transfer from the Council to the provider in relation to savings delivery
- Flexibility of resourcing to meet identified needs
- Embedding of new ways of working in order to ensure sustainability

The proposed work-streams are:

- Children Families & Adults: tactical supplier negotiation and strategic recommissioning
- Works, environmental services and facilities management: review of key contracts and recommissioning
- Supplier Engagement Programme (cross-organisational) with key suppliers
- Develop and implement governance ('plumbing')
- Develop and implement demand management strategy
- Design and commence programme for 'Commercial Academy'

The proposed commercial model is as follows:

- The provider will contract with the Council over the remainder of the current financial year to secure annualised savings of at least £2.0m 2017/18.
- Savings are defined as delivering the same or greater outcomes for lower expenditure which can be removed from the budget.
- In certain circumstances this may include 'cost avoidance' where services and contracts are already overspending against budget or contract value.
- In addition there may also be 'one-off' savings arising through the year (for example through rebates).
- An indicative resource plan has been produced based upon estimated effort and published day rates on publicly available frameworks.
- It is estimated that a fee of around £400,000 will be payable based on savings generated of £2m.
- At the point of reaching this savings target a formal review will be undertaken and agreement on further opportunities considered at the point – however it is anticipated that the appropriate skills transfer will have taken place by this point and no further support will be required.
- This equates to 20% of the contracted savings and a return on investment of £5 in the first full financial year for every £1 invested.
- This fee would also include the one-off initial cost of establishing and embedding the governance and also setting up the Commercial Academy as well as the delivery of the savings initiatives.
- The Council could consider an alternative arrangement with lower % payments for savings but a fixed fee for the investment in commercial governance.
- This will be subject to a commercially competitive process and there the final outcome may well be more competitive.
- For savings beyond the initial target if the Council continue to use the provider then the fee is likely to be in the region of £140 for each additional £1m secured, equating to a Return on Investment of £7 for every additional £1 invested.
- If the savings target for 2017/18 have not been achieved by the end of March 2018 (and there has not been any off-setting one-off savings) then by agreement either the fees will be rebated, by a sum to be agreed, of any shortfall against the £2.0m figure.

Alternatively the provider will be required to continue working at no further fee until the £2.0m has been delivered.

- There will need to be a structured benefits realisation and verification process, including a monthly review and tracker with a sign-off process for any savings delivered.
- The arrangement can be reviewed every 3 months and terminated in the event that insufficient progress is being made against target.

	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	TOTAL
Investment	-	400	-	-	-	-	400
Savings	-	-2,000	-2,000	-2,000	-2,000	-2,000	-10,000
Return on Investment							500%

WISBECH COMMUNITY LED LOCAL DEVELOPMENT FUND

To: **General Purposes Committee**

Meeting Date: **25th October 2016**

From: **Executive Director, Customer Service and Transformation**

Electoral division(s): **All**

Forward Plan ref: **N/A**

Key decision: **No**

Purpose: **To give an overview of the Wisbech Community Led Local Development (CLLD) fund and ask for the General Purposes Committee's agreement for the County Council to make a financial contribution to the management and administration costs. This will enable Cambridgeshire ACRE to bid into the fund as the Accountable Body for a Wisbech Programme.**

Recommendation: **In order for the bid to proceed to the final stage, at which there is a high chance of success, we need to confirm the County Council's contribution.**

It is recommended that the committee agree the proposal for the County Council to give a commitment to contribute £21,400 per annum for five years to the management and administration costs of the programme.

<i>Officer contact:</i>	
Name:	Wendy Lansdown
Post:	Community Engagement Manager
Email:	Wendy.Lansdown@Cambridgeshire.gov.uk
Tel:	01223 699683

1. BACKGROUND

- 1.1 Cambridgeshire ACRE are leading a CLLD bid for EU funding to support people to move towards/into work in Wisbech. At a recent planning meeting a LEP colleague described this programme as having potential to be 'the community strand of Wisbech 2020'.
- 1.2 The Stage 1 development bid for the Wisbech CLLD programme was approved by the Department for Work & Pensions (DWP) in February this year. Since then, working with partners, Cambridgeshire ACRE has been leading the development of a Local Development Strategy for the area.

2. THE PRPOSAL

- 2.1 The proposal is for a £2.1m programme which would lever in £1.05m European Social Fund investment. Cambridgeshire ACRE are asking the County Council for £107,000 contribution over five years (£21,400 per annum) as a cash contribution to the management and administration costs of the programme.
- 2.2 As the work to develop the Local Development Strategy has progressed, it has become very evident how the CLLD approach would help the Wisbech community. There is a growing level of inequality, diversity and complexity within the town and it is become increasingly difficult to deal with persistent deprivation and economic issues through standard policies. Place-based approaches, like CLLD, build on a community's social, environmental and economic strengths and make best use of local assets. Wisbech CLLD offers a longer-term approach that builds sustainability and community capacity to manage funding, decision-making and strategy.
- 2.3 In the event that the programme is established, the funding from the EU will sit with a Local Action Group, this has already been formed and includes representatives from councils, school, voluntary, business sector etc. This group will receive bids to run projects in Wisbech. Each bidder will need to have 50% match committed with 'public sector funds' as defined by the DWP. The definition of this includes funds from county, district and town councils, health, schools, colleges plus a range of trusts and foundations, including the Big Lottery. We know that the Big Lottery struggle to stimulate strong bids from the Wisbech area so are likely to be amenable to a sizeable strategic bid.
- 2.4 Until the programme launches and the bids come in, it is not possible to know which the matched funds will be. ACRE did a scoping exercise and felt confident that the match will be identifiable.
- 2.5 Importantly, CCC would not be seen as a default funder under any circumstances. With Cambridgeshire ACRE as the Accountable Body all of the risk will sit with them. The £21,400pa would be the County Council contribution for Cambridgeshire ACRE to lead the programme. If at any point the programme was not reaching its goals then it would be closed by the DWP. If for example, there had been £500k of project funding agreed up until that point, those projects would continue to be delivered, but the programme would be closed to new bids and ACRE would no longer claim the contributions from us for management and administration from that point forward.

- 2.6 It will mean that County Council colleagues and external partners who we fund to deliver activity in Wisbech can submit a bid in to the Local Action Group to extend their work. All projects will need to have a focus on supporting people towards the workplace, however this will be defined in a very broad sense including developing skills, community cohesion and tackling transport to work issues. In the end, the decisions on what is funded will be made based on the strategy document that the Local Action Group have agreed. Contact [Wendy Lansdown](#) if you would like a copy of the strategy. DWP will hold Cambridgeshire ACRE to account based on the outcomes set out within this – which Cambridgeshire ACRE have been realistic in setting.
- 2.7 The Treasury have recently confirmed that this programme will go ahead in full following Brexit.
- 2.8 The County Council have an established relationship with ACRE over many years, as a trusted delivery partner for a broad range of work in our communities.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

The Council is committed to “narrowing the gap” in inequalities experienced across Cambridgeshire, and Wisbech is one of the county’s communities that faces the most significant levels of deprivation. In response the Council has led the development of the Wisbech 2020 Vision (www.wisbech2020vision.co.uk) with other local partners. The key aims of the Vision align strongly with the Council’s Corporate Priorities, and this CLLD initiative has been established as part of the wider work towards achieving the 2020 Vision.

3.2 Helping people live healthy and independent lives

See paragraph 3.1

3.3 Supporting and protecting vulnerable people

See paragraph 3.1

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

The resource requirements for this Council are set out in paragraph 2.1, which also sets out how the £107,000 requested from this Council is integral to the unlocking of the overall investment package of £2.1m.

4.2 Statutory, Risk and Legal Implications

No significant implications.

4.3 Equality and Diversity Implications

This initiative is specifically aimed at improving equality and reducing deprivation in Wisbech, one of Cambridgeshire's most deprived communities. Specific schemes that are funded through this work should be assessed as to their particular impact on improving equality and diversity in the community.

4.4 Engagement and Consultation Implications

No significant implications.

4.5 Localism and Local Member Involvement

No significant implications.

4.6 Public Health Implications

No significant implications.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Sarah Heywood
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	N/A
Are there any Equality and Diversity implications?	Yes as outlined in 4.3 Dan Thorp
Have any engagement and communication implications been cleared by Communications?	N/A
Are there any Localism and Local Member involvement issues?	N/A
Have any Public Health implications been cleared by Public Health	N/A

Source Documents	Location
None	None

SERVICE COMMITTEE REVIEW OF DRAFT REVENUE BUSINESS PLANNING PROPOSALS FOR 2017/18 TO 2021/22

To: **General Purposes Committee**

Meeting Date: **25 October 2016**

From: **Sue Grace, Director of Customer Service and Transformation
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 Proposals for Corporate and LGSS Managed Services, and cross-Council proposals that are within the remit of the General Purposes Committee.**

Recommendation: **It is requested that the Committee:**

- a) note the overview and context provided for the 2017/18 to 2021/22 Business Plan revenue proposals for the Service.**
- b) comment on the draft revenue savings proposals that are within the remit of the General Purposes Committee for 2017/18 to 2021/22.**
- c) approve the retention of the statutory maximum charge for Blue Badges for the financial year beginning 1 April 2017.**

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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. Like all Councils across the country, we are facing a major challenge. Our funding is reducing at a time when our costs continue to rise significantly due to inflationary and demographic pressures, which are greater than others due to being the fastest growing county in the country.

1.2 The Council has experienced a number of years where it has sought to protect frontline services in response to reducing Government funding. Looking back, we have saved £68m in the last two years and are on course to save a further £41m this year (2016/17). 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 challenging. That is why this year the Council has adopted a new approach to meeting these financial challenges, which builds upon the outcome-led approach that was developed last year.

1.3 The Council last year established the strategic outcomes it will be guided by throughout the Business Planning process, these are outlined on the right. Early in the process this year, a number of Transformation Programmes were established to identify the specific proposals that will meet these outcomes within the resources available to the Council.

Outcomes	
Older people live well independently.	
Places that work with children help them to reach their full potential.	
People lead a healthy lifestyle and stay healthy for longer.	
People with disabilities live well independently.	
People live in a safe environment.	
The Cambridgeshire economy prospers to the benefit of all Cambridgeshire residents.	
People at risk of harm are kept safe.	

1.4 These Transformation Programmes are the lens through which this year's Business Planning Process has been approached, and will feature in the material considered by Members in workshops and Committees. There are 11 Programmes, made up of "vertical" service-based Programmes, and "horizontal" cross-cutting Programmes:

1. Adult Services	2. Children's Services	3. Economy, Transport and Environment	4. Corporate and LGSS	5. Public Health
6. Finance and Budget Review				
7. Customers and Communities				
8. Assets, Estates and Facilities Management				
9. Commissioning				
10. Contracts, Commercial and Procurement				
11. Workforce Planning and Development				

- 1.5 In July 2016 General Purposes Committee considered and endorsed a report which summarised the role that the new approach to transformation has played so far this year. In particular, this table captured how transformation – in line with the Council’s strategic outcomes – will contribute towards balancing the budget:

Base Budget		Year 0
Review of Outturn		
Corporately agreed changes to	Inflation	X
	Demography	X
	Capital Financing	X
	Service Pressures	X
		Year 1
Base budget (new business plan)		
Projected Resource Envelope		A
Savings Challenge		$Y1 - A = B$
Transformation Programme		
“Horizontal” Cross-cutting programmes	X	
“Vertical” Service-based programmes	X	
Total Transformation Proposals		C
Revised Savings Challenge		$B - C = D$
Savings Challenge applied to Budgets		E

- 1.6 Within this new framework the Council continues to undertake financial planning of its revenue budget over a five year timescale which links to 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 for 2017/18 that are relevant to this Committee.
- 1.7 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.
- 1.8 The Committee is asked to endorse these initial proposals for consideration as part of the Council’s development of the Business Plan for the next five years. Draft proposals across all Committees will continue to be developed over the next few months to ensure a robust plan and to allow as much mitigation as possible against the impact of these savings. Therefore these proposals may change as they are developed or alternatives found.

2. BUILDING THE REVENUE BUDGET

- 2.1 Changes to the previous year’s budget are put forward as individual proposals for consideration by committees, General Purposes Committee and ultimately Full Council. Proposals are classified according to their type, as outlined in **Appendix B**, accounting for the forecasts of inflation, demography and service pressures, such as new legislative requirements that have resource as well as savings implications.
- 2.2 The process of building the budget begins by identifying the cost of providing a similar level of service to the previous year. The previous year’s budget is adjusted for the Council’s best forecasts of the cost of inflation, the cost of

changes in the number and level of need of service users (demography) and proposed investments. Should services have budgetary pressures these are expected to be managed within that service where possible, if necessary being met through the achievement of additional savings or income. If this is not possible, particularly if the pressure is caused by legislative change, then pressures are funded corporately as agreed at GPC in July. It should be noted however, that there are no additional resources and therefore this results in an increase in the level of savings that are required to be found across all Council Services. The total expenditure level is compared to the available funding and where this is insufficient to cover expenditure, the difference is the savings requirement to be met through transformation projects in order to balance the budget.

- 2.3 The budget proposals being put forward include revised forecasts of the expected cost of inflation following a detailed review of inflation across all services at an individual budget line level. Inflation indices have been updated using the latest available forecasts and applied to the appropriate budget lines. Inflation can be broadly split into pay, which accounts for inflationary costs applied to employee salary budgets, and non-pay which covers a range of budgets, such as energy, waste, etc. as well as a standard level of inflation based on government Consumer Price Index (CPI) forecasts. All inflationary uplifts require robust justification and as such general inflation was assumed to be 0%. Key inflation indices applied to budgets are outlined in the following table:

Inflation Range	2017-18	2018-19	2019-20	2020-21	2021-22
Standard non-pay inflation	1.7%	2.2%	2.0%	2.0%	2.0%
Other non-pay inflation (average of multiple rates)	2.8%	1.9%	1.9%	2.1%	2.0%
Pay (admin band)	1.0%	1.0%	1.0%	1.0%	1.0%
Pay (management band)	0.0%	1.0%	1.0%	1.0%	1.0%
Employer pension contribution (average of admin and management band)	3.2%	2.8%	1.9%	2.7%	2.7%

- 2.4 Forecast inflation, based on the above indices, is as follows:

Service Block	2017-18	2018-19	2019-20	2020-21	2021-22
Children, Families and Adults	2,251	2,915	2,619	2,747	2,770
Economy, Transport and Environment (ETE)	795	875	840	867	832
ETE (Waste Private Finance Initiative)	856	811	881	888	903
Public Health	14	24	22	22	21
Corporate and Managed Services	398	353	383	446	482
LGSS Operational	93	282	240	274	267
Total	4,407	5,260	4,985	5,244	5,275

- 2.5 A review of demographic pressures facing the Council has been undertaken. The term demography is used to describe all anticipated demand changes arising from increased numbers (e.g. as a result of an ageing population, or due to increased road kilometres) and increased complexity (e.g. more intensive packages of care as clients age). All services are required to absorb the financial pressure of the general increase in population, estimated to be

1.4% in 2017-18. The remaining demographic pressures, above the 1.4%, are calculated as:

Service Block	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000
Children, Families and Adults	6,741	6,937	6,812	7,299	7,347
Economy, Transport and Environment (ETE)	195	200	206	211	217
Public Health	0	0	0	0	0
Corporate and Managed Services	23	24	25	25	25
Total	6,959	7,161	7,043	7,535	7,589

- 2.6 The Council is facing some cost pressures that cannot be absorbed within the base funding of services. Some of the pressures relate to costs that are associated with the introduction of new legislation and others as a direct result of contractual commitments. These costs are included within the revenue tables considered by service committees alongside other savings proposals and priorities:

Service Block / Description	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000
CFA: Fair Cost of Care and Placement Costs	0	0	1,500	2,500	0
CFA: Impact of National Living Wage on Contracts	3,269	3,509	3,500	3,277	0
CFA: Local Housing Allowance limits - impact on supported accommodation	0	0	412	595	199
CFA: Children's Social Care Establishment	355	0	0	0	0
CFA: Independent Review Officers and Child Protection Chairs	261	0	0	0	0
CFA: Children Innovation and Development Service	289	50	0	0	0
CFA: Multi Systemic Therapy (MST)	368	63	0	0	0
ETE: Libraries to serve new developments	0	0	0	49	0
ETE: Reinstatement of funding for non-statutory concessionary fares	125	0	0	0	0
CS: Apprenticeship Levy	500	0	0	0	0
CS: Demography	3,405	3,389	3,469	3,535	3,589
CS: Contract mitigation	0	1,500	500	0	0
CS: Renewable energy - Soham	183	4	5	4	5
CS: Increased Revenue Costs for Wide Area Network upgrades	63	0	0	0	0
CS: Increased Revenue Costs for Wide Area Network upgrades in Libraries	123	0	0	0	0
CS: Corporate Office IT Assets	300	0	0	0	0
Professional and Management Pay Structure - combined	441	0	0	0	0
Impact of National Living Wage on CCC employee costs (combined)	4	18	74	174	174
Total	9,686	8,533	9,460	10,134	3,967

- 2.7 The Council recognises that effective transformation often requires up-front investment and has considered both existing and new investment proposals that we fund through additional savings during the development of this Business Plan. To this end a Transformation Fund has been created, through a revision to the calculation of the Council's minimum revenue provision (MRP). The table below outlines investments by service. Note that these figures are absolute.

Transformation Workstream	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000
Adults Services	146	541	245	0	0	0
Finance & budget review	0	87	0	0	0	0
Customer & communities	100	0	0	0	0	0
Assets, estates & facilities management	46	51	22	0	0	0
Commissioning	363	929	366	27	0	0
Workforce planning & development	0	536	0	0	0	0
Total	655	2,144	633	27	0	0
Cumulative	655	2,799	3,432	3,459	3,459	3,459

3. SUMMARY OF THE DRAFT REVENUE BUDGET

- 3.1 In order to balance the budget in light of the cost increases set out in the previous section and reduced Government funding, savings or additional income of £29.0m are required for 2017-18, and a total of £99m across the full five years of the Business Plan. The following table shows the total amount necessary for each of the next five years, separating Public Health in 2017-18 as it is ring-fenced:

Service Block	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000
Council	-28,374	-21,159	-17,242	-19,075	-11,997
Public Health	-606	-	-	-	-
Total	-28,980	-21,159	-17,242	-19,075	-11,997

- 3.2 There are also a number of risks which are not included in the numbers above, or accompanying tables. These will be incorporated (as required) as the Business Plan is developed. Estimates are given below where possible.

	2017-18 £'000	Risk
Vacancy Savings	1,000	Services are required to meet a target each year for staffing savings resulting through turnover of staff, for example through holding vacancies. As organisational changes are implemented, the ability/capacity to deliver this saving on an on-going basis will be reduced.
Dedicated Schools Grant funding	4,300	This potential pressure is the result of a consultation on national funding reforms.
Business rates revaluation	-	The Business Rates re-valuation is due to take effect from 1st April 2017, which could see significant rises in business rate liabilities

		in some areas and for some types of property.
Pension triennial review	-	The pension fund is being re-valued in 2016-17, with consultation documents due in November. Updates to assumptions following this will be incorporated during the development of the Business Plan.
Housing	-	A comprehensive 10-year pipeline of development projects has now been identified and a capital funding request has therefore been included in the Draft Business Plan. The figures are still being refined however, with the initial projections expected to be confirmed during Autumn 2016. Due to the nature of the schemes the revenue impact could be significant.
Total	5,300	

- 3.3 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.
- 3.4 This report forms part of the process set out in the Medium Term Financial Strategy whereby the Council updates, alters and refines its revenue proposals in line with new savings targets. New proposals are developed by services to meet any additional savings requirement and all existing schemes are reviewed and updated before being presented to service committees for further review during November and December.
- 3.5 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	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000
Council	-6,104	-3,749	-8,919	-11,785	-11,268
Public Health	-103	0	0	0	0
Total	-6,207	-3,749	-8,919	-11,785	-11,268

- 3.6 The level of savings required is based on a 2% increase in Council Tax, through levying the Adults Social Care precept in all years it is available (up to and including 2019-20), but a 0% general Council Tax increase. This assumption is built into the MTFS which was discussed by GPC in July. For each 1% more or less that Council Tax is changed, the level of savings required will change by approximately +/-£2.5m.
- 3.7 There is currently a limit on the increase of Council Tax of 2% and above, where 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.
- 3.8 Following October and November service committees, GPC will review the overall programme in December, before recommending the programme in

January as part of the overarching Business Plan for Full Council to consider in February.

4. OVERVIEW OF CORPORATE, LGSS MANAGED AND CROSS-COUNCIL DRAFT REVENUE PROGRAMME

- 4.1 General Purposes Committee has led the redesign of the business planning process as detailed above (Section 1 of this report) and as a result for the first time will be considering at this point in the process cross-council draft proposals, as well as proposals relating to Corporate and LGSS Managed Services.
- 4.2 **Appendix A** of this report outlines the draft proposals that have been developed so far in the process, and other key financial information. Key lines within the table are:
- 4.3 **Council-wide demography (C/R4.007) and Contact Centre demography (C/R 3.001).** As per the agreement of General Purposes Committee at its meeting on 20 September 2016, this year the Council is taking a new approach to funding the impact of population growth on its services. Funding to meet the demands of general population growth, expected to be 1.4%, will be held centrally by GPC and provided to Services Committees as and when actual demography impact is felt and when the Service Committees request funding.
- 4.4 However, services that demonstrate they will experience an increase in demand above and beyond the 1.4% general population growth will receive additional demography funding. This is the case for the Contact Centre which is impacted in a rise in the number of older people in Cambridgeshire above 1.4%, whom tend to use Contact Centre services more than the wider population.
- 4.5 **Apprenticeship Levy (C/R4.005).** As of next financial year the Government's Apprenticeship Levy will come into force. This requires that large employers such as the Council pay 0.5% of their salary budget into a pool that will fund apprenticeship schemes nationwide. The expected cost of this for the Council is £500k. The Council is developing plans to increase apprenticeship opportunities across its services and therefore hopes to access some of the nationwide pool which it is contributing to.
- 4.6 **Investments** in section five of the table refer largely to investments that have either been approved by GPC as part of the Transformation Fund, or are in the Pipeline and hoped to be approved later in the year. All investments are shown here to provide GPC with oversight of the entire Transformation Fund, although many of the savings related to these investments are shown within the Service Committee finance tables which they are "owned" by. The savings that are probably most pertinent to General Purposes Committee are outlined below.
- 4.7 **Organisational Structure Review (C/R6.102).** As part of the Transformation Programme the Council is exploring further ways that its officer structures can be reviewing in order to achieve savings and facilitate transformation. The savings referenced in this table are the overall targets for the Council, above and beyond the savings achieved through the Corporate Capacity Review. As specific proposals come forward for structure reviews, any resulting savings

will be applied to Service Committee budgets and the overall target remaining in these corporate tables will reduce accordingly.

- 4.8 **Citizen First, Digital First (C/R6.104 and C/R6.105).** General Purposes Committee has approved an Outline Business Case for this work at its meeting of 26 July 2016. This new approach to service redesign has been developed through the Transformation Programme. It involves the investment in a range of technology solutions that will enable us to ensure our digital presence is engaging and easy to use, and that we redesign our internal processes to be more efficient and more customer-focussed. At a recent workshop GPC Members were taken through an example of this work in action, redesigning the process of applying for and processing Blue Badges. A Community Impact Assessment for Citizen First, Digital First is included in Appendix X of this report. There are two budget lines relating to this saving, the first of which (C/R6.104) represents the savings which go towards the repayment of the borrowing costs associated with the capital funding which this project requires, and the second line (C/R6.105) which represents the remaining (net) savings that are achieved which contribute towards the Council's budget challenge.
- 4.9 **Total Transport (C/R6.110)** is an initiative to better understand the transport needs of communities and to use that knowledge to inform smarter commissioning of transport. This saving (and investment C/R5.102) relate specifically to a proposal around smarter commissioning of home to school transport using real-time data collected through smartcard technology. This data will inform proposals that will look to increase the efficiency of school transport in alignment with local needs and circumstances.

5. FEES AND CHARGES

- 5.1 General Purposes Committee is responsible for setting the fees and charges which relate to Corporate and LGSS Managed Services. The only charges which fall within these areas are those that relate to Blue Badges.
- 5.2 As part of last year's business planning process GPC undertook an extensive public consultation to determine the impact of charging the statutory maximum for Blue Badges (£10 for new applications and £10 for replacements). As a result these maximum charges apply this financial year and it is recommended that GPC confirm these charges will apply for the financial year beginning 1 April 2017.

6. NEXT STEPS

November	Service Committees will review draft proposals again, for recommendation to General Purposes Committee
December	General Purposes Committee will consider the whole draft Business Plan for the first time
January	General Purposes Committee will review the whole draft Business Plan for recommendation to Full Council
February	Full Council will consider the draft Business Plan

7. ALIGNMENT WITH CORPORATE PRIORITIES

7.1 Developing the local economy for the benefit of all

The Council's business planning process, which is represented in this report, is the core way the organisation plans to meet its corporate priorities with the resources available in the coming five years.

7.2 Helping people live healthy and independent lives

The Council's business planning process, which is represented in this report, is the core way the organisation plans to meet its corporate priorities with the resources available in the coming five years.

7.3 Supporting and protecting vulnerable people

The Council's business planning process, which is represented in this report, is the core way the organisation plans to meet its corporate priorities with the resources available in the coming five years.

8. SIGNIFICANT IMPLICATIONS

- 8.1 Report authors should evaluate significant implications using the questions detailed in the table below. Each specific implication must be signed off by the relevant Team within the Council before the report is submitted to Democratic Services.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Chris Malyon
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	N/A
Are there any Equality and Diversity implications?	Yes – which are set out in Community Impact Assessments included in Appendix B. Dan Thorp
Have any engagement and communication implications been cleared by Communications?	No Name of Officer:
Are there any Localism and Local Member involvement issues?	No N/A
Have any Public Health implications been cleared by Public Health	No Name of Officer:

Source Documents	Location
None	N/A

Section 4 - C: Corporate and Managed Services

October Committee

Table 3: Revenue - Overview

Budget Period: 2017-18 to 2021-22

Detailed Plans	Outline Plans
----------------	---------------

Ref	Title	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Transformation Workstream	Description
1	OPENING GROSS EXPENDITURE	20,041	15,619	13,137	7,771	-193		
C/R.1.001	Base Adjustments	-2,679	-	-	-	-		Adjustment for permanent changes to base budget from decisions made in 2016-17.
1.999	REVISED OPENING GROSS EXPENDITURE	17,362	15,619	13,137	7,771	-193		
2 C/R.2.001	INFLATION Inflation	242	254	283	351	389		Some County Council services have higher rates of inflation than the national level. For example, this is due to factors such as increasing running costs of Council properties. This overall figure comes from an assessment of likely inflation in all Corporate services. Forecast pressure from inflation, based on detailed analysis incorporating national economic forecasts, specific contract inflation and other forecast inflationary pressures.
2.999	Subtotal Inflation	242	254	283	351	389		
3 C/R.3.001	DEMOGRAPHY AND DEMAND Customer Services Demography	23	24	25	25	25		Increases in the number of older people in Cambridgeshire may see calls to our Contact Centre rise. This is above and beyond the 1.4% population growth that is accounted for Corporately and features later on in this table - see C/R4.007
3.999	Subtotal Demography and Demand	23	24	25	25	25		
4 C/R.4.005	PRESSURES Apprenticeship Levy	500	-	-	-	-		From April 2017, large employers, including the Council, will be required to pay a levy of 0.5% of their salary budget. This will provide Central Government with a pool of money to support apprenticeship schemes nationwide. This is the forecast cost for our Council.
C/R.4.006	Elections	-	-	-	-	-		Full County Council elections are held every four years across the whole country and are due again for this Council in May 2017. This figure (to be confirmed) is based on expected costs for 2017, and we will be rolling those costs forward on an annual basis to pay for the next elections in 2021.

Section 4 - C: Corporate and Managed Services

October Committee

Table 3: Revenue - Overview

Budget Period: 2017-18 to 2021-22

Detailed Plans	Outline Plans
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Ref	Title	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Transformation Workstream	Description
C/R.4.007	Demography	3,405	3,389	3,469	3,535	3,589		Cambridgeshire is the fastest growing county in the country, which means there is more demand for services. This figure reflects the financial impact of the predicted 1.4% population growth on service provision across the Council. Funding will be taken from this centrally held budget as and when services demonstrate there has been an impact on them due to population growth, which cannot be contained within their existing revenue budget.
C/R.4.008	Contract mitigation	-	1,500	500	-	-		The Transformation Programme includes some significant savings through contract renegotiation across the Council. These savings represent best case scenarios and as such a mitigating pressure has been included.
C/R.4.009	Professional and Management Pay Structure	19	-	-	-	-		The revised management band pay structure was implemented in October 2016. The revised pay grades will not be inflated during 2017-18, as the inflation funding was factored into the available funding for the new pay structure. This pressure replaces inflation and funds the additional cost of the new pay structure expected to be incurred in 2017-18.
C/R.4.010	Impact of National Living Wage (NLW) on CCC Employee Costs	-	-	1	4	4		The cost impact of the introduction of the National Living Wage (NLW) on directly employed CCC staff is minimal, due to a low number of staff being paid below the proposed NLW rates.
C/R.4.905	Increased Revenue Costs for Wide Area Network (WAN) Upgrades	63	-	-	-	-		To allow the public and staff to benefit from using smart technology, a number of Council sites require an increase in bandwidth to cope with the extra usage. This is part of the Council's drive to achieve greater efficiency through using technology.
C/R.4.906	Increased Revenue Costs for Wide Area Network (WAN) Upgrades in Libraries	123	-	-	-	-		To allow the public and staff to benefit from using smart technology, a number of library sites require an increase in bandwidth to cope with the extra usage. This is part of the Council's drive to achieve greater efficiency through using technology.
C/R.4.907	Corporate Office IT Assets	300	-	-	-	-	Commissioning	Due to the success of the Council's laptop rollout programme, the number of desktop PCs in scope for refresh has fallen. However not all areas are suitable for the use of laptops and desktop PCs in these areas will need to be updated in order to support the use of Windows 10 as the standard operating system for CCC. This funding will fund the ongoing purchase of new IT assets supporting the modernisation and transformation of the IT estate within CCC.
4.999	Subtotal Pressures	4,410	4,889	3,970	3,539	3,593		

Section 4 - C: Corporate and Managed Services

October Committee

Table 3: Revenue - Overview

Budget Period: 2017-18 to 2021-22

Detailed Plans	Outline Plans
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Ref	Title	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Transformation Workstream	Description
5	INVESTMENTS							
C/R.5.101	Project Support - Community Hubs	51	-29	-22	-	-	Assets, estates & facilities mgmt.	Transformation Fund investment for project support to explore the introduction of Community Hubs. This initiative potentially brings services, organisations and property together to better serve local needs while making savings through efficiencies. As it is in the early stage of development, savings have not yet been identified - but will be as a result of this investment in project resource.
C/R.5.102	Total Transport	37	-	-10	-27	-	Commissioning	Transformation Fund investment relating to proposal C/R.6.110. With a predicted saving of £450k. Total Transport is a project looking at delivering school transport in a better and more efficient way.
C/R.5.201	Transformation of Road Safety Services	35	-	-35	-	-	Commissioning	Transformation Fund investment relating to proposal B/R.6.212 saving £200k.
C/R.5.202	Move to full cost recovery for non-statutory highway works	50	-50	-	-	-	Commissioning	Transformation Fund investment relating to proposal B/R.6.213 which gives an expected saving of £200k per year from 2018/19. This project will ensure that the Council recovers all costs associated with additional non-statutory highway works.
C/R.5.301	Specialist Adult and Autism Support to increase independence	50	-50	-	-	-	Adults' services	Transformation Fund investment relating to proposal A/R.6.113 which will save £122k per year from 2018/19. This project will involve working with service users to develop skills as well as access to training and employment opportunities to increase independence. This in turn will reduce the need for social care support.
C/R.5.302	Using assistive technology to help people with learning disabilities live and be safe more independently without the need for 24hr or overnight care	186	-186	-	-	-	Adults' services	Transformation Fund investment relating to proposal A/R.6.116 saving £214k per year from 2017/18. We will identify appropriate equipment and smart technology to help people with disabilities be safe and live more independently. This will reduce the need for support for when people wake in the night.
C/R.5.303	Using assistive technology to support older people to remain independent in their own homes (approved)	110	-60	-50	-	-	Adults' services	Transformation Fund investment relating to proposal A/R.6.145 saving £597k per year from 2018/19. Investing in smart technology to help service users stay in their homes, independently, for longer. In this way we can reduce care spending overall while ensuring we make provision for those who cannot remain independent in their own homes.
C/R.5.304	Piloting a transformed model of Social Care - Applying Buurtzorg Principles	536	-536	-	-	-	Workforce planning & development	Transformation Fund investment to pilot a new and very different model of social care informed by innovative practice in different areas, including the successful Buurtzorg model developed in Holland. This would explore the benefits of practitioner led care in small local teams to meet individual needs.
C/R.5.305	Older Peoples Development Programme & Enhanced Occupational Therapy Support to reduce the need for extra care	195	-	-195	-	-	Adults' services	Transformation Fund investment relating to proposal A/R.6.165 saving £252k per year from 2017/18. based on an existing successful pilot scheme this would use Occupational Therapy to reduce the need for extra care.

Section 4 - C: Corporate and Managed Services

October Committee

Table 3: Revenue - Overview

Budget Period: 2017-18 to 2021-22

Detailed Plans	Outline Plans
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Ref	Title	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Transformation Workstream	Description
C/R.5.306	Direct Payments - Centralised Support	87	-87	-	-	-	- Finance & budget review	Transformation Fund investment relating to proposal A/R.6.101 saving £395k per year from 2017/18. This will ensure that budget allocations are proportionate to the needs of the user, and any underspends are recovered.
C/R.5.307	Care Plan Review Capacity - Learning Disabilities	346	-346	-	-	-	- Commissioning	Transformation Fund investment relating to proposal A/R.6.114 saving at least £2.3million in 2017/18 and additional substantial savings in subsequent years. This will focus on helping individuals to be independent and resilient through the Transforming Lives initiative. In the short term this may include more intensive support in order to reduce reliance on social care support in the future.
C/R.5.308	Care Plan Review Capacity - Physical Disabilities	109	-109	-	-	-	- Commissioning	Transformation Fund investment relating to proposal A/R.6.111 saving £791k in 2017/18 with a total saving of nearly £2.2million per year from 2020/21 onwards. The focus will be helping people lead independent lives through the Transforming Lives programme.
C/R.5.401	Enhanced intervention service for children with disabilities	120	-	-120	-	-	- Commissioning	Transformation Fund investment relating to proposal A/R.6.217 saving £696k from 2018/19 onwards per year. This will reduce the number of children with disabilities in out of county residential homes, to enable them to safely live with their family and access education in their local area.
C/R.5.402	Systemic family meetings to be offered at an earlier stage to increase the number of children being diverted from LAC placements	148	-37	-111	-	-	- Commissioning	Transformation Fund investment relating to proposal A/R.6.219 saving £611k per year from 2018/19 onwards. Change the referral criteria for systemic family meetings to take place with families at an earlier stage; at the point just before beginning a child protection plan. This would enable the Council to work with a larger group of 390 children at Child Protection Level, rather than 240 at Court Proceedings Level.
C/R.5.403	Link workers within Adult Mental Health Services	84	-21	-63	-	-	- Commissioning	Transformation Fund investment relating to proposal A/R.6.221 saving £480k per year from 2018/19. To keep families together wherever possible we will embed a Think Family approach in adult mental health services and increase access to preventative and early help services.
C/R.5.953	City Deal Revenue Costs	77	132	159	-	-	- Finance & budget review	City Deal revenue costs funded by the growth in New Homes Bonus.
5.999	Subtotal Investments	2,221	-1,379	-447	-27	-		
6	SAVINGS							
	GPC							
C/R.6.102	Organisational Structure Review [EI]	-2,000	-2,000	-	-	-	- Workforce planning & development	Ensuring that the Council's structures are as efficient and effective as possible, to meet the needs of our communities. This is part of an ongoing programme of organisational redesign.

Section 4 - C: Corporate and Managed Services

October Committee

Table 3: Revenue - Overview

Budget Period: 2017-18 to 2021-22

Detailed Plans	Outline Plans
----------------	---------------

Ref	Title	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Transformation Workstream	Description
C/R.6.103	Courier Contract	-35	-	-	-	-	Commissioning	A more efficient Council-wide postage service, has generated savings against courier costs.
C/R.6.104	Citizen First, Digital First - Repayment of financing costs	-56	-510	-3	-3	-3	Customer & communities	Investment in a range of technology solutions that will enable us to ensure that our digital presence is engaging and easy to use, to integrate our various existing IT systems, and enable the delivery of the Citizen First, Digital First strategy. This saving will repay the debt charges resulting from borrowing.
C/R.6.105	Citizen First, Digital First - Surplus to repayment of financing costs	-331	149	-115	-7	3	Customer & communities	Additional savings to C/R.6.104, after repayment of the debt charges resulting from borrowing to invest and enable the delivery of the Citizen First, Digital First strategy.
C/R.6.106	Reduction in costs on Redundancy, Pensions & Injury budget	-10	-10	-10	-10	-	Finance & budget review	Reduction in costs on Redundancy, Pensions & Injury budget, held within Corporate Services.
C/R.6.110	Total Transport	-103	-150	-150	-47	-	Commissioning	This is a specific project to use new technology that will inform the commissioning of home to school transport. Better data will enable proposals to come forward for more efficient commissioning of transport, that take into account local circumstances.
C/R.6.999	Cross Committee Unidentified Savings	-	-	-	-	-		Savings to be identified during future years' Business Planning processes.
6.999	Subtotal Savings	-2,535	-2,521	-278	-67	-		
	UNIDENTIFIED SAVINGS TO BALANCE BUDGET	-6,104	-3,749	-8,919	-11,785	-11,268		
	TOTAL GROSS EXPENDITURE	15,619	13,137	7,771	-193	-7,454		
7	FEES, CHARGES & RING-FENCED GRANTS							
C/R.7.001	Previous year's fees, charges & ring-fenced grants	-6,647	-6,650	-6,451	-6,453	-6,455		Previous year's fees and charges for the provision of services and ring-fenced grant funding rolled forward.
C/R.7.002	Increase in fees, charges & ring-fenced grants	-	-	-	-	-	Finance & budget review	Adjustment for changes to fees, charges & ring-fenced grants reflecting decisions made in 2016-17.
C/R.7.003	Fees and charges inflation	-3	-2	-2	-2	-2	Finance & budget review	Uplift in external charges to reflect inflation pressures on the costs of services.
C/R.7.201	Changes to fees & charges Change in Public Health Grant	-	201	-	-	-		Change in ring-fenced Public Health grant to reflect change of function and treatment as a corporate grant from 2018-19 due to removal of ring-fence.
7.999	Subtotal Fees, Charges & Ring-fenced Grants	-6,650	-6,451	-6,453	-6,455	-6,457		
	TOTAL NET EXPENDITURE	8,969	6,686	1,318	-6,648	-13,911		

Section 4 - C: Corporate and Managed Services

October Committee

Table 3: Revenue - Overview

Budget Period: 2017-18 to 2021-22

Detailed Plans	Outline Plans
----------------	---------------

Ref	Title	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Transformation Workstream	Description
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FUNDING SOURCES

8	FUNDING OF GROSS EXPENDITURE							
C/R.8.001	Budget Allocation	-8,969	-6,686	-1,318	6,648	13,911		Net spend funded from general grants, business rates and Council Tax. Funding transferred to Service areas where the management of Public Health functions will be undertaken by other County Council officers, rather than directly by the Public Health Team. Fees and charges for the provision of services.
C/R.8.002	Public Health Grant	-201	-	-	-	-		
C/R.8.003	Fees & Charges	-6,449	-6,451	-6,453	-6,455	-6,457		
8.999	TOTAL FUNDING OF GROSS EXPENDITURE	-15,619	-13,137	-7,771	193	7,454		

MEMORANDUM: SAVINGS / INCREASED INCOME

Savings	-2,535	-2,521	-278	-67	-
Unidentified savings to balance budget	-6,104	-3,749	-8,919	-11,785	-11,268
Changes to fees & charges	-	-	-	-	-
TOTAL SAVINGS / INCREASED INCOME	-8,639	-6,270	-9,197	-11,852	-11,268

COMMUNITY IMPACT ASSESSMENT

Directorate / Service Area		Officer undertaking the assessment
		Name: Owen Garling
Proposal being assessed		Job Title: Business Analyst
Citizen First, Digital First		Contact details: owen.garling@cambridgeshire.gov.uk
Business Plan Proposal Number (if relevant)		Date completed: 7 th October 2016
		Date approved:
Aims and Objectives of the Service or Function affected		
<p><i>A brief summary of the current service or arrangements in this area</i></p> <p>Citizen First, Digital First is Cambridgeshire County Council's strategy for engaging with the citizens of Cambridgeshire. The principle underpinning the Citizen First, Digital First strategy is that we will put Cambridgeshire's citizens at the heart of everything that we do.</p> <p>We will use this principle to transform the organisation 'from the outside in' by:</p> <ul style="list-style-type: none"> • Designing how we operate from the perspectives of our citizens and involving them in the design process; and • Using technology to support this approach. <p>This strategy will therefore affect all those services and functions across the organisation that currently engage with the citizens of Cambridgeshire.</p>		
What is the proposal?		

Describe what is changing and why

An Outline Business Case was taken to General Purposes Committee in July 2016 to request funding from the Transformation Programme to enable us to invest in the technology that will enable us to transform how we engage with our citizens and businesses. We are investing in this technology to ensure we are operating as efficiently as possible and to deliver some tangible improvements for our citizens.

The technology that we require will help us to:

1. **Ensure that our digital presence is engaging and easy to use** – if we want to become a truly digital organisation then we need to ensure that people will want to engage with us through our digital channels whether they want to complete a transaction with us, or are looking for information and advice. Equally, our digital channels will be the way in which we communicate and engage with the people of Cambridgeshire.

We therefore need to ensure that our digital services are so straightforward and convenient that all those who can use them will choose to do so, whilst those who cannot are not excluded.

2. **Integrate our systems** - To our customers we may appear to be an organisation that is embracing the opportunities that digital technologies present – for instance when they complete a form online to transact with us – but behind the scenes there is still a reliance on multiple systems leading to manual re-keying of information, hand-offs between services and duplication throughout the system.

We therefore want to invest in technology that will enable us to directly integrate our various systems, to both improve the customer experience of transacting with us, by providing quicker and clearer processes and enabling customers to track progress themselves, but also driving costs out from across the organisation by reducing the inefficiencies of our current fragmented approach.

Who will be affected by this proposal?

A proposal may affect everyone in the local authority area or alternatively it might affect specific groups or communities, please describe

- Whether the proposal covers all of Cambridgeshire or specific geographical areas
- Which particular service user groups would be affected
- Whether certain demographic groups would be affected more than others
- Any other information to describe specifically who would be affected

This proposal will affect everyone in the local authority area who engages with Cambridgeshire County Council, whether that be through transacting with the council or seeking advice and information.

The proposal will also affect those people in the local authority area who do not currently engage with Cambridgeshire County Council, but who we would like to engage with.

What positive impacts are anticipated from this proposal?

This proposal should make it easier for the citizens and businesses of Cambridgeshire to complete transactions with Cambridgeshire County Council by improving the customer experience. Improving the efficiency of our processes and integrating our IT systems will also mean that citizens' transactions are fulfilled more quickly.

This proposal should also make it easier for the citizens and businesses of Cambridgeshire to find the information that they need without having to make direct contact with Cambridgeshire County Council.

What negative impacts are anticipated from this proposal?

There is a possibility that some people in Cambridgeshire – such as those at risk of digital exclusion and those with low levels of digital literacy – may experience some barriers to engaging with Cambridgeshire County Council as a result of the proposed approach.

Work will be undertaken to reduce this possibility by:

- Always ensuring that services are designed from the outset specifically for those groups that need to access them taking into account any possible issues that they may have.
- Ensuring that there are channels in place – both face-to-face and by telephone – to support these groups.

Are there other impacts which are more neutral?

This might be where people receive a very different service or support from the local authority as a result of the proposal but this is not considered to be better or worse than before – just different.

Depending on the re-design process and the current customer experience, there may be some services where there is little direct impact on people. A clearer understanding of this will be developed through the design process.

Impacts on specific groups with protected characteristics

Specific consideration should be given as to whether the proposal has a particular or disproportionate impact on any of the groups listed below.

Please consider each characteristic and tick to indicate any where there will potentially be a disproportionate impact (positive or negative) from implementation of the proposal. Do not tick the boxes if the impact on these groups is the same as the impact on the community as a whole (described in the above sections)

Impact	Tick if disproportionate impact
Age	✓
Disability	✓
Gender reassignment	
Marriage and civil partnership	
Pregnancy and maternity	
Race	

Impact	Tick if disproportionate impact
Religion or belief	
Sex	✓
Sexual orientation	
Rural isolation	✓
Deprivation	✓

Details of Disproportionate Impacts on protected characteristics and how these will be addressed

If any of the boxes above have been ticked to indicate that people with the protected characteristics will be affected more than other people then use this section to describe that impact and any measures which will be put in place to mitigate those potential impacts

Evidence¹ indicates that:

- People over the age of 65 have a lower level of digital skills than other age groups;
- People with disabilities are less likely to have digital skills and capabilities;
- Women are likely to have lower levels of digital skills than men;
- People in rural areas have lower digital skills than people in suburban, urban and metropolitan areas with lower internet access a contributing factor; and
- Digital skills decrease as incomes fall, with 70 per cent of C2DEs having a Basic Online Skill level compared to 91 per cent of ABC1s.

Therefore there is a risk that these people may be disproportionately affected by taking an approach that puts digital first.

To mitigate that risk, work will be undertaken to:

- Always ensure that services are designed from the outset specifically for those groups that need to access them taking into account any possible issues that they may have in relation to barriers to use.
- Ensure that there are channels in place – both face-to-face and by telephone – to support these groups and enable them to access these services. These will be our Assisted Digital channels.
- Build on the work that is already undertaken in our communities to develop people's digital skills to enable them to benefit from the advantages – both in terms of engaging with Cambridgeshire County Council, but also the wider benefits – that being online will bring.
- Ensure that there is the appropriate digital infrastructure in Cambridgeshire.

¹ See https://goon-uk-prod.s3-eu-west-1.amazonaws.com/uploads/Basic%20Digital%20Skills_UK%20Report%202015_131015_FINAL.pdf and <https://www.gov.uk/government/publications/government-digital-inclusion-strategy/government-digital-inclusion-strategy>, accessed 7th October 2016

Version Control

Version no.	Date	Updates / amendments	Author(s)
0.1	7 th October 2017	Initial draft	Owen Garling

COMMUNITY IMPACT ASSESSMENT

Directorate / Service Area		Officer undertaking the assessment
ETE / Passenger Transport (Total Transport project)		Name: Toby Parsons
Proposal being assessed		Job Title: Transport Policy & Operational Projects Mgr
Roll-out of smartcards		Contact details: 01223 743787
Date completed: 12 October 2016		
Business Plan Proposal Number (if relevant)		Date approved:
Aims and Objectives of the Service or Function affected		
<p>This proposal is one specific part of the work that has been undertaken as part of the Total Transport project. This assessment is focused purely on the impact of the roll-out of smartcards.</p> <p>The Council has a statutory duty to provide transport for pupils travelling to school, if they meet certain national criteria. It is this function that is affected by the proposal.</p>		
What is the proposal?		
<p>In order to manage this service from an operational perspective, eligible pupils are issued with a pass for a particular route.</p> <p>The proposal is to replace existing “standard” passes with new smartcards. Each pupil would need to place their smartcard on a reader fitted on the bus whenever they board, in the same way that an Oyster card is used in London or a contactless bank card is presented (although the smartcards would not hold any stored value, just a confirmation of entitlement to travel).</p>		
Who will be affected by this proposal?		
<p>All pupils using mainstream school buses in Cambridgeshire would be affected.</p>		
What positive impacts are anticipated from this proposal?		
<p>The new system will allow the Council to collect accurate data about the number of pupils using specific services, which will assist in planning efficient networks.</p> <p>The proposal will also prevent “bus-hopping” (where pupils deliberately travel on the wrong vehicle) and may assist with managing behaviour.</p>		
What negative impacts are anticipated from this proposal?		

There are no negative impacts anticipated, as there are no changes proposed to eligibility or service delivery. The proposal is simply to update the type of pass issued, making better use of technology.

Are there other impacts which are more neutral?

No.

Impacts on specific groups with protected characteristics

Specific consideration should be given as to whether the proposal has a particular or disproportionate impact on any of the groups listed below.

Please consider each characteristic and tick to indicate any where there will potentially be a disproportionate impact (positive or negative) from implementation of the proposal. Do not tick the boxes if the impact on these groups is the same as the impact on the community as a whole (described in the above sections)

Impact	Tick if disproportionate impact
Age	
Disability	
Gender reassignment	
Marriage and civil partnership	
Pregnancy and maternity	
Race	

Impact	Tick if disproportionate impact
Religion or belief	
Sex	
Sexual orientation	
Rural isolation	
Deprivation	

Details of Disproportionate Impacts on protected characteristics and how these will be addressed

None.

Version Control

Version no.	Date	Updates / amendments	Author(s)
1	12 Oct 16	Created	Toby Parsons

DRAFT 2017-18 CAPITAL PROGRAMME AND CAPITAL PRIORITISATION

To: **General Purposes Committee**

Meeting Date: **25th October 2016**

From: **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 full draft Business Plan Capital Programme and results from the capital prioritisation process.**

Recommendation: **It is requested that the Committee:**

- a) Note the overview and context provided for the 2017-18 Capital Programme;**
- b) Note and comment on the results of the capital prioritisation process, taking into consideration the most up to date estimations for financing costs and the overall revenue position; and**
- c) Comment on the draft proposals for the full 2017-18 Capital Programme and endorse their development.**

<i>Officer contact:</i>	
Name:	Chris Malyon
Post:	Chief Finance Officer
Email:	chris.malyon@cambridgeshire.gov.uk
Tel:	01223 699796

1. CAPITAL STRATEGY

- 1.1 The Council strives to achieve its vision through delivery of its Business Plan. To assist in delivering the Plan the Council needs to provide, maintain and update long term assets (often referred to as 'fixed assets'), which are defined as those that have an economic life of more than one year. Expenditure on these long term assets is categorised as capital expenditure, and is detailed within the Capital Programme for the Council.
- 1.2 Each year the Council adopts a ten year rolling capital programme as part of the Business Plan. The very nature of capital planning necessitates alteration and refinement to proposals and funding during the planning period; therefore whilst the early years of the Business Plan provide robust, detailed estimates of schemes, the later years only provide indicative forecasts of the likely infrastructure needs and revenue streams for the Council.
- 1.3 This report forms part of the process set out in the Capital Strategy whereby the Council updates, alters and refines its capital planning over an extended planning period. New schemes have been developed by Services and all existing schemes have been reviewed and updated as required before being presented to the Capital Programme Board and subsequently Service Committees in September for further review and development.
- 1.4 An Investment Appraisal of each capital scheme (excluding committed schemes and schemes with 100% ring-fenced funding) has also been undertaken / revised in order to determine a prioritisation score, which allows schemes within and across all Services to be ranked and prioritised against each other, in light of the finite resources available to fund the overall Programme and in order to ensure the schemes included within the Programme are aligned to assist the Council with achieving its outcomes.

2. DEVELOPMENT OF THE 2017-18 CAPITAL PROGRAMME

- 2.1 Prioritisation of schemes (where applicable) has been reviewed individually by Service Committees in September, alongside the addition, revision and update of schemes. Once the prioritisation of schemes across the whole programme has been reviewed by GPC as part of this report, firm spending plans will be considered by Service Committees in November. GPC will then review the final overall programme in November/December, in particular regarding the overall levels of borrowing and financing costs, before recommending the programme in January as part of the overarching Business Plan for Full Council to consider in February.
- 2.2 The introduction of the Transformation Fund for the 2017-18 planning process has not impacted on the funding sources available to the Capital Programme as any Invest to Save or Earn schemes will continue to be funded over time by the revenue payback they produce via savings or increased income. This is the most financially sensible option for the Council due to the ability to borrow money for capital schemes and defray the cost of that expenditure to the Council over the life of the asset. However, if a scheme is transformational, then it should also move through the governance process agreed for the Transformation Delivery Model, in line with all other transformational schemes, but without any funding request to the Transformation Fund.
- 2.3 There are several schemes in progress where work is underway to develop the scheme, however they are either not sufficiently far enough forward to be able to include any capital estimate within the Business Plan, or a draft set of figures have been included but they are, at this stage, highly indicative. The following are the three main schemes that this applies to:
 - The Adult's Committee considered the Older People's Accommodation Strategy earlier in 2016. As discussed at that time, the Council has identified that there is a shortfall in the availability of affordable care home beds within Cambridgeshire and this is likely to have a

growing impact on price levels and care provision over the medium and longer term. As part of a range of responses to the needs identified within the Strategy, the Council has been exploring where greater intervention by the local authority in the supply of care home beds may be economic in the years ahead.

After preliminary work and investigations, the Council has engaged independent consultants to prepare a Business Case outlining and appraising options and sensitivities for the Council in securing increased delivery of affordable care home beds. The options considered include utilisation of the Council's assets (principally land) and could lead onto significant requests for capital funding.

Both the Adults and Assets & Investment Committee are due to consider the full proposal for next steps, after the consultants review has reported in October 2016. At this point, it is too early to include a capital funding request for the immediate future, however this will be kept in review until the Business Plan is agreed in February, and as options are selected and the next stages are scheduled.

- Developing a single multi-skilled service offer that is based in communities continues to be a key plank of both the library and children centres transformation programmes. This is also believed to be an appropriate vehicle for supporting the Council's approach to community resilience. A significant amount of work has been undertaken to date in assessing potential demand for services and considering how these initial core services could be integrated. There has however been a slight delay in the programme in order to provide the opportunity for the new Director of Children's Social Care to undertake a service review of the strengths and development needs of that Department. Given the critical nature of this service, on the most vulnerable in our communities, it was important that the approach to community hubs aligned to the outcomes of that service review.

The Service Director has undertaken this review and is now setting out the future vision for that service that includes an assessment of the universal service offer that can be provided from within the community hubs. This proposal will be coming to Members in the Autumn and the implementation programme of this service transformation and the community hubs programme will brought together to create a single delivery plan.

- The Council is in the fortunate position of continuing to be a major landowner in Cambridgeshire and this provides an asset capable of generating both revenue and capital returns. This will, however, require the Council to move from being a seller of sites to being a developer of sites, through a Housing Company. In the future, the Council will operate to make best use of sites with development potential in a co-ordinated and planned manner to develop them for a range of development options. This will generate capital receipts to support site development and create significant revenue and capital income to support services and communities.

The Assets & Investment Committee have agreed to the creation of a Special Purpose Vehicle, which has now been established, and work is ongoing regarding the workstreams associated with this. Previously approved projects are being progressed by the Council, ahead of the Company becoming fully operational. A comprehensive 10-year pipeline of development projects has now been identified and a capital funding request has therefore been included in the Draft Business Plan, although the figures are still being refined with the initial projections expected to be confirmed during Autumn 2016.

3. REVENUE IMPLICATIONS

- 3.1 All capital schemes can have a potential two-fold impact on the revenue position, relating to the cost of borrowing through interest payments and repayment of principal and the ongoing

revenue costs or benefits of the scheme. Conversely, not undertaking schemes can also have an impact via needing to provide alternative solutions, such as Home to School Transport (e.g. transporting children to schools with capacity rather than investing in capacity in oversubscribed areas).

- 3.2 The Council is required by the Chartered Institute of Public Finance and Accountancy's (CIPFA's) Prudential Code for Capital Finance in Local Authorities 2011 to ensure that it undertakes borrowing in an affordable and sustainable manner. In order to ensure that it achieves this, GPC recommends an advisory limit on the annual financing costs of borrowing (debt charges) over the life of the Plan. In order to afford a degree of flexibility from year to year, changes to the phasing of the limit is allowed within any three-year block (starting from 2015-16), so long as the aggregate limit remains unchanged.
- 3.3 For the 2017-18 Business Plan, GPC has agreed that this should equate to the level of revenue debt charges as set out in the 2014-15 Business Plan for the next five years (restated to take into account the change to the Minimum Revenue Policy agreed by GPC in January 2016), and limited to around £39m annually from 2019-20 onwards.

4. SUMMARY OF THE DRAFT CAPITAL PROGRAMME

- 4.1 Following on from September service committees, the revised draft Capital Programme is as follows (please see **Appendix C** for the full programme):

Service Block	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	Later Yrs £'000
Children, Families and Adults	86,014	75,389	64,498	65,800	30,308	121,305
Economy, Transport and Environment	63,986	27,243	26,112	20,928	21,660	31,901
Public Health	-	-	-	-	-	-
Assets and Investment Committee	94,564	32,474	-3,340	3,158	5,983	-118,176
Corporate and Managed Services	1,541	4,491	460	460	460	-
LGSS Operational	-	-	-	-	-	-
Total	246,105	139,597	87,730	90,346	58,411	35,030

- 4.2 This is anticipated to be funded by the following resources:

Funding Source	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	Later Yrs £'000
Grants	80,564	55,017	35,122	35,619	33,140	83,699
Contributions	46,551	25,611	30,625	24,645	5,700	46,750
Capital Receipts	2,020	11,125	2,769	6,615	6,330	11,465
Borrowing	16,564	12,854	28,354	18,570	16,287	59,601
Borrowing (Repayable)*	100,406	34,990	-9,140	4,897	-3,046	-166,485
Total	246,105	139,597	87,730	90,346	58,411	35,030

* Repayable borrowing nets off to zero over the life of each scheme and is used to bridge timing gaps between delivery of a scheme and receiving other funding to pay for it.

4.3 The following table shows how each Service's borrowing position has changed since the 2016-17 Capital Programme was set:

Service Block	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	Later Yrs £'000
Children, Families and Adults	6,383	5,400	1,549	9,596	21,180	-1,588	1,494
Economy, Transport and Environment	-6,557	-11,397	-362	80	-2,895	-6,588	-895
Public Health	-	-	-	-	-	-	-
Corporate and Managed Services / Assets and Investments Committee*	-11,190	64,057	-17,131	-45,472	-15,261	-5,347	-16,437
LGSS Operational	-1,104	-	-	-	-	-	-
Corporate and Managed Services – relating to general capital receipts	5,416	205	-8,591	-42	498	-208	-4,529
Total	-7,052	58,265	-24,535	-35,838	3,522	-13,731	-20,367

* Assets and Investments Committee schemes were previously contained within Corporate and Managed Services and therefore in order to calculate the change, these two areas have been amalgamated in the above table.

4.4 The table below categorises the reasons for these changes:

Reasons for change in borrowing	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	Later Yrs £'000
New	592	3,196	2,275	2,125	2,225	3,125	12,300
Removed/Ended	-9,308	1,044	85	-85	-85	0	0
Minor Changes/Rephasing*	-2,175	188	2,793	2,143	250	250	604
Increased Cost (includes rephasing)	-3,147	8,378	3,248	17,565	10,331	-6,239	1,314
Reduced Cost (includes rephasing)**	-2,208	90,471	-8,181	-47,267	-15,432	-4,811	-45,981
Change to other funding (includes rephasing)	9,194	-5,034	-5,082	-1,813	16,186	2,066	-3,050
Variation Budget	0	-39,978	-19,673	-8,506	-9,953	-8,122	14,446
Total	-7,052	58,265	-24,535	-35,838	3,522	-13,731	-20,367

*This does not off-set to zero across the years because the rephasing also relates to pre-2016-17.

**This includes rephasing of the Housing schemes

4.5 Since the September committees, there has been some movement regarding the levels of borrowing included within the above figures, mainly relating to:

- Increased cost for Grove Primary (£0.2m)
- Increased cost for Burwell Primary (£0.3m)
- Increased cost for Sawtry Infants (£0.9m)
- Increased cost for St Ives, Eastfield / Westfield / Wheatfields (£4.0m)
- Increased cost for Histon Additional Places (£10.0m)
- Increased cost for Cambridge City secondary places (£2.5m), matched by increased funding from insurance payment
- Reduced cost for Cambourne Village College (-£0.4m)
- Change in funding for Melbourn Primary for additional developer contributions (-£1.3m)
- Rephasing of 3 school schemes

- Update to the general capital receipts figure (-£7.3m)

4.6 The revised levels of borrowing result in the following overall levels of financing costs:

Financing Costs	2017-18 £m	2018-19 £m	2019-20 £m	2020-21 £m	2021-22 £m
2016-17 agreed BP	38.0	40.5	42.1	42.1	-
2016-17 agreed BP RESTATED	29.3	32.4	34.6	35.3	-
2017-18 draft BP	30.4	36.8	38.9	40.0	41.5
CHANGE (+) increase / (-) decrease	1.1	4.4	4.3	4.7	41.5

4.7 Although the debt charges have increased, this is in part off-set by income generation (interest payments) from the housing schemes. The change in the net debt charges position, taking this income into account, is as follows:

Financing Costs	2017-18 £m	2018-19 £m	2019-20 £m	2020-21 £m	2021-22 £m
CHANGE (+) increase / (-) decrease	1.1	4.4	4.3	4.7	41.5
Housing income	-3.5	-8.7	-2.0	0.7	-0.2
CHANGE (+) increase / (-) decrease	-2.4	-4.3	2.3	5.3	41.3

4.8 Invest to Save / Earn schemes are excluded from the advisory financing costs limit – the following table therefore compares revised net financing costs excluding these schemes. In order to afford a degree of flexibility from year to year, the limit is reviewed over a three-year period – based on the revised programme, the advisory limit is not exceeded for either of these 3 year blocks.

Financing Costs	2015-16 £m	2016-17 £m	2017-18 £m	2018-19 £m	2019-20 £m0	2020-21 £m
2017-18 draft BP (net figures excluding Invest to Save / Earn schemes)	34.1	32.8	26.9	24.5	24.4	25.9
Recommend limit	30.3	35.3	36.8	37.9	38.6	39.2
HEADROOM	3.8	-2.5	-9.9	-13.4	-14.2	-13.3
Recommend limit (3 years)	102.4			115.7		
HEADROOM (3 years)	-8.6			-40.9		

4.9 Although the limit hasn't been exceeded, the Business Plan is still under review and as such adjustments to schemes and phasing will continue over the next two to three months. However, as there is significant headroom available, it is not expected that any further revisions will cause a breach of the advisory limit.

5. CAPITAL PRIORITISATION

5.1 An Investment Appraisal of each capital scheme (excluding schemes with 100% ring-fenced funding) is undertaken / revised as part of the Investment Proposal, which allows the scheme to be scored against a weighted set of criteria such as strategic fit, business continuity, joint working, investment payback and resource use (see **Appendix A** for criteria). Schemes that are already committed (i.e. where the asset is already part constructed, or we have entered into a commitment to incur expenditure) are not subsequently scored; nor are schemes that are fully funded by non-borrowing resources.

- 5.2 This process allows schemes within and across all Services to be ranked and prioritised against each other, in light of the finite resources available to fund the overall Programme and in order to ensure the schemes included within the Programme are aligned to assist the Council with achieving its targeted priority outcomes. A summary of results for all scored schemes (excludes committed and fully funded schemes) is included in **Appendix B**.
- 5.3 It should be noted that it is difficult to score a lot of the school schemes for use of non-borrowing funding, as the allocation of Basic Need / Capital Maintenance grants and prudential borrowing is often arbitrary and could in theory be moved around.
- 5.4 The table below ranks the scored schemes in order of priority, and provides detail of cost and borrowing figures. For further detail on flexibility of timing of spend or alternative methods of delivery (which is particularly helpful with regard to assessing the school schemes) please see the full table in **Appendix C**.

Priority Score (/100)	Class	Service Area	Ref	Title	Total Scheme Cost £000	Total Prudential Borrowing £000	Net Revenue Impact* £000
65	Invest to Save	A&I	F/C.2.240	Housing Schemes	2,830	480	TBC
54	Statutory	CFA	A/C.01.046	Sawston Primary	2,830	480	-
54	Statutory	CFA	A/C.01.050	March new primary	8,770	1,092	-
54	Statutory	CFA	A/C.01.052	NIAB 2nd primary	10,950	2,635	-
54	Statutory	CFA	A/C.01.053	Robert Arkenstall Primary	500	-	-
54	Statutory	CFA	A/C.01.054	Wilburton Primary	500	-	-
54	Statutory	CFA	A/C.01.055	Benwick Primary	500	-	-
54	Statutory	CFA	A/C.05.001	School Condition, Maintenance & Suitability	25,750	1,043	-
53	Other	ETE	B/C.3.001	Highways Maintenance including Footways and Signals	90,000	87,011	-
52	Statutory	CFA	A/C.01.051	Wisbech new primary	8,770	2,344	-
52	Statutory	CFA	A/C.10.001	Temporary Accommodation	14,000	1,233	-
51	Statutory	CFA	A/C.01.042	Harston Primary	500	190	-
51	Statutory	CFA	A/C.01.043	Littleport 3rd primary	5,000	2,014	-
49	Statutory	CFA	A/C.01.038	Westwood Junior	2,190	240	-
49	Statutory	CFA	A/C.01.047	Fourfields Phase 2	2,300	-	-
49	Statutory	CFA	A/C.02.012	Cromwell Community College	3,700	-	-
49	Statutory	CFA	A/C.02.013	St. Neots secondary	10,940	700	-
48	Statutory	CFA	A/C.01.039	Wytton Primary	6,453	3,979	-

48	Invest to Save	A&I	F/C.2.114	MAC Joint Highways Depot	5,198	398	-183
46	Statutory	CFA	A/C.01.044	Loves Farm primary	10,020	7,020	-
46	Statutory	CFA	A/C.12.005	Integrated Community Equipment Service	13,000	13,000	-
45	Statutory	CFA	A/C.02.011	Additional secondary capacity to serve March & Wisbech	23,000	18,115	-
45	Statutory	CFA	A/C.08.003	SEN Pupil Adaptations	750	750	-
44	Statutory	CFA	A/C.01.033	St Ives, Eastfield / Westfield / Wheatfields	7,000	4,832	-
44	Statutory	CFA	A/C.01.040	Alconbury 1st primary	2,780	445	-
44	Statutory	CFA	A/C.01.057	Northstowe 3rd primary	11,900	6,950	-
44	Statutory	CFA	A/C.01.058	Chatteris new primary	8,725	-	-
44	Statutory	ETE	B/C.3.012	Waste - Cambridge Area Growth	8,183	5,580	-
43	Statutory	CFA	A/C.01.036	Pendragon, Papworth	3,500	2,050	-
43	Statutory	CFA	A/C.01.056	Alconbury 2nd primary	10,050	2,272	-
43	Statutory	CFA	A/C.02.009	Alconbury secondary	38,000	8,179	-
43	Statutory	A&I	F/C.2.111	Shire Hall	6,209	3,786	-
43	Statutory	A&I	F/C.2.112	Building Maintenance	6,000	6,000	-
42	Statutory	CFA	A/C.01.061	Gamlingay First	3,000	3,000	-
40	Statutory	CFA	A/C.01.041	Barrington	3,790	2,910	-
40	Statutory	CFA	A/C.01.060	Wyton	10,000	2,250	-
36	Statutory	CFA	A/C.02.014	Northstowe secondary	11,640	8,308	-
35	Statutory	CFA	A/C.01.049	Northstowe 2nd primary	11,250	8,500	-
34	Other	CFA	A/C.11.002	Cambridgeshire Alternative Education Service Minor Works	180	20	-
33	Other	CFA	A/C.09.001	Site Acquisition, Development, Analysis and Investigations	650	150	-
32	Statutory	CFA	A/C.01.037	Chatteris new Places	7,825	7,369	-
30	Other	CS	C/C.2.006	CPSN Replacement	5,500	5,500	-
28	Statutory	A&I	F/C.2.113	Equality Act Works in Corporate Offices	200	200	-
27	Other	ETE	B/C.3.108	New Community Hub/ Library Service Provision Darwin Green	340	41	-
26	Invest to Save	CS	C/C.2.007	Citizen First, Digital First	3,546	3,546	-2,455

25	Other	A&I	F/C.2.103	Local Plans - representations	4,284	3,656	-
24	Other	CFA	A/C.08.002	Trinity School, Wisbech base	4,000	4,000	-
19	Invest to Save	A&I	F/C.2.101	County Farms investment (Viability)	4,104	3,682	-3,116
16	Invest to Save	A&I	F/C.2.119	Energy Efficiency Fund	1,000	1,000	-550
12	Other	CFA	A/C.12.002	Provider Services and Accommodation Improvements	2,845	1,141	-

6. NEXT STEPS

6.1 The following amendments are expected to be made before the Service Capital Programmes are presented to Service committees again in November:

- Updates to the housing schemes as the model is continuously being revised and updated.
- Updates to the forecast capital receipts figures in light of significant changes as a result of the housing schemes, and other factors.

7. ALIGNMENT WITH CORPORATE PRIORITIES

7.1 Developing the local economy for the benefit of all

For detail on significant implications within this category, please see the September Service Committee reports.

7.2 Helping people live healthy and independent lives

For detail on significant implications within this category, please see the September Service Committee reports.

7.3 Supporting and protecting vulnerable people

For detail on significant implications within this category, please see the September Service Committee reports.

8. SIGNIFICANT IMPLICATIONS

8.1 Resource Implications

The report above is entirely concerned with resource issues and the significant implications are included throughout the report.

8.2 Statutory, Risk and Legal Implications

For detail on significant implications within this category, please see the September Service Committee reports.

8.3 Equality and Diversity Implications

There are no significant implications within this category.

8.4 Engagement and Consultation Implications

The significant engagement and consultation implications will be addressed as part of the overarching Business Planning Process.

8.5 Localism and Local Member Involvement

There are no significant implications within this category.

8.6 Public Health Implications

There are no significant implications within this category.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Chris Malyon
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	N/A Fiona McMillan
Are there any Equality and Diversity implications?	N/A Dan Thorp
Have any engagement and communication implications been cleared by Communications?	N/A Mark Miller
Are there any Localism and Local Member involvement issues?	N/A Mark Miller
Have any Public Health implications been cleared by Public Health	N/A

Source Documents	Location
2016-17 Business Plan	http://www.cambridgeshire.gov.uk/info/20043/finance_and_budget/90/business_plan_2016_to_2017
September Service Committee reports; General Purposes Committee	https://cmis.cambridgeshire.gov.uk/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/183/Committee/2/Default.aspx
Adults Committee	https://cmis.cambridgeshire.gov.uk/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/138/Committee/3/Default.aspx
Children and Young People Committee	https://cmis.cambridgeshire.gov.uk/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/160/Committee/4/Default.aspx
Economy and Environment Committee	https://cmis.cambridgeshire.gov.uk/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/177/Committee/5/Default.aspx
Highways and Community Infrastructure Committee	https://cmis.cambridgeshire.gov.uk/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/196/Committee/7/Default.aspx
Assets & Investment Committee	https://cmis.cambridgeshire.gov.uk/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/466/Committee/31/Default.aspx

Appendix A: Criteria and Weighting

Criteria	Explanation	Weighting
Strategic:		
1. Meets Outcome & Enablers	Based on the number of Outcomes and Enablers that the project meets	12
2. Bold Economic Investment	A Bold Economic Investment is a major scheme of importance in Cambridge and Cambridgeshire, particularly in respect to economic growth	15
Risk Management / Continuity of Service:		
3. Complies with Asset Management Strategy	Projects in accordance with the KEY asset management principles detailed in the Cambridgeshire Public Sector Asset Management Strategy adopted by CCC Cabinet 25 October 2011	5
4. Urgency of investment in order to meet statutory obligations (e.g. Accessibility, Health & Safety, Education Act, NHS and Community Care Act, etc.)	Projects that will help to meet and address a statutory obligation, including Health and Safety and emergency repairs	15
5. Mitigating current / avoiding future business interruption, including service delivery	Based on the level of risk from failure to implement the project and mitigate current business / service interruption or risk of future interruption	10
Promotes Partnership / Joint Working:		
6. External, cross-cutting partnership benefits - with public, private or voluntary sector	Projects to be carried out in partnership with other agencies or departments	5
Adequacy of Planning:		
7. Business Case	The more detailed plans are available, the more likely that the project will be delivered to specification, timetable and budget.	4
Financial:		
8. Life of the Asset	Based on the life of the asset that will be created by the project	7
9. Value for money - produces revenue savings / generates revenue income	Where investment in the project qualifies as an Invest to Save or Invest to Earn Initiative, a measure of the estimated revenue savings / income generation (including impact on debt charges of any capital receipts)	15
10. Is part or fully funded from either externally generated resources (e.g. grants) or capital receipts from disposals	Based on the proportion of funding for the project from non-borrowing sources	12
Total		100

Appendix B: Capital Investment Appraisals

Summary of Scores

Ref	Title	Capital Scheme Category	(1) Meets Outcomes & Enablers 12/100	(2) Bold Economic Investment 15/100	(3) Asset Management Strategy 5/100	(4) Statutory Obligation 15/100	(5) Business Interruption / Risk 10/100	(6) Partnership Benefits 5/100	(7) Business Case 4/100	(8) Asset Life 7/100	(9) Value for Money 15/100	(10) Non- borrowing Funding 12/100	Total Score 100/100
A/C.01.033	St Ives, Eastfield / Westfield / Wheatfield	CFA - Basic Need - Primary	8	0	5	10	0	0	2	7	0	12	44
A/C.01.036	Pendragon, Papworth	CFA - Basic Need - Primary	8	0	5	10	5	0	2	7	0	6	43
A/C.01.037	Chatteris new Places	CFA - Basic Need - Primary	8	0	5	10	0	0	2	7	0	0	32
A/C.01.038	Westwood Junior	CFA - Basic Need - Primary	8	0	5	10	5	0	2	7	0	12	49
A/C.01.039	Wyton Primary	CFA - Basic Need - Primary	8	0	5	10	10	0	2	7	0	6	48
A/C.01.040	Alconbury 1st primary	CFA - Basic Need - Primary	8	0	5	10	0	0	2	7	0	12	44
A/C.01.041	Barrington	CFA - Basic Need - Primary	8	0	5	10	5	0	2	7	0	3	40
A/C.01.042	Harston Primary	CFA - Basic Need - Primary	8	0	5	10	10	0	2	7	0	9	51
A/C.01.043	Littleport 3rd primary	CFA - Basic Need - Primary	8	0	5	10	10	0	2	7	0	9	51
A/C.01.044	Loves Farm primary	CFA - Basic Need - Primary	8	0	5	10	10	0	2	7	0	4	46
A/C.01.046	Sawston Primary	CFA - Basic Need - Primary	8	0	5	10	10	0	2	7	0	12	54
A/C.01.047	Fourfields Phase 2	CFA - Basic Need - Primary	8	0	5	10	5	0	2	7	0	12	49
A/C.01.049	Northstowe 2nd primary	CFA - Basic Need - Primary	8	0	5	5	5	0	2	7	0	3	35
A/C.01.050	March new primary	CFA - Basic Need - Primary	8	0	5	10	10	0	2	7	0	12	54
A/C.01.051	Wisbech new primary	CFA - Basic Need - Primary	8	0	5	10	10	0	2	7	0	10	52
A/C.01.052	NIAB 2nd primary	CFA - Basic Need - Primary	8	0	5	10	10	0	2	7	0	12	54
A/C.01.053	Robert Arkenstall Primary	CFA - Basic Need - Primary	8	0	5	10	10	0	2	7	0	12	54
A/C.01.054	Wilburton Primary	CFA - Basic Need - Primary	8	0	5	10	10	0	2	7	0	12	54
A/C.01.055	Benwick Primary	CFA - Basic Need - Primary	8	0	5	10	10	0	2	7	0	12	54
A/C.01.056	Alconbury 2nd primary	CFA - Basic Need - Primary	8	0	5	5	5	0	2	7	0	11	43
A/C.01.057	Northstowe 3rd primary	CFA - Basic Need - Primary	8	0	5	5	5	0	2	7	0	12	44
A/C.01.058	Chatteris new primary	CFA - Basic Need - Primary	8	0	5	10	0	0	2	7	0	12	44
A/C.01.060	Wyton	CFA - Basic Need - Primary	8	0	5	5	10	0	2	7	0	3	40
A/C.01.061	Gamlingay First	CFA - Basic Need - Primary	8	0	5	10	10	0	2	7	0	0	42
A/C.02.009	Alconbury secondary	CFA - Basic Need - Secondary	8	0	5	5	5	0	2	7	0	11	43
A/C.02.011	Additional secondary capacity to serve	CFA - Basic Need - Secondary	8	0	5	10	10	0	2	7	0	3	45
A/C.02.012	Cromwell Community College	CFA - Basic Need - Secondary	8	0	5	10	5	0	2	7	0	12	49
A/C.02.013	St. Neots secondary	CFA - Basic Need - Secondary	8	0	5	10	5	0	2	7	0	12	49
A/C.02.014	Northstowe secondary	CFA - Basic Need - Secondary	8	0	5	5	5	0	2	7	0	4	36
A/C.05.001	School Condition, Maintenance & Suitability	CFA - Condition & Maintenance	8	0	5	15	5	0	2	7	0	12	54
A/C.08.002	Trinity School, Wisbech base	CFA - Specialist Provision	12	0	5	0	0	0	0	7	0	0	24
A/C.08.003	SEN Pupil Adaptations	CFA - Specialist Provision	12	0	5	15	10	0	0	3	0	0	45
A/C.09.001	Site Acquisition, Development, Analysis	CFA - Site Acquisition & Development	8	0	5	0	0	0	2	7	0	11	33
A/C.10.001	Temporary Accommodation	CFA - Temporary Accommodation	8	0	5	15	5	0	2	5	0	12	52
A/C.11.002	Cambridgeshire Alternative Education Services	CFA - Children Support Services	8	0	5	0	0	0	2	7	0	12	34
A/C.12.005	Integrated Community Equipment Services	CFA - Adult Social Care	12	0	0	15	10	5	4	0	0	0	46
B/C.3.001	Highways Maintenance including Footways	ETE - Infrastructure Management & Maintenance	12	15	5	0	10	0	4	7	0	0	53
B/C.3.012	Waste - Cambridge Area Growth	ETE - Infrastructure Management & Maintenance	4	0	5	10	10	5	0	5	0	5	44
B/C.3.108	New Community Hub/ Library Service	ETE - Infrastructure Management & Maintenance	0	0	5	0	5	5	0	0	0	12	27
C/C.2.006	CPSN Replacement	CS - Managed Services	12	0	0	0	10	5	0	3	0	0	30
C/C.2.007	Citizen First, Digital First	CS - Corporate Services	12	0	5	0	0	0	4	0	5	0	26
F/C.2.101	County Farms investment (Viability)	A&I - Assets & Investments	4	0	0	0	0	5	0	5	5	0	19

Ref	Title	Capitla Scheme Category	(1) Meets Outcomes & Enablers 12/100	(2) Bold Economic Investment 15/100	(3) Asset Managemet Strategy 5/100	(4) Statutory Obligation 15/100	(5) Business Interruption / Risk 10/100	(6) Partnership Benefits 5/100	(7) Business Case 4/100	(8) Asset Life 7/100	(9) Value for Money 15/100	(10) Non- borrowing Funding 12/100	Total Score 100/100
F/C.2.103	Local Plans - representations	A&I - Assets & Investments	8	0	5	0	0	5	0	7	0	0	25
F/C.2.111	Shire Hall	A&I - Assets & Investments	8	0	5	15	10	0	0	5	0	0	43
F/C.2.112	Building Maintenance	A&I - Assets & Investments	8	0	5	15	10	0	0	5	0	0	43
F/C.2.113	Equality Act Works in Corporate Offices	A&I - Assets & Investments	8	0	0	15	0	0	0	5	0	0	28
F/C.2.114	MAC Joint Highways Depot	A&I - Assets & Investments	12	0	0	0	5	5	2	7	5	12	48
F/C.2.119	Energy Efficiency Fund	A&I - Assets & Investments	4	0	0	0	0	0	0	7	5	0	16
F/C.2.240	Housing Schemes	A&I - Assets & Investments	12	15	5	0	5	5	4	7	0	12	65

Appendix C: Capital Investment Appraisals

Prioritised List of Schemes

Priority Score (/100)	Class	Service Area	Ref	Title	Total Scheme Cost £000	Total Prudential Borrowing £000	Flexibility in Phasing	Alternative Methods of Delivery
F	Fully Funded	CFA	A/C.01.034	St Neots, Wintringham Park.	8,850	60		-
F	Fully Funded	CFA	A/C.07.001	School Devolved Formula Capital	11,610	-		-
F	Fully Funded	CFA	A/C.12.001	Strategic Investments	866	-		-
F	Fully Funded	CFA	A/C.12.004	Disabilities Facilities Grant	19,318	-		-
F	Fully Funded	CFA	A/C.13.001	Variation Budget	-37,263	-37,263		-
F	Fully Funded	ETE	B/C.1.002	Air Quality Monitoring	100	-		-
F	Fully Funded	ETE	B/C.1.009	Major Scheme Development & Delivery	1,000	-		-
F	Fully Funded	ETE	B/C.1.011	Local Highway Improvements (includes Accessibility & New Paths)	3,410	-		-
F	Fully Funded	ETE	B/C.1.012	Safety Schemes	2,970	-		-
F	Fully Funded	ETE	B/C.1.015	Strategy and Scheme Development work	1,725	-		-
F	Fully Funded	ETE	B/C.1.019	Promoting Economic Growth - Delivering Strategy Aims	7,426	-		-
F	Fully Funded	ETE	B/C.2.001	Carriageway & Footway Maintenance including Cycle Paths	47,704	-		-
F	Fully Funded	ETE	B/C.2.002	Rights of Way	700	-		-
F	Fully Funded	ETE	B/C.2.004	Strengthening of Bridges to carry 40 tonne loading	12,820	-		-
F	Fully Funded	ETE	B/C.2.005	Traffic Signal Replacement	4,300	-		-
F	Fully Funded	ETE	B/C.2.006	Smarter Travel Management - Integrated Highways Management Centre	1,000	-		-
F	Fully Funded	ETE	B/C.2.007	Smarter Travel Management - Real Time Bus Information	825	-		-
F	Fully Funded	ETE	B/C.4.021	Abbey - Chesterton Bridge	4,600	-		-
F	Fully Funded	ETE	B/C.4.022	Cycling City Ambition Fund	8,152	-		-
F	Fully Funded	ETE	B/C.4.028	A14	25,200	-		-
F	Fully Funded	ETE	B/C.4.031	Growth Deal - Wisbech Access Strategy	1,000	-		-
F	Fully Funded	ETE	B/C.6.001	Variation Budget	-29,005	-29,005		-
F	Fully Funded	CS	C/C.3.001	Variation Budget	-1,853	-1,853		-
F	Fully Funded	A&I	F/C.3.001	Variation Budget	-3,665	-3,665		-
C	Committed	CFA	A/C.01.007	Huntingdon Primary	2,521	1,784		-
C	Committed	CFA	A/C.01.008	Isle of Ely Primary	16,426	7,802		-

Priority Score (/100)	Class	Service Area	Ref	Title	Total Scheme Cost £000	Total Prudential Borrowing £000	Flexibility in Phasing	Alternative Methods of Delivery
C	Committed	CFA	A/C.01.012	Alconbury 1st primary	10,200	465		Home to School Transport - It may be possible to transport children from the development to other schools. However there is not capacity within one school and therefore a number of Home to School transport routes would be created at an additional revenue cost. This isn't a sustainable option as alternative schools do not have limitless space and future investment in receiving schools would be needed to be able to accommodate children from Alconbury Airfield Development.
C	Committed	CFA	A/C.01.013	Fourfields Yaxley	1,312	1,059		-
C	Committed	CFA	A/C.01.014	Grove Primary	1,710	1,680		Temporary Accommodation - Intake has been 2 form entry reception for three academic years, revised demographics indicate 2 form entry at the Grove is required into the foreseeable future. In addition, pre-school provision has been accommodated within the school and therefore a 3 classroom extension will be needed by September 16 to accommodate the older age children as they move through the school. This would only be a short term solution if met by temporary accommodation.
C	Committed	CFA	A/C.01.018	Northstowe 1st primary	11,300	195		- There are no further alternative methods of delivery. The Basic Need obligation is already breached within Ely with children being placed across all schools in the city. The school is opening as a temporary site in September 2014 before the building is completed in September 2015.
C	Committed	CFA	A/C.01.019	Westwood Primary	2,830	2,375	This scheme has replaced All Saints in March, which has created flexibility. This scheme manages the statutory obligation present for Key Stage 1; a further development is planned for Westwood Juniors to create Key Stage 2 capacity.	-

Priority Score (/100)	Class	Service Area	Ref	Title	Total Scheme Cost £000	Total Prudential Borrowing £000	Flexibility in Phasing	Alternative Methods of Delivery
C	Committed	CFA	A/C.01.020	Bearcroft primary	9,350	1,245	Limited flexibility in the timescales; the new housing development is planned and currently CCC is already breaching the Basic Need obligation as children are being transported to Huntingdon schools as there is no capacity within Godmanchester.	Home to School Transport - The current arrangement of transporting children could remain in place, however this creates a significant revenue expense. Within a short timeframe Huntingdonshire schools will also be full and additional capacity would be required.
C	Committed	CFA	A/C.01.021	North West Cambridge (NIAB site) primary	10,751	508	It is possible that there could be flexibility in the timescales of delivering this build, however these are hinged on the University completing the build of their new primary close by. This build is out of CCC's control.	Other - If the school on the University site is completed to the stated timescales, there is a possibility that places at this school will relieve the pressure for new places in the immediate future, however this school is outside the control of CCC and therefore this would be a high risk strategy and would also have huge reputational consequences for CCC.
C	Committed	CFA	A/C.01.022	Burwell Primary	6,724	6,265		-
C	Committed	CFA	A/C.01.024	Clay Farm / Showground primary	12,543	1,743		Home to School Transport - Possibility to delay the build and transport children to other school across if there is capacity. However, any capacity would quickly be used and expansion of the school would be required.
C	Committed	CFA	A/C.01.025	Fordham Primary	4,128	3,259	A solution will need to be found as within 2 years there will be a significant breach of our obligation to provide school places in Fordham.	Home to School Transport;#Other - There are two possible alternatives. Pupils could be transported to other schools across the area, however there are already capacity issues in many of these so there would not be a single alternative. There would be a revenue consequence and this is only a short term solution. The expansion of The Shade in Soham could be advanced; this would create additional capacity and provision within the area. However, this could have an impact on capital borrowing and debt charges.
C	Committed	CFA	A/C.01.026	Little Paxton Primary	3,512	2,281		-

Priority Score (/100)	Class	Service Area	Ref	Title	Total Scheme Cost £000	Total Prudential Borrowing £000	Flexibility in Phasing	Alternative Methods of Delivery
C	Committed	CFA	A/C.01.027	Ramnoth Primary expansion	7,340	5,514	There are Basic Need issues which will be breached and these are already being addressed through temporary provision at the Thomas Clarkson school site. The project has been deferred for 1 year as a free school proposal is being developed which may see CCC make a contribution to the costs.	Temporary Accommodation;#Other - Temporary accommodation is being provided on the Clarkson site; this will be continued as the project has been deferred for 1 year due to a free school proposal which is being developed and may see CCC make a contribution to the costs.
C	Committed	CFA	A/C.01.028	Fulbourn Phase 2	5,895	336	Outline Planning approved for new development in the area, if this doesn't materialise there may possible be some scope to move the project backwards in capital plan	-
C	Committed	CFA	A/C.01.029	Sawtry Infants	6,592	3,788		-
C	Committed	CFA	A/C.01.030	Sawtry Junior	2,300	120		-
C	Committed	CFA	A/C.01.031	Hatton Park	5,330	1,850		Home to School Transport - Temporary accommodation is already in existence and capacity issues already identified. Possibly be able to transport children to other school locally, huge revenue impact and only shifts pressure on a temporary basis.
C	Committed	CFA	A/C.01.032	Meldreth	2,900	100		-
C	Committed	CFA	A/C.01.035	The Shade Primary	2,713	2,132		-
C	Committed	CFA	A/C.01.045	Melbourn Primary	4,160	835		-
C	Committed	CFA	A/C.01.048	Histon Additional Places	16,000	10,674	There is limited capacity beyond the current timescales. currently there is a temporary solution to the capacity issues within the infant school. This solution is on the Junior school site.	Temporary Accommodation - Temporary accommodation is already in place and will meet the current capacity issues, but is not a long term solution and may not be sufficient if pupil numbers increase further.
C	Committed	CFA	A/C.02.003	Littleport secondary	41,526	33,103		Home to School Transport - Currently additional places have been provided in Ely to meet demand of Littleport and Ely developments. Children transported from Littleport.
C	Committed	CFA	A/C.02.004	Bottisham Village College	12,700	7,768		-
C	Committed	CFA	A/C.02.006	Northstowe secondary	25,251	9,046		-
C	Committed	CFA	A/C.02.007	North West Fringe secondary	22,900	2,483		-
C	Committed	CFA	A/C.02.008	Cambridge City secondary	18,350	9,956		-
C	Committed	CFA	A/C.02.010	Cambourne Village College	10,062	961		-
C	Committed	CFA	A/C.03.001	Orchard Park Primary	1,000	789		-

Priority Score (/100)	Class	Service Area	Ref	Title	Total Scheme Cost £000	Total Prudential Borrowing £000	Flexibility in Phasing	Alternative Methods of Delivery
C	Committed	CFA	A/C.03.003	LA maintained Early Years Provision	4,442	3,565	The increasing birth rates and the Funded 2's initiative has created a urgency for places in some areas	Temporary Accommodation - A number of schemes already are or have been planned as temporary buildings. This solves the initial problem, however planning permission is finite and these temporary solutions will need replacing in the future.
C	Committed	CFA	A/C.04.001	Hauxton Primary	1,061	268		-
C	Committed	CFA	A/C.04.004	Morley Memorial Primary	3,000	1,460		-
C	Committed	CFA	A/C.08.001	Trinity School Hartford, Huntingdon	5,059	4,942	The current building is in poor condition and is at risk of OFSTED deeming it unsuitable and it being closed.	Home to School Transport;#Other - The Trinity School has two other bases at Wisbech and Foxton. It may be possible to transport individuals, however this would have an increased revenue impact and it is likely it would be provided by taxis as children would come from various addresses. Other possibility would be that if CCC had no provision, an out of county solution could be found - but again, at a significant revenue cost.
C	Committed	CFA	A/C.11.001	Children's Minor Works and Adaptions	100	35		-
C	Committed	CFA	A/C.11.003	CFA Buildings & Capital Team Capitalisation	2,250	2,250		-
C	Committed	CFA	A/C.11.005	CFA Management Information System IT Infrastructure	3,000	3,000	Limited due to existing contracts ending in 2016/17	Reduced Quality / Scope of Project -
C	Committed	ETE	B/C.3.101	Development of Archives Centre premises	4,200	4,200	TNA's deadline has already passed and the Council has committed to delivering the new building as soon as possible, therefore the timing is only constrained by the project timetable.	Temporary Accommodation;#Removing 'Future Proofing' - It is imperative to find alternative accommodation for the Archive service to replace accommodation in Shire Hall, but if this project did not go ahead we would attempt to find alternative temporary accommodation. Given the size of the archives and their specialist requirements it is likely to be difficult to find a suitable building at significantly lower cost, and would still leave the problem of the long term future. We are already looking to reduce fit out of the additional space required for 'future proofing' the building in order to reduce costs.

Priority Score (/100)	Class	Service Area	Ref	Title	Total Scheme Cost £000	Total Prudential Borrowing £000	Flexibility in Phasing	Alternative Methods of Delivery
C	Committed	ETE	B/C.3.103	Library Service essential maintenance and infrastructure renewal	562	562	There could be some flexibility in the timing of funding to replace, but it is important that at least a proportion of the PC estate is upgraded every 3-4 years.	-
C	Committed	ETE	B/C.3.107	New Community Hub / Library Provision Clay Farm	827	261	This project has already started in terms of design and legal work. Building contract will be awarded in early 2014 and it is expected that the bulk of expenditure will be in 2014/15, with the building due to open in summer 2015. Costs have been estimated as 66% in 2014/15 and 33% in 2015/16, but it is possible some expenditure will be required earlier in 2013/14.	-
C	Committed	ETE	B/C.4.001	Ely Crossing	36,000	6,706		-
C	Committed	ETE	B/C.4.006	Guided Busway	148,886	15,665		-
C	Committed	ETE	B/C.4.014	Huntingdon West of Town Centre Link Road	9,116	-		-
C	Committed	ETE	B/C.4.017	Cambridge Cycling Infrastructure	5,103	-		-
C	Committed	ETE	B/C.4.023	King's Dyke	13,580	2,080		-
C	Committed	ETE	B/C.4.024	Soham Station	6,700	4,700		-
C	Committed	ETE	B/C.5.002	Investment in Connecting Cambridgeshire	30,500	16,515		-
C	Committed	CS	C/C.1.001	Essential CCC Business Systems Upgrade	300	300	No flexibility	-
C	Committed	CS	C/C.2.108	Community Hubs - Sawston	1,309	1,270		-
65	Invest to Save	A&I	F/C.2.240	Housing Schemes	-	-		-
54	Statutory	CFA	A/C.01.046	Sawston Primary	2,830	480		-
54	Statutory	CFA	A/C.01.050	March new primary	8,770	1,092		-
54	Statutory	CFA	A/C.01.052	NIAB 2nd primary	10,950	2,635		-
54	Statutory	CFA	A/C.01.053	Robert Arkenstall Primary	500	-		-
54	Statutory	CFA	A/C.01.054	Wilburton Primary	500	-		-
54	Statutory	CFA	A/C.01.055	Benwick Primary	500	-		-
54	Statutory	CFA	A/C.05.001	School Condition, Maintenance & Suitability	25,750	1,043		-
53	Other	ETE	B/C.3.001	Highways Maintenance including Footways and Signals	90,000	87,011	N/A	- N/A
52	Statutory	CFA	A/C.01.051	Wisbech new primary	8,770	2,344		-
52	Statutory	CFA	A/C.10.001	Temporary Accommodation	14,000	1,233		-
51	Statutory	CFA	A/C.01.042	Harston Primary	500	190		-
51	Statutory	CFA	A/C.01.043	Littleport 3rd primary	5,000	2,014		-

Priority Score (/100)	Class	Service Area	Ref	Title	Total Scheme Cost £000	Total Prudential Borrowing £000	Flexibility in Phasing	Alternative Methods of Delivery
49	Statutory	CFA	A/C.01.038	Westwood Junior	2,190	240		Temporary Accommodation - Temporary buildings are already on site.
49	Statutory	CFA	A/C.01.047	Fourfields Phase 2	2,300	-		-
49	Statutory	CFA	A/C.02.012	Cromwell Community College	3,700	-		-
49	Statutory	CFA	A/C.02.013	St. Neots secondary	10,940	700		-
48	Statutory	CFA	A/C.01.039	Wyton Primary	6,453	3,979	This school is currently passed its economic life for the construction type used. The school and CCC has maintained the school well, however estimates to fix defects run were around £6m. Therefore it is felt a replacement on the same site would be advantageous. Due to the on-going maintenance, it is important to undertake the work quickly to ensure the currently places are sustainable.	Other - Initially it has been hoped that the school could be combined within the new development proposed for Wyton, unfortunate the timing is not compatible.
48	Invest to Save	A&I	F/C.2.114	MAC Joint Highways Depot	5,198	398		Reduced Quality / Scope of Project - Quality: Existing depots have to be used, resulting in a lower-quality depot, with restricted functionality being provided. The location of which may not be as appropriate for all stakeholders. Output: Outputs would be reduced - particularly around delivering capital receipts/redevelopment sites. Outputs associated with running cost savings would also be reduced/removed, as would efficiencies/savings through co-location and joint working, as the ability to deliver these would be reduced. Value for money: Whilst saving capital investment, in the long-term revenue costs would be higher, and joint working/co-location opportunities less, with a resulting negative impact on service delivery. Revenue costs: Running costs are likely to be higher than if the proposal was developed. Overall costs to the Council: Whilst capital costs would be less, capital receipts would be negatively affected, as would running costs, there is a cost of reputational damage to the Council if statutory obligations are reduced due to revenue budget pressures.
46	Statutory	CFA	A/C.01.044	Loves Farm primary	10,020	7,020		-

Priority Score (/100)	Class	Service Area	Ref	Title	Total Scheme Cost £000	Total Prudential Borrowing £000	Flexibility in Phasing	Alternative Methods of Delivery
46	Statutory	CFA	A/C.12.005	Integrated Community Equipment Service	13,000	13,000	None	-
45	Statutory	CFA	A/C.02.011	Additional secondary capacity to serve March & Wisbech	23,000	18,115		-
45	Statutory	CFA	A/C.08.003	SEN Pupil Adaptations	750	750	Timing will be reactive to placement of child, this will be on an individual basis.	Other - If Cambridgeshire is unable to provide school places in main stream settings, an alternative would be specialist provision in county which would mean increased transport cost, or an out of county placement which would increase revenue costs extensively.
44	Statutory	CFA	A/C.01.033	St Ives, Eastfield / Westfield / Wheatfields	7,000	4,832		-
44	Statutory	CFA	A/C.01.040	Alconbury 1st primary	2,780	445		-
44	Statutory	CFA	A/C.01.057	Northstowe 3rd primary	11,900	6,950		-
44	Statutory	CFA	A/C.01.058	Chatteris new primary	8,725	-		-
44	Statutory	ETE	B/C.3.012	Waste - Cambridge Area Growth	8,183	5,580		-
43	Statutory	CFA	A/C.01.036	Pendragon, Papworth	3,500	2,050		Home to School Transport - It may be possible to transport children from the development to other schools, depending on capacity. A number of Home to School transport routes may need to be created at an additional revenue cost. This isn't a sustainable option as alternative schools do not have limitless space.
43	Statutory	CFA	A/C.01.056	Alconbury 2nd primary	10,050	2,272		-
43	Statutory	CFA	A/C.02.009	Alconbury secondary	38,000	8,179		Home to School Transport - Plans are in place to provide early need in secondary places in other Cambridgeshire schools within the region.
43	Statutory	A&I	F/C.2.111	Shire Hall	6,209	3,786		-
43	Statutory	A&I	F/C.2.112	Building Maintenance	6,000	6,000		-
42	Statutory	CFA	A/C.01.061	Gamlingay First	3,000	3,000	Scheme is in response to outlined planning permission approval. Therefore this scheme will be dependent on the timescales of the development.	Temporary Accommodation -
40	Statutory	CFA	A/C.01.041	Barrington	3,790	2,910		-
40	Statutory	CFA	A/C.01.060	Wyton	10,000	2,250		-
36	Statutory	CFA	A/C.02.014	Northstowe secondary	11,640	8,308		Home to School Transport - Transport children, at a revenue expense, to schools across Cambridgeshire with capacity at the time.
35	Statutory	CFA	A/C.01.049	Northstowe 2nd primary	11,250	8,500		-

Priority Score (/100)	Class	Service Area	Ref	Title	Total Scheme Cost £000	Total Prudential Borrowing £000	Flexibility in Phasing	Alternative Methods of Delivery
34	Other	CFA	A/C.11.002	Cambridgeshire Alternative Education Service Minor Works	180	20		-
33	Other	CFA	A/C.09.001	Site Acquisition, Development, Analysis and Investigations	650	150		-
32	Statutory	CFA	A/C.01.037	Chatteris new Places	7,825	7,369		-
30	Other	CS	C/C.2.006	CPSN Replacement	5,500	5,500	No flexibility	-
28	Statutory	A&I	F/C.2.113	Equality Act Works in Corporate Offices	200	200		-
27	Other	ETE	B/C.3.108	New Community Hub/ Library Service Provision Darwin Green	340	41		-
26	Invest to Save	CS	C/C.2.007	Citizen First, Digital First	3,546	3,546		-
25	Other	A&I	F/C.2.103	Local Plans - representations	4,284	3,656	The timing of the development of allocated sites is very flexible but it is essential that consultations on Local Plans are responded to in the required time frames or the opportunities are invariably lost for some 3-5 years. Once a site is allocated it makes sense to secure a planning consent as soon as is practical unless market conditions are such that development is unviable, although even then the Council may take the view that it was to stimulate economic growth.	-
24	Other	CFA	A/C.08.002	Trinity School, Wisbech base	4,000	4,000	Currently the Trinity school operates out of a rented, converted warehouse in Wisbech. The cost of renting is £40,000 pa and this is being funded by CCC. The school converted to academy 1st July 2016 and is run by TBAP. There is a legal responsibility on CCC to seek a permanent solution for the school. Currently a review is being undertaken by CCC strategy and estates to identify property or land which could support the requirements of the school.	Home to School Transport - The Trinity School has two other bases at St Neots and Foxton. It may be possible to transport individuals, however this would have an increased revenue impact and it is likely it would be provided by taxis as children would come from various addresses. Other possibility would be that if CCC had no provision, an out of county solution could be found - but again, at a significant revenue cost.
19	Invest to Save	A&I	F/C.2.101	County Farms investment (Viability)	4,104	3,682		-
16	Invest to Save	A&I	F/C.2.119	Energy Efficiency Fund	1,000	1,000		-
12	Other	CFA	A/C.12.002	Provider Services and Accommodation Improvements	2,845	1,141		-

Section 4 - A: Children, Families and Adults Services

Table 4: Capital Programme

Budget Period: 2017-18 to 2026-27

Summary of Schemes by Start Date	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000
Ongoing	40,306	15,024	3,012	3,004	3,435	3,220	2,861	9,750
Committed Schemes	294,888	129,608	77,157	55,095	27,549	5,097	382	-
2017-2018 Starts	35,290	231	5,315	7,900	9,069	4,640	1,635	6,500
2018-2019 Starts	52,278	-	530	8,500	10,475	25,373	7,400	-
2019-2020 Starts	51,620	-	-	890	13,900	25,470	7,130	4,230
2020-2021 Starts	5,300	-	-	-	70	1,600	1,830	1,800
2021-2022 Starts	21,250	-	-	-	-	400	8,050	12,800
2022-2023 Starts	22,580	-	-	-	-	-	1,020	21,560
2023-2024 Starts	31,590	-	-	-	-	-	-	31,590
2024-2025 Starts	33,075	-	-	-	-	-	-	33,075
TOTAL BUDGET	588,177	144,863	86,014	75,389	64,498	65,800	30,308	121,305

Summary of Schemes by Category	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000
Basic Need - Primary	294,490	72,718	50,013	39,149	30,821	14,199	12,195	75,395
Basic Need - Secondary	218,069	45,540	27,650	30,006	28,580	46,831	13,802	25,660
Basic Need - Early Years	5,442	3,501	841	880	120	100	-	-
Adaptations	4,061	1,419	1,650	900	92	-	-	-
Condition & Maintenance	25,750	3,250	2,500	2,500	2,500	2,500	2,500	10,000
Building Schools for the Future	-	-	-	-	-	-	-	-
Schools Managed Capital	11,610	1,926	1,076	1,076	1,076	1,076	1,076	4,304
Specialist Provision	9,809	4,961	248	150	150	150	150	4,000
Site Acquisition & Development	650	300	150	100	100	-	-	-
Temporary Accommodation	14,000	1,500	1,500	1,500	1,500	1,500	1,500	5,000
Children Support Services	5,530	1,995	1,595	295	295	270	270	810
Adults' Services	36,029	7,753	5,354	4,929	4,929	4,929	1,450	6,685
Capital Programme Variation	-37,263	-	-6,563	-6,096	-5,665	-5,755	-2,635	-10,549
TOTAL BUDGET	588,177	144,863	86,014	75,389	64,498	65,800	30,308	121,305

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	Committee
A/C.01 A/C.01.007	Basic Need - Primary Huntingdon Primary	Expansion of 3 classrooms, £2,521 Basic Need requirement 90 places		Committed	2,521	2,450	71	-	-	-	-	-	C&YP

Section 4 - A: Children, Families and Adults Services

Table 4: Capital Programme

Budget Period: 2017-18 to 2026-27

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	
A/C.01.008	Isle of Ely Primary	New 3 form entry school with 52 Early Years provision: £10,626k Basic Need requirement 630 places £800k Temporary Provision £1,500k Early Years Basic Need 52 places £3,500k Highways works and access work to school site		Committed	16,426	16,150	276	-	-	-	-	-	- C&YP
A/C.01.012	Alconbury Weald 1st primary	New 2 form entry school (with 3 form entry infrastructure) with 52 Early Years provision (Phase 1): £8,700k Basic Need requirement 420 places £1,500k Early Years Basic Need 52 places		Committed	10,200	10,040	160	-	-	-	-	-	- C&YP
A/C.01.013	Fourfields, Yaxley	Expansion of 3 classrooms: £1,312k Basic Need requirement 90 places		Committed	1,312	1,278	34	-	-	-	-	-	- C&YP
A/C.01.014	Grove Primary	Expansion of 3 classrooms: £1,460k Basic Need requirement 90 places £250k Asbestos Works		Committed	1,710	1,668	42	-	-	-	-	-	- C&YP
A/C.01.018	Northstowe 1st primary	New 3 form entry school with 52 Early Years provision: £8,300k Basic Need requirement 630 places £1,500k Early Years Basic Need 52 places £1,500k Community facilities - Children's Centre		Committed	11,300	10,864	436	-	-	-	-	-	- C&YP
A/C.01.019	Westwood Primary	Expansion of 3 classrooms with 52 Early Years provision: £1,530k Basic Need requirement 90 places £1,300k Early Years Basic Need 52 places		Committed	2,830	2,771	59	-	-	-	-	-	- C&YP
A/C.01.020	Bearcroft primary (Godmanchester Bridge)	New 1.5 form entry school (with 2 form entry core facilities) with 52 Early Years provision: £7,150k Basic Need requirement 315 places £2,200k Early Years Basic Need 52 places		Committed	9,350	4,927	4,100	323	-	-	-	-	- C&YP
A/C.01.021	North West Cambridge (NIAB site) primary	New 2 form entry school with 52 Early Years provision: £7,851k Basic Need requirement 420 places £1,700k Early Years Basic Need 52 places £1,200k Community facilities - Children's Centre		Committed	10,751	585	100	6,600	3,300	166	-	-	- C&YP
A/C.01.022	Burwell Primary	Expansion of 210places: £6,724k Basic Need requirement 210 places		Committed	6,724	4,186	2,500	38	-	-	-	-	- C&YP
A/C.01.024	Clay Farm / Showground primary	New 3 form entry school with 52 Early Years provision £10,843k Basic Need requirement 210 places £1,700k Early Years Basic Need 52 places		Committed	12,543	5,320	7,000	223	-	-	-	-	- C&YP
A/C.01.025	Fordham Primary	Expansion from 1 to 2 form entry school / replacement of temporary buildings: £4,128k Basic Need requirement 210 places		Committed	4,128	2,845	1,250	33	-	-	-	-	- C&YP
A/C.01.026	Little Paxton Primary	Expansion from 1 to 2 form entry school / replacement of temporary buildings: £3,512k Basic Need requirement 210 places		Committed	3,512	2,058	1,300	154	-	-	-	-	- C&YP
A/C.01.027	Ramnoth Primary expansion	Expansion of 12 classrooms: £7,340k Basic Need requirement 300 places		Committed	7,340	2,024	5,100	216	-	-	-	-	- C&YP

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Table 4: Capital Programme

Budget Period: 2017-18 to 2026-27

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	
A/C.01.028	Fulbourn Phase 2	Expansion of 4 classrooms: £5,895k Basic Need requirement 120 places		Committed	5,895	420	3,800	1,500	175	-	-	-	C&YP
A/C.01.029	Sawtry Infants	Expansion of 3 classrooms with 26 Early Years provision: £4,992k Basic Need requirement 90 places £1,600k Early Years Basic Need 26 places		Committed	6,592	400	3,900	2,100	192	-	-	-	C&YP
A/C.01.030	Sawtry Junior	Extension of 4 classrooms to complete 1 form entry expansion: £2,300k Basic Need requirement 120 places		Committed	2,300	120	1,300	850	30	-	-	-	C&YP
A/C.01.031	Hatton Park	Expansion of 1 form of entry: £5,330k Basic Need requirement 210 places		Committed	5,330	1,600	3,510	220	-	-	-	-	C&YP
A/C.01.032	Meldreth	Expansion to 1 form of entry: £2,900k Basic Need requirement		Committed	2,900	100	800	1,900	100	-	-	-	C&YP
A/C.01.033	St Ives, Eastfield / Westfield / Wheatfields	Expansion of 1 form of entry: £7,000k Basic Need requirement 210 places		2017-18	7,000	231	3,600	3,000	169	-	-	-	C&YP
A/C.01.034	St Neots, Wintringham Park.	New 1 form entry (with 3 form entry infrastructure) with 52 Early Years provision: £7,210k Basic Need requirement 210 places £1,640k Early Years Basic Need 52 places		2017-18	8,850	-	15	250	5,400	3,000	185	-	C&YP
A/C.01.035	The Shade Primary	Expansion of 2 forms of entry (Phase 2): £2,713k Basic Need requirement 210 places		Committed	2,713	2,181	480	52	-	-	-	-	C&YP
A/C.01.036	Pendragon, Papworth	Expansion of 1 form of entry: £3,500 Basic Need requirement		2017-18	3,500	-	150	1,900	1,350	100	-	-	C&YP
A/C.01.037	Chatteris New Places	New 1 form of entry School with 26 Early Years places: £7,000k Basic Need requirement 210 places £ 825k Early Years		2018-19	7,825	-	230	4,700	2,725	170	-	-	C&YP
A/C.01.038	Westwood Primary	Expansion from 3 to 4 form entry school / replacement of temporary buildings: £2,190k Basic Need requirement 120 places		2017-18	2,190	-	100	1,300	700	90	-	-	C&YP
A/C.01.039	Wyton Primary	New replacement 1 form entry school: £6,453k Basic Need requirement 210 places		2018-19	6,453	-	200	3,300	2,750	203	-	-	C&YP
A/C.01.040	Ermine Street, Alconbury	Expansion to 3 form entry school (Phase 2): £2,780k Basic Need requirement 210 places		2019-20	2,780	-	-	140	1,600	950	90	-	C&YP
A/C.01.041	Barrington	Expansion to 1 form of entry: £3,790k Basic Need requirement		2019-20	3,790	-	-	150	2,000	1,500	140	-	C&YP
A/C.01.042	Harston Primary	Expansion / development required; waiting for the outcome of a feasibility report to confirm numbers: £500k Basic Need requirement		2019-20	500	-	-	20	300	170	10	-	C&YP

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Budget Period: 2017-18 to 2026-27

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	
A/C.01.043	Littleport 3rd primary	New 1 form entry school (with 2 form entry infrastructure) (Phase 1): £4,250k Basic Need requirement 210 places £750k Early Years Basic Need 26 places		2019-20	5,000	-	-	180	3,200	1,550	70	-	C&YP
A/C.01.044	Loves Farm primary	New 2 form entry school: £10,020k Basic Need requirement 315 places		2019-20	10,020	-	-	300	6,200	3,300	220	-	C&YP
A/C.01.045	Melbourn Primary	Expansion of 2 classrooms: £4,160k Basic Need requirement 60 places		Committed	4,160	150	1,500	2,300	210	-	-	-	C&YP
A/C.01.046	Sawston Primary	Extension of 4 classrooms to complete 1 form entry expansion: £2,830k Basic Need requirement 120 places		2019-20	2,830	-	-	-	100	1,000	1,600	130	C&YP
A/C.01.047	Fourfields Phase 2	Extension of 4 classrooms to complete 1 form entry expansion: £2,300k Basic Need requirement 120 places		2020-21	2,300	-	-	-	70	1,500	730	-	C&YP
A/C.01.048	Histon Additional Places	Expansion of 1 form of entry within Histon area: £16,000k Basic Need requirement 210 places		Committed	16,000	350	8,000	7,400	250	-	-	-	C&YP
A/C.01.049	Northstowe 2nd primary	New 2 form entry school with 52 Early Years provision and community facilities: £9,990k Basic Need requirement 420 places £1,260k Early Years Basic Need 52 places		2021-22	11,250	-	-	-	-	400	7,750	3,100	C&YP
A/C.01.050	March new primary	New 1 form entry school (Phase 1): £8,770k Basic Need requirement 210 places		2023-24	8,770	-	-	-	-	-	-	8,770	C&YP
A/C.01.051	Wisbech new primary	New 1 form entry school; this is to be an on-going review: £8,770k Basic Need requirement 210 places		2023-24	8,770	-	-	-	-	-	-	8,770	C&YP
A/C.01.052	NIAB 2nd primary	New 2 form entry school with 52 Early Years provision and community facilities: £7,950k Basic Need requirement 420 places £1,500k Early Years Basic Need 52 places £1,500k Community facilities - Children's Centre		2024-25	10,950	-	-	-	-	-	-	10,950	C&YP
A/C.01.053	Robert Arkenstall Primary	Expansion of 1 classroom: £500k Basic Need requirement 30 places		2024-25	500	-	-	-	-	-	-	500	C&YP
A/C.01.054	Wilburton Primary	Expansion from 4 to 5 classrooms / replacement of temporary building: £500k Basic Need requirement 30 places		2024-25	500	-	-	-	-	-	-	500	C&YP
A/C.01.055	Benwick Primary	Expansion from 3 to 5 classrooms / replacement of temporary buildings: £500k Basic Need requirement 60 places		2024-25	500	-	-	-	-	-	-	500	C&YP
A/C.01.056	Alconbury Weald 2nd primary	New 2 form entry school with 52 Early Years provision and community facilities: £8,528k Basic Need requirement 420 places £1,522k Early Years Basic Need 52 places		2023-24	10,050	-	-	-	-	-	-	10,050	C&YP

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Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	
A/C.01.057	Northstowe 3rd primary	New 2 form entry school with 52 Early Years provision and community facilities: £10,567k Basic Need requirement 420 places £1,333k Early Years Basic Need 52 places		2024-25	11,900	-	-	-	-	-	-	11,900	C&YP
A/C.01.058	Chatteris new primary	New 1 form entry school with 26 Early Years provision: £7,875k Basic Need requirement 210 places £850k Early Years Basic Need 26 places		2024-25	8,725	-	-	-	-	-	-	8,725	C&YP
A/C.01.060	Wyton New School	New 2 form entry school: £10,000k Basic Need requirement 420 places		2021-22	10,000	-	-	-	-	-	300	9,700	C&YP
A/C.01.061	Gamlingay First	Extension of 4 classrooms to complete 1 form entry expansion: £3,000k Basic Need requirement 120 places		2020-21	3,000	-	-	-	-	100	1,100	1,800	C&YP
	Total - Basic Need - Primary				294,490	72,718	50,013	39,149	30,821	14,199	12,195	75,395	
A/C.02	Basic Need - Secondary												
A/C.02.003	Littleport secondary and special	New 4 form entry school (with 5 form entry core facilities) with new SEN school and 52 Early Years provision: £28,026k Basic Need requirement 600 places £1,500k Early Years Basic Need 26 places £12,000k SEN 110 places		Committed	41,526	34,082	7,000	444	-	-	-	-	C&YP
A/C.02.004	Bottisham Village College	Expansion to 10 form entry school: £12,700k Basic Need requirement 150 places		Committed	12,700	1,520	8,000	2,800	380	-	-	-	C&YP
A/C.02.006	Northstowe secondary	New 4 form entry school (with 12 form entry core facilities): £25,251k Basic Need requirement 600 places		Committed	25,251	546	3,000	16,700	4,600	405	-	-	C&YP
A/C.02.007	North West Fringe secondary	New 4 form entry school (Phase 1): £22,900k Basic Need requirement 600 places		Committed	22,900	18	350	2,700	15,100	4,350	382	-	C&YP
A/C.02.008	Cambridge City secondary	Additional capacity for Cambridge City £18,350k Basic Need requirement 450 places		Committed	18,350	2,774	5,900	6,600	3,000	76	-	-	C&YP
A/C.02.009	Alconbury Weald secondary	New 4 form entry school (with 8 form entry core facilities): £38,000k Basic Need requirement 600 places		2018-19	38,000	-	100	500	5,000	25,000	7,400	-	C&YP
A/C.02.010	Cambourne Village College	Expansion to 7 form entry (Phase 2): £10,062k Basic Need requirement 150 places		Committed	10,062	6,600	3,300	162	-	-	-	-	C&YP
A/C.02.011	Additional secondary capacity to serve March & Wisbech	New 4 to 5 form entry school: £23,000k Basic Need requirement 600 - 750 places		2019-20	23,000	-	-	100	500	17,000	5,000	400	C&YP
A/C.02.012	Cromwell Community College	Expansion from 7 to 8 form entry school: £3,700k Basic Need requirement 150 places		2019-20	3,700	-	-	-	-	-	-	3,700	C&YP
A/C.02.013	St. Neots secondary	Additional capacity for St Neots: £10,940 Basic Need requirement		2022-23	10,940	-	-	-	-	-	500	10,440	C&YP

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Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	
A/C.02.014	Northstowe secondary	Additional capacity for Northstowe: £11,640 Basic Need requirement 600 places		2022-23	11,640	-	-	-	-	-	520	11,120	C&YP
	Total - Basic Need - Secondary				218,069	45,540	27,650	30,006	28,580	46,831	13,802	25,660	
A/C.03	Basic Need - Early Years												
A/C.03.001	Orchard Park Primary	Expansion of 24 Early Years provision: £1,000k Early Years Basic Need 24 places		Committed	1,000	9	341	630	20	-	-	-	C&YP
A/C.03.003	LA maintained Early Years Provision	Funding which enables the Council to increase the number of free Early Years funded places to ensure the Council meets its statutory obligation. This includes providing one-off payments to external providers to help meet demand as well as increasing capacity attached to Cambridgeshire primary schools.		Committed	4,442	3,492	500	250	100	100	-	-	C&YP
	Total - Basic Need - Early Years				5,442	3,501	841	880	120	100	-	-	
A/C.04	Adaptations												
A/C.04.001	Hauxton Primary	Expansion of 1 classroom and extension of hall: £1,061k Basic Need requirement 30 places		Committed	1,061	1,061	-	-	-	-	-	-	C&YP
A/C.04.004	Morley Memorial Primary	Expansion of 2 classrooms and internal re-modelling with 52 Early Years provision: £1,500k Basic Need requirement 60 places £1,500k Early Years Basic Need 18 places		Committed	3,000	358	1,650	900	92	-	-	-	C&YP
	Total - Adaptations				4,061	1,419	1,650	900	92	-	-	-	
A/C.05	Condition & Maintenance												
A/C.05.001	School Condition, Maintenance & Suitability	Funding which enables the Council to undertake work which addresses conditions and suitability needs identified in schools' asset management plans, ensuring places are sustainable and safe.		Ongoing	25,750	3,250	2,500	2,500	2,500	2,500	2,500	10,000	C&YP
	Total - Condition & Maintenance				25,750	3,250	2,500	2,500	2,500	2,500	2,500	10,000	
A/C.07	Schools Managed Capital												
A/C.07.001	School Devolved Formula Capital	Funding is allocated directly to Cambridgeshire Maintained schools to enable them to undertake low level refurbishments and condition works.		Ongoing	11,610	1,926	1,076	1,076	1,076	1,076	1,076	4,304	C&YP
	Total - Schools Managed Capital				11,610	1,926	1,076	1,076	1,076	1,076	1,076	4,304	

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Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	
A/C.08	Specialist Provision												
A/C.08.001	Trinity School Hartford, Huntingdon	This scheme provides for the relocation of the school's base in Huntingdon, which is unsuitable for the educational requirements and needs of the pupils and staff. The funding covers purchase of a site in St Neots and its redevelopment for use by Trinity and local early years and childcare providers.		Committed	5,059	4,961	98	-	-	-	-	-	- C&YP
A/C.08.002	Trinity School, Wisbech base			2023-24	4,000	-	-	-	-	-	-	4,000	C&YP
A/C.08.003	SEN Pupil Adaptations	This budget is to fund adaptations within CCC schools to facilitate the placement of Children with SEN. The requirements will be child specific.		2017-18	750	-	150	150	150	150	150	-	C&YP
	Total - Specialist Provision				9,809	4,961	248	150	150	150	150	4,000	
A/C.09	Site Acquisition & Development												
A/C.09.001	Site Acquisition, Development, Analysis and Investigations	Funding which enables the Council to undertake investigations and feasibility studies into potential land acquisitions to determine their suitability for future school development sites.		Ongoing	650	300	150	100	100	-	-	-	- C&YP
	Total - Site Acquisition & Development				650	300	150	100	100	-	-	-	
A/C.10	Temporary Accommodation												
A/C.10.001	Temporary Accommodation	Funding which enables the Council to increase the number of school places provided through use of mobile accommodation. This scheme covers the cost of purchasing new mobiles and the transportation of provision across the county to meet demand.		Ongoing	14,000	1,500	1,500	1,500	1,500	1,500	1,500	5,000	C&YP
	Total - Temporary Accommodation				14,000	1,500	1,500	1,500	1,500	1,500	1,500	5,000	
A/C.11	Children Support Services												
A/C.11.001	Children's Minor Works and Adaptions	Funding which enables remedial and essential work to be undertaken, maintaining the Council's in-house LAC provision.		Ongoing	100	25	25	25	25	-	-	-	- C&YP
A/C.11.002	Cambridgeshire Alternative Education Service Minor Works	Funding which enables remedial and essential work to be undertaken by supplementing the devolved formula allocations of Cambridgeshire Alternative Education Service.		Ongoing	180	20	20	20	20	20	20	60	C&YP
A/C.11.003	CFA Buildings & Capital Team Capitalisation	Salaries from the Buildings and Capital Team are to be capitalised on an ongoing basis.		Ongoing	2,250	250	250	250	250	250	250	750	C&YP

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Table 4: Capital Programme

Budget Period: 2017-18 to 2026-27

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	
A/C.11.005	CFA Management Information System IT Infrastructure	Procurement of Management Information systems for CFA in accordance with Contract Regulations and to ensure that systems are fit for purpose to meet the emerging financial, legislative and service delivery requirements. This will require replacement or upgrade of some or all of the Council's current systems.		Committed	3,000	1,700	1,300	-	-	-	-	-	- Adults, C&Y
	Total - Children Support Services				5,530	1,995	1,595	295	295	270	270	810	
A/C.12	Adults' Services												
A/C.12.001	Strategic Investments	Enabling the Council to make one-off investments in the care sector to stimulate market capacity and improve care affordability. This heading also provides the option of additional capital allocations to community equipment and to support the development of Assistive Technology. Funded from previous Department of Health allocations which have been carried forward.		Ongoing	866	441	425	-	-	-	-	-	- Adults
A/C.12.002	Enhanced Frontline	Planned spending on in-house provider services and independent care accommodation to address building condition and improvements. Service requirements and priorities will be agreed and aligned with the principles of Transforming Lives.		Ongoing	2,845	1,910	150	150	150	150	150	185	Adults
A/C.12.004	Disabilities Facilities Grant	We are expecting this funding to continue to be managed through the Better Care Fund for the period 2017/18 to 2022/13, in partnership with local housing authorities. Disabled Facilities Grant enables accommodation adaptations so that people with disabilities can continue to live in their own homes.		Ongoing	19,318	5,402	3,479	3,479	3,479	3,479	-	-	- Adults
A/C.12.005	Integrated Community Equipment Service	Funding to continue annual capital investment in community equipment, that helps people to sustain their independence. The Council contributes to a pooled budget purchasing community equipment for health and social care needs for people of all ages		2017-18	13,000	-	1,300	1,300	1,300	1,300	1,300	6,500	Adults
	Total - Adults' Services				36,029	7,753	5,354	4,929	4,929	4,929	1,450	6,685	

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Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000
A/C.13 A/C.13.001	Capital Programme Variation Variation Budget	The Council has decided to include a service allowance for likely Capital Programme slippage, as it can sometimes be difficult to allocate this to individual schemes due to unforeseen circumstances. This budget is continuously under review, taking into account recent trends on slippage on a service by service basis.		Ongoing	-37,263	-	-6,563	-6,096	-5,665	-5,755	-2,635	-10,549
	Total - Capital Programme Variation				-37,263	-	-6,563	-6,096	-5,665	-5,755	-2,635	-10,549
	TOTAL BUDGET				588,177	144,863	86,014	75,389	64,498	65,800	30,308	121,305

Adults, C&Y

Funding					Total Funding £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000
Government Approved Funding												
Basic Need					135,171	7,185	32,671	24,919	10,000	10,000	10,000	40,396
Capital Maintenance					40,652	4,438	4,043	4,043	4,043	4,043	4,043	15,999
Devolved Formula Capital					11,610	1,926	1,076	1,076	1,076	1,076	1,076	4,304
Specific Grants					22,556	8,215	3,904	3,479	3,479	3,479	-	-
Total - Government Approved Funding					209,989	21,764	41,694	33,517	18,598	18,598	15,119	60,699
Locally Generated Funding												
Agreed Developer Contributions					57,566	14,695	20,503	12,701	9,022	645	-	-
Anticipated Developer Contributions					98,926	2,731	7,720	6,670	17,600	23,600	4,500	36,105
Capital Receipts					175	175	-	-	-	-	-	-
Prudential Borrowing					215,644	78,140	32,334	21,015	20,343	19,957	14,764	29,091
Prudential Borrowing (Repayable)					-	26,624	-19,980	786	-1,765	3,000	-4,075	-4,590
Other Contributions					5,877	734	3,743	700	700	-	-	-
Total - Locally Generated Funding					378,188	123,099	44,320	41,872	45,900	47,202	15,189	60,606
TOTAL FUNDING					588,177	144,863	86,014	75,389	64,498	65,800	30,308	121,305

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Table 5: Capital Programme - Funding

Budget Period: 2017-18 to 2026-27

Summary of Schemes by Start Date	Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000
Ongoing	40,306	71,522	-	-	175	-31,391
Committed Schemes	294,888	66,923	88,737	5,877	-	133,351
2017-2018 Starts	35,290	4,568	9,790	-	-	20,932
2018-2019 Starts	52,278	9,351	23,400	-	-	19,527
2019-2020 Starts	51,620	14,446	6,000	-	-	31,174
2020-2021 Starts	5,300	2,300	-	-	-	3,000
2021-2022 Starts	21,250	2,750	7,750	-	-	10,750
2022-2023 Starts	22,580	13,572	-	-	-	9,008
2023-2024 Starts	31,590	14,862	7,020	-	-	9,708
2024-2025 Starts	33,075	9,695	13,795	-	-	9,585
TOTAL BUDGET	588,177	209,989	156,492	5,877	175	215,644

Ref	Scheme	Linked Revenue Proposal	Net Revenue Impact	Scheme Start	Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000	Committee
A/C.01	Basic Need - Primary										
A/C.01.007	Huntingdon Primary			- Committed	2,521	626	111	-	-	1,784	C&YP
A/C.01.008	Isle of Ely Primary			- Committed	16,426	2,656	3,168	2,800	-	7,802	C&YP
A/C.01.012	Alconbury Weald 1st primary			- Committed	10,200	-	9,735	-	-	465	C&YP
A/C.01.013	Fourfields, Yaxley			- Committed	1,312	56	197	-	-	1,059	C&YP
A/C.01.014	Grove Primary			- Committed	1,710	30	-	-	-	1,680	C&YP
A/C.01.018	Northstowe 1st primary			- Committed	11,300	105	11,000	-	-	195	C&YP
A/C.01.019	Westwood Primary			- Committed	2,830	455	-	-	-	2,375	C&YP
A/C.01.020	Bearscoft primary (Godmanchester Bridge)			- Committed	9,350	3,025	5,080	-	-	1,245	C&YP
A/C.01.021	North West Cambridge (NIAB site) primary			- Committed	10,751	1,965	8,278	-	-	508	C&YP
A/C.01.022	Burwell Primary			- Committed	6,724	459	-	-	-	6,265	C&YP
A/C.01.024	Clay Farm / Showground primary			- Committed	12,543	2,999	7,801	-	-	1,743	C&YP
A/C.01.025	Fordham Primary			- Committed	4,128	861	8	-	-	3,259	C&YP
A/C.01.026	Little Paxton Primary			- Committed	3,512	700	531	-	-	2,281	C&YP
A/C.01.027	Ramnoth Primary expansion			- Committed	7,340	1,296	-	530	-	5,514	C&YP
A/C.01.028	Fulbourn Phase 2			- Committed	5,895	4,739	820	-	-	336	C&YP
A/C.01.029	Sawtry Infants			- Committed	6,592	2,804	-	-	-	3,788	C&YP
A/C.01.030	Sawtry Junior			- Committed	2,300	2,180	-	-	-	120	C&YP
A/C.01.031	Hatton Park			- Committed	5,330	3,480	-	-	-	1,850	C&YP
A/C.01.032	Meldreth			- Committed	2,900	2,800	-	-	-	100	C&YP
A/C.01.033	St Ives, Eastfield / Westfield / Wheatfields			- 2017-18	7,000	2,168	-	-	-	4,832	C&YP
A/C.01.034	St Neots, Wintringham Park.			- 2017-18	8,850	-	8,790	-	-	60	C&YP
A/C.01.035	The Shade Primary			- Committed	2,713	457	124	-	-	2,132	C&YP
A/C.01.036	Pendragon, Papworth			- 2017-18	3,500	450	1,000	-	-	2,050	C&YP
A/C.01.037	Chatteris New Places			- 2018-19	7,825	456	-	-	-	7,369	C&YP
A/C.01.038	Westwood Primary			- 2017-18	2,190	1,950	-	-	-	240	C&YP
A/C.01.039	Wyton Primary			- 2018-19	6,453	2,474	-	-	-	3,979	C&YP
A/C.01.040	Ermine Street, Alconbury			- 2019-20	2,780	185	2,150	-	-	445	C&YP

Section 4 - A: Children, Families and Adults Services

Table 5: Capital Programme - Funding

Budget Period: 2017-18 to 2026-27

Ref	Scheme	Linked Revenue Proposal	Net Revenue Impact	Scheme Start	Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000	
A/C.01.041	Barrington			- 2019-20	3,790	280	600	-	-	2,910	C&YP
A/C.01.042	Harston Primary			- 2019-20	500	310	-	-	-	190	C&YP
A/C.01.043	Littleport 3rd primary			- 2019-20	5,000	2,986	-	-	-	2,014	C&YP
A/C.01.044	Loves Farm primary			- 2019-20	10,020	3,000	-	-	-	7,020	C&YP
A/C.01.045	Melbourn Primary			- Committed	4,160	1,992	1,333	-	-	835	C&YP
A/C.01.046	Sawston Primary			- 2019-20	2,830	2,350	-	-	-	480	C&YP
A/C.01.047	Fourfields Phase 2			- 2020-21	2,300	2,300	-	-	-	-	C&YP
A/C.01.048	Histon Additional Places			- Committed	16,000	5,326	-	-	-	10,674	C&YP
A/C.01.049	Northstowe 2nd primary			- 2021-22	11,250	2,750	-	-	-	8,500	C&YP
A/C.01.050	March new primary			- 2023-24	8,770	658	7,020	-	-	1,092	C&YP
A/C.01.051	Wisbech new primary			- 2023-24	8,770	6,426	-	-	-	2,344	C&YP
A/C.01.052	NIAB 2nd primary			- 2024-25	10,950	170	8,145	-	-	2,635	C&YP
A/C.01.053	Robert Arkenstall Primary			- 2024-25	500	500	-	-	-	-	C&YP
A/C.01.054	Wilburton Primary			- 2024-25	500	500	-	-	-	-	C&YP
A/C.01.055	Benwick Primary			- 2024-25	500	500	-	-	-	-	C&YP
A/C.01.056	Alconbury Weald 2nd primary			- 2023-24	10,050	7,778	-	-	-	2,272	C&YP
A/C.01.057	Northstowe 3rd primary			- 2024-25	11,900	4,950	-	-	-	6,950	C&YP
A/C.01.058	Chatteris new primary			- 2024-25	8,725	3,075	5,650	-	-	-	C&YP
A/C.01.060	Wyton New School			- 2021-22	10,000	-	7,750	-	-	2,250	C&YP
A/C.01.061	Gamlingay First			- 2020-21	3,000	-	-	-	-	3,000	C&YP
	Total - Basic Need - Primary			-	294,490	85,227	89,291	3,330	-	116,642	
A/C.02	Basic Need - Secondary										
A/C.02.003	Littleport secondary and special			- Committed	41,526	3,423	5,000	-	-	33,103	C&YP
A/C.02.004	Bottisham Village College			- Committed	12,700	4,932	-	-	-	7,768	C&YP
A/C.02.006	Northstowe secondary			- Committed	25,251	7,385	8,820	-	-	9,046	C&YP
A/C.02.007	North West Fringe secondary			- Committed	22,900	299	20,118	-	-	2,483	C&YP
A/C.02.008	Cambridge City secondary			- Committed	18,350	5,881	-	2,513	-	9,956	C&YP
A/C.02.009	Alconbury Weald secondary			- 2018-19	38,000	6,421	23,400	-	-	8,179	C&YP
A/C.02.010	Cambourne Village College			- Committed	10,062	3,462	5,639	-	-	961	C&YP
A/C.02.011	Additional secondary capacity to serve March & Wisbech			- 2019-20	23,000	4,885	-	-	-	18,115	C&YP
A/C.02.012	Cromwell Community College			- 2019-20	3,700	450	3,250	-	-	-	C&YP
A/C.02.013	St. Neots secondary			- 2022-23	10,940	10,240	-	-	-	700	C&YP
A/C.02.014	Northstowe secondary			- 2022-23	11,640	3,332	-	-	-	8,308	C&YP
	Total - Basic Need - Secondary			-	218,069	50,710	66,227	2,513	-	98,619	
A/C.03	Basic Need - Early Years										
A/C.03.001	Orchard Park Primary			- Committed	1,000	-	211	-	-	789	C&YP
A/C.03.003	LA maintained Early Years Provision			- Committed	4,442	843	-	34	-	3,565	C&YP
	Total - Basic Need - Early Years			-	5,442	843	211	34	-	4,354	

Section 4 - A: Children, Families and Adults Services

Table 5: Capital Programme - Funding

Budget Period: 2017-18 to 2026-27

Ref	Scheme	Linked Revenue Proposal	Net Revenue Impact	Scheme Start	Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000	
A/C.04	Adaptations										
A/C.04.001	Hauxton Primary			- Committed	1,061	30	763	-	-	268	C&YP
A/C.04.004	Morley Memorial Primary			- Committed	3,000	1,540	-	-	-	1,460	C&YP
	Total - Adaptations			-	4,061	1,570	763	-	-	1,728	
A/C.05	Condition & Maintenance										
A/C.05.001	School Condition, Maintenance & Suitability			- Ongoing	25,750	24,707	-	-	-	1,043	C&YP
	Total - Condition & Maintenance			-	25,750	24,707	-	-	-	1,043	
A/C.07	Schools Mananged Capital										
A/C.07.001	School Devolved Formula Capital			- Ongoing	11,610	11,610	-	-	-	-	C&YP
	Total - Schools Mananged Capital			-	11,610	11,610	-	-	-	-	
A/C.08	Specialist Provision										
A/C.08.001	Trinity School Hartford, Huntingdon			- Committed	5,059	117	-	-	-	4,942	C&YP
A/C.08.002	Trinity School, Wisbech base			- 2023-24	4,000	-	-	-	-	4,000	C&YP
A/C.08.003	SEN Pupil Adaptations			- 2017-18	750	-	-	-	-	750	C&YP
	Total - Specialist Provision			-	9,809	117	-	-	-	9,692	
A/C.09	Site Acquisition & Development										
A/C.09.001	Site Acquisition, Development, Analysis and Investigations			- Ongoing	650	500	-	-	-	150	C&YP
	Total - Site Acquisition & Development			-	650	500	-	-	-	150	
A/C.10	Temporary Accommodation										
A/C.10.001	Temporary Accommodation			- Ongoing	14,000	12,767	-	-	-	1,233	C&YP
	Total - Temporary Accommodation			-	14,000	12,767	-	-	-	1,233	
A/C.11	Children Support Services										
A/C.11.001	Children's Minor Works and Adaptions			- Ongoing	100	65	-	-	-	35	C&YP
A/C.11.002	Cambridgeshire Alternative Education Service Minor Works			- Ongoing	180	160	-	-	-	20	C&YP
A/C.11.003	CFA Buildings & Capital Team Capitalisation			- Ongoing	2,250	-	-	-	-	2,250	C&YP
A/C.11.005	CFA Management Information System IT Infrastructure			- Committed	3,000	-	-	-	-	3,000	Adults, C&YP
	Total - Children Support Services			-	5,530	225	-	-	-	5,305	

Section 4 - A: Children, Families and Adults Services

Table 5: Capital Programme - Funding

Budget Period: 2017-18 to 2026-27

Ref	Scheme	Linked Revenue Proposal	Net Revenue Impact	Scheme Start	Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000	
A/C.12	Adults' Services										
A/C.12.001	Strategic Investments			- Ongoing	866	866	-	-	-	-	- Adults
A/C.12.002	Enhanced Frontline			- Ongoing	2,845	1,529	-	-	175	1,141	- Adults
A/C.12.004	Disabilities Facilities Grant			- Ongoing	19,318	19,318	-	-	-	-	- Adults
A/C.12.005	Integrated Community Equipment Service			- 2017-18	13,000	-	-	-	-	13,000	- Adults
	Total - Adults' Services			-	36,029	21,713	-	-	175	14,141	
A/C.13	Capital Programme Variation										
A/C.13.001	Variation Budget			- Ongoing	-37,263	-	-	-	-	-37,263	- Adults, C&YP
	Total - Capital Programme Variation			-	-37,263	-	-	-	-	-37,263	
	TOTAL BUDGET				588,177	209,989	156,492	5,877	175	215,644	

Section 4 - B: Economy, Transport and Environment Services

Table 4: Capital Programme

Budget Period: 2017-18 to 2026-27

Summary of Schemes by Start Date					Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	Committee
Ongoing					144,975	52,481	15,267	18,941	19,213	18,977	18,395	1,701	
Committed Schemes					302,609	203,613	48,719	7,962	6,899	1,951	3,265	30,200	
2018-2019 Starts					340	-	-	340	-	-	-	-	
TOTAL BUDGET					447,924	256,094	63,986	27,243	26,112	20,928	21,660	31,901	
Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	Committee
B/C.01	Integrated Transport												
B/C.1.002	Air Quality Monitoring	Funding towards supporting air quality monitoring work in relation to the road network with local authority partners across the county.		Ongoing	100	-	20	20	20	20	20	-	
B/C.1.009	Major Scheme Development & Delivery	Resources to support the development and delivery of major schemes.		Ongoing	1,000	-	200	200	200	200	200	-	
B/C.1.011	Local Infrastructure improvements	Provision of the Local Highway Improvement Initiative across the county, providing accessibility works such as disabled parking bays and provision of improvements to the Public Rights of Way network.		Ongoing	3,410	-	682	682	682	682	682	-	
B/C.1.012	Safety Schemes	Investment in road safety engineering work at locations where there is strong evidence of a significantly high risk of injury crashes.		Ongoing	2,970	-	594	594	594	594	594	-	H&CI
B/C.1.015	Strategy and Scheme Development work	Resources to support Transport & Infrastructure strategy and related work across the county, including long term strategies and District and Market Town Transport Strategies, as well as funding towards scheme development work.		Ongoing	1,725	-	345	345	345	345	345	-	
B/C.1.019	Delivering the Transport Strategy Aims	Supporting the delivery of Transport Strategies and Market Town Transport Strategies to help improve accessibility and mitigate the impacts of growth.		Ongoing	7,426	-	2,030	1,349	1,349	1,349	1,349	-	
	Total - Integrated Transport				16,631	-	3,871	3,190	3,190	3,190	3,190	-	H&CI
B/C.02	Operating the Network												
B/C.2.001	Carriageway & Footway Maintenance including Cycle Paths	Allows the highway network throughout the county to be maintained. With the significant backlog of works to our highways well documented, this fund is crucial in ensuring that we are able to maintain our transport links.		Ongoing	47,704	-	10,547	9,918	9,415	8,912	8,912	-	
B/C.2.002	Rights of Way	Allows improvements to our Rights of Way network which provides an important local link in our transport network for communities.		Ongoing	700	-	140	140	140	140	140	-	H&CI

Section 4 - B: Economy, Transport and Environment Services

Table 4: Capital Programme

Budget Period: 2017-18 to 2026-27

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	
B/C.2.004	Bridge strengthening	Bridges form a vital part of the transport network. With many structures to maintain across the county it is important that we continue to ensure that the overall transport network can operate and our bridges are maintained.		Ongoing	12,820	-	2,564	2,564	2,564	2,564	2,564	-	H&CI
B/C.2.005	Traffic Signal Replacement	Traffic signals are a vital part of managing traffic throughout the county. Many signals require to be upgraded to help improve traffic flow and ensure that all road users are able to safely use the transport network.		Ongoing	4,300	-	900	850	850	850	850	-	H&CI
B/C.2.006	Smarter Travel Management - Integrated Highways Management Centre	The Integrated Highways Management Centre (IHMC) collects, processes and shares real time travel information to local residents, businesses and communities within Cambridgeshire. In emergency situations the IHMC provides information to ensure that the impact on our transport network is mitigated and managed.		Ongoing	1,000	-	200	200	200	200	200	-	H&CI
B/C.2.007	Smarter Travel Management - Real Time Bus Information	Provision of real time passenger information for the bus network.		Ongoing	825	-	165	165	165	165	165	-	H&CI
Total - Operating the Network					67,349	-	14,516	13,837	13,334	12,831	12,831	-	
B/C.03	Infrastructure Management & Operations												
B/C.3.001	Highways Maintenance (carriageways only from 2015/16 onwards)	This fund allows the Council to increase its investment in the transport network throughout the county. With the significant backlog of works to our transport network well documented, this fund is crucial in ensuring that we reduce the rate of deterioration of our highways.		Ongoing	90,000	52,481	6,269	6,250	6,250	6,250	6,250	6,250	H&CI
B/C.3.012	Waste – Household Recycling Centre (HRC) Improvements	To deliver Household Recycling Centre (HRC) improvements by acquiring appropriate sites, gaining planning permission, designing and building new or upgraded facilities. A new facility is proposed in the Greater Cambridge area, a site is required to replace the current facility in March and works are required to maintain/upgrade other HRCs in the network. The programme also includes funds to develop the St Neots HRC reuse facility.		Committed	8,183	60	395	395	3,357	581	395	3,000	H&CI
B/C.3.101	Development of Archives Centre premises	Development of fit for purpose premises for Cambridgeshire Archives, to conserve and make available unique historical records of the county as part of an exciting new cultural heritage centre.		Committed	4,200	3,000	1,200	-	-	-	-	-	H&CI

Section 4 - B: Economy, Transport and Environment Services

Table 4: Capital Programme

Budget Period: 2017-18 to 2026-27

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	
B/C.3.103	Library service essential maintenance and infrastructure renewal	This is a rolling programme, ending in 2017-18, to update the public PCs in libraries and library learning centres in order to replace equipment that has become obsolete, and ensure continued service delivery. This is particularly important to support people to access learning, skills, transactions and employment online in response to the Digital by Default agenda. There is also an essential requirement to replace the book sortation system at Cambridge Central Library which has reached the end of its life, and to plan for renewing self service facilities in 2017/18 as this will be coming out of contract and on which we need to make significant revenue savings.		Committed	562	297	265	-	-	-	-	-	H&CI
B/C.3.107	New Community Hub / Library Provision Clay Farm	Contribution to the development of a community centre / hub in Clay Farm, including a library and other community facilities.		Committed	827	808	19	-	-	-	-	-	H&CI
B/C.3.108	New Community Hub / Library Service Provision Darwin Green	Contribution to the fit -out of new community hub / library facilities in areas of growth in the county.		2018-19	340	-	-	340	-	-	-	-	H&CI
	Total - Infrastructure Management & Operations				104,112	56,646	8,148	6,985	9,607	6,831	6,645	9,250	
B/C.04	Strategy & Development												
B/C.4.001	Ely Crossing	The project will alleviate traffic congestion on the A142 at the level crossing adjacent to Ely railway station, which will benefit local businesses and residents. The station area is a gateway to the city. Implementation of the bypass option would remove a significant amount of traffic around the station and enhance the gateway area, making the city more attractive to tourists and improve the local environment.		Committed	36,000	7,998	25,000	1,702	1,300	-	-	-	E&E
B/C.4.006	Guided Busway	Guided Busway construction contract retention payments.		Committed	148,886	144,426	2,980	370	370	370	370	-	E&E
B/C.4.014	Huntingdon West of Town Centre Link Road	The 520 metre link road from Ermine Street to Brampton Road, close to the railway station junction, consists of a single carriageway, with footpaths either side, and new junctions on Ermine Street and Brampton Road. The residual funding is for outstanding land deals for this scheme.		Committed	9,116	8,266	850	-	-	-	-	-	E&E
B/C.4.017	Cambridge Cycling Infrastructure	Cambridge Cycling Infrastructure		Committed	5,103	2,317	1,580	1,206	-	-	-	-	E&E

Section 4 - B: Economy, Transport and Environment Services

Table 4: Capital Programme

Budget Period: 2017-18 to 2026-27

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	
B/C.4.021	Abbey - Chesterton Bridge	The Chisolm Trail cycle route scheme is being delivered as part of the City Deal Programme and will link together three centres of employment in the city along a North / South axis, including Addenbrooke's hospital, the CB1 Area and the Science Park. The Abbey - Chesterton Bridge scheme is one element of the trail that is not included within the City Deal scheme.		Committed	4,600	677	2,000	1,923	-	-	-	-	E&E
B/C.4.022	Cycling City Ambition Fund	Cycling City Ambition Fund		Committed	8,152	7,362	790	-	-	-	-	-	E&E
B/C.4.023	King's Dyke	The level crossing at King's Dyke between Whittlesey and Peterborough has long been a problem for people using the A605. The downtime of the barriers at the crossing causes traffic to queue for significant periods of time and this situation will get worse as rail traffic increases along the Ely to Peterborough railway line in the future. The issue is also made worse during the winter months as the B1040 at North Brink often floods, leading to its closure and therefore increasing traffic use of the A605 across King's Dyke.		Committed	13,580	1,420	11,667	493	-	-	-	-	E&E
B/C.4.024	Soham Station	Proposed new railway station at Soham to support new housing development.		Committed	6,700	1,000	-	-	-	-	1,500	4,200	E&E
B/C.4.028	A14	Improvement of the A14 between Cambridge and Huntingdon. This is a scheme led by the Highways Agency but in order to secure delivery a local contribution to the total scheme cost, which is in excess of £1bn, is required. The Council element of this local contribution is £25m and it is proposed that it should be paid in equal instalments over a period of 25 years commencing in 2020.		Committed	25,200	100	100	-	-	1,000	1,000	23,000	E&E
B/C.4.031	Growth Deal - Wisbech Access Strategy	Funding provided by the LEP in order to deliver the Wisbech Access Strategy		Committed	1,000	1,000	-	-	-	-	-	-	E&E
Total - Strategy & Development					258,337	174,566	44,967	5,694	1,670	1,370	2,870	27,200	
B/C.05	Other Schemes												
B/C.5.002	Investment in Connecting Cambridgeshire	Connecting Cambridgeshire is working to ensure businesses, residents and public services can make the most of opportunities offered by a fast-changing digital world. Led by the Council, this ambitious partnership programme is improving Cambridgeshire's broadband, mobile and Wi-Fi coverage, whilst supporting online skills, business growth and technological innovation to meet future digital challenges.		Committed	30,500	24,882	1,873	1,873	1,872	-	-	-	E&E
Total - Other Schemes					30,500	24,882	1,873	1,873	1,872	-	-	-	

Section 4 - B: Economy, Transport and Environment Services

Table 4: Capital Programme

Budget Period: 2017-18 to 2026-27

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000
B/C.08 B/C.6.001	Capital Programme Variation Variation Budget	The Council has decided to include a service allowance for likely Capital Programme slippage, as it can sometimes be difficult to allocate this to individual schemes due to unforeseen circumstances. This budget is continuously under review, taking into account recent trends on slippage on a service by service basis.		Ongoing	-29,005	-	-9,389	-4,336	-3,561	-3,294	-3,876	-4,549
	Total - Capital Programme Variation				-29,005	-	-9,389	-4,336	-3,561	-3,294	-3,876	-4,549
	TOTAL BUDGET				447,924	256,094	63,986	27,243	26,112	20,928	21,660	31,901

E&E, H&C

Funding	Total Funding £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000
Government Approved Funding								
Department for Transport	216,014	104,909	20,139	17,400	16,524	17,021	17,021	23,000
Specific Grants	39,250	15,419	18,731	4,100	-	-	1,000	-
Total - Government Approved Funding	255,264	120,328	38,870	21,500	16,524	17,021	18,021	23,000
Locally Generated Funding								
Agreed Developer Contributions	33,510	19,925	4,427	5,340	3,103	200	200	315
Anticipated Developer Contributions	12,330	-	400	200	200	200	1,000	10,330
Prudential Borrowing	98,651	65,676	5,682	4,321	7,265	3,537	3,269	8,901
Prudential Borrowing (Repayable)	15,665	27,419	4,849	-4,118	-980	-30	-830	-10,645
Other Contributions	32,504	22,746	9,758	-	-	-	-	-
Total - Locally Generated Funding	192,660	135,766	25,116	5,743	9,588	3,907	3,639	8,901
TOTAL FUNDING	447,924	256,094	63,986	27,243	26,112	20,928	21,660	31,901

Section 4 - B: Economy, Transport and Environment Services

Table 5: Capital Programme - Funding

Budget Period: 2017-18 to 2026-27

Summary of Schemes by Start Date					Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000	Committee
Ongoing					144,975	86,238	731	-	-	58,006	
Committed Schemes					302,609	169,026	44,810	32,504	-	56,269	
2018-2019 Starts					340	-	299	-	-	41	
TOTAL BUDGET					447,924	255,264	45,840	32,504	-	114,316	
Ref	Scheme	Linked Revenue Proposal	Net Revenue Impact	Scheme Start	Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000	Committee
B/C.01	Integrated Transport										
B/C.1.002	Air Quality Monitoring			- Ongoing	100	100	-	-	-	-	
B/C.1.009	Major Scheme Development & Delivery			- Ongoing	1,000	1,000	-	-	-	-	
B/C.1.011	Local Infrastructure improvements			- Ongoing	3,410	3,410	-	-	-	-	
B/C.1.012	Safety Schemes			- Ongoing	2,970	2,970	-	-	-	-	E&E
B/C.1.015	Strategy and Scheme Development work			- Ongoing	1,725	1,725	-	-	-	-	E&E
B/C.1.019	Delivering the Transport Strategy Aims			- Ongoing	7,426	6,745	681	-	-	-	H&CI
	Total - Integrated Transport			-	16,631	15,950	681	-	-	-	
B/C.02	Operating the Network										H&CI
B/C.2.001	Carriageway & Footway Maintenance including Cycle Paths			- Ongoing	47,704	47,704	-	-	-	-	
B/C.2.002	Rights of Way			- Ongoing	700	700	-	-	-	-	
B/C.2.004	Bridge strengthening			- Ongoing	12,820	12,820	-	-	-	-	
B/C.2.005	Traffic Signal Replacement			- Ongoing	4,300	4,250	50	-	-	-	
B/C.2.006	Smarter Travel Management - Integrated Highways Management Centre			- Ongoing	1,000	1,000	-	-	-	-	H&CI
B/C.2.007	Smarter Travel Management - Real Time Bus Information			- Ongoing	825	825	-	-	-	-	H&CI
	Total - Operating the Network			-	67,349	67,299	50	-	-	-	
B/C.03	Infrastructure Management & Operations										H&CI
B/C.3.001	Highways Maintenance (carriageways only from 2015/16 onwards)			- Ongoing	90,000	2,989	-	-	-	87,011	
B/C.3.012	Waste – Household Recycling Centre (HRC) Improvements			- Committed	8,183	-	2,603	-	-	5,580	
B/C.3.101	Development of Archives Centre premises			- Committed	4,200	-	-	-	-	4,200	
B/C.3.103	Library service essential maintenance and infrastructure renewal			- Committed	562	-	-	-	-	562	
B/C.3.107	New Community Hub / Library Provision Clay Farm			- Committed	827	-	566	-	-	261	
B/C.3.108	New Community Hub / Library Service Provision Darwin Green			- 2018-19	340	-	299	-	-	41	
	Total - Infrastructure Management & Operations			-	104,112	2,989	3,468	-	-	97,655	
B/C.04	Strategy & Development										E&E
B/C.4.001	Ely Crossing			- Committed	36,000	22,000	1,000	6,294	-	6,706	
B/C.4.006	Guided Busway			- Committed	148,886	94,667	29,272	9,282	-	15,665	
B/C.4.014	Huntingdon West of Town Centre Link Road			- Committed	9,116	-	4,568	4,548	-	-	
B/C.4.017	Cambridge Cycling Infrastructure			- Committed	5,103	-	5,103	-	-	-	

Section 4 - B: Economy, Transport and Environment Services

Table 5: Capital Programme - Funding

Budget Period: 2017-18 to 2026-27

Ref	Scheme	Linked Revenue Proposal	Net Revenue Impact	Scheme Start	Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000	
B/C.4.021	Abbey - Chesterton Bridge			- Committed	4,600	2,500	1,550	550	-	-	E&E
B/C.4.022	Cycling City Ambition Fund			- Committed	8,152	7,609	148	395	-	-	E&E
B/C.4.023	King's Dyke			- Committed	13,580	8,000	-	3,500	-	2,080	E&E
B/C.4.024	Soham Station			- Committed	6,700	1,000	-	1,000	-	4,700	E&E
B/C.4.028	A14			- Committed	25,200	25,000	-	200	-	-	E&E
B/C.4.031	Growth Deal - Wisbech Access Strategy			- Committed	1,000	-	-	1,000	-	-	E&E
	Total - Strategy & Development			-	258,337	160,776	41,641	26,769	-	29,151	
B/C.05	Other Schemes										
B/C.5.002	Investment in Connecting Cambridgeshire			- Committed	30,500	8,250	-	5,735	-	16,515	E&E
	Total - Other Schemes			-	30,500	8,250	-	5,735	-	16,515	
B/C.08	Capital Programme Variation										
B/C.6.001	Variation Budget			- Ongoing	-29,005	-	-	-	-	-29,005	E&E, H&CI
	Total - Capital Programme Variation			-	-29,005	-	-	-	-	-29,005	
	TOTAL BUDGET				447,924	255,264	45,840	32,504	-	114,316	

Section 4 - F: Assets and Investments

Table 4: Capital Programme
Budget Period: 2017-18 to 2026-27

Summary of Schemes by Start Date					Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000
Ongoing					18,132	8,667	-21,371	-5,848	3,055	631	-76	33,074
Committed Schemes					-	-	-	-	-	-	-	-
2017-2018 Starts					5,198	-	115,935	38,322	-6,395	2,527	6,059	-151,250
TOTAL BUDGET					23,330	8,667	94,564	32,474	-3,340	3,158	5,983	-118,176

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	Committee
F/C.	Assets & Investments												
F/C.2.101	County Farms investment (Viability)	To invest in projects which protect and improve the County Farms Estate's revenue potential, asset value and long term viability.	C/R.7.104	Ongoing	4,104	1,604	500	500	500	500	500	-	A&I
F/C.2.103	Local Plans - representations	Making representations to Local Plans and where appropriate following through to planning applications with a view to adding value to County Farms and other Council land, whilst meeting Council objectives through the use / development of such land.		Ongoing	4,284	1,634	350	350	300	300	300	1,050	A&I
F/C.2.111	Shire Hall	This budget is used to carry out essential maintenance and potentially limited improvements required to occupy Shire Hall for a further 10 years, in accordance with the previous Cabinet decision in November 2009.		Ongoing	6,209	4,559	550	550	550	-	-	-	A&I
F/C.2.112	Building Maintenance	This budget is used to carry out replacement of failed elements and maintenance refurbishments.		Ongoing	6,000	600	600	600	600	600	600	2,400	A&I
F/C.2.113	Equality Act Works in Corporate Offices	This budget is used to provide "reasonable adjustments" for Council employees with disabilities.		Ongoing	200	20	20	20	20	20	20	80	A&I
F/C.2.114	MAC Joint Highways Depot	The Joint Highways Depot Project will facilitate the physical co-location of partner organisations to a single depot site, with joint-working practices implemented initially, with an aspiration to develop shared services in the future.		2017-18	5,198	-	482	482	4,234	-	-	-	A&I
F/C.2.119	Energy Efficiency Fund	Establish a funding stream (value £250k per year, for four years) for investment in energy and water efficiency improvement measures in Council buildings.		Ongoing	1,000	250	250	250	250	-	-	-	A&I

Section 4 - F: Assets and Investments

Table 4: Capital Programme

Budget Period: 2017-18 to 2026-27

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	
F/C.2.240	Housing schemes	The Council is in the fortunate position of continuing to be a major landowner in Cambridgeshire and this provides an asset capable of generating both revenue and capital returns. This will require CCC to move from being a seller of sites to being a developer of sites, through a Housing Company. In the future, CCC will operate to make best use of sites with development potential in a co-ordinated and planned manner to develop them for a range of development options, generating capital receipts to support site development and significant revenue and capital income to support services and communities.	F/R.5.002	2017-18	-	-	115,453	37,840	-10,629	2,527	6,059	-151,250	A&I
	Total - Assets & Investments				26,995	8,667	118,205	40,592	-4,175	3,947	7,479	-147,720	
F/C. F/C.3.001	Capital Programme Variation Variation Budget	The Council has decided to include a service allowance for likely Capital Programme slippage, as it can sometimes be difficult to allocate this to individual schemes due to unforeseen circumstances. This budget is continuously under review, taking into account recent trends on slippage on a service by service basis.		Ongoing	-3,665	-	-23,641	-8,118	835	-789	-1,496	29,544	A&I
	Total - Capital Programme Variation				-3,665	-	-23,641	-8,118	835	-789	-1,496	29,544	
	TOTAL BUDGET				23,330	8,667	94,564	32,474	-3,340	3,158	5,983	-118,176	

Funding	Total Funding £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000
Locally Generated Funding								
Capital Receipts	3,313	3,313	-	-	-	-	-	-
Prudential Borrowing	15,057	5,194	-20,973	-5,848	3,055	631	-76	33,074
Prudential Borrowing (Repayable)	-	-	115,537	38,322	-6,395	1,927	1,859	-151,250
Ring-Fenced Capital Receipts	4,800	-	-	-	-	600	4,200	-
Other Contributions	160	160	-	-	-	-	-	-
Total - Locally Generated Funding	23,330	8,667	94,564	32,474	-3,340	3,158	5,983	-118,176
TOTAL FUNDING	23,330	8,667	94,564	32,474	-3,340	3,158	5,983	-118,176

Section 4 - F: Assets and Investments

Table 5: Capital Programme - Funding

Budget Period: 2017-18 to 2026-27

Summary of Schemes by Start Date						Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000
Ongoing						18,132	-	-	160	3,313	14,659
Committed Schemes						-	-	-	-	-	-
2017-2018 Starts						5,198	-	-	-	4,800	398
TOTAL BUDGET						23,330	-	-	160	8,113	15,057

Ref	Scheme	Linked Revenue Proposal	Net Revenue Impact	Scheme Start	Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000	Committee
F/C.	Assets & Investments										
F/C.2.101	County Farms investment (Viability)	C/R.7.104	-3,116	Ongoing	4,104	-	-	-	422	3,682	A&I
F/C.2.103	Local Plans - representations		-	Ongoing	4,284	-	-	10	618	3,656	A&I
F/C.2.111	Shire Hall		-	Ongoing	6,209	-	-	150	2,273	3,786	A&I
F/C.2.112	Building Maintenance		-	Ongoing	6,000	-	-	-	-	6,000	A&I
F/C.2.113	Equality Act Works in Corporate Offices		-	Ongoing	200	-	-	-	-	200	A&I
F/C.2.114	MAC Joint Highways Depot		-183	2017-18	5,198	-	-	-	4,800	398	A&I
F/C.2.119	Energy Efficiency Fund		-550	Ongoing	1,000	-	-	-	-	1,000	A&I
F/C.2.240	Housing schemes	F/R.5.002	-	2017-18	-	-	-	-	-	-	A&I
	Total - Assets & Investments		-3,849		26,995	-	-	160	8,113	18,722	
F/C.	Capital Programme Variation										
F/C.3.001	Variation Budget			- Ongoing	-3,665	-	-	-	-	-3,665	A&I
	Total - Capital Programme Variation		-		-3,665	-	-	-	-	-3,665	
	TOTAL BUDGET				23,330	-	-	160	8,113	15,057	

Section 4 - C: Corporate and Managed Services

Table 4: Capital Programme
Budget Period: 2017-18 to 2026-27

Summary of Schemes by Start Date					Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000
Ongoing					-1,853	-	-385	-1,123	-115	-115	-115	-
Committed Schemes					1,609	1,390	180	39	-	-	-	-
2017-2018 Starts					9,046	-	1,746	5,575	575	575	575	-
TOTAL BUDGET					8,802	1,390	1,541	4,491	460	460	460	-

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	Committee
C/C.01	Corporate Services												
C/C.1.001	Essential CCC Business Systems Upgrade	Windows 2003 servers come to the end of their life in July 2015. The majority of all organisation wide customer / digital systems currently sit on these servers, which will require upgrading.		Committed	300	111	150	39	-	-	-	-	GPC
C/C.2.007	Citizen First, Digital First	Significant improvements could be made to our website; to system integration to take out multiple re-keying from one system into another; and in other areas through investment in a suite of technologies that will improve our efficiency such as a more robust e-payments system.		2017-18	3,546	-	1,246	575	575	575	575	-	GPC
	Total - Corporate Services				3,846	111	1,396	614	575	575	575	-	
C/C.02	Managed Services												
C/C.2.006	CPSN Replacement	This is for the procurement of a replacement Wide Area Network solution. The current contracted service is due to end in June 2018. This proposal is for funding for the 2017-18 and 2018-19 financial years to allow for the procurement and transition to a new service.		2017-18	5,500	-	500	5,000	-	-	-	-	GPC
C/C.2.108	Community Hubs - Sawston	To develop a community hub in Sawston combining the library, children's centre, locality team and flexible community meeting facilities, in close association with Sawston Village College.		Committed	1,309	1,279	30	-	-	-	-	-	GPC
	Total - Managed Services				6,809	1,279	530	5,000	-	-	-	-	

Section 4 - C: Corporate and Managed Services

Table 4: Capital Programme

Budget Period: 2017-18 to 2026-27

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000
C/C.10 C/C.3.001	Capital Programme Variation Variation Budget	The Council has decided to include a service allowance for likely Capital Programme slippage, as it can sometimes be difficult to allocate this to individual schemes due to unforeseen circumstances. This budget is continuously under review, taking into account recent trends on slippage on a service by service basis.		Ongoing	-1,853	-	-385	-1,123	-115	-115	-115	-
	Total - Capital Programme Variation				-1,853	-	-385	-1,123	-115	-115	-115	-
	TOTAL BUDGET				8,802	1,390	1,541	4,491	460	460	460	-

Funding	Total Funding £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000
Government Approved Funding								
Total - Government Approved Funding	-	-	-	-	-	-	-	-
Locally Generated Funding								
Capital Receipts	43,872	8,348	2,020	11,125	2,769	6,015	2,130	11,465
Prudential Borrowing	-35,070	-6,958	-479	-6,634	-2,309	-5,555	-1,670	-11,465
Total - Locally Generated Funding	8,802	1,390	1,541	4,491	460	460	460	-
TOTAL FUNDING	8,802	1,390	1,541	4,491	460	460	460	-

GPC

Section 4 - C: Corporate and Managed Services

Table 5: Capital Programme - Funding

Budget Period: 2017-18 to 2026-27

Summary of Schemes by Start Date					Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000	
Ongoing					-1,853	-	-	-	43,833	-45,686	
Committed Schemes					1,609	-	-	-	39	1,570	
2017-2018 Starts					9,046	-	-	-	-	9,046	
TOTAL BUDGET					8,802	-	-	-	43,872	-35,070	

Ref	Scheme	Linked Revenue Proposal	Net Revenue Impact	Scheme Start	Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000	
C/C.01	Corporate Services										
C/C.1.001	Essential CCC Business Systems Upgrade		-	Committed	300	-	-	-	-	300	GPC
C/C.2.007	Citizen First, Digital First		-2,455	2017-18	3,546	-	-	-	-	3,546	GPC
	Total - Corporate Services		-2,455		3,846	-	-	-	-	3,846	
C/C.02	Managed Services										
C/C.2.006	CPSN Replacement		-	2017-18	5,500	-	-	-	-	5,500	GPC
C/C.2.108	Community Hubs - Sawston		-	Committed	1,309	-	-	-	39	1,270	GPC
	Total - Managed Services		-		6,809	-	-	-	39	6,770	
C/C.10	Capital Programme Variation										
C/C.3.001	Variation Budget		-	Ongoing	-1,853	-	-	-	-	-1,853	GPC
	Total - Capital Programme Variation		-		-1,853	-	-	-	-	-1,853	
C/C.9.001	Excess Corporate Services capital receipts used to reduce total prudential borrowing			Ongoing	-	-	-	-	43,833	-43,833	GPC
	TOTAL BUDGET				8,802	-	-	-	43,872	-35,070	

LEVEL OF OUTSTANDING DEBT

To: General Purposes Committee

Meeting Date: 25th October 2016

From: LGSS Finance Director

Electoral division(s): All

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

Purpose: To update the committee on the current level of debt and actions being taken to manage it presently, to review the targets set and propose actions to control it further.

Recommendation: The Committee is asked to note the current position and agree the revised targets and proposed actions detailed below to manage it down to these levels.

- (i) that the Debt Service continues to engage with CCC to convert services to pay on application using online processes wherever possible with particular focus on eradicating all low value invoices being issued for less than £250.
- (ii) that the Debt and Financial Assessment Services continue to engage with ASC on process changes designed to improve the speed information is provided/shared, the collection and sharing of data on care packages and increase direct debit penetration with the aim of securing one for all new cases with immediate effect.
- (iii) that the Collections Strategy be reviewed and updated to reduce the timescales before intervention takes place and implement a clear direction for how low value invoices will be managed to enable resources to be deployed in the most effective way.
- (iv) that the Debt Service to assess the effectiveness of the current debt collection agencies, whether they should continue to be used (or replaced) and how best this type of service could be used to support collecting debt.

- (v) that once access to DWP CIS is available, introduce telephone financial assessments to speed up the invoicing process and reduce the potential for bad debt to occur.
- (vi) that once access to DWP CIS is available, in collaboration with ASC introduce a provisional charge matrix to replace the current full cost approach where a financial assessment cannot be completed to minimise the likelihood of debt accruing that is not actually due.
- (vii) continue with the implementation of the ICON system and seek with CCC to exploit its full potential in due course.
- (viii) That the debt targets be rebased to the current levels with a target to reduce these by 10% each financial year commencing in 2017/18.

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1. BACKGROUND

- 1.1 Members have noted that Cambridgeshire County Council (CCC) has not been achieving the Integrated Resources and Performance Report (IRPR) debt targets set for some time and the total operational debt outstanding.
- 1.2 This report will set out the current position including the factors that are putting upward pressure on the total debt figures, which are above the targets set, the actions being taken to manage the position currently and recommendations for the Committee to manage the position further.

Responsibilities of CCC

- 1.3 The Council agreed a formal Collections Strategy in June 2014 to bring together both debt policy and process to ensure they were aligned towards achieving the Council's strategic financial objectives. The Collections Strategy is appended for information at this stage but subject to review.
- 1.4 The key aspects of the Strategy were:
- CCC departments must seek payment upfront or on delivery of service for all applicable services only invoicing for those where it was absolutely necessary to do so in order to minimise the potential for bad debts to occur;
 - All invoices must be raised in Oracle using the prescribed method within a maximum period of 14 days from the delivery or start of services quoting purchase orders (where applicable);
 - A 'soft' reminder is sent to customers 14 days after the invoice has been raised to remind them payment will shortly be due if they have not already paid;
 - A final reminder is sent to customers after 34 days to advise the invoice is overdue for payment and that enforcement action will commence if it is not paid within a final period of 10 days.

Debt Recovery Service Responsibilities

- 1.5 The Debt Recovery Service is an integrated, single team based in Cambridge providing the service across Cambridgeshire and Northamptonshire. The team comprises of 9 FTE reporting to a Team Leader and through to a dedicated Service Delivery Manager for Debt and Income. There are two dedicated Senior Debt Officers who manage large value, challenging Adult Social Care debts that have multiple unpaid invoices.
- 1.6 The debt recovery team manages all debt types for CCC and Northamptonshire County Council (NCC) and is supplemented by two dedicated Senior Debt Officers based in Northampton who manage large value, challenging Adult Social Care debts that have multiple unpaid invoices.
- 1.7 Where an invoice remains unpaid following the final demand being issued a review of the

case is undertaken, which involves a debt recovery officer reviewing the invoice raised, any communications received and then attempting to speak to the customer to secure payment in full or to set up a repayment plan.

- 1.8 If contact cannot be established a decision is then taken on the next action, i.e. issue the 'Letter before Action' (required prior to instructing Solicitors), or send to an enforcement agent, or refer to a Senior Debt Recovery Officer (high-value Adult Social Care only).
- 1.9 The case will then be periodically reviewed and monitored depending on the course of action taken.
- 1.10 Monthly Aged Debt reports are issued by the Debt Service to Directors and budget holders and the financial implications of the aged debt position is reported as part of the monthly budget monitoring process. This ensures transparency and enables services to interact with the central debt team, where necessary, to progress any issues and/or engage directly with a customer to expedite payment.

2. MAIN ISSUES

- 2.1 The value of the invoices raised by the Authority has fluctuated during the last six years but currently the total value of invoices raised has increased although volumes are marginally down. The operational debt targets currently in place have not changed since circa 2008 when the value of invoices was lower. As set out below, as invoices values are generally increasing so has actual debt been rising over the period for a number of reasons, which are outlined in the following sections.
- 2.2 In 2011/12, the Authority issued 70,372 invoices with a total value £165.5m with an average invoice value of £25,617. In 2015/16, the number of invoices issued had decreased to 66,016 (6%), however the total value had increased to £184.6m (11.6%) with an average invoice value of £31,055. This is in contrast to the position in Adult Social Care, which is explored in more depth later where total invoice value is static but debt is rising.

The Total and Directorate breakdown of invoicing volumes and values is as follows:

CCC Debt Data - 2011/12 to 2015/16 Comparison

	Current Target	Adult Social Care		
		2011-12	2015-16	Increase / Decrease
	£	£	£	£
Volume of Invoices Raised		52,126	47,378	-4,748
Value of Invoices Raised		62,355,827	74,073,803	11,717,976
Average Invoice Value		1,196	1,563	367
*Year End Debt – 90-180 Days	340,000	196,075	543,996	347,921
*Year End Debt – 181 Days +	920,000	541,586	1,929,378	1,387,792
*Total Debt > 90 Days	1,260,000	737,661	2,473,373	1,735,713

	Children's & Families			
	Current Target	2011-12	2015-16	Increase / Decrease
	£	£	£	£
Volume of Invoices Raised		13,128	13,745	617
Value of Invoices Raised		48,584,520	42,484,583	-6,099,937
Average Invoice Value		3,701	3,091	-610
*Year End Debt – 90-180 Days	30,000	21,561	46,299	24,737
*Year End Debt – 181 Days +	30,000	7,079	20,525	13,446
*Total Debt > 90 Days	60,000	28,640	66,823	38,183

	Environment Services			
	Current Target	2011-12	2015-16	Increase / Decrease
	£	£	£	£
Volume of Invoices Raised		2,291	2,245	-46
Value of Invoices Raised		17,347,505	10,019,947	-7,327,558
Average Invoice Value		7,572	4,463	-3,109
*Year End Debt – 90-180 Days	20,000	15,609	81,601	65,992
*Year End Debt – 181 Days +	10,000	172,398	31,542	-140,856
*Total Debt > 90 Days	30,000	188,007	113,144	-74,863

	Corporate Services			
	Current Target	2011-12	2015-16	Increase / Decrease
	£	£	£	£
Volume of Invoices Raised		2,827	2,648	-179
Value of Invoices Raised		37,170,399	58,091,155	20,920,756
Average Invoice Value		13,148	21,938	8,789
*Year End Debt – 90-180 Days	20,000	140,058	56,991	-83,067
*Year End Debt – 181 Days +	30,000	2,665	51,233	48,568
*Total Debt > 90 Days	50,000	142,723	108,224	-34,499

	Total			
	Current Target	2011-12	2015-16	Increase / Decrease
	£	£	£	£
Volume of Invoices Raised		70,372	66,016	-4,356
Value of Invoices Raised		165,458,250	184,669,488	19,211,238
Average Invoice Value		25,617	31,055	5,438
*Year End Debt – 90-180 Days	410,000	373,304	728,887	355,583
*Year End Debt – 181 Days +	990,000	723,727	2,032,677	1,308,950
*Total Debt > 90 Days	1,570,000	1,097,031	2,761,564	1,664,533

*Debt Figures Over 90 Days Taken from Year End Aged Debt by Directorate Reports & Exclude Payment Plan and Secured Charge Debts

Changes to Invoicing Behaviour

- 2.3 The decrease in invoice volumes can be attributed to reduced manual invoicing and more automation leading to a greater number of combined invoices being issued together with a drive to convert services to payment on delivery/application thus negating the need to invoice.
- 2.4 The Debt Service has engaged with the digital strategy work undertaken by CCC to provide the required support/data to enable services to be moved to non-invoice based with an emphasis on using online payment methods to maximise efficiencies. There is reduced process cost as well as any potential for debt. Some key examples are:
- Skip Permits
 - Training Courses (various)
 - Visitor Parking Permits
 - Dropped Kerbs
 - Highway Signage
 - SEND Post 16
 - Application to become an approved premise
 - Registration Services (not all currently)
- 2.5 In 2010/11, 17,025 transactions with a value of £1.58m were undertaken using online methods and by 2015/16 this has risen to 31,070 transactions with a value of £3.7m. This is a mix of services where payment is taken up front electronically and those where payment is now also on line but where the service has already been provided.

Adult Social Care – Impact of Changes

- 2.6 The increase in invoiced values is slightly misleading if taken on its own. For example, in 2011/12 the total value was £165.5m, however in 2013/14 this had reduced to £150.6m before increasing in 2015/16 to £184.6m.
- 2.7 There are many factors that affect the invoicing of the Authority due to the diverse nature of the services offered and the projects and programmes ongoing at any one time. For example, if large capital projects or joint-working arrangements are undertaken in one year but not another then this could adversely affect the value of invoices raised. It is not straightforward to strip these out to provide a more consistent data set for comparative purposes.
- 2.8 The current debt position is largely attributable to the increased levels of charging for Adult Social Care services where changes over time to the charging policy have resulted in more people being assessed to financially contribute towards the services they receive.
- 2.9 In 2011/12, 3,427 financial assessments were conducted and by 2015/16 this had increased to 4,346. In 2016/17, 3,554 have already been undertaken and it is anticipated the figure will exceed 5,000 for the full year. Furthermore, a greater proportion of those being assessed are being required to pay for the service in full.

In terms of financial values, in 2011/12 the average invoice value for Adult Social Care invoices was £500, in 2012/13 this had risen to £538 and in 2015/16 it stood at £553.

- 2.10 Another factor is the considerable increase in high-cost packages as well as the assessed contribution levels. In May 2011, the maximum high-cost package invoice was £484 but by May 2015 had risen to £1,475 and by September 2016 to £1,882.
- 2.11 This is significant as Adult Social Care debt has always been – and remains – the most difficult to collect mainly due to people not believing they should have to pay for the care they are receiving or delays in internal processes. The working relationship between the Financial Assessments team and Care Management Teams has generally been good with little delay between the start of care and the instruction for assessment, which is in contrast to Northamptonshire where there are consequently higher levels of debt. There are nevertheless recent examples of increasing delays in excess of eight to ten weeks (July, August, and September this year).
- 2.12 There have been some more recent changes from January 2016 that are also now impacting the overall Adult Social Care debt. Invoicing for community care is now backdated to the date it commenced, which is resulting in larger invoices than previously being issued especially where there have been any delays in the process, e.g. notification by a care team to the financial assessments team or the service user has been slow to provide the required information to complete the assessment. The cost would have been borne by the service historically.
- 2.13 A harder stance is now being taken with service users (clients) who do not engage or return any information required for the assessment leading to a full-cost charge being applied, which in some cases can be £375 per week higher than the likely assessed charge. Since this change was made 124 cases have had a full-cost applied due to non-disclosure of information.

Debt Recovery Challenges

- 2.14 There are a number of other factors that have contributed to the gradual increase in the total operational debt levels over the last 6 years:
- The impact of austerity on people's income and ability to pay – for example, benefits income has remained relatively static for older people/those with care needs whilst inflation and the costs of goods and services continues to rise. This impacts on their overall ability to pay as they struggle to manage their finances.
 - The proportion of low value non-social care invoices raised is having an adverse impact on resource utilisation as time is being spent reviewing and managing these instead of the higher value/more difficult to collect invoices. In 2015/16, 34% (22,132) of the total invoices raised were for less than £1,000 with 28% (18,738) less than £500, 22% less than £250, 12% less than £100 and 5% less than £50.
 - Increased charging for services previously provided either at a lower cost or for free by the Authority, e.g. care services, sheltered housing, school transport.
 - People refusing to pay or considering the Authority are low on the list of creditors to pay. Where care services are being provided and cannot be stopped the Authority potentially faces a worsening position month on month.

- In Adult Social Care, the number of cases where financial abuse/deprivation of assets is increasing as people try to avoid having to pay a contribution towards their care costs.

Management changes

- 2.15 Structural changes in the management team in late 2014/early 2015 enabled a series of improvements to be introduced including changes to staff where performance issues needed to be addressed.
- 2.16 The new management team has revised the debt processes and introduced a more structured performance monitoring system with individuals being targeted and monitored on debt recovery activity monthly.
- 2.17 Resources are allocated to debt types at the start of each month based on the latest available data. This is kept under review throughout the month and changes made when necessary. Inevitably, the most resource is deployed on reviewing and managing Adult Social Care debt as this is the single biggest invoice raising Directorate (by volume and value) together with being the most difficult to recover.

Debt Recovery Strategies

- 2.18 The Collections Strategy outlined earlier is the starting point for all recovery activity with the initial letters being system driven. Once a debt recovery officer reviews the case and determines the way forward a number of strategies are then deployed.
- 2.19 The primary objective is to secure full repayment or a payment plan when contact with a debtor is made. This is not always possible and depending on individual circumstances the next course of action will vary from case to case depending on factors such as the value of invoice(s), whether any assets are available to pursue, e.g. a property and the type of services provided. For example, care services cannot currently be stopped even if invoices are not being paid so an increasing debt position results.
- 2.20 Three external debt collection agents have recently been introduced and are used where it has not been possible to collect the outstanding debt via the debt team. These are debts that previously would have been written off (after exhausting all other available avenues) and are taken on a 'no collection, no payment' basis. We are currently analysing the performance of these companies to determine their effectiveness and how we could/should use them moving forwards.
- 2.21 Legal action continues to be an avenue pursued where the prospect of recovery is considered to be good in terms of the costs and resources required. Each case is assessed on its own merits in terms of the amounts due, known assets and likely success of the action otherwise there is the potential to throw good money after bad.

Improvements Made/In Progress

- 2.22 Debt prevention activities remain the most effective method to reduce the risks of bad debt occurring. The Debt Service have pro-actively engaged with Adult Social Care to collaborate on debt prevention, improved processes and managing the customer journey as a single integrated process with the aim of reducing the time from care needs being

assessed to an invoice being issued.

- 2.23 The Debt Service have been heavily involved in the changes made by Cambridgeshire in the Customer Contact Centre to ensure the financial information provided is clear, informative and emphasises that it is very likely you will have to financially contribute to any care provided by the Authority.
- 2.24 Both the Debt Service and Financial Assessment Team have also adopted a default position of advising service users that payment should be made by direct debit in all instances in an effort to minimise the opportunity for someone to either forget to or not pay invoices issued.
- 2.25 The Debt Service are currently finalising the CCC access to create direct debits online via the telephone. This will provide the ability for any employee of CCC or Finance Operations to take direct debit details over the phone so a mandate can be set up for an invoice to be paid. This will significantly reduce the time the current paper process takes and ensure direct debits can be in place prior to invoices being issued.
- 2.26 The Financial Assessment team have agreed with Adult Social Care that a financial assessment officer will be available one day a week from December in each locality office so Care Management staff can refer cases or queries for resolution or undertake joint visits to service users (so a financial assessment officer would accompany a care worker) to secure the information needed to complete the assessment including a direct debit form or resolve any known issues.
- 2.27 The Financial Assessment Team are providing training to all Care Management staff about the financial assessment process and the importance of discussing this with a service user and, where possible, collecting any documents or forms. This is important as more and more people approach the Authority and the need to minimise delays in invoices being issued/invoices not being paid becomes more important
- 2.28 The Financial Assessment Team will shortly have access to the Department for Work and Pensions (DWP) Customer Information System (CIS), which will provide access to the financial information of a service user even if they have not yet provided it. This will lead to financial assessments being undertaken more quickly with improved accuracy on income levels and assessed contribution. If a referral from the care management team is received in a timely manner we would then be able to invoice earlier than we currently do, possibly at the point the service starts, thus negating large, one off invoices from being issued that are difficult to collect. An added advantage would also be less risk at the point a service user no longer requires support as services are not being invoiced in arrears.
- 2.29 An additional benefit from introducing CIS would be the ability to more accurately provisionally assess a service user who has not or will not provide details to us. This would remove the current full cost invoicing, which can distort the debt figures and ensure more reflective charging is invoiced.
- 2.30 Once access to CIS is confirmed, the financial assessment process will be streamlined by introducing recorded telephone financial assessments. The benefit of this will be that a service user will be informed at the end of the call what their financial contribution will be, any queries or objections can be proactively managed and direct debit details will be collected to minimise the risk of bad debt occurring.

- 2.31 Further activity is underway through the implementation of the ICON system that will improve the current processes and systems for taking card payments and also provide the option to utilise recurring card payments for those services applicable, e.g. care provision. Additional benefits from introducing this system will be a streamlined process to take online payments and efficiencies across all services from utilising a single cash management system. There are other modules that will be explored once the core product is implemented to determine which are most beneficial to CCC.

Targets

- 2.32 Clearly the targets do need to be updated. Initially it would make sense to rebase the target to current level otherwise the position of continually reporting under performance will persist. Moving forward there needs to be a reduction over to time to bring debt down to a more acceptable level and an obvious option would be a 10% year on reduction against the rebased targets for the next three years.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

3.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

3.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

There are no significant implications within this category

4.2 Statutory, Risk and Legal Implications

There are no significant implications within this category

4.3 Equality and Diversity Implications

There are no significant implications within this category

4.4 Engagement and Communication Implications

There are no significant implications within this category

4.5 Localism and Local Member Involvement

There are no significant implications within this category

4.6 Public Health Implications

There are no significant implications within this category

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Chris Malyon
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	Not applicable
Are there any Equality and Diversity implications?	Not applicable
Have any engagement and communication implications been cleared by Communications?	Not applicable
Are there any Localism and Local Member involvement issues?	Not applicable
Have any Public Health implications been cleared by Public Health	Not applicable

Source Documents	Location
Integrated Resources and Performance Reports to General Purposes Committee	https://cmis.cambridgeshire.gov.uk/ccc_live/Committees/tabid/62/ctl/ViewCMIS_CommitteeDetails/mid/381/id/2/Default.aspx

Cambridgeshire County Council

LGSS Collections Strategy

Prepared by: Chris Law & Martyn
Bacon
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Owner: Section 151 Officer and LGSS Head of Transactions

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1	First draft to LGSS Director of Finance & Cambridgeshire County Council s151 Officer	C Law	31/01/2014
2	Updated following feedback from Chris Malyon, s151 Officer for Cambridgeshire	C Law	17/4/2014
3	Final updates for Cambridgeshire SMT	C Law	11/6/2014

Document Sign-off

Signature: _____

Printed Name:

Position:

Date:

Executive Owner:

Signature: _____

Printed Name:

Position:

Date:

1. Background

1.1 Basic Principles

The basic principles of debt collection are the same whatever the type of debt you are collecting or who you are collecting it from. A customer is a customer and a debt is a debt. The key variable for a public sector authority is to preserve its reputation (particularly in its treatment of vulnerable customers) and not leave itself open to unwanted scrutiny.

The structures we put in place, methods we employ, the sanctions we can (or choose) to impose and the culture that drives our processes are the only realistic variables. The vast majority of collections work is common sense but requires both sensitivity and firmness in equal measure. We must never lose sight of fairness, commerciality and the reputation of the Council when dealing with any customer.

An important point to note is the changing attitude of customers towards debt in recent years with many becoming somewhat ambivalent towards paying on time or indeed at all. The introduction of a formal Debt Policy and a revision to the Collections Process will allow us to reflect these changing attitudes whilst concurrently ensuring we maintain our principles of how we conduct our debt collection activities. It will also allow us to ensure we maximise our use of resources allocated to collection activity.

1.2 Policy

The full policy can be found in Appendix 1 and a summary of the key aspects are detailed below.

General Terms

These detail the general principle behind the policy and provide clarity on matters such as payment terms, late payment interest, credit terms, de-minimus levels, collection methods, payment methods and allocation of payments received.

Types of Debt and Debtor

This details who may raise a debt and who the Council class as debtors.

Definitions

This section details when a debt is deemed to no longer be recoverable.

Referral for Legal Action

This details the criteria for referring cases and the appeals process.

Write Offs

This details the limits and authority levels.

1.3 Process

The full process can be found in Appendix 2 and a summary of the key aspects are detailed below.

General Terms

These mirror, where appropriate, those detailed in the Policy and include details about Disputes & Resolution.

The Collections Process

This describes the collections process including the issuance of the pre-action letter of claim that is required if legal proceedings are to be instigated.

The Y Strategy

This is how we will determine the next steps if a customer has failed to settle the debt or not made arrangements to pay. Once the standard collections process has been exhausted we have two directions we can go – refer the debt for further collection or legal action or write it off – and the ‘Y’ strategy details the criteria and process for determining which one is most appropriate for the debt in question. It also includes details of how a referral will be made to Legal Services, how it will be monitored and the channels of communication between Legal Services, the raising department and the respective collections team.

Write Off

This documents the factors to be taken into account when considering if a debt should be written off and the process of informing a department of a write off (including the appeals process).

2. Context

The Policy and Processes detailed in the LGSS Collections Strategy is designed to improve the debt collection policy and process for Cambridgeshire County Council and to enable a coherent Collections Strategy to be implemented.

2.1 Debt Policy

The introduction of a formal Debt Policy for the Cambridgeshire County Council will be adhered to by all departments based on the document contained in Appendix 1. This will provide the foundations upon which the core Collections process is built and introduce a consistent approach to how Cambridgeshire County Council manages its debt. The policy will be owned and maintained by the Section 151 Officer in consultation with the appropriate business areas.

2.2 Collections Process

The introduction of a standardised Collections process for Cambridgeshire County Council will be adhered to by all departments based on the document contained in Appendix 2. This will ensure that a debt is pursued in a structured and consistent way and by adopting the 'Y' strategy only those debts that have a realistic prospect of success will be referred for further recovery and Legal Action, which can be both a timely and costly process.

All debt collection processes, whether centrally or locally managed, will be consistent with the standard Collections process, which will be owned and maintained by LGSS Head of Transactions in consultation with the appropriate business areas.

2.3 Using Outside Collection Agencies

Outside collection agencies will be engaged on a 'no win, no fee' basis as we would retain some control over the actions taken by the agencies on our behalf and it is considered that we would generate greater additional revenues through this approach.

It is anticipated that virtually all unsecured sundry debt where no assets are known would be referred to an outside Agency. Social Care debts generally will be the exception to this policy, although these would be managed on a 'case-by-case' basis and some referrals could be made.

2.4 Management Reporting

Key Performance Indicators for Collections will be set annually by the Section 151 Officer and the LGSS Head of Transactions.

Monthly reporting will be provided or available via self-service as follows:

- **Total Debt** – this will be reported based upon the CiPFA standards of 0-30, 30-60, 60-90, 90-180, 180-360 and 360+ at organisation level by Directorate with access to the detailed data that sits behind each number
- **Turnover** – this will measure the value of invoices raised against the amount of debt outstanding in percentage terms displayed by Directorate to give an indication of the overall performance
- **Big Ticket Items** – this will be a collation of all individual invoices greater than £10, 000 in value that are more than 30 days old so Directors, Service Heads and Budget Managers can pro-actively assist the LGSS Collections Team to manage and recover the overdue amounts

3. Appendix 1 – Debt Policy

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Section 1- Introduction

This policy is issued by the Section 151 Officer for Cambridgeshire County Council in accordance with the Council's Constitution. They are corporate procedures and will be followed by all parties involved in the recovery of monies owed to the County Council.

Variations and exceptions to this policy can only be approved by the Section 151 Officer. Where leasehold or tenancy agreements prescribe, alternative debt recovery arrangements are in place and are managed by the Property Service Area.

Departments must use upfront payments in all appropriate circumstances for all services provided before issuing invoices to minimise the potential for debts to occur.

All invoices issued by departments must be raised in the Oracle Financials System (Oracle ERP) either directly or via an interface feed from a line of business system within a maximum period of 14 days from the date the service commenced / was delivered. Invoice raising should be in accordance with the prescribed procedure ensuring that where appropriate customer purchase order numbers are shown. Once the invoice is recorded in Oracle the credit will be posted to General Ledger (GL). The management information produced from GL will, therefore, reflect the Council's accounting policy.

The Section 151 Officer will arrange for the debt to be collected through the LGSS Transactions Collections Team (hereafter referred to as 'the collections team'). Raising an invoice should lead to payment being received, however the relevant collections team will chase all unpaid invoices in line with the approved Debt Policy and Collections Process.

Section 2 - Payment and Credit Terms

Payment terms for accounts raised are either immediate or 28 days. If any other payment terms are required these must be presented to the Section 151 Officer, with a business case, to seek agreement prior to the issuance of an invoice.

If Cambridgeshire County Council have had no dealings with a customer before or if the customer has a record of poor payment then consideration should be given to requesting payment before the goods or service are supplied. A paid invoice can be supplied after the event, if required.

This section will not apply to debts accrued as a result of community care services provided as a result of an Adult Social Care Community Care assessment.

Late Payment Interest

Under the "Late Payment of Commercial Debts (Interest) Act 1998" Cambridgeshire County Council is entitled to claim statutory interest for the late payment of commercial debts and reasonable debt recovery costs. At present, Cambridgeshire County Council has not invoked this legislation but any such costs, which may be recovered in the future, will be credited against corporate debt recovery costs and loss of interest and will not be credited to departmental budgets.

In certain circumstances, Adult Social Care may authorise a deferred payments scheme. If, on the cessation of the scheme, payments are not been made by 56 days, Cambridgeshire County Council will charge 1% above the Barclays Bank base rate on the debt either from the date the resident passed away or the due date of the final invoice if the resident has left the home or if the property has been sold.

Section 3 - Invoicing

Customer Addresses

The Oracle Financials Accounts Receivable system contains customer name and address information for raising invoices, however, it is the responsibility of departments to ensure that the information is correct and up to date before raising an invoice.

If an original invoice over £100 is returned due to an incorrect address the Data Management Team will instigate a customer trace with any costs incurred charged to the originating department.

If the invoice is under £100 it will be cancelled and the department informed. When a new address is known and confirmed with the Data Management Team a new invoice will need to be raised by the department. Details on Customer set up and maintenance and how to raise an invoice can be found on the LGSS Intranet site.

Timeliness

It is important that invoices are raised in respect of all debts as soon as the service has been provided or any liability incurred in accordance with the Council's SORP 3 standard. Invoices must be accurate and they must not be speculative. They must be entered into Oracle without delay.

Where the County Council is in a contractual situation and stage payments are made a request for payment should be issued in the first instance. An invoice should only be raised once agreement has been reached on the amount to be paid. If an order has been part completed, consider raising an invoice for this part of the work, particularly if there will be a delay before completing the order **and/or** the order is large.

Despatch

Invoices produced by LGSS will not be returned to departments upon printing, nor will attachments be sent out with invoices. The most practical approach is to send correspondence or attachments under separate cover and say that an invoice will follow.

De-minimis Level

Departments are advised not to raise official invoices for amounts below £50 as the cost of collection will outweigh the income being collected. In these circumstances departments should collect payment before goods/services are delivered.

N.B. Where the supply is liable to VAT the debtor has a right to request either a VAT invoice or a VAT receipt. This right will normally only be taken up by a VAT registered trader.

Overpayments by Cambridgeshire County Council

If a debt has arisen as the result of an overpayment to a creditor, the first consideration should be given to deducting monies from further payments due, however if this is not possible then an invoice should be raised without delay.

Section 4 - Allocation of Payments

Unless a customer specifies that a payment made is for a specific invoice any monies received will be allocated firstly against fees, costs and interest and then against the oldest debt but excluding disputed items.

Unidentified Cash

Where departments are asked for assistance in identifying unidentified cash they should respond within 10 working days.

Any unidentified cash, unapplied after six months, will be transferred into central funds. If this is subsequently identified prior to year-end closure, then a transfer to the departmental budget may be effected.

Section 5 - Debt Collection Timetable

The collection process will commence on or around 14 days after the date upon which an invoice was issued, although telephone calls will be made, subject to available resources, where significant debts are raised. The timetable below may alter depending on the individual circumstances of specific cases and if the customer makes / is in contact with the relevant collections team (or department). The full process is documented in the Collection Process.

Day 14 – if no payment or contact received the customer is issued with the first letter requesting payment within 7 days

Day 34 - if no response or payment has been received the customer is issued with the second and final letter requesting payment known as the 'pre action letter of claim' stating we will look to commence legal proceedings if payment is not forthcoming within a final period of 10 days.

During the above stages, efforts will be made to contact customers by telephone if the raising department has provided these to the relevant collections team. At all times, the collections team will adopt a fair and reasonable approach towards the customer taking account of their circumstances and ability to pay. Any disputes with customers and / or departments that cannot be resolved by the collections team will be escalated initially to the LGSS Revenues and Assessment Manager for a decision. If agreement cannot be reached then a referral to the LGSS Head of Transactions and Head of Finance Professional will be made whose decisions will be final.

Often the threat of action plus the formal nature of the request is sufficient to at least prompt a response from the customer.

Day 44 - The debt will be assessed using the 'Y' strategy to determine what options will be taken including if external collection or legal action is viable or whether write off appears to be the only remaining option.

Section 6 - Securing Debt Arrangements

Instalments

Any request to pay by instalments must be referred to the collections team who will contact the debtor to obtain details of their income/expenses and offer. The collections team alone will have the delegated powers to accept or reject any offer made. If the offer is not considered reasonable then they will inform the debtor and try to negotiate a better offer, however they may refer the debt for legal action if no better offer is forthcoming.

If a debtor fails to honour an instalment payment they will be contacted and reminded that a missed payment means that the whole of the debt becomes immediately due and normal recovery procedures will be applied.

Deferred (or Secured) Debts

If a debt is secured by property then the collections team will not chase the debt, subject to sufficient equity being proven. All debts that are deferred must be registered in Oracle and it is the Departments responsibility to ensure this happens.

We must ensure that we have a legal charge over the property and not just a promise of payment against a future sale as without a legal charge we are powerless to enforce payment. The collections team will make the necessary enquiries in conjunction with LGSS Legal will ensure any security held is valid.

Customers in Receivership/Liquidation/Bankruptcy

If notification of a firm / individual going into receivership / liquidation / bankruptcy is received, it should be forwarded to LGSS Collections Team who will check for outstanding debts. If there are any and they have already been referred to Legal Services then the LGSS Collections Team will call these cases /debts back together with any correspondence from the receivers / liquidators for them to manage appropriately and deal with the receivers / liquidators. If there are outstanding debts that have not been referred to Legal Services the LGSS Collections Team will deal with the receivers / liquidators.

Section 7 - Debts Referred to External Collection Agents and Legal

Only debts that have been identified via the 'Y' strategy as viable will be referred to External Collection Agents or Legal Services to commence action. The collections team will contact the issuing department, if required, for any documentation necessary to complete the submission pack to these Agents and Legal Services.

If a department wishes to refer a debt that failed the viability test under the 'Y' strategy then it can submit a request detailing the reasons why legal action should be taken to the LGSS Collections Manager for consideration. The LGSS Collections Manager will consult with Legal Services and if the conclusion is that legal action is not appropriate then he will refer the debt back to the originating department. Appeals on decisions will be considered by the LGSS Head of Transactions.

Once the debt has been referred to Legal Services, the collections team will monitor progress and costs on a monthly basis. Legal Services will refer general queries to the collections team except where authority to incur additional costs over those anticipated in obtaining judgement is required, in which case they will contact the invoice-issuing department direct.

If at any stage in the process Legal Services consider there is no prospect of recovery or that it is not cost-effective to continue the action they will notify the department and return the debt to the relevant collections team for referral to an outside collection agency or write off.

If Legal Services agrees an instalment plan with a debtor, then once one payment has been received the debt will be passed back to the relevant collections team to monitor receipt of future agreed instalments.

Costs

Legal proceedings result in the Council incurring additional costs. The Council's policy is that the legal costs should be included in the claim against the customer. Any legal costs that are not recovered from the customer will be charged back to the department who originated the invoice.

Any commission costs accrued for recovering debt through the External Collection Agent will be charged back to the department who originated the invoice on a monthly basis.

Section 8 - Enquiries from Customers

If a customer queries the validity of an invoice with the LGSS Collections Team then the invoice will be placed on hold and the query referred back to the originating department. If a debtor raises the same type of query directly with the originating department, the department must immediately notify the relevant collections team so that the invoice may be placed on hold.

Once a query has been raised the originating department must reply to the customer within 5 working days.

Copies of all correspondence (and details of telephone conversations) must be sent to the collections team weekly as they are responsible for maintaining the debt history and will need to pass all relevant papers, including copies of correspondence, to Legal Services if the debt is referred.

Section 9 - Disputes - Invoices Placed 'On Hold'

Where an invoice has been queried and placed on hold the originating department must keep the collections team informed of progress. If the query cannot be answered within the 5 day limit then the originating department must give the relevant collections team an indication of when the query will be settled. The originating department has a maximum of 15 working days from the date of query to resolve the matter.

If the originating department cannot resolve the query within this extended period they must request the invoice remain on hold for a further specified period of time. If no extension has been requested the invoice will be taken off hold and normal debt collection activity will re-commence.

The LGSS Collections Manager can decide to cancel any invoice that is on hold where queries are not being progressed as follows:-

- Debts below £1,000 will be cancelled back to the originating department
- Debts above £1,000 or over will be reported monthly to the LGSS Head of Transactions and Head of Professional Finance for advice / action

Section 10 - Cancelling an Invoice

Once an invoice has been printed it must not be changed or cancelled. If it is subsequently found to be incorrect a credit note must be raised in Oracle to either cancel the complete invoice or part thereof. These should be generated by the invoice originating department via a request to the LGSS Data Management Team.

It should be noted that this relates only to those circumstances where the debt, as raised, is incorrect. If cancellation is required in other circumstances the invoice must be written off (see the Write Off section for further details). Care should be taken in raising invoices to ensure that the need for cancellations is kept to a minimum

Section 11- Write Off

An invoice that remains outstanding after Collection Action will be subject to a write off process. Authority to write off the debt rests with the collections team subject to the delegated limits details below.

Delegation for Write Off

Debts over £25,000

Debts over £25,000 will be reported to the General Purposes Committee. The LGSS Head of Transactions will prepare details of any such debts for the Section 151 Officer to seek authority of the General Purposes Committee to Write Off.

Debts £5,000 to £25,000

Each month the LGSS Collections Manager will prepare schedules by department of debt recommended for write off for authorisation by the Section 151 Officer. The schedules will include the reason for requesting a write off and confirmation that the collections process has been exhausted and confirmation from a departmental senior officer from the service area to the write off.

Debts £2000 to under £5000

Each month the LGSS Collections Manager will prepare schedules by department of debt recommended for write off for authorisation by the LGSS Head of Transactions. The schedules will include the reason for requesting a write off and confirmation that the collections process has been exhausted and confirmation from a departmental senior officer from the service area to the write off.

Debts £500 to under £2000

Each month the LGSS Collections Team will prepare schedules by department of debt recommended for write off for authorisation by the LGSS Revenues and Assessment Manager. The schedules will include the reason for requesting a write off and confirmation that the collections process has been exhausted.

Debts below £500

Each month the LGSS Collections Team will prepare schedules by department of debt recommended for write off for authorisation by the LGSS Collections Manager. The schedules will include the reason for requesting a write off and confirmation that the collections process has been exhausted.

The Finance Business Partners in each department will be provided a copy of the appropriate schedules for information, of those debts to be written off.

Write Offs will be charged in accordance with the Write Off Accounting Policy as determined by the Section 151 Officer. The current policy will be to write off back to the original invoice or equivalent codes irrespective of the financial year the invoice was raised in.

Payments Received Post Write Off

If payment is received after an account is written off the write off will be reversed (up to the value of the receipt) and the cash applied to the original account within Oracle providing this occurs within the same financial year. If this occurs in a subsequent financial year the payment will be considered a fortuitous gain and no reversing entries will be undertaken in Oracle.

4. **Appendix 2**

Collections Process

Contents

1. Overview
2. Roles & Responsibilities
3. Types of Debt & Customers
4. Definitions
 - a. Irrecoverable Debt Prior to Legal Action
 - b. Irrecoverable Debt Following Legal Action
5. Collection & Payment Methods
6. Collections Tools
7. The Collections Process
8. The Y Strategy
9. Disputes & Resolution
10. Write Off

Section 1 - Overview

The basic principles of debt collection are the same whatever the type of debt you are collecting or who you are collecting it from. A customer is a customer and a debt is a debt. The key variable for a public sector authority is to preserve its reputation (particularly in its treatment of vulnerable customers) and not leave itself open to unwanted scrutiny.

The structures put in place, methods employed, the sanctions we can (or choose) to impose and the culture that drives our processes are the only realistic variables. The vast majority of collections work is common sense but requires both sensitivity and firmness in equal measure. We must never lose sight of fairness, commerciality and the reputation of the Authority when dealing with any customer. Every effort will be made to assist those debtors who fall into the category of “can’t pay” rather than “won’t pay”. This will be achieved through debt recovery action, referral to counselling agencies or advocacy services.

The purpose of this document is to detail the collections process to be followed including clarification of any definitions or terminology used to ensure a structured and consistent approach is taken to maximise chances of recovery.

Section 2 - Roles & Responsibilities

The tables below provides an overview of the responsibilities under each key area of the process detailing the business area that has primary ownership and where it is optional for another area to be involved or engaged as a debt moves through that stage of the process. It should be noted that interaction between the LGSS Collections Team and other business areas throughout the collections process will be ongoing and not all of this will be captured in the table below.

<u>All Debts</u>	<u>Business Area Responsible</u>		
	Process Activity	Dept.	LGSS Legal Services
	Accurate raising/cancelling of debt in line with established policy and procedures	P	
	Retention of appropriate documentation to support validity of debt	P	
	Collection of debt < 30 days old	O	P
	Collection of debt > 30 days old	O	P
	Standard collections process		P
	Application of the 'Y' strategy		P
	Undertaking legal proceedings	O	P
	Maintenance and monitoring of instalment arrangements		P
	Management of debt referred to outside agencies		P
	Decision to write off	O	P O

P = the business area primarily responsible

O = the business area may choose to be involved but is not the primary owner; any involvement must be communicated to the business area who is primarily responsible

Section 3 - Types of Debt & Customers

By way of definition, all debts are invoiced debts for services provided by the various departments within Cambridgeshire County Council: There are two main categories for debt – Care Debt and Sundry Debt

Each department has numerous establishments that raise invoices for specific business areas and each is allocated a salesperson reference to identify them.

In the majority of cases debts are unsecured and would be treated as such in any court action we may take. In certain instances it may be possible to secure debts by either taking or obtaining via the courts a Legal Charge against a property in which the customer has an interest.

Customers can be either:

- Private individuals (who freely purchase services from us)
- Private Individuals (who receive Care services and have restricted choice as to whether services are purchased)
- Companies / Businesses
- Tenants
- Other local authorities
- Colleges, Academies and Schools
- NHS Bodies

Section 4 - Definitions of Irrecoverable Debt

A. Irrecoverable Debt Prior to Legal Action

A debt will be deemed irrecoverable once the following steps have been taken or considered and resulted in neither resolution nor payment of the debt:

1. Staged collection letters sent (minimum 2 letters)
2. Phone calls made to the debtor (where applicable)
3. Copy invoices sent (where applicable)
4. Trace actions instigated (where applicable)
5. Referral to external collection agencies (primarily for sundry debt)
6. Legal or further action for recovery deemed uneconomical
7. Legal action not deemed appropriate as customer not working or company in liquidation
8. Legal action impossible as we have no proof of debt or enforceable documentation
9. Insolvency or bankruptcy confirmed
10. Customer refuses to pay and has no income to do so
11. Customer refuses to provide income & expenditure details and has no known assets
12. Customer gone away and cannot be traced
13. Customer will not make a payment offer satisfactory to both parties and does not have the means to do so

B. Irrecoverable Debt Following Legal Action

1. Judgement has been gained in The County Court but the customer has disappeared and cannot be traced
2. Judgement has been obtained and invoice raising department will not sanction the cost of enforcement
3. The amounts recovered by enforcement are insufficient to clear the invoice in full
4. Court action has failed and we were unsuccessful in obtaining judgement
5. Payments under Judgement have stopped and the cost of re-commencing legal action is deemed prohibitive
6. Action is defended and the cost of pursuing is prohibitive

Write Off

Write off is the process of removing a debt from the debtor ledger on Oracle since the monies due will never be recovered. As soon as a debt is deemed as irrecoverable it should be written off.

Write off schedules will be produced each month for authorisation in accordance with the Write Off Policy

The Finance Business Partners in each department will be provided with the appropriate schedules each month of those debts to be written off.

Section 5 - Collection / Payment Methods

The main collection methods are as follows:

1. Telephone call to home or mobile for individuals (if provided by the raising department or identified by the LGSS Collections Team)
2. Telephone call to company or business office for companies or schools (if provided by the raising department or identified by the LGSS Collections Team)
3. System generated reminder letters (also referred to as Dunning)
4. Self generated / ad-hoc bespoke collection letters issued by LGSS Investigation and Recovery Officers
5. E mail
6. Scheduled Payment arrangements (instalments)
7. Trace action
8. Legal Action
9. Collection Agent and Bailiffs (after court action)
10. Warrants (after court action)
11. Attachment of earnings (after court action)

The different payment methods available are:

1. Cash
2. Cheque
3. Direct Debit
4. Recurring Payments
5. Payroll deductions (employees only)
6. BACS
7. Phone/Internet banking
8. Payzone (to be determined)
9. Girobank (under review)
10. Debit Card
11. Credit Card

Section 6 - Collection Tools

The collection tools used by LGSS Collections Team in the broadest sense, encompass using outside agencies and other local authorities to obtain information on a customer to assist us in the recovery process and the following list details those to be used.

- Experian for business searches
- Section 35 requests to other local authorities for address confirmation
- Birth, marriage and deaths records
- Google/ Bing etc
- Social networking sites
- Tracing Agents

Section 7 - The Collections Process

The collection process will commence on or around 14 days after the date upon which an invoice was issued, although telephone calls will be made, subject to available resources, where significant debts are raised. The timetable below may alter depending on the individual circumstances of specific cases and if the customer makes / is in contact with the relevant collections team (or department). The full process is documented in the Collection Process.

Day 14 – if no payment or contact received the customer is issued with the first letter requesting payment within 7 days

Day 34 - if no response or payment has been received the customer is issued with the third and final letter requesting payment known as the 'pre action letter of claim' stating we will look to commence legal proceedings if payment is not forthcoming within a final period of 10 days.

During the above stages, efforts will be made to contact customers by telephone if the raising department has provided these to the relevant collections team. At all times, the collections team will adopt a fair and reasonable approach towards the customer taking account of their circumstances and ability to pay. Any disputes with customers and / or departments that cannot be resolved by the collections team will be escalated initially to the LGSS Revenues and Assessment Manager for a decision. If agreement cannot be reached then a referral to the LGSS Head of Transactions and Head of Finance Professional will be made whose decisions will be final.

Often the threat of action plus the formal nature of the request is sufficient to at least prompt a response from the customer.

Day 44 - The debt will be assessed using the 'Y' strategy to determine what options will be taken including if external collection or legal action is viable or whether write off appears to be the only remaining option.

During the above stages, efforts will be made to contact customers by telephone as this is proven to be the most effective method of extracting a positive outcome. The main reason for this is that any confusion is dealt with immediately and a commitment to pay is gained. If clarification is required by the customer we deal with this immediately, for example, investigating the whereabouts of payments the customer claims to have made or providing a copy of the invoice as proof the debt is valid. It should be noted that due to the sheer volume of invoices raised it will not always be possible to chase every one by phone and where there is a need to prioritise higher value debts will be targeted first.

At all times, the collections team will adopt a fair and reasonable approach towards the customer taking account of their circumstances and ability to pay. Any disputes with customers and / or departments that cannot be resolved by the collections team will be escalated initially to the LGSS Revenues and Assessment Manager. If agreement cannot be reached then a referral to the LGSS Head of Transactions and Head of Professional Finance be made whose decisions will be final.

Section 8 - The 'Y' Strategy

The 'Y' strategy looks at the process as representative of following the collections phases until we reach a 'fork in the road'.

At this stage the debt will be reviewed by the LGSS Collections team to ensure that the collections process has been correctly followed, and if not take appropriate corrective action.

Where the collection process has been followed, the Collections Team will use the Y strategy contained within the Collections Process as the basis for determining the next action with the value and type of debt being the determining factors in the decision making process Oracle will be updated to show which path / action is followed.

At this point there are four primary options:

- | | |
|----------|---|
| Option 1 | Care Debt – refer to In house Investigation and Recovery Officers |
| Option 2 | Sundry Debt – refer to External Collection Agent for Recovery |
| Option 3 | Refer for Legal Action |
| Option 4 | Prepare for Write-Off. |

Option One - Care Debt

For outstanding Care cases, the debt will be referred to the Investigation and Recovery Officers. The collections officer will flag the debt in Oracle as 'referred to investigation and recovery officer (IRO)'

The IRO will:-

- Review Financial Assessment and Care information to gain background and understanding of the case
- Contact Social Care Officers / Workers should further information be required
- Contact the individual or their authorised representatives by phone, email, letter or visit to determine reasons for non payment
- Seek to resolve any disputes, misunderstandings surrounding the debt
- Agree payment plans, or seek to secure payment of the debt through other arrangements
- Make recommendations for further action, legal action or write off of debt

Option Two – Sundry Debt

Outstanding Sundry Debt and Care Debt by exception (determined on a case by case basis, where legal action is not considered viable) will be referred to an External Collection Agency for recovery. The collections officer will flag the debt in Oracle as 'referred to collection agent' and gather the core details and copy documentation for submission to the appointed collection agency(s). The Collections Agency will have the case for 60 days and the Collections Team will be in regular contact with them, to ensure debts are being managed appropriately and reporting on performance and collection rates is being received.

Once the use of the outside agency has been concluded the following will happen:

- If full payment has been forthcoming, Oracle will be marked accordingly and the case closed
- The External collection Agency's recovery commission fees will be charged back to the department who raised the invoice on a monthly basis
- If partial or no payment has been received, Oracle will be marked accordingly and the relevant collections team will arrange for the debt to be flagged as 'pending write off' and for it to be added to the current write off schedule for approval. The schedule will then be provided to the department concerned on a monthly basis to notify them the debt is to be written off

Option Three - Legal Action

The relevant collections officer will review the case to determine whether Legal action is viable. The collections officer will flag the debt in Oracle as 'referred to Legal' A legal case submission template will be completed and checked prior to submission to Legal to ensure that all required actions and documents are in place.

This preliminary process ensures that:-

1. Only debts that are deemed collectible would be sent to Legal Services ensuring effective use of their time and resources and that solicitors / court costs are not unnecessarily incurred
2. All preliminary letters have been sent so court papers can be issued immediately
3. Success rates through the court should be higher
4. Recourse direct to departments from Legal Services saving time and resources
5. Where court action fails Legal Services can advise the department direct and return the debt to the relevant collections team to refer to an outside collections agency or write off
6. Legal expertise is not misdirected by the pre-action process

The LGSS Collections Team will on a monthly basis monitor progress and cost performance of each case to determine the cost effectiveness of action taken.

Option Four – Write Off

At any stage during the recovery process a debt can be referred for write off, although this must be as a last resort when all other actions have failed to collect the debt. The Collections Policy determines where debt is deemed to be irrecoverable and Section 10 of the Collections Process outlines items to be considered when determining write off. The cost effectiveness of further debt recovery action should also be considered and therefore single non recurring debt of less than £50 may be deemed as uneconomical to recover following the issue of dunning letters.

Write off schedules will be produced each month by the LGSS Collections Team for authorisation in accordance with the Write Off Policy.

The Finance Business Partners in each department will be provided with the appropriate schedules for information each month of those debts to be written off.

Section 9 - Disputes & Resolution

It is quite common during any phase of the debt collection process to find that the invoice being chased for payment is disputed. This is not necessarily an indication that we will not be paid but more likely a request for more information. Nonetheless, this is quite often a delaying tactic and if not dealt with in a timely manner can lead to protracted non-payment.

Usually the dispute will relate to one of the following:

1. Customer claims the invoice was never received
2. Customer disputes the amount of the invoice
3. Customer claims to have paid it already
4. Customer maintains some or all of the invoiced services have not been provided
5. The customer will not pay anything until ALL the items invoiced have been either done or received

Items 1 and 3 are easily resolved either by sending a replacement invoice or tracing the payment via the Oracle system.

Item 2 needs to be queried with the invoice-raising department to ensure that the figures were indeed correct and if not, for an additional invoice or the appropriate credit note to be issued.

Item 4 also requires clarification from the invoice-raising department but also some negotiation by the Collections Team for part payment against the completed services provided.

Item 5 unfortunately is extremely common and likely to take time to resolve. In this scenario, the customer is adopting an all or nothing approach, which requires more in depth research and most likely co-operation from the invoice-raising department to fully resolve.

Section 10 - Write Off

The definition for write off is provided in the Policy for Debt Recovery and has been mentioned earlier in this process guide; however it should be made clear that it is, and must always be, the last resort.

It is recognition that nothing further can be done to collect payment of the debt and that no further action for recovery will be made. In this context, the reasons that a debt should, or could be, considered for write off, are as follows:

1. All efforts to collect the debt have been exhausted and failed
2. The Customer should be sued but is not working or the company is in liquidation and so there is no value in doing so
3. The Customer refuses to pay but legal action would not succeed as we have no proof of debt
4. The Customer has been sued but enforcement has failed
5. The Customer cannot be traced
6. Court Judgement has been obtained but the order granted will not liquidate the debt within 60 months (i.e. nominal payments of say £1 per month)
7. Enforcement has succeeded but goods to levy against have no value
8. Debt is over 24 months old with no likely resolution
9. Debt has been passed to a external collections agency and they have failed to recover any monies.

There is, of course, no reason why a customer could not be pursued for a debt that has been written off if we become aware that their circumstances have changed for the better. In such instances, any monies recovered would be treated as a fortuitous gain.

GENERAL PURPOSES COMMITTEE AGENDA PLAN

Published on 3rd October 2016
As at 13th October 2016



Cambridgeshire
County Council

Agenda Item No.11

Notes

Committee dates shown in bold are confirmed.

Committee dates shown in brackets and italics are reserve dates.

The definition of a key decision is set out in the Council's Constitution in Part 2, Article 12.

* indicates items expected to be recommended for determination by full Council.

+ indicates items expected to be confidential, which would exclude the press and public. Additional information about confidential items is given at the foot of this document.

Draft reports are due with the Democratic Services Officer by 10.00 a.m. eight clear working days before the meeting.

The agenda dispatch date is six clear working days before the meeting.

Committee date	Agenda item	Lead officer	Reference if key decision	Spokes meeting date	Deadline for draft reports	Agenda despatch date
25/10/16	1. Minutes – 20/09/16	M Rowe	Not applicable		12/10/16	14/10/16
	2. Capital Programme & Capital Prioritisation Report	C Malyon	Not applicable			
	3. Revenue Business Plan tables and Fees and Charges (Customer Service & Transformation and LGSS Managed) Report	S Grace	Not applicable			
	4. Integrated Resources and Performance Report (August)	R Bartram	Not applicable			

Committee date	Agenda item	Lead officer	Reference if key decision	Spokes meeting date	Deadline for draft reports	Agenda despatch date
	5. Resources and Performance Report (August) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	6. Look After Children Savings	M Teasdale	Not applicable			
	7. Look After Children Transformation Bids	M Teasdale	Not applicable			
	8. Level of Outstanding Debt	C Malyon	Not applicable			
	9. Wisbech Community Led Local Development Fund	S Grace	Not applicable			
29/11/16	1. Minutes – 25/10/16	M Rowe	Not applicable		16/11/16	18/11/16
	2. Integrated Resources and Performance Report (September)	R Bartram	2016/030			
	3. Resources and Performance Report (September) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	4. Business Plan Consultation	C Malyon	Not applicable			
	5. Overview of Business Planning Proposals (Including Community Impact Assessments)	C Malyon	Not applicable			
	6. Capital and Revenue Report (Customer Service & Transformation and LGSS Managed)	S Grace	Not applicable			
	7. Total Transport Pilot	T Parsons	Not applicable			
	8. Cambridgeshire Guided Busway Defects (<i>confidential appendix</i>)	B Menzies	Not applicable			
	9. Treasury Management Report – Quarter 2*	M Batty	Not applicable			

Committee date	Agenda item	Lead officer	Reference if key decision	Spokes meeting date	Deadline for draft reports	Agenda despatch date
	10. Draft Consultation Report (Customer Service & Transformation and LGSS Managed)	S Grace	Not applicable			
	11. County Council Elections 2017	S Grace	Not applicable			
	12. Renegotiation of the Waste PFI Contract (<i>confidential appendix</i>)	G Hughes	2016/066			
	13. Transformation Bids a) Buurtzog business case	C Black C Malyon	2016/046			
	14. Community Hubs	C May	2016/051			
20/12/16	1. Minutes – 29/11/16	M Rowe	Not applicable		07/12/16	09/12/16
	2. Amendments to Business Plan Tables (if required)	C Malyon	Not applicable			
	3. Integrated Resources and Performance Report (October)	R Bartram	2016/053			
	4. Resources and Performance Report (October) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	5. Transformation Bids a) Assistive Technology in Older People's Care & Assessments Phase 2	C Black	2016/065			
10/01/17	1. Minutes – 20/12/16	M Rowe	Not applicable		28/12/16	30/12/16
	2. Local Government Finance Settlement	C Malyon	Not applicable			
	3. Treasury Management Strategy	C Malyon	Not applicable			
	4. A Corporate Energy Strategy	S French	Not applicable			

Committee date	Agenda item	Lead officer	Reference if key decision	Spokes meeting date	Deadline for draft reports	Agenda despatch date
24/01/17	1. Minutes – 10/01/17	M Rowe	Not applicable		11/01/17	13/01/17
	2. Quarterly Risk Management Report	S Norman	Not applicable			
	3. Integrated Resources and Performance Report (November)	R Bartram	2017/001			
	4. Resources and Performance Report (November) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	5. Business Plan*	C Malyon	Not applicable			
<i>[28/02/17] Provisional Meeting</i>					15/02/17	17/02/17
21/03/17	1. Minutes – 24/01/17	M Rowe	Not applicable		08/03/17	10/03/17
	2. Quarterly Risk Management Report	S Norman	Not applicable			
	3. Integrated Resources and Performance Report (January)	R Bartram	2017/002			
	4. Resources and Performance Report (January) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	5. Treasury Management Report – Quarter 3	M Batty	Not applicable			
	6. Assistive Technology in Older People's Care & Assessments – Monitoring Report	C Black	Not applicable			
	7. Community Resilience and Cambridgeshire County Council's Innovation Fund – Monitoring Report	S Ferguson	Not applicable			

Committee date	Agenda item	Lead officer	Reference if key decision	Spokes meeting date	Deadline for draft reports	Agenda despatch date
[25/04/17] <i>Provisional Meeting</i>					25/04/17	13/04/17
06/06/17	1. Minutes – 21/03/17	M Rowe	Not applicable		23/05/17	25/05/17
	2. Integrated Resources and Performance Report (March)	R Bartram	2017/003			
	3. Resources and Performance Report (March) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	4. Treasury Management Report – Quarter 4*	M Batty	Not applicable			

Notice made under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 in compliance with Regulation 5(7)

1. At least 28 clear days before a private meeting of a decision-making body, public notice must be given which must include a statement of reasons for the meeting to be held in private.
2. At least 5 clear days before a private meeting of a decision-making body, further public notice must be given which must include a statement of reasons for the meeting to be held in private, details of any representations received by the decision-making body about why the meeting should be open to the public and a statement of the Council's response to such representations.

Forward plan reference	Intended date of decision	Matter in respect of which the decision is to be made	Decision maker	List of documents to be submitted to the decision maker	Reason for the meeting to be held in private

Decisions to be made in private as a matter of urgency in compliance with Regulation 5(6)

3. Where the date by which a meeting must be held makes compliance with the above requirements impracticable, the meeting may only be held in private where the decision-making body has obtained agreement from the Chairman of the Council.
4. Compliance with the requirements for the giving of public notice has been impracticable in relation to the business detailed below.
5. The Chairman of the Council has agreed that the Committee may hold a private meeting to consider the business referred to in paragraph 4 above because the meeting is urgent and cannot reasonably be deferred for the reasons stated below.

Date of Chairman's agreement	Matter in respect of which the decision is to be made	Reasons why meeting urgent and cannot reasonably be deferred

For further information, please contact Quentin Baker on 01223 727961 or Quentin.Baker@cambridgeshire.gov.uk

GENERAL PURPOSES COMMITTEE TRAINING PLAN

The Training Plan below includes topic areas for GPC approval. Following sign-off by GPC the details for training and development sessions will be worked up.

Appendix 2

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
	Strategic finance and budgeting	Members will gain a more detailed understanding of the strategic financial management of the Council's budget, and the future challenges associated.		TBC	Chris Malyon				
	The Council's asset portfolio and approach to asset management	Background knowledge on the Council's asset portfolio, and understanding of the approaches taken to best utilise this		TBC	Chris Malyon				
	Background to services provided by Customer Service & Transformation	Members will gain an insight into the range of frontline and back-officer services provided across CS&T: <ul style="list-style-type: none"> Consultation 		24 Nov	Sue Grace Mike Soper / Elaine O'Connor	Presentations & Q&A.	Cllrs Schumann, Count, Leeke, Kavanagh, Rouse, Orgee, Hickford, Bates. Criswell, Cearn, Tew, Reeve, Bullen, Jenkins, Nethsingha & McGuire		

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
	Understanding Health and Social Care integration	<i>Collaboration with Service Committee development around the Better Care Fund to be explored</i>		TBC	TBC				
	Regional governance	Understanding the range of regional governance structures that exist across Cambridgeshire, such as the LEP. Also understanding potential future models of governance for local public services		TBC	TBC				
	Equality and Diversity responsibilities	Understanding the responsibilities the Committee has to comply with equality legislation and to provide services for all Cambridgeshire communities		20 Oct 2015	LGSS Law / CS&T		Cllrs Bailey, Bates, D Brown, Count, Criswell, Hickford, Hipkin, Jenkins, McGuire, Reeve, Tew, Walsh, Divine, Williams		
	Background to services provided by Customer Service & Transformation	Members will gain an insight into the range of frontline and back-officer services provided across CS&T: Information Security & Sharing		22 Dec 2015	Sue Grace Dan Horrex. (CS&T)	Presentati on & Q&A.	Cllrs Bailey, Bates, D Brown, Bullen, Cearn, Count, Criswell, Hickford, Jenkins, McGuire, Orgee,		

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
							Reeve, Tew, Whitehead		
	Emergency Planning	Members will gain an insight into the role of Emergency Planning		14 Jan 2016	Sue Grace Stuart Thomas	Presentati on & Q&A.	Cllrs Bailey, Bates, D Brown, Cearn, Count, Criswell, Divine, Hickford, Hipkin, Orgee, Reeve, Rouse and Tew		
	Open Data & Cambridgeshire Insight Training			15 March 2016	M Soper	Presentati on & Q&A.	Cllrs Bailey, Bates, D Brown, Bullen, Cearn, Count, Criswell, Hickford, Hipkin, Jenkins, Nethsingha, Reeve, and Tew		

