

**SERVICE COMMITTEE REVIEW OF DRAFT BUSINESS PLANNING PROPOSALS
FOR 2016/17 TO 2020/21**

To: Children and Young People Committee

Meeting Date: 19 January 2016

From: Adrian Loades, Executive Director for Children, Families
and Adults Services
Chris Malyon, Chief Finance Officer

Electoral division(s): All

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

Purpose: This report provides the Committee with an overview of the draft Business Plan Proposals for Children, Families and Adults Services that are within the remit of the Children and Young People Committee.

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

Recommendation:

- a) It is requested that the Committee note the overview and context provided for the 2016/17 to 2020/21 Business Plan proposals for the services, updated since the last report to the Committee in December.
- b) It is requested that the Committee comment on the draft revenue savings proposals that are within the remit of the Children and Young People Committee, including the suggested reductions in savings listed in sections 3.6.3 to 3.6.5, and endorse them to the General Purposes Committee as part of consideration for the Council's overall Business Plan.
- d) It is requested that the Committee notes the changes to the capital programme in paragraph 4.1, and endorse them to the General Purposes Committee
- e) It is requested that the Committee note the ongoing stakeholder consultation and discussions with partners and service users regarding emerging business planning proposals.
- f) It is requested that the Committee endorse the proposed Key Performance Indicators as part of the Strategic Framework, alongside the 2016-21 Business Plan.

| <i>Officer contact:</i> | |
|--------------------------------|------------------------------------------------------------------------------------------------|
| Name: | Rebecca Hudson |
| Post: | Head of Strategy for CFA Services |
| Email: | Rebecca.hudson@cambridgeshire.gov.uk |
| Tel: | 01223 714674 |

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. This means that despite the way in which we have been able to stimulate local economic growth, and the improving national economy, the financial forecast for the Council continues to be very difficult.
- 1.2 The Council has now experienced a number of years of seeking to protect frontline services in response to reducing government funding. Looking back, we have saved £73m in the last two years and are on course to save a further £30m this year (2015/16). As a result, we have had to make tough decisions over service levels during this time. Over the coming five years those decisions become even more challenging. The choices are stark and unpalatable but very difficult decisions will need to be made as the Council has a statutory responsibility to set a balanced budget each year, as well as a duty to provide the best possible services for Cambridgeshire's communities. It is the Chief Finance Officer's statutory role to provide a statement on the robustness of the budget proposals when they are considered by Council in February.
- 1.3 This year the Council has agreed to move towards an outcome-led approach to business planning. This is defined and described through the draft Strategic Framework that was approved by the General Purposes Committee on 20 October this year (<http://www2.cambridgeshire.gov.uk/CommitteeMinutes/Committees/AgendaItem.aspx?agendaItemID=12221>).
- 1.4 The Strategic Framework sets out the outcomes that the Council will work towards achieving, and the ways of working the Council will adopt, in the face of prolonged and extensive budget pressures. It is not a solution to austerity in itself, but instead it is the approach the Council has taken to best tackle the huge task it faces.
- 1.5 Within this new framework, the Council continues to undertake financial planning of its revenue budget over a five year timescale which creates links with its longer term financial modelling and planning for growth. This paper presents an overview of the proposals being put forward as part of the Council's draft revenue budget.
- 1.6 Funding projections have been updated based on the latest available information to provide a current picture of the total resource available to the Council. At this stage in the year, however, projections remain fluid and will be reviewed as more accurate data becomes available.
- 1.7 The main causes of uncertainty are the effects of the Comprehensive Spending Review (CSR) issued on 25 November. Several of the announcements impact on the funding available to, and responsibilities of, local government from 2016/17 onwards, although a consultation document on the grant settlement has been published. Until the detailed Local Government Finance Settlement is issued and can be analyzed we cannot be certain of the impact on the Council.

These budget proposals are prepared on the basis of financial modelling that takes into account some announcements from the CSR, but that does not yet take into account the full settlement. It should be noted that an initial assessment of 2016/17 settlement consultation document suggests that the council is likely to lose an additional £5m of Revenue Support Grant in 2016/17.

- 1.8 A full briefing on the finance settlement is expected to be issued in early January. Once the finance settlement is issued, a full review of our estimates of funding for the five year period will be undertaken, and budget proposals will be reviewed if necessary.
- 1.9 The Council issues cash limits for the period covered by the Business Plan (rolling five years) in order to provide clear guidance on the level of resources that services are likely to have available to deliver services over that period. To maintain stability for services and committees as they build their budgets we will endeavour to minimise variation in cash limits during the remainder of the process unless there is a material change in the budget gap.
- 1.10 The Committee is asked to endorse these proposals for consideration as part of the Council's development of the Business Plan for the next five years.
- 1.11 The Committee has previously received reports from the public consultation carried out as part of this year's business planning process. An updated summary report is attached as Appendix C

2. SUMMARY OF THE DRAFT REVENUE BUDGET

- 2.1 In order to balance the budget in light of the cost and reduced government funding, savings or additional income of £42.9m are required for 2016-17, and a total of £121m across the full five years of the Business Plan. The following table shows the total amount necessary for each of the next five years, split by service block:

| Service Block | 2016-17 £'000 | 2017-18 £'000 | 2018-19 £'000 | 2019-20 £'000 | 2020-21 £'000 |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Children, Families and Adults | -31,299 | -22,175 | -16,499 | -13,112 | -8,048 |
| Economy, Transport and Environment | -6,815 | -3,663 | -2,856 | -2,041 | -982 |
| Public Health | -1,979 | -1,198 | -685 | -830 | -515 |
| Corporate and Managed Services | -1,892 | -1,746 | -319 | -869 | -430 |
| LGSS Operational | -971 | -571 | -803 | -708 | -351 |
| Total | -42,956 | -29,353 | -21,162 | -17,560 | -10,326 |

- 2.2 In some cases services have planned to increase locally generated income instead of cutting expenditure. For the purpose of balancing the budget these two approaches have the same effect and are treated in the same way.
- 2.3 A list of pressures was reported in October, but since then two further pressures have been factored into financial modelling. These further pressures have not required an increase in the total level of savings, as it is anticipated that corporate funding will be available. The pressures are:

| Service Block/Description | 2016-17 £'000 | 2017-18 £'000 | 2018-19 £'000 | 2019-20 £'000 | 2020-21 £'000 |
|----------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| CFA: National Living Wage | 4,956 | 4,861 | 4,765 | 4,763 | 4,833 |
| CST: Apprenticeship Levy | 0 | 500 | 0 | 0 | 0 |

- 2.4 Budget tables to date had assumed government funding to offset the National Living Wage pressure. The 2016/17 settlement consultation contained no funding for this new burden, however. It is likely that the flexibility for upper-tier councils to raise Council Tax by an additional 2% to support adult social care announced in the Autumn Statement is intended to give councils a means to fund this pressure.
- 2.5 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 plan proposals are still being developed to deliver the following:

| Service Block | 2016-17 £'000 | 2017-18 £'000 | 2018-19 £'000 | 2019-20 £'000 | 2020-21 £'000 |
|------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Children, Families and Adults | 0 | 0 | 0 | 0 | 0 |
| Economy, Transport and Environment | 0 | -1,135 | -2,391 | -2,041 | -982 |
| Public Health | 0 | 0 | -755 | -912 | -562 |
| Corporate and Managed Services | 0 | 0 | -285 | -827 | 0 |
| LGSS Operational | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | -1,135 | -3,431 | -3,780 | -1,544 |

- 2.6 The level of savings required is predicated on an expected 1.99% increase in council tax each year. This assumption was built into the Medium Term Financial Strategy (MTFS) which was agreed by Full Council. For each 1% more or less that council tax is changed, the level of savings required will change by approximately +/-£2.4m.
- 2.7 Since the reports that were considered by the December service committees, additional funding headroom has been identified as a result of the change in the treatment of Public Health Grant (PHG) funding required by an announcement in the Comprehensive Spending Review. The PHG was ring-fenced for a further two years, which has resulted in an element of the overall savings allocation moving to PHG-funded services in order to ensure total PHG-funded expenditure matches the actual grant. This headroom will allow the removal of a limited number of savings that were originally planned, described in the paragraphs below.
- 2.8 The following savings in ETE were recommended to be removed by Highways & Community Infrastructure and Economy & Environment Committees in December:

| Directorate | Committee | Proposal | 2016/17 Impact £'000 | 2017/18 Impact £'000 |
|--------------|-----------|-------------------------------------------|-------------------------|-------------------------|
| ETE | HCI | Reactive highway maintenance | 452 | |
| ETE | HCI | Cyclic highway maintenance | 217 | |
| ETE | HCI | Mobile libraries | 55 | 105 |
| ETE | EE | Fenland Learning Centres | | 90 |
| ETE | EE | Reduction in Passenger Transport Services | 694 | |
| Total | | | 1,418 | 195 |

- 2.9 The following savings are also proposed to be removed or reduced subject to the views of the relevant committees. Those relating to the Children and Young People are described more fully in section 3.

| Directorate | Committee | Proposal | 2016/17 Impact £'000 | 2017/18 Impact £'000 |
|-------------|-----------|--------------------------------------------------------------------|-------------------------|-------------------------|
| CFA | CYP | Post-16 home to school transport saving for disadvantaged students | 250 | |
| CFA | CYP | Assistant Locality Manager posts in highest need areas | 80 | |
| CFA | Adults | Voluntary sector adult mental health contracts | 134 | |
| CFA | Adults | Community Equipment | 100 | |
| CFA | CYP | Personal budgets for children with disabilities | 200 | |
| CFA | CYP | NEET post to partly offset | 40 | |

| | | | | |
|--------------|----------------|------------------------------------------------------------|--------------|----------|
| | | planned reductions | | |
| PH | Health | Tobacco control: engagement with at risk groups | 50 | |
| PH | Health | Joint health intelligence unit with NHS/ reduced JSNA work | 50 | |
| PH | Health | Health visiting/family nurse partnership | 100 | |
| CST | GPC/Health | Time-banking and contact centre public health activities | 35 | |
| CFA | Adults/ Health | Older people's day services £150k | 150 | |
| ETE | EE/Health | Market town transport strategy – public health impact | 40 | |
| Total | | | 1,229 | 0 |

3. OVERVIEW OF CHILDREN AND YOUNG PEOPLE'S SERVICES' DRAFT REVENUE PROGRAMME

3.1 As the Committee is aware, the Council is facing the combination of the growing and aging population in Cambridgeshire, increasing need amongst many vulnerable groups, the impact of inflation, reduced central government funding and a range of specific service pressures. These factors mean that the Children, Families and Adults Services has to deliver savings of more than £91m over the next five years and £31m in 2016/17 in order to set a balanced budget whilst meeting statutory duties. These pressures and draft proposals are described more fully in the business planning papers considered by the Committee in November.
<http://www2.cambridgeshire.gov.uk/CommitteeMinutes/Committees/AgendaItem.aspx?agendaItemID=12464> and in December
<http://www2.cambridgeshire.gov.uk/CommitteeMinutes/Committees/Meeting.aspx?meetingID=1073>

3.2 Whilst we are clear that reductions on this scale will have an impact on the amount of support we can provide they do not represent straightforward

service reductions. There are a number of transformation programmes planned across Children, Families and Adults Services which are expected to ensure delivery of these reductions whilst meeting statutory duties and minimising risk or impact to service users.

3.3 The November and December Committee papers in particular highlighted the most significant transformations and projected savings which relate to;

- Looked after Children – The costs of this service are driven by the number and needs of children at risk of significant harm, that the Council is statutorily obliged to respond to. The proposal to save money from this budget is contained in the LAC Strategy, and consists of a range of interventions, designed to reduce demand for this service and provide it as efficiently as possible. These include transforming services through increasing prevention and edge of care interventions and reducing reliance on high-cost care options, as well as efficiencies in the commissioning of care. The ambition, set out in the Strategy, is to reduce the rate of children in care from more than 40 per 10,000 to 29.3 by 2020/2021, enabling the budget set aside to provide for Looked After Children to be reduced.
- Early Help – proposals have been developed through a comprehensive review of the entirety of the early help and prevention offer in Children and Young People's Services, to create a more targeted service that is evidence based and outcome focused. Changes to services in Locality Teams include a 50% reduction in Advice and Guidance posts, and the removal of Assistant Locality Manager posts, Senior Social Workers and Youth Development Co-ordinators. In Youth Support Services, posts supporting a reduction in teenage pregnancies and developing opportunities for apprenticeships will be removed. Funding for the Family Intervention Partnership will be reduced meaning 15% fewer families will be able to be supported. Funding for the Speech and Language Therapy Contract, supporting families in Early Years, will be ended. In 2016/17, a major review of the provision of Children's Centres will be undertaken in order to reduce the budget by £2m in 2017/18. These reductions will leave a service with reduced capacity compared to currently, and transformational changes will be made in order to make the best use of resources. This will include working more closely with health services, supporting schools to provide more advice and guidance themselves, working with the Local Enterprise Partnership to align the market in apprenticeships with the needs of young people and businesses, and developing 'Community Hubs' with Library Service, Registry Service and other community-facing services to reduce duplication and make the most out of the assets the Council maintains
- Home to School Transport – the proposal for achieving the majority of savings in 2016/17 is to remove all subsidies for home to school transport for young people aged over 16, which is not statutorily required. This would include removing subsidies for disadvantaged students. Further savings would be achieved in 2016/17 and in future years through a change programme aimed at ensuring capacity is used as efficiently as possible, exploring alternatives to local authority funded transport and a range of contracting efficiencies.

- Reductions in SEND Transport – The proposal to make savings is to reduce the subsidy provided to support children with SEND get to school. Currently, qualifying families in low income households get free transport. The subsidy will be reduced by introducing a new rate so that all families will be required to make a contribution. This enables the Council to continue to meet its statutory obligations.

3.4 The full set of proposals for savings across the Children's Social Care, Enhanced and Preventative Services, Learning and Strategy and Commissioning Directorate is shown in table 3, attached as appendix B, and described in full in the papers to November and December Committee meetings.

3.5 At the Committee meeting in December, it was noted that draft business planning proposals would be presented to the Committee at its meeting in January 2016. This was in order to give the Committee the opportunity to consider the outcome of work within the Children's, Families and Adults Service to investigate opportunities to mitigate some of the required savings, following the Chancellor of the Exchequer's Autumn Statement. An update on this work is provided below.

3.6 **Priority areas for mitigating draft Business Planning proposals within children and young people's services**

3.6.1 The elements of the financial Table 3 (appendix B to this report) relating to the Children, Families and Adults services remain unchanged since the Committee discussed them in December 2015. Any decisions on using any newly available funds to mitigate the draft Business Planning proposals need to be agreed with the General Purposes Committee. However, this report highlights where officers would prioritise changes to the draft Business Plan to remove or reduce some of the proposals for 2016/17 that are within the remit of the Children and Young People Committee, should funds be available.

3.6.2 Those proposals relevant to the Children and Young People Committee are described in the subsequent paragraphs.

3.6.3 A/R.6.611- Retain Post-16 home to school transport subsidy for disadvantaged students - £250k – The proposal in the business plan tables is to end the non-statutory transport subsidy which is currently available to support young people to access mainstream post-16 education, training and learning provision. The Committee are asked to consider recommending retaining this subsidy for young people from disadvantaged backgrounds so that economic status does not become an increased barrier to learning. This decision would reduce the saving made by £250k, but a substantial saving of £520k would still be realised in 2016/17 by withdrawing the financial support for non-disadvantaged young people. This recommended targeting of financial assistance is in line with the CFA Strategy and service model for 2020 to deliver support on a needs-led basis, recognising that non-targeted services are not sustainable within reduced resources.

3.6.4 A/R.6.506 – Retain x2 Assistant Locality Manager posts in highest need areas & Add 1x NEET reduction post to partly offset planned reductions £80k & £40k
The proposal in the business plan tables is for a £615k reduction in staffing

expenditure within early help locality teams. This proposal includes the removal of the assistant locality manager posts from the structure and reducing Information Advice and Guidance posts by 50%. The Committee are asked to consider recommending retaining 2 Assistant Locality Manager posts in Wisbech and Cambridge North localities (£80k). These are the two largest locality teams in the county and are in areas of high need. The removal of the youth development co-ordinators and Senior Social workers through the Early Help Review has created front line management capacity issues due to volume of high need cases. These posts would ensure capacity is retained where it is most needed. The Committee are also asked to consider the recommendation to delete the Youth Offending Service ETE Co-ordinator post and change the Job Description to create one new post that will focussed on working with partners across the education and training system to minimise the number of all vulnerable young people who do not participate in education, further learning or do not go on to employment and training (£40k already within the budget). The remainder of the saving (£495k) will still be made through the full year impact of delivering the recommissioning of early help services agreed in March 2015. This includes the removal of Senior Social Workers, Youth Development Coordinators and reducing the non-pay budget for Localities.

- 3.6.5 *A/R.6.306 - Reverse reduction in personal budgets for children with disabilities £200k* - Personal Budgets help families with children with disabilities to have choice and control over their care and get support in a flexible and cost-efficient way, whilst also achieving good outcomes. We have been able to use this approach to reduce the cost of support packages for families with children with disabilities by helping families design creative care plans and by reducing the unit cost of the local authority services which families buy-back. The proposal to save a further £200k in 2016/17 is based on a continuation of this approach and reducing the overall budget for support. However this follows on from a reduction of £250,000 in 2013/14 £270,000 in 2014/15 and £183,000 in 2015/16 and the target for 2016/17 is therefore considered extremely stretching and potentially unachievable without exploring options which would impact negatively such as reducing the upper age of support for short breaks from 18 to 10 years. The Committee is therefore asked to consider recommending removing this saving from the plan, although the service will continue to focus on meeting needs most efficiently through the personal budgets model.

3.7 **Public Health Reductions and Impact on Children and Young People services**

- 3.7.1 The Committee are aware that further proposed reductions to the Public Health budget were considered by the Health Committee in December. In the tables, presented at this meeting, the following changes have therefore been made to services overseen by the Children and Young People Committee that receive public health grant:

| | Service Area | 2016/17 | 2017/18 |
|-----------|-------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| A/R.6.519 | Drug & Alcohol team vacancy management, communication and training budgets | -£51k | |
| A/R.6.520 | Drug and Alcohol Action Teams - Shared Care contract efficiencies | -£10k | |
| A/R.6.521 | Cease drug and alcohol component of Youth Offending Service and replace with Child and Adolescent Substance Use Service input | -£58k | |
| A/R.6.522 | Reduction in contract value of drug misuse services contract | -£170k | -£100k |
| A/R.6.625 | Personal Health and Social Education service (non-traded) review of public health activities | -£41k | |

- 3.7.2 Given the timings involved, we are discussing with Public Health colleagues the impact of proposed reductions to services for Children, Families and Adults to ensure they are aligned with our strategic direction of travel.

3.8 National Living Wage

- 3.8.1 Business planning proposals need to address the financial pressure created by the introduction of the national living wage. This pressure relates primarily to care costs in adult services, although they do also have relevance to care provision for looked after children and other children services, albeit with a much smaller financial impact.
- 3.8.2 It had been hoped that there would be some recognition in the comprehensive spending review of the additional costs arising from the living wage by government through a specific grant, in a similar way to other new burdens as they have arisen. At the time of writing however, following the Autumn Statement and provisional local government finance settlement, this looks unlikely to be forthcoming and we now expect that the only possible source of additional revenue funding related to Adult Services for 2016/17 will be the Social Care precept, which enables those Councils with social care functions to increase Council tax by an additional 2%.
- 3.8.3 As set out in section 2.3, the tables presented to Committee have been revised since December to confirm that the additional costs resulting from the national living wage will be met by corporate funding in 2016/17. The revised estimated pressure from the living wage in 2016/17 divides as follows:

| | |
|--------------------------------------------|---------|
| Community based services & direct payments | £2.797m |
| Accommodation based services | £2.159m |

Previously, the total pressure had been calculated as £5.97m, meaning the re-calculation reduces the pressure by £1.014m.

- 3.8.4 The January meeting of the General Purposes Committee will consider the approach to meeting this pressure corporately and the potential use of the Adult Social Care precept.

3.9 Invest to save proposals

3.9.1 Officers are also considering how revenue might be utilised or capacity expanded with regard to “invest to save” proposals. Our emerging thinking on areas where we could invest to save, are set out below.

- Further investment in edge of care services to avoid children entering care
- Community resilience - capacity building
- Refocusing of children’s centres
- Explore potential for social impact bonds in all areas

3.9.2 The Committee are asked to comment on the draft revenue savings proposals that are in the remit of the Committee, including the proposed priority areas for change. These are subject to further development, and Full Council in February 2016 is the point at which proposals become part of the Council’s Business Plan.

4.0 CAPITAL PROGRAMME UPDATE

4.1 Since the Capital programme was presented in November there has been the following number of significant changes to schemes;

- A/C.01.021 Burwell Primary scheme has increased by £352k due to additional works including pool demolition and new car park.
- A/C.01.023 Clay Farm scheme to expand to a 2 Form entry school in response to housing development in the area, increasing costs by £2,500k
- A/C.01.029 Fordham Primary scheme has increased by £568k in cost in response to Milestone three report received.
- A/C.02.008 Cambridge City Secondary Places scheme has increased by £1,095k due to the identification of expansion sites has becoming clearer with detailed feasibility and design fees providing more accurate costings.

4.2 Members are asked to note the potential for new projects to be identified for inclusion even after the programme has been approved and published as part of the 2016-17 Business Plan. The capital plan takes into account all outline planning permissions to date; however potential developments in Papworth, Gamlingay, Cottenham, Histon and South Cambridge could impact on the programme. Recognition is needed of the fact that neither South Cambridgeshire District Council (SCDC) nor the City Council have approved local plans, whilst East Cambridgeshire’s plan is not considered to be sufficiently robust which is resulting in speculative, unplanned housing development proposals across the Districts being received.

5.0 KEY PERFORMANCE INDICATORS FOR CHILDREN AND YOUNG PEOPLE’S SERVICES

5.1 The Council uses a set of Key Performance Indicators (KPIs) to monitor progress against its key priorities. These KPIs form part of the Strategic Framework which outlines how the Council intends to deliver these priorities. To reflect the Operating Model being adopted in the Strategic Framework this year, directorates have worked together to propose a set of KPIs which are aligned to outcomes.

- 5.2 For this Committee, the proposed KPIs in Appendix A will have two main purposes. Firstly they will be presented regularly to this Committee in Finance and Performance Reports. Secondly, they will be the KPIs that flow from the Committee into the set of indicators that accompany the Council-wide Strategic Framework which is monitored by General Purposes Committee.
- 5.3 Some of the KPIs relate to more than one outcome and where this is the case, the indicator has been allocated a 'primary' outcome and one or more 'secondary' outcomes. Where KPIs for outcomes are also KPIs intended to monitor the "narrowing the gap" Council motion, this is indicated in the Appendix. The measures in italics were added to the KPI list last year following Members request to monitor indicators relating to deprivation.

6.0 NEXT STEPS

- 6.1 Following the January meetings of all committees the County Council's full business planning proposals (capital and revenue) will go forward for formal approval. Proposals will be presented to General Purposes Committee for final comment before being formally considered for approval at Full Council.
- 6.2 Work to finalise the delivery plans, and monitoring governance is ongoing and will feed into the agenda programme for committees throughout 2016/17. Key dates are below:

6.3

| | |
|-------------|------------------------------------------------------------------------------------------------------|
| 2 February | General Purposes Committee meets to consider the full Business Plan and recommend it to Full Council |
| 16 February | Draft Business Plan for 2016/17 discussed by Full Council. |
| March | Publication of final CCC Business Plan for 2016/17. Ongoing work to deliver savings proposals. |

7.0 ALIGNMENT WITH CORPORATE PRIORITIES

7.1 Developing the local economy for the benefit of all

- 7.1.1 There is no significant impact.

7.2 Helping people live healthy and independent lives

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

7.3 Supporting and protecting vulnerable people

- 7.3.1 The impact of the proposals on our ability to support and protect vulnerable people is set out in detail in the November and December Committee report and the accompanying Community Impact Assessments to those papers.

8.0 SIGNIFICANT IMPLICATIONS

8.1 Resource Implications

- 8.1.1 The proposals set out the response to the financial context for the Council and the need to dramatically change our service offer and model to maintain a sustainable budget. The full detail of the financial proposals is described in Table 3 of the business plan, attached as appendix B.
- 8.1.2 The proposals seek to ensure that we make the most effective use of available resources across the system of support for children, young people and families and are delivering the best possible services given the reduced funding.
- 8.1.3 This set of business planning proposals, more than ever before, is subject to significant financial risk. In particular the proposals for reduced spending on statutory care budgets represent ambitious targets for budgets which are 'demand-led' and therefore not fully controllable. We will always need to meet statutory needs and so we are reliant on our early help and preventative activity being successful in reducing demand. If this is not successful then further savings will have to be found elsewhere.

8.2 Statutory, Risk and Legal Implications

- 8.2.1 The proposals set out in this report respond to the statutory duty on the Local Authority to deliver a balanced budget.
- 8.2.2 Children, Families and Adults Services will continue to meet the range of statutory duties for supporting children, young people, families and those in vulnerable groups, but as stated within the community impact assessments the level of help provided to people with statutory needs will reduce. The Community Impact Assessments for each relevant proposal provide further detail about the anticipated impact, including reduction in help provided within statutory frameworks. These were sent to the Committee in November and December – and are available to the public.
- 8.2.3 There is an unprecedented level of risk contained within the proposals. As we reduce the number of people who receive our specialist and intensive support, it follows that more risk will be held within communities and families, which will, in some cases, lead to people being less safe and poorer outcomes for vulnerable groups. Similarly, our workforce will need to operate within the context of this higher level of risk and will need different skills from now. We are likely to see an increase in the number of complaints to the Council and the Local Government Ombudsman, for example, as people seek to challenge the difficult decisions we will be making.

8.3 Equality and Diversity Implications

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

8.4 Engagement and Consultation Implications

- 8.4.1 Our Business Planning proposals are informed by our knowledge of what communities want and need. They are also be informed by the CCC public consultation on the Business Plan and will be discussed with a wide range of partners throughout the process (some of which has begun already). The CFA Strategy document is being discussed with all key partner organisations. Where business planning proposals are linked to specific policy changes these policy revisions are subject to separate consultation with the relevant service user groups and other stakeholders. The feedback from consultation will continue to inform the refinement of proposals. Where this leads to significant amendments to the recommendations a report would be provided to the Adults Committee. The summary of the public consultation is attached as appendix C

8.5 Localism and Local Member Involvement

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

8.6 Public Health Implications

- 8.6.1 A number of the proposals will have implications for the health of vulnerable children and young people. We are working closely with Public Health colleagues as part of the operating model to ensure our emerging Business Planning proposals are aligned and paragraph 3.7 describes the relevant public health funding proposals.

SOURCE DOCUMENTS

| Source Documents | Location |
|------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The impact of these proposals is summarised in the community impact assessments, available as part of the papers to the December CYP Committee | http://www2.cambridgeshire.gov.uk/CommitteeMinutes/Committees/AgendaItem.aspx?agendaItemID=12464 |

APPENDIX A - Proposed CFA KPIs for 2016/17

The measures in italics were added to the KPI list last year following Members request to monitor indicators relating to deprivation.

| Measure | Directorate | Primary Outcome (Strategic Framework) | Secondary Outcome (Strategic Framework) |
|---------------------------------------------------------------------------------------------------------------|----------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------|
| % year 12 in learning | Enhanced & Preventative Services | Developing our Economy | Places that work with children help them to reach their full potential |
| % of 16-19 year olds not in Education, Employment or training (NEET) | Enhanced & Preventative Services | Developing our Economy | Places that work with children help them to reach their full potential |
| The proportion pupils attending Cambridgeshire Primary & Nursery schools judged good or outstanding by Ofsted | Learning | Places that work with children help them to reach their full potential | |
| The proportion pupils attending Cambridgeshire Secondary schools judged good or outstanding by Ofsted | Learning | Places that work with children help them to reach their full potential | |
| The proportion pupils attending Cambridgeshire Special schools judged good or outstanding by Ofsted | Learning | Places that work with children help them to reach their full potential | |
| New measure for Think Family/Family CAF - to be defined | Enhanced & Preventative Services | People at risk of harm are kept safe | |
| The number of looked after children per 10,000 children | Children's Social Care | People at risk of harm are kept safe | |
| The number of children with a Child Protection Plan per 10,000 children | Children's Social Care | People at risk of harm are kept safe | |
| % children whose referral to social care occurred within 12 months of a previous referral | Children's Social Care | People at risk of harm are kept safe | |
| <i>% 2 year olds from income deprived receiving free childcare</i> | Learning | Places that work with children help them to reach their full potential | |
| <i>Attainment gap at Early years Foundation Stage profile between those eligible for FSM and their peers</i> | Learning | Places that work with children help them to reach their full potential | |
| <i>Attainment gap at KS2 between those eligible for FSM and their peers</i> | Learning | Places that work with children help them to reach their full potential | Developing our economy |

| Measure | Directorate | Primary Outcome (Strategic Framework) | Secondary Outcome (Strategic Framework) |
|-----------------------------------------------------------------------------|----------------------------------|------------------------------------------------------------------------|--------------------------------------------|
| <i>Attainment gap at KS4 between those eligible for FSM and their peers</i> | Learning | Places that work with children help them to reach their full potential | Developing our economy |
| <i>% Clients with SEND who are EET</i> | Enhanced & Preventative Services | Places that work with children help them to reach their full potential | Developing our economy |