

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.

[illegible]

DRAFT COMMUNITY IMPACT ASSESSMENT

Directorate / Service Area		Officer undertaking the assessment
Children's Social Care		Name: Rachel Watson
Proposal being assessed		Job Title: Professional Lead for Systemic Practice
Enhanced intervention service for children with disabilities (Edge of Care: children with disabilities and behaviour that challenges- PBS clinical service)		Contact details: Rachel.Watson@cambridgeshire.gov.uk Date completed: 19.9.2016 Date approved:
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:

- 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.

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.

[illegible]

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

[illegible]

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.

[illegible]