

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

*To:* Children and Young People's Committee

*Meeting Date:* 10 November 2015

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

**Chris Malyon, Chief Finance Officer**

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

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

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

*Recommendation:*

- a) It is requested that the Committee note the overview and context provided for the 2016/17 to 2020/21 Business Plan draft revenue proposals for the CFA Service.**
- b) It is requested that the Committee comment on the draft revenue savings proposals that are within the remit of the Children and Young People's Committee for 2016/17 to 2020/21.**
- c) It is requested that the Committee agree business planning proposals for submission to the Council's General Purposes Committee as part of the Council's overall Business Plan.**
- d) It is requested that the Committee consider the proposed levels of fees and charges (Appendix G) for the CFA Service that are in the remit of the Children and Young People's Committee for 2015/16 to 2019/20 and endorse them.**

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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. 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 present huge challenges.
- 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 adopted an outcome-led approach to Business Planning. This is defined and described through the draft Strategic Framework that was approved by the General Purposes Committee on 20 October this year.
- 1.4 The Strategic Framework sets out the outcomes that the Council will work towards achieving, and the ways of working the Council will adopt, in the face of prolonged and painful budget pressures. It is not a solution to austerity in itself, but instead it is the approach the Council has taken to best tackle the huge challenges it faces.
- 1.5 Within this new framework, the Council continues to undertake financial planning of its revenue budget over a five year timescale which creates links with its longer term financial modelling and planning for growth. This paper presents an overview of the proposals being put forward as part of the Council's draft revenue budget.
- 1.6 Funding projections have been updated based on the latest available information to provide a current picture of the total resource available to the Council. At this stage in the year, however, projections remain fluid and will be reviewed as more accurate data becomes available.
- 1.7 The 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.
- 1.8 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 implications, as well as savings.
- 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 and the cost of changes in the number and level of need of service users (demography). Proposed investments are then added and the total expenditure level is compared to the available funding. Where funding is insufficient to cover expenditure, the difference is apportioned across services as a savings requirement in order to balance the budget. Should services have pressures, these are expected to be managed within that service, if necessary being met through the achievement of additional savings or income.
- 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. Key inflation indices applied to budgets are outlined in the following table:

Inflation Range	2016-17	2017-18	2018-19	2019-20	2020-21
Standard non-pay inflation	1.2%	1.7%	1.8%	1.9%	2.0%
Other non-pay inflation (average of multiple rates)	3.4%	1.9%	2.3%	2.4%	2.4%
Pay (admin band)	2.0%	2.0%	2.0%	2.0%	2.0%
Pay (management band)	2.0%	2.0%	2.0%	2.0%	2.0%
Employer pension contribution (average of admin and management band)	5.5%	-0.5%	3.5%	2.9%	2.8%

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

Service Block	2016-17	2017-18	2018-19	2019-20	2020-21
Children, Families and Adults	4,741	4,843	5,444	5,655	6,045
Economy, Transport and Environment (ETE)	769	816	953	927	927
ETE (Waste Private Finance Initiative)	803	778	831	846	872
Public Health	272	372	405	416	430
Corporate and Managed Services	374	286	342	353	358
<b>Total</b>	<b>7,261</b>	<b>7,264</b>	<b>8,207</b>	<b>8,411</b>	<b>8,841</b>

2.5 A review of demographic pressures facing the Council has been undertaken by the Research Group in conjunction with services and Finance. 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). The demographic pressures calculated by the Research Group are:

Service Block	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000
Children, Families and Adults	9,404	9,798	9,913	10,301	10,438
Economy, Transport and Environment (ETE)	266	466	474	486	544
Public Health	159	325	289	291	263
Corporate and Managed Services	24	23	24	25	25
<b>Total</b>	<b>9,853</b>	<b>10,612</b>	<b>10,700</b>	<b>11,103</b>	<b>11,270</b>

2.6 The Council is facing some cost pressures that cannot be absorbed within the base funding of services. These were reported to General Purposes Committee (GPC) in September who agreed that services should meet the cost of their own pressures. 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	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000
CFA: Unaccompanied Asylum Seeking Children	125	-	-	-	-
CFA: Fair Cost of Care & Placement Costs	-	-	-	1,500	2,500
CFA: Home to School Transport (mainstream)	980	-	-	-	-
CFA: Home to School Transport (LAC & Special)	1,200	-	-	-	-
CFA: Learning Disability Partnership	1,892	-	-	-	-
CFA: Single-tier State Pension	1,409	-	-	-	-
CFA: Adoption	570	-	-	-	-

ETE: Single-tier State Pension	331	-	-	-	-
ETE: Annual subscription to the LEP	50	-	-	-	-
CS: Single-tier State Pension	63	-	-	-	-
CS: Insurance Fund	278	-	-	-	-
CS: Children's Centre Business Rates	145	-	-	-	-
CS: Renewable Energy - Soham	-	183	4	5	4
LGSS: Single-tier State Pension	210	-	-	-	-
PH: Single-tier State Pension	34	-	-	-	-
<b>Total</b>	<b>7,287</b>	<b>183</b>	<b>4</b>	<b>1,505</b>	<b>2,504</b>

- 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. The table below outlines investments by service. Note that negative figures indicate the removal of an investment from a previous year.

<b>Service Block</b>	<b>2016-17 £'000</b>	<b>2017-18 £'000</b>	<b>2018-19 £'000</b>	<b>2019-20 £'000</b>	<b>2020-21 £'000</b>
Children, Families and Adults	1,220	-174	-	-	-
Economy, Transport and Environment	-726	13	-	-	-
Corporate and Managed Services	312	2	132	159	-

### 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 £40.7m are required for 2016-17, and a total of £118m across the full five years of the Business Plan. The following table shows the total amount necessary for each of the next five years, split by service block.

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

- 3.2 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.
- 3.3 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.

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

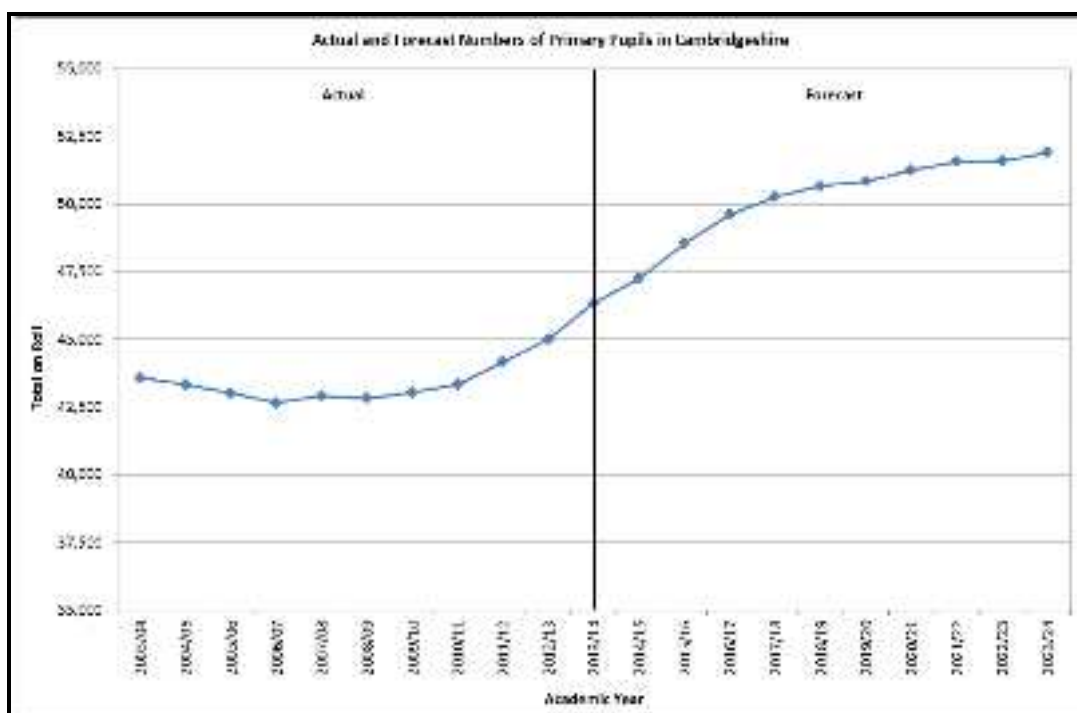
Service Block	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000
Children, Families and Adults	0	0	0	0	0
Economy, Transport and Environment	-406	-1,064	-2,391	-2,041	-982
Public Health	0	0	-755	-912	-562
Corporate and Managed Services	0	0	-285	-827	0
LGSS Operational	0	0	0	0	0
<b>Total</b>	<b>-406</b>	<b>-1,064</b>	<b>-3,431</b>	<b>-3,780</b>	<b>-1,544</b>

- 3.5 The level of savings required is based on an expected 1.99% increase in Council Tax each year. This assumption was built into the 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.
- 3.6 There is currently a limit on the increase of Council Tax of 2% and above, above which approval must be sought in a local referendum. It is estimated that the cost of holding such a referendum would be around £100k, rising to as much as £350k should the public reject the proposed tax increase (as new bills would need to be issued). The MTFS assumes that the 2% and above limit on increases will remain in place for all five years.
- 3.7 Following 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 2016.

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

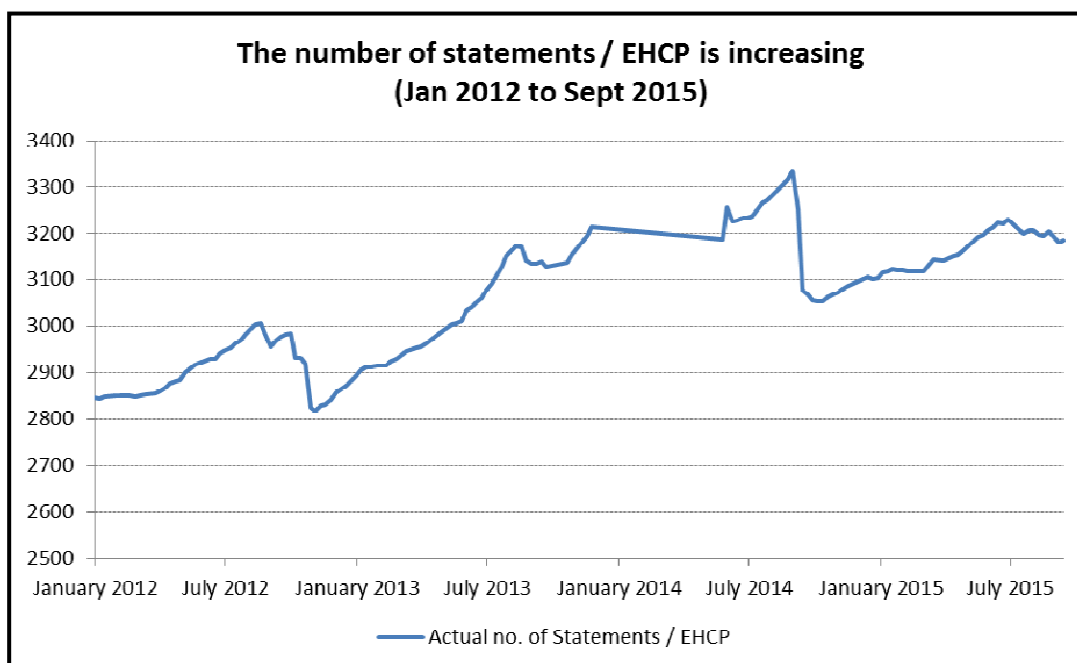
### Complexity of need and demographic growth

- 4.1 There continues to be a high level of demand for services across Cambridgeshire and demographic trends show that this is likely to continue over the next five year period. As a consequence new service models are being developed in order for the Council to be better equipped to meet service demand when budgets are reducing.
- 4.2 The number of children and young people in Cambridgeshire is increasing. In five years' time total primary school pupil rolls are forecast to be around 9% higher than current numbers in Cambridgeshire as a whole; and 15% higher in Cambridge City.

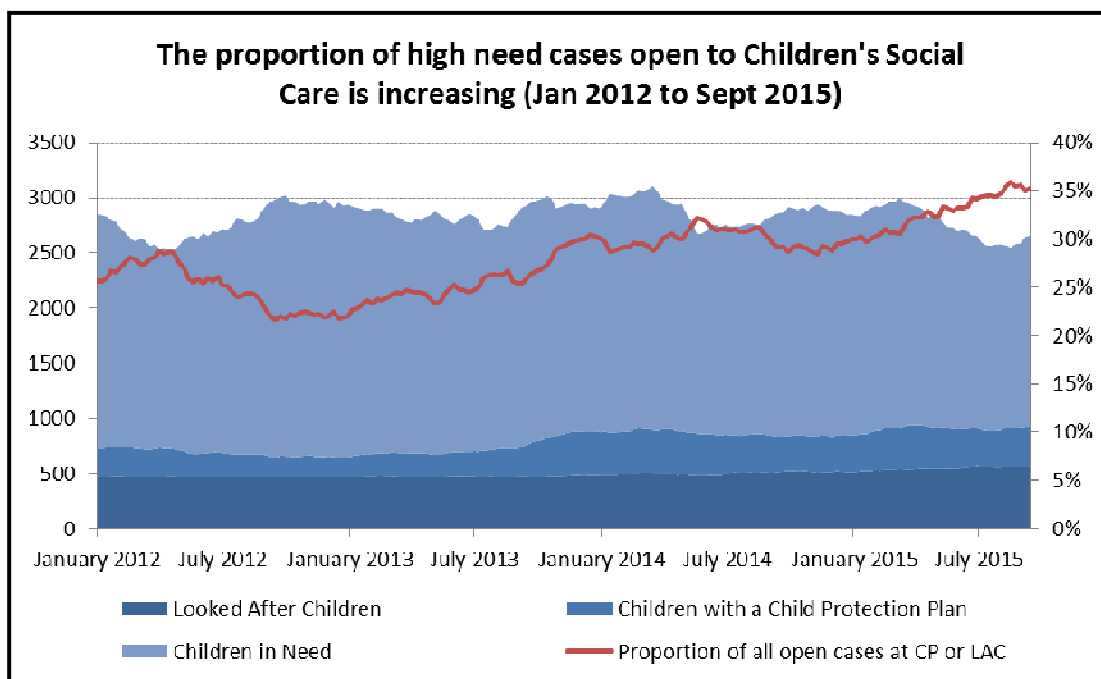


Source: Cambridgeshire LA Annual Pupil Projection, September 2014

- 4.3 This growth in children numbers is accompanied by rising demand for higher need services. For example, statements of Special Educational Need / Education Health and Care Plan (EHCP), of which there were 2,850 in March 2012 and around 3,150 in March 2015.



- 4.4 At the highest level of need, the number of open children's social care cases have varied between 2,500 to 3,000 since mid 2012. Over that time the proportion of these cases at the highest need categories of child protection and Looked After Children has grown, from around 25% of all open cases to 35%.



#### Changing legislative requirements

- 4.5 The Council will also need to respond to changing legislative requirements through the business planning process. There have been, and continue to be, a number of significant changes to the education system. These changes include the expansion of the academies and Free Schools programme and raised expectations by the Office for Standards in Education (Ofsted) of schools, settings and Councils. The changes have resulted in an increasingly diverse and autonomous school system and a changed role for the Council in education. Locally, standards are generally below the national level, despite recent improvements. The recent decline in the proportion of children attending a good or outstanding secondary school and significant gaps in achievement of most vulnerable groups mean that there is an even greater need for schools and settings to work together to drive school improvement.
- 4.6 The Government's 'Troubled Families' programme has provided funding to support services for families who face complex challenges and need support from a variety of public sector agencies over the past few years. The programme is being extended from 2015-16. This offers the opportunity to continue to support high-demand families and to further develop whole family working through the principles of 'Think Family' working for all services for children and families. This involves a significant change programme across all children's services and the partners we work with.
- 4.7 The special educational need and disability (SEND) reforms that introduced the Education, Health and Care Plan (EHCP) and the concept of the Local Offer have now been enacted and are being implemented by all local authorities. Ofsted and the Care Quality Commission have announced plans for a new inspection of an area's arrangements for support children with special educational needs and / or disabilities. This will include reviewing the work of health agencies and education providers as well as the Council's arrangements for support children and families with SEND.

### Uncertainty and change during the business planning period

- 4.6 Business planning for the medium or long term is made more difficult by the number of uncertainties, variables and potential changes affecting services which cannot be fully predicted. We cannot know precisely how the demographic trends and patterns of need will continue in the coming years, especially with the number of new communities and growth sites which will appear. We know that national expectations, policy and funding will alter, with the spending review ongoing and the recent announcement of national business rates retention yet to be fully explained. In many areas of the plan, the savings we aim to achieve are dependent on a wide range of factors not all of which are within our control.
- 4.7 Reflecting these uncertainties, the savings in Table 3 have been rated red, amber or green for both the anticipated impact on services users and deliverability. The impact rating relates to the extent to which the proposed reduction is expected to result in a significantly reduced service offer or worsening of outcomes for service users. The deliverability rating relates to the degree of certainty that the saving will be delivered in full. We can be less certain, for example, that savings predicated on managing demand will be delivered than savings which relate to reduced staffing levels. The number of savings rated as amber or red is illustrative of the level of uncertainty we are working with. Savings proposals will be reviewed and revised throughout the business planning period. Each of the proposals will have an implementation plan setting out the actions to be taken to achieve the saving and the basis for monitoring delivery of the saving. Implementation plans will be reviewed monthly.

## **5 STRATEGIC APPROACH TO BUSINESS PLANNING FOR CHILDEN AND YOUNG PEOPLE'S SERVICES**

- 5.1 Over the past few years, the Council has taken steps to transform the way it works to both improve outcomes for children and to reduce the cost to the public purse. The business planning proposals and strategy build on a range of successful transformations in recent years which have improved practice and helped constrain cost.
- 5.2 In Learning, a significant proportion of the Directorate's teams have moved, and are moving, from central base budget funding to a fully traded model whereby the costs of provision are met by schools buying services. We have also made significant progress towards a self-sustaining and self-improving school system in Cambridgeshire encouraging and working with a variety of school partnerships, including Teaching School Alliances, and establishing the Cambridgeshire School Improvement Board. This new school-led Board will continue this work to the point where the education system governs, challenges, supports and improves itself as the direct role of the local authority as a provider of services reduces as part of this business plan.
- 5.3 In Children's Social Care we have implemented the Social Work: Working for Families model which has enhanced reflective practice, brought greater rigour and challenge into social work, established a shared approach to risk and ultimately improved outcomes for children and families. In Enhanced and Preventative Services we have re-commissioned early help services, making

them more targeted to families affected by the key issues of substance misuse, mental health concerns, domestic abuse and poverty. We have reconfigured our support for families with children with special educational needs, establishing new specialist services and strengthening the support from locality teams. Through the Looked After Children Strategy 'Keeping Families Together' we have maintained a continued focus on preventing children from having to come into care and achieving good outcomes for children who do become looked after. This work has included the development of a range of intensive 'edge of care' services such as the new 'Alternatives to Care' Team which is proving effective. The innovative arrangement with Coram Adoption Agency helps to ensure that processes and decision making for adoption are timely and in the best interests of the child.

- 5.4 The future financial forecasts and the pressures outlined in the previous section mean that further change and reductions in service are inevitable. A different approach to budget planning is also required. Previously, we have focussed the majority of effort on designing a budget for the next financial year and asking each service area to identify savings and efficiencies to deliver services with incrementally reduced funding. This approach is no longer sustainable. Individual services will become unviable when treated incrementally and in isolation and short term decisions will not leave the Council best placed to meet the needs faced with the resources available. This makes planning for the longer-term and across service, directorate, Council and partner boundaries essential and the proposals presented therefore set phased changes and reductions over five years rather than focussing only on 2016/17. The current proposals show a balanced budget for the first three years and a surplus of £225k and £5092k in 2019/20 and 2020/2021 respectively.

*Strategy for Children, Families and Adults Services in Cambridgeshire 2016/17 to 2020/21*

- 5.5 As the Committee is aware, we have developed an overarching and longer term plan for the next five years and the revised draft Strategy for Children, Families and Adults Services in Cambridgeshire, 2016/17 to 2020/21 is attached as Appendix A to this report. The transformations to our service model described in the 2020 strategy are designed to deliver this five year business plan.
- 5.6 The Strategy sets out the principles to guide the difficult decisions that have to be made over the next five years as the Directorate operates with reduced resources and increasing demand. It has been revised to reflect the feedback received at the last Committee discussion in September and to ensure alignment between the strategic direction of travel and the draft budget proposals. The draft CFA Strategy has also formed the basis of the Council's Strategic Framework for the 2016/17 Business Plan.
- 5.7 The key messages within the Strategy are:
- Considerable reductions to all services for children, families and adults in Cambridgeshire will be necessary over the next five years
  - Across the County, a smaller proportion of vulnerable people will have the cost of their care met by the Council and we will significantly reduce the

amount we spend – in time and cost - on those who still receive support.

- Our educational system in Cambridgeshire will become sector-led, self-improving and sustainable. We will remain a 'champion' for all children and young people, monitoring educational outcomes and holding schools and academies to account through their governing bodies, Trusts and the Regional Commissioner for Academies and Free Schools. However, by 2020, we will be largely facilitating, signposting and brokering school to school support and school improvement initiatives to improve educational achievement; we will be providing services only where we have to, and where it is cost-effective to do so.
- We will ask communities and families to do more to support vulnerable people in Cambridgeshire.
- We will increase the focus on improving long term planning for those in receipt of high cost care to maximise their independence and support from their families and/or communities, and to minimise the need for formal support provision over their lifetime. We will also reduce the cost of the specialist support people receive.
- This will involve very difficult decisions in terms of where budget reductions will fall. Some people who currently receive our support will not continue to do so. In some cases, we will reduce support for people who use our services regardless of whether or not they can achieve greater independence.
- At the same time, we will strengthen the impact of the preventative work we do with people, working with them to prevent need and to prevent an escalation of need for our high cost services. We will use our remaining and reducing resources differently and our preventative activity will have a very different focus to now.
- We recognise that problems cannot always be solved quickly and some people will require ongoing support over the course of their lifetime. Where people need our most specialist and intensive services, we will support them. We will strive to make sure that the support provided improves both the quality of their life and is cost effective.

5.8 At the centre of the Strategy is a commitment to the 'Think Family' concept and a model of integrated and coordinated practice around the needs and strengths of families, the key elements are;

1. **One Lead Professional** – to co-ordinate work with the family.
2. **One thorough family assessment** – considers needs of the whole family, how the issues inter-relate and the wider context and relationships which surround presenting issues.
3. **One overarching family support plan** – whilst we recognise that some agencies have to use a particular plan due to statutory requirements, there should be one overarching support plan managed by the Lead Professional and reviewed regularly with the family and professionals involved through team around the family meetings.
4. **A team around the family** – professionals endeavour to ensure all relevant professionals are involved in their team around the family.
5. **Limiting transfers of families between services** - one coordinated intervention is more effective than services taking it in turns. Transfers between teams consume time, energy and incur cost.
6. **Commitment to putting family needs at the centre and overcoming professional difference** – professionals are open and reflective about their thinking and practices understand the perspective of other professionals to enable better multi-agency working.

5.9 This model has been pioneered through the Together for Families programme which is driving a new collaborative approach to support families with complex needs and where support must be coordinated across organisations to help families overcome the most challenging issues, such as substance misuse, worklessness, criminality, anti-social behaviour, domestic abuse, mental health difficulties and many others. This model will be extended to other services across CFA as a crucial part of our approach to achieve outcomes within diminishing resources.

5.10 The direction set within the CFA Strategy has been developed in part through work across our teams looking at case study 'personas' of typical service users and considering how we might meet their needs differently and at much lower cost in future. Basing discussions around the needs of people and families in this way has driven creative thinking about meeting needs differently, rather than focussing on how to maintain existing services at lower cost. Section 6 of this report sets out the detail of some of this thinking to exemplify the changes we are proposing within the draft business planning proposals and a set of personas are attached as Appendix G to further illustrate the anticipated impact of key proposals.

5.11 Children, families and adults must be involved in the development of proposals to reduce demand for our services and promote independence and progression. We are developing an engagement plan for the next few years to make sure that people who use our services – and their families and communities – can be involved in designing changes and reductions to services and consider their impact. We will also need to talk to people about the reduction of funding for existing packages of support.

- 5.12 Between now and the approval by Full Council of the Business Plan for 2016/17, services will consult on the budget changes within the first year of the draft Business Plan. We are producing an easy read version of the strategy to support communication and consultation of the proposals. We are also discussing the impact of the strategy and the draft business planning proposals with our key partners, to consider how we can better work together as a system of services to transform support and design a more sustainable system over the next five years.
- 5.13 Decisions about the support people receive will be made within the context of the overarching vision and strategic principles set out within the strategy, but we must be realistic. It is inevitable that as we better understand the impact of the changes we are making over the next five years, we will have to react to different pressures and change direction.
- 5.14 We have examined what is required of the County Council under its statutory duties and sought to identify whether there are any areas where we are going beyond what is required or being generous in our interpretation of statute. For CFA Services, a simple reduction of provision to the statutory minimum is not considered a sustainable approach. For the most part it is the preventative and early help support which is not mandated by statute but which we know are needed if we are to manage the budgets for statutory support. The analysis of statutory and non-statutory services is attached as Appendix D to this report and it also highlights where we are proposing changes to the relevant budgets within our draft business planning proposals.
- 5.15 Through business planning we have continued to ensure that staffing and support arrangements are as lean as possible, including benchmarking staffing levels and management structures against other local authorities. Some further reductions to staffing are described in section 6 and we are currently estimating that the total staffing reduction in 2016/17 will be 65-75 Full Time Equivalent posts across Learning, Enhanced and Preventative Services, Children's Social Care and the support functions within Strategy and Commissioning. Details of the staffing implications will be finalised for inclusion in the section 188 notice and will be provided to the Committee as part of the business planning papers for the December meeting.
- 5.16 However, our strategy recognises that the Council's staff teams are central to efforts to manage demand and budgets. Social workers and other professional groups will be given greater freedom to design creative and flexible services and care packages. Improving the quality of front line decision making and practice is seen as a key element in delivering the savings required. The business plan reflects this and includes the investment in social work staffing as a result of the recent re-grading of posts which brings our pay rates more into line with other local authorities (A/R.5.001). We have also sought to protect the core workforce development budget, although how this budget is used is expected to change to meet the requirement to give front line staff greater operational freedom and accountability when meeting needs.

## **6 DEDICATED SCHOOLS GRANT**

- 6.1 On the 16th July 2015 the Department for Education (DfE) announced the Dedicated Schools Grant (DSG) methodology and Schools Block per pupil funding amounts to be applied to the 2016/17 budget setting process. The additional £23m received in 2015/16 as part of the Government's move towards Fairer Funding now forms part of the baseline per pupil allocation for future years. Other than a slight technical adjustment the Schools Block per pupil for 2016-17 will be the same as the amount received in 2015-16. This means that no inflationary increase will be received and as such schools and centrally funded DSG services will be required to absorb any associated increases in costs.

	<b>2015-16</b>	<b>2016-17</b>
Schools Block per Pupil	£4,253.74	£4,257.07

- 6.2 Alongside the announcement on the Schools Block funding levels, the DfE announced that local authorities should not assume an increase in funding to support High Needs pupils. Therefore there is no expectation of any additional funding to support the increasing number of places required within the High Needs Block. A separate paper will be presented to Schools Forum in December 2015 detailing the required transfer of funding between the Schools Block and the High Needs Block to meet these particular pressures.
- 6.3 The final actual Schools Block DSG total amount to be received for 2016-17 will be based on October 2015 pupil numbers, and as such will not be notified to the Local Authority until December 2015.

## **7 DEMOGRAPHIC AND SERVICE PRESSURES**

- 7.1 0-18 Population Growth The number of children in Cambridgeshire is increasing. This puts pressure on many budgets for services for children and families. Modelling of the likely pressures resulting from population growth is shown in Table 3 at A/R.3.010-A/R.3.022. Our approach has been to calculate the likely pressure, in order to acknowledge it but, in the main, to expect services through transformation and service changes to meet the demand without further resources. The following pressures are not discussed in the detail below but nevertheless have implications for services:

<b>Ref</b>	<b>Title</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
A/R.3.013	Growth in children numbers	305	487	528	589	589
A/R.3.017	Support packages – children in need	47	46	46	46	46
A/R.3.019	Disability Children's Services	56	58	60	62	64
A/R.3.021	Adult Alcohol Specialist Treatment Service	38	89	81	92	85

- 7.2 This will mean a reduction in the amount spent per service user as more people are supported by these budgets and/or services focusing on people with higher needs if there is flexibility in thresholds.
- 7.3 In addition to the general pressure of population growth, there are specific pressures in a range of areas which services are having to respond to through business planning. These are set out in the following paragraphs.

#### 7.4 Special Guardianship Orders and Adoption Allowances

The Council makes payments to adoptive and kinship carers through adoption allowances (AAs) and Special Guardianship Orders (SGOs), to ensure the stability and sustainability of placements by helping to meet some of the challenges associated with looking after vulnerable children who have been in care or experienced trauma. There has been a 25% year on year increase in the number of SGOs over the past four years creating a significant budget pressure. A further significant funding shortfall arises from the Government's planned withdrawal of the Adoption Reform Grant, which was used to partly fund these payments. (A/R.3.016. 316k in 2016/17 & A/R.4.008. 570k 2016/17)

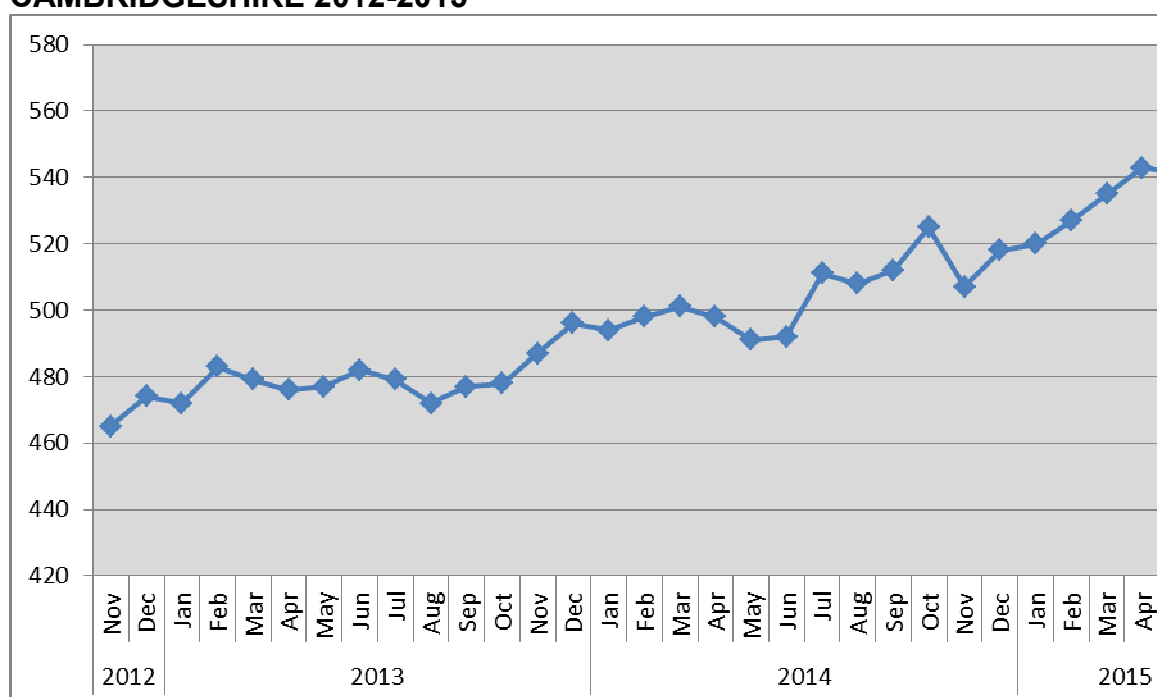
#### 7.5 Home to School Transport (Mainstream & Special)

Significant budget pressures exist in the provision of home to school transport for both mainstream provision and also for children with special educational needs and disabilities (SEND). The pressure arises partly from an increase in the number of children in the county, and the corresponding increase in the resource required to fund their transport to school but also from anticipated savings in 2015/16 relating to reviews of routes and contracting savings which have not been possible to achieve. The increased demand for transport for children with SEND is in line with the wider trends of higher numbers of children with more complex needs that have been identified in Cambridgeshire over a number of years. (A/R.3.015. £475k in 2016/17 and A/R.3.010. £613k 2016/17).

#### 7.6 Looked After Children

The largest area of pressure relates the number of children in care in Cambridgeshire. We need to reverse the trend which has seen the number of children in care increasing since the end of 2013 and the spend on care arrangements rising alongside. This trend is shown below and accounts for the pressure we have on the placements budget at the start of this business planning period.

**CHART: THE TOTAL NUMBER OF CHILDREN IN CARE IN CAMBRIDGESHIRE 2012-2015**



- 7.7 It is important to understand that this increase has been from a historically low rate of children in care compared to other local authority areas but nevertheless our ambition is to reduce numbers further by effective work with families and partners and to return to the number of children in care seen prior to 2012. Significant savings are set out for looked after children in section 8 in response to the pressure. (A/R.3.011. £2.1m 2016/17)

## 8 **DRAFT BUSINESS PLANNING PROPOSALS**

- 8.1 Because of the need to deliver the ambitious reductions in expenditure on care and support, all services and team will be impacted by the business planning proposals. Even where teams are not affected by specific budget reductions, they will need to change their service models. The 2020 Strategy provides the Committee with an overview of how our services will be re-shaped over the course of the business plan.
- 8.2 The following paragraphs provide additional detail for the specific budget proposals which will have the greatest impact on service users and/or are most challenging to deliver. The figures provided at the end of each paragraph are total savings for each year of the Business Plan unless otherwise stated. Table 3 of the business plan provided at Appendix B provides a full overview over the full 5 years of the plan and Community Impact Assessments (CIAs) are also attached for the relevant proposals within the draft Business Plan.

### *Enhanced and Preventative Services*

#### 8.3 Recommissioning of Children's Centres and Children's Health Services

A significant reduction in Children's Centre funding is planned. The reduction and its scale is indicative of the limited options that are available to secure the level of savings required. The proposals will result in a significant reduction in the number of Children's Centres. Significant parts of the County will not receive the current Children's Centre offer including family health services, family support and parenting advice, family activities, early years education and childcare and a range of targeted help for specific issues such financial problems, substance misuse, adult learning difficulty and similar. For those areas without Children's Centres, there will continue to be an offer for 0-5s as part of the wider joint work with health services. These changes will be developed and consulted upon in 2016-17, and implemented by April 2017. From April 2016, the Council has an increased role in the commissioning of Health Visiting, School Nursing and the Family Nurse Partnership, and the wider re-commissioning of the Healthy Child Programme. This offers an opportunity to consider how Children's Centres and other early help services work with what have traditionally been seen as 'health' services, and to make sure that there is no duplication and services are targeted on those with the highest needs. As such, a revised service offer for families will be developed in conjunction with children's health services but from a significantly reduced resource base. (A/R.6.501, -£2m in 2017-18)

#### 8.4 Children's Centre Formula Budget Reduction

The budget that funds Children's Centres will be reduced centrally in 2016/17,

which will mean a proportionate reduction for each Children's Centre. This saving will result in reductions in staffing (managed mainly through a review of vacant posts and posts currently filled on a fixed term basis). This will lead to a reduction in support to families in early years. This measure will be applied in 2016-17, ahead of the proposed re-commissioning described above. (A/R.6.503, £250k in 2016-17)

8.5 Recommissioning of Early Help – Locality Teams

In March 2015, agreement was confirmed for the recommissioning of services for children and young people delivered by Locality Teams. This includes the removal of Assistant Locality Manager posts, Senior Social Workers, Youth Development Coordinators, reducing the non-pay budget for Localities and reducing Information Advice and Guidance posts by 50%. These changes were started during the financial year 2015-16, and this saving line shows the financial impact of these changes in 2016-17. These changes have had a substantial negative impact on the capacity of Locality Teams to provide 1:1 support for children, young people and their families with anything other than the highest levels of need. (A/R.6.506, -£615k in 2016-17)

8.6 Recommissioning of Early Help - Youth Support Services

In March 2015, agreement was confirmed for the recommissioning of services for children and young people delivered by Youth Support Services. This includes savings from the Family Intervention Partnership (FIP) and the Multi Systemic Therapy team, both of which support families to deal with complex challenges where there is substantial risk to the safety of children, and the removal of resources to support a reduction in teenage pregnancies. These changes have been introduced during 2015-16, and this savings line shows the financial impact of these changes in 2016-17. The savings proposal also includes further reductions in 2016-17 to the Multi Systemic Therapy team (pending the current review as part of the mutualisation process), the removal of resources to develop opportunities for apprenticeships, and the removal of resource to match young people with jobs which will result in a higher risk of young people making a positive transitions into further learning and work. The Duke of Edinburgh Award service will become fully traded and move to the Learning Directorate. (A/R.6.507, -£403k in 2016-17)

8.7 Rural Youth Work and Small Grants for Youth Programmes

The rural youth work contract, which currently funds the Connections Bus project, will be ended. This will reduce the availability of youth work in Cambridgeshire's rural villages. The small grants fund for transformation-driven youth projects will also be closed, which will reduce funding available for new youth projects. (A/R.6.508, -£47k in 2016-17)

8.8 Recommissioning of Early Help – Special Educational Needs and Disability (SEND)

As part of the second year of delivering SEND reform, savings will be taken from a review of the SEND Specialist Services management structure and service redesign. Opportunities for the trading of the Specialist SEND services with schools are likely to increase. Having delivered on a contract with the Autism Education Training, there are now opportunities to deliver external training to other Local Authorities and to provide quality assurance. (A/R.6.509, -£200k in 2016-17)

8.9 Speech and Language Therapy (SALT)

The Speech and Language Therapy Contract, which currently provides additional support for targeted families in the early years, will be ended. This will mean the closure of drop in services for families with children with special educational needs that are currently provided in children's centres. (A/R.6.512, £120k in 2016-17)

Relevant Public Health Reductions

8.10 Drug and Alcohol Action Team (DAAT)

CFA and Public Health staff are working together to identify any potential savings from drug and alcohol misuse services commissioned by the Council, if further public health savings are required. Areas under consideration include securing efficiencies by increasing integration between drug and alcohol services commissioned from the same provider organisation. There may also be opportunities to upskill staff in related Council services which will enable them to identify and undertake early interventions with less complex cases of drug and alcohol misuse.

Children's Social Care

8.11 Review of management posts and structure of the Unit Model

Children's social care services are organised on the basis of units covering geographical areas. We will review management responsibilities within the unit structure, with the intention of reducing management. In the longer term we will also review the number of units that are required, with the intention of reducing the number in proportion with the reduction in the number of Looked After Children that is described at A/R.6.406. (A/R.6.302, -£25k in 2016-17, -£25k in 2017-18, -£265k in 2018-19)

8.12 Special Guardianship Orders and Adoption Allowances

At present some allowances are paid until the child becomes 18. We will review our policy to bring it into line with most local authorities, and cap the payments to two years after a placement / order is made in all but the most exceptional circumstances. (A/R.6.305, -£350k in 2016-17)

8.13 Personal Budgets for Families with Children with Disabilities

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 them design creative care plans and by reducing the unit cost of the local authority services which families buy-back. This proposal is based on a continuation of this approach and reducing the overall budget for support. It should be noted that because significant efficiencies have already been achieved in previous years, the target set for 2016/17 is considered extremely stretching. (A/R.6.306, £200k in 2016-17)

Learning Directorate

8.14 Early Years Workforce Development

Training is currently provided for staff working in Early Years settings. The budget that funds this work will be reduced, which will reduce the amount of

training available. If the turnover of staff in the Early Years workforce is faster than anticipated, and qualified staff leave posts, then there will be a risk to the LA's responsibility to secure sufficient early years places in good and outstanding settings. (A/R.6.601, -£80k in 2016-17)

8.15 Reconfiguration of Education Support for Looked After Children

Currently support for schools in teaching children in vulnerable groups is provided by three different teams. This proposal is to reduce and combine the Virtual School for Looked After Children, Special Educational Needs and Cambridgeshire Race Equality and Diversity teams to create a 'Vulnerable Groups' team. Part of this proposal is to reduce the education support for Looked After Children to minimum statutory responsibility. For example, Personal Education Plans for Looked After Children will be developed and monitored by the social worker rather than a Virtual School teacher. There will be a reduction in our ability to support the educational attainment and achievement of vulnerable groups. This proposal will be developed and consulted upon in 2016-17, and is expected to be implemented for full financial impact in 2018-19. (A/R.6.603, -£334k in 2018-19)

8.16 Reduction in School Improvement Funding

This proposal is in two parts. Firstly, to continue to increase the trading income of school advice services by selling such services to schools, so that Numeracy, Literacy and Improvement Advisers are fully traded from 16/17, Primary Advisers are 50% traded in 17/18 and fully traded in 18/19, and Area Senior Advisers to be part traded from 16/17, with a further reduction in the Area Senior Adviser budget leading to a reduction in support or an increase in trading in 17/18. Secondly, the funding that the Council provides for maintained schools to improve will be reduced, saving £100k in 16/17 and £102k in 17/18. The Council will support only where we have a statutory responsibility to intervene, and/or early intervention would be cost-effective. These savings are a risk to the current rate of improvement in the proportion of schools we are judged to be good or outstanding and are at risk if we start to see more schools being judged by Ofsted as inadequate or requiring improvement. If there is insufficient buy-back of services from schools we will have to stop offering specific services. (A/R.6.607, -£450k in 2016-17, -£311k in 2017-18, -£163k in 2018-19)

8.17 Home to School Transport (Mainstream) We will consult on the removal of all post 16 transport subsidies, including for disadvantaged students. The Council has a duty to facilitate access to further education and learning for students aged 16 to 19. This does not extend to include financial support and the subsidies we currently provide are discretionary. We will consult on ceasing to provide financial support to any new student over the age of 16 beginning a course of study effective from 1 September 2016, including those living in low income households. In recognition of the impact of such a change on individual students, their families, post-16 providers and transport operators, it will be essential to undertake a wide-ranging consultation with those who might be affected and all other interested parties. Bursaries are available for young people from families with low incomes or other barriers to learning and we will support young people to identify and access these wherever possible, but the proposals will increase the likelihood of young people, especially those from disadvantaged backgrounds, not accessing further learning beyond age 16. We will also change the way we contract home to school transport. Where it could result in a better value service, for example one that incorporates after school

activities, we will encourage schools to take on responsibility for procuring their own transport funded by the Council on the basis of a fixed fee per pupil. We will review different forms of provision, including direct provision by the Council and/or looking to better integrate home to school transport resources with community transport. We will also make routes safe for walking so that funding can be withdrawn and through this work more children will be expected to travel independently to school rather than on subsidised public transport. (A/R.6.611, -£960k in 2016-17, -£855k in 2017-18, -£673k in 2018-19, -£535k in 2019-20, £517 in 2020-21)

8.18 Cambridgeshire Race Equality and Diversity Services (CREDS)

For 2016-17, primary schools have decided to reduce the funding for CREDS that is delegated from schools' funding. Schools are anticipating purchasing additional services on a 'pay as you go' basis, subject to capacity. This will require CREDS to reduce the core offer to schools, and we will restructure the service to achieve this, including making reductions to staffing. (A/R.6.624, £285k in 2016-17)

Strategy and Commissioning

8.19 Home to School Transport (Special) In 2016-17 and 2017-18, savings are planned to be achieved through a change to post-16 funding policy, requiring the families of all post-16 pupils to make contributions to the costs of transport to school, even where those pupils have a disability. The expectations of parents will need to change, particularly where children are transported (sometimes individually) in costly taxis. Families will be given the ability to make their own decisions about how best to get their children to and from school through the provision of Personal Transport Budgets. These personal budgets can be used to pay for car travel, public transport, sharing travel with other parents or wider family networks or overcoming barriers that have prevented them from accompanying their children to school, such as childcare for younger siblings. The experience from other local authorities is that using this approach many families are able to identify transport arrangements which are better and more-cost effective than relying on direct public service provision and are able to make arrangements within a personal budget which is allocated at a lower rate than the equivalent cost of direct local authority transport provision. The second element, to achieve savings from 2018-19 onwards, is based on the success of work to increase the range and availability of education provision for children with high needs in the county, including the planned opening of new special schools. More local provision removes the necessity of children and young people travelling out of county to go to school (and reversing the trend of rising demand that causes the pressure). If it is not possible to increase the provision in the county, including within mainstream schools, to meet higher needs then these savings will not be achieved. (A/R.6.403, £388k in 2016-17, £396k in 2017-18, £1,050k in 2018-19, £1,113k in 2019-20, £1,153k in 2020-21)

8.20 Looked After Children Savings - Savings are planned to be achieved through the implementation of the LAC Strategy which will be reviewed by the Children and Young People Committee in December. The Strategy sets out how we will reduce the rate of children taken into care in the county, the cost of provision and by reducing the length of time children are in care for.

8.21 We need to reduce the number of Looked After Children, from around 570 (40.5

per 10,000 population) at any given time currently, to around 450 (29.3 LAC per 10,000 population). A figure of 450 looked after children has been achieved before in Cambridgeshire in 2009, albeit that the overall child population was somewhat lower at that time. We will have a particular focus on outcomes for teenagers, keeping families together and breaking cycles of family crisis. We will seek to prevent need escalating and find alternatives to care wherever possible. We will be clearer than ever with parents who ask us to take their children into care that they cannot give up their responsibilities as parents and that we will only bring children into care where this is absolutely necessary for their safety. Our range of edge of care services and teams across services for children, families and adults will make children at risk of coming into care their first priority and provide the rapid, tenacious and intensive support for families which we know keeps children out of the care system. We will take a flexible approach to allow the provision of substantial support for children who are being supported by Children's Social Care Units or within specialist services, when we see their circumstances deteriorating and need(s) increasing, to avoid a high cost placement. To deliver these proposals we will have to tolerate a higher level of risk than we have done previously in our work with families and children and young people will remain in chaotic or difficult family situations for longer as we seek to avoid care placements. The CFA Workforce Development Strategy which will come to Committee in December will include a focus on supporting teams to manage this higher level of risk.

- 8.22 To reduce the length of time children are in care for, we will ensure that children promptly move into care arrangements either within their own wider family or with a foster family where this is appropriate and safe. We will review the circumstances of LAC and their families on a regular basis to establish whether children need to remain Looked After or whether due to changed circumstances they can move back with their families. We will continue to work with CORAM Cambridgeshire Adoption (CCA) to improve the speed of adoption for children where that is right.
- 8.23 We will also reduce the unit cost of placements by better commissioning, changing the mix of placements and considering different ways of meeting needs, with a particular focus on reducing the spend on residential placements and increasing the number of available Local Authority foster carers. We will focus on brokering family solutions and identifying kinship carers who can take responsibility for children when their parent cannot, in preference to making a formal care placement. We will use the budget to fund support for Looked After Children more flexibly and creatively to meet needs at a lower cost. We will spend significant sums of money on support other than traditional residential 'placements', which might include funding more support workers to work with families frequently (i.e. once a day, or every other day) to avoid the placement cost. (A/R.3.012 and A/R.6.406 total, -£3,529k in 2016-17, -£3,426k in 2017-18, -£3,203k in 2018-19, -£2,656k in 2019-20, -£2,493k in 2020-21)
- 8.24 Reductions in Commissioning Enhanced Services  
Commissioning Enhanced Services manages the statutory assessment process for special educational need, children's placements as a result of disability or being looked after, and placements for adults with learning disabilities. This proposal is based on reducing staffing in this service. In 2016-17 and 2017-18, savings will be achieved by not filling vacancies as they arise. In 2018-19 however, there is a large proposed reduction in staffing within the Statutory

Assessment and Resources Team (StART) following completion of SEND Reform changes, in particular transfers from statements to Education Health and Care Plans, and within Access to Resources Team (ART) as a result of a reduction in Looked After Children numbers and therefore a reduced requirement to commission placements. (A/R.6.402, -£40k in 2016-17, -£13k in 2017-18, -£526k in 2018-19)

- 8.25 Reductions in Strategy Service and Information Management Service  
We will reduce staffing levels in the CFA Information Team, including the Welfare Benefits Team, and end funding to support the Child Poverty Strategy. Savings in future years will be based on a reduction in staffing in the Strategy and Business Improvement and Development teams, and will result in less capacity to deliver transformational change from 2018-19 onwards. In Information Management, we will reduce funding for database improvements, which will result in fewer bespoke developments to respond to information requests from commissioners. We will make savings through efficiencies in Business Support, including on-line booking of training courses. We are currently purchasing new IT systems for adults and children's services, which will also allow a reduction in staffing in future years as a result of efficiency. (A/R.6.401, 6.404 total -£246k in 2016-17, -£137k in 2017-18, -£816k in 2018-19)

Cross CFA savings

- 8.26 Support Functions  
In addition to the reductions in the Strategy and Information Management Services within Strategy and Commissioning described above, a number of reductions are proposed in relation to support functions across CFA. We will create a single contract monitoring and procurement function for the whole of CFA which will lead to staffing savings. We will bring strategy functions together across Children's, Families and Adults Services and there will be staffing reductions from these strategic support functions. There will be a reduction in business support capacity. This is linked to the Digital First agenda which will enable more work to be undertaken once rather than passed to Business Support staff to input into systems. We will be able to achieve some efficiency by bringing some of these roles and teams together, but there will also be a decrease in the capacity of support functions to support transformational change. We will have to focus our data analysis, project management, strategic analysis and policy and communication function on a smaller set of absolute priorities in future as overall capacity will be diminished. (A/R. 6.701, 6.702, 6.703, 6.705 Total -£575k 2016/17)

- 8.27 Early Years Support and Advice  
It is proposed to reduce the level of support to settings and early years providers in schools to the statutory minimum. The focus of intervention and improvement support will be only on settings judged by Ofsted as less than good. Settings rated good or outstanding will need to be more self-reliant, access guidance and online materials, and develop ways of supporting one another rather than receiving direct support from the local authority. The proposals will also include the withdrawal of general advice and training for early years providers on SEND inclusion and access, which is currently provided by Enhanced and Preventative Services. Limited general SEND training and support for settings, in particular on communication and behaviour support, will be provided as part of the offer

from the Early Years Service in the Learning Directorate. Early years providers will continue to be able to access services on a traded basis. Support to help vulnerable groups access Nursery Education Funded places will continue to be provided but will be reduced to the minimum level required to meet our statutory responsibilities. (A/R.6.707 -£543k 2016/17)

## **9 NEXT STEPS**

- 9.1 Following consideration by the Committee, these draft proposals will be further developed for reporting to the December meeting of the Adults Committee. The proposals will be considered at the General Purposes Committee in January, alongside those from the other service committees before then being recommended for formal endorsement at the February meeting of Full Council. The timeline for this process is shown below.

November	Section 188 Notice Published describing impact on staffing numbers  Ongoing work to deliver savings proposals
December	Adults Committee considers final draft revenue proposals.  Ongoing work to deliver savings proposals
January	General Purposes Committee review draft Business Plan for 2015/16.  Ongoing work to deliver savings proposals
February	Draft Business Plan for 2016/17 discussed by Full Council.  Ongoing work to deliver savings proposals
March	Publication of final CCC Business Plan.  Ongoing work to deliver savings proposals.

- 9.2 Officers will continue to develop the delivery plans for the savings proposals as well as the community impact assessments in each area, these will to provide Committee members with further detail on how savings will be achieved and how this will impact on service users and communities. We are also developing robust delivery plans for the proposal within the draft Business Plan.

## **10 ALIGNMENT WITH CORPORATE PRIORITIES**

### **10.1 Developing the local economy for the benefit of all**

- 10.2 No significant impact.

### **10.3 Helping people live healthy and independent lives**

- 10.4 The impact of these proposals is summarised in paragraph. 5.7. Supporting people's independence is a central principle of our strategy and business planning proposals and where this can be achieved through prevention, early help or recovery we will reduce the cost of public services and support people's

desire to avoid or delay the need to rely on public services. However it is also recognised that the direct impact of providing reduced support for people will have a negative impact on their health and people's ability to lead full and active lives will be diminished.

#### **10.5 Supporting and protecting vulnerable people**

- 10.6 The impact of the proposals on our ability to support and protect vulnerable people is provided for each key proposal within section 8 and in more detail within the community impact assessments.

### **11 SIGNIFICANT IMPLICATIONS**

#### **11.1 Resource Implications**

- 11.2 The proposals set out respond to the financial context described in sections 1-4 and the need to dramatically change our service offer and model to maintain a sustainable budget. An overview of the resource implication is provided at section 3.1. The full detail of the impact of the proposals on existing budgets is described in Table 3 of the business plan, attached as Appendix B.
- 11.3 The proposals seek to ensure that we make the most effective use of available resources and are delivering the best possible services given the reduced funding.
- 11.4 This set of business planning proposals, more than ever before, is subject to significant financial risk. In particular the proposals for reduced spending on statutory care budgets represent ambitious targets for budgets which are 'demand-led' and therefore not fully controllable. We will always need to meet statutory needs and so we are reliant on our early help and preventative activity being successful in reducing demand. If this is not successful then further savings will have to be found elsewhere. There are also financial risk and uncertainties relating to the outcome of the Government ongoing spending review.

#### **11.5 Statutory, Risk and Legal Implications**

- 11.6 The proposals set out in this report respond to the statutory duty on the Local Authority to deliver a balanced budget.
- 11.7 Children, Families and Adults Services will continue to meet the range of statutory duties on local authorities, but as stated within the impact sections of this paper the level of help provided will reduce. The community impact assessment for each relevant proposal provides further detail about the anticipated impact, including reduction in help provided within statutory frameworks. These assessments are attached as Appendix E.
- 11.8 There is an unprecedented level of risk contained within the proposals. As we reduce the number of people who receive our specialist and intensive support, it follows that more risk will be held within communities and families, which will, in some cases, lead to people being less safe and poorer outcomes for vulnerable groups. Similarly, our workforce will need to operate within the context of this higher level of risk and will need very 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.

#### **11.9 Equality and Diversity Implications**

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

#### **11.11 Engagement and Consultation Implications**

- 11.12 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 Children and Young People Committee.

- 11.13 Community Impact Assessments (CIAs) for the savings proposals are attached to this paper for consideration by the Committee at Appendix E, and where applicable these have been developed based on consultation with service users and stakeholders.

#### **11.14 Localism and Local Member Involvement**

- 11.15 The proposals set out in this report, particularly in the latter years, are predicated on empowering communities (both geographical and of interest) to do more for themselves, as we shift our focus from meeting the needs of individuals to supporting communities and families. The County Council's new Community Resilience Strategy, reviewed at the October Meeting of the 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.

- 11.16 As the proposals develop, we will have detailed conversations with Members about the impact of the proposals on their localities. We are working with members on materials which will help them have conversations with Parish Councils, local residents and other groups about where they can make an impact and support us to mitigate the impact of budget reductions.

#### **11.17 Public Health Implications**

- 11.18 A number of the proposals within this report will have implications for the health of 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. In particular, paragraph 6.11 above discusses work to consider savings from the Drug and Alcohol Action Team budget, the implications of which will be consulted on as part of the development of proposals.

Source Documents	Location
None	