

# GENERAL PURPOSES COMMITTEE



**Date: Tuesday, 20 December 2016**

**Democratic and Members' Services**

Quentin Baker

LGSS Director: Law and Governance

**10:00hr**

Shire Hall  
Castle Hill  
Cambridge  
CB3 0AP

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

## AGENDA

Open to Public and Press

### CONSTITUTIONAL MATTERS

- 1 **Apologies for absence and declarations of interest**  
*Guidance on declaring interests is available at*  
<http://tinyurl.com/cccd-dec-of-interests>
- 2 **Minutes - 29th November 2016 and Action Log** **5 - 20**
- 3 **Petitions**

### OTHER DECISION

- 4 **Finance and Performance Report - October 2016** **21 - 44**

### KEY DECISIONS

<b>5</b>	<b>Integrated Resources Performance Report for the period ending 31st October 2016</b>	<b>45 - 70</b>
<b>6</b>	<b>Transformation Fund Bids</b>	<b>71 - 130</b>
<b>OTHER DECISIONS</b>		
<b>7</b>	<b>Service Committee Review of Draft Revenue and Capital Business Planning Proposals for 2017-18 to 2021-22</b>	<b>131 - 166</b>
<b>8</b>	<b>Level of Outstanding Debt</b>	<b>167 - 180</b>
<b>9</b>	<b>A Corporate Energy Strategy for Cambridgeshire County Council</b>	<b>181 - 206</b>
<b>10</b>	<b>General Purposes Committee Agenda Plan, Training Plan and Appointments to Outside Bodies, Partnership Liaison and Advisory Groups, and Internal Advisory Groups and Panels</b>	<b>207 - 218</b>

The General Purposes Committee comprises the following members:

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

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

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

Clerk Name: Michelle Rowe

Clerk Telephone: 01223 699180

Clerk Email: [michelle.rowe@cambridgeshire.gov.uk](mailto:michelle.rowe@cambridgeshire.gov.uk)

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

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**GENERAL PURPOSES COMMITTEE: MINUTES**

**Date:** Tuesday, 29th November 2016

**Time:** 10.00a.m. – 1.00p.m.

**Present:** Councillors Bailey, Bates, D Brown, Bullen, Cearns, Count (Chairman), Dent, Hickford, Jenkins, Mason (substituting for Councillor Hipkin), McGuire, Nethsingha, Onasanya (substituting for Councillor Whitehead), Orgee, Reeve, Schumann (substituting for Councillor Criswell) and Walsh

**Apologies:** Councillors Criswell, Hipkin and Whitehead

**276. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**277. MINUTES – 25TH OCTOBER 2016 AND ACTION LOG**

The minutes of the meeting held on 25th October 2016 were agreed as a correct record and signed by the Chairman. The Action Log was noted. In response to an action from the last meeting, the Chairman asked officers to find out whether it was the same Councillor who had submitted six Freedom of Information requests. The Chairman stressed the need for Members to avoid using this expensive route when they could access information via the process set out in the Council's Constitution. **Action Required.**

**278. PETITIONS**

No petitions were received.

**279. FINANCE AND PERFORMANCE REPORT – SEPTEMBER 2016**

The Committee was presented with the September 2016 Finance and Performance report for Corporate Services and LGSS Cambridge Office. A year-end overspend on revenue of £54k was being forecast. The overspend in Corporate Services had reduced from £301k to £181k mainly as a result of further work to reduce the Corporate Capacity Review overspend. Financing costs were currently predicting an underspend of £250k for the year.

One Member commented on the fact that the LGSS Accounts for 2014/15 had not yet been signed off. The Chief Finance Officer (CFO) reported that although LGSS did not have a statutory duty to produce separate accounts, they were happy to do so for the financial year in question. A member of the public had submitted a detailed challenge which had resulted in additional significant costs. However, the Accounts had since been signed off and the matter closed after the objection had not been upheld. He explained that no objections had been received to the 2015/16 accounts which had been signed off.

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

## **280. INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 30TH SEPTEMBER 2016**

The Committee received a report detailing the financial and performance information to assess progress in delivering the Council's Business Plan. Attention was drawn to the forecast year-end of overspend of £1.5m which was a reduction of £0.4m on the position reported last month. The CFO reported that work was taking place to continue to bring down the overspend and he was comfortable of achieving a balanced position at year end. The Chairman acknowledged that there were still significant risks in relation to delivery but he felt that officers could be proud of the work there had done five months into the budget.

In response to a query regarding Ramnoth Primary, Wisbech, the CFO agreed to find out whether work on site would definitely start in December 2016. **Action Required.** Another Member encouraged officers to review prices for schemes by involving the Local Member who might have local knowledge regarding the presence of asbestos for example which would impact on prices.

Members congratulated the Service Director: Older People's Services and Mental Health and her Team for bringing costs down and keeping within budget. However, it was important to note that a significant amount of extra funding had been put into Older People's Care last year. Next year it was proposed to put in a significant amount for Looked After Children. Whilst the challenge of managing demand-led budgets was acknowledged, it was also important to try and identify a realistic budget.

It was resolved unanimously to:

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

## **281. BUSINESS PLANNING UPDATE**

The Committee considered a report providing an overview of the draft Business Planning Proposals and budget position following October Service Committees. Attention was drawn to the budget position and the changes proposed by Economy, Transport and Environment Policy and Service Committees. The financial gap was currently £5.6m predicated on a 0% Council Tax increase and a 2% increase for Adult Social Care. Members of the Committee who had attended the recent GPC/Strategic Management Team workshop would be aware that this figure had reduced even further. Attention was drawn to risks and other issues to note, which could be amended to remove the Pension Triennial Review which would be funded from existing pension contributions over the next three years.

One Member drew attention to the risk relating to the Local Government Finance Settlement and the impact of not accepting the four year arrangement leaving the Council at jeopardy of losing £15m. She had taken action to lobby the Government to shore up the Council's position and urged other Councillors to do the same. The Chairman reported that he had lobbied Sajid Javid MP not to remove £15m from the

Council. He was also lobbying in relation to business rates and how needs would be assessed. Another Member commented that it was up to Members to use their party's internal mechanism to lobby. He drew attention to the fact that every 2% increase in Council Tax would raise £5m.

It was resolved unanimously to:

consider the Council's current budget position and provide comment ahead of Service Committee consideration of Business Planning proposals in December.

## **282. CONSULTATION RESULTS FOR THE 2017-18 BUSINESS PLAN**

The Committee received a report setting out the results of the business plan consultation for 2016/17. Attention was drawn to the three different types of consultation used as part of the process. Members made the following comments in relation to the report:

- queried the way the question had been asked in relation to potential changes to Council Tax. It was noted that 66% had supported a 1.99% increase but this was not presented as part of the results. Members were informed that the presentation reflected the process used in the 2014 Survey to enable comparison. It was noted that a final graph would be included in the report to Council which would reflect the suggested presentation. Another Member queried the possibility of producing a combined figure for the three forms of consultation.
- queried the point of four options when the difference between options two and three was so insignificant. Another Member felt the consultation was fundamentally flawed; he questioned how representative the samples had been and the questions asked.
- highlighted the fact that the cross party Member Working Group had tried to learn lessons from previous consultations. One Member highlighted the fact that the Cambridge City consultation, which had involved people from across the county, had identified an appetite to increase Council Tax to prevent further cuts. The Chairman commented that there was a North/South divide reflected in the consultation results. Another Member reported that the consultation in St. Ives had identified that the majority preferred option one. Attention was drawn to the fact that those who were aware of the financial challenges facing the Council were more likely (72%) to support an increase in council tax than those who were not aware (61%).
- noted that 47% as part of the M E L Research did not use any of the Council services listed. Libraries came well down the list of valued Council services. The option preference of Council Tax increase by District was very varied. One Member highlighted the response for East Cambridgeshire which showed that only half supported an increase in Council Tax primarily because the District Council had managed to transform services without increasing Council Tax. The Business Intelligence Manager (Research) drew attention to the fact that there had been a higher proportion of older households of average income approached in East

Cambridgeshire. It was noted that the percentage figures for Districts/City were less reliable than the County Council percentage.

- highlighted the need to stop portraying Local Government as highly inefficient which would in the end alienate the City. One Member raised the need to reflect in the consultation the efforts which had been made to transform services. Another congratulated the Service Director: Older People's Services and Mental Health on the savings she had achieved at no detriment to the Service by transformation.
- the need to include context in future consultations to reflect the fact that the Council was one of many precepting authorities.
- highlighted the need to bear in mind the major concern for Children's Services raised at community events.

It was resolved unanimously to:

note the results of the 2017/18 Business Plan consultation.

## **283. TOTAL TRANSPORT PILOT**

The Committee received an overview of the results of engagement and analysis work undertaken following its meeting on 26 July 2016. The question was posed as to whether there would be a net benefit to changing day centre times in the Total Transport pilot area in order to allow integration with special educational needs transport. Attention was drawn to the main issues, which demonstrated that the proposed changes would be possible for some. However, there were three respondents where the changes would have a significant impact; individual case studies had been provided for two of them. It was noted that in both cases the family was the primary carer. There would be significant additional costs incurred which would be more than the maximum potential saving from changing times. It was therefore not proposed to change existing day centre times. It was noted that there was scope for the Flexible Minibus Service to provide access to other community based provision.

The Committee thanked the Transport Policy and Operational Projects Manager for the work he had carried out. Members highlighted the strength of qualitative data in identifying the real risk to the Council. One Member drew attention to the significant amount of funding that family carers saved the Council. Members were informed that both Children and Young People and Adults Policy and Service Committees supported the recommendations.

It was important to bear in mind that Total Transport was not simple to roll out because it needed to be specific to the area and involve a considerable amount of consultation. It was suggested that there should be a review mechanism to allow for any changes in the future. Members noted the importance of the Flexible Minibus Service in targeting people who were not currently using day centres. There was a need for change to be led by the day centres.

It was resolved unanimously to:

- maintain existing day centre times, accepting that the potential costs involved in changing times would outweigh the benefits.
- note the alternative approach of considering the Flexible Minibus Service as an enabler for residents, helping them maintain their independence and to access community-based solutions.

#### **284. TREASURY MANAGEMENT REPORT QUARTER 2**

The Committee received the second quarterly update and mid-year review on the Treasury Management Strategy 2016-17 approved by Council in February 2016. The Chairman drew attention to the predictions and continual disagreements regarding interest rates. The central forecast was for lower interest rates but it appeared that the ability of the Council to flex rates was diminishing slowly. Members requested an update on how the loan to Arthur Rank Hospice Charity was progressing. The CFO agreed to circulate information at full Council. **Action Required.**

It was resolved unanimously to:

- a) note the Treasury Management Report; and
- b) forward to full Council for approval.

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

The Committee considered its agenda plan and training plan, and noted the following changes to the agenda plan:

- move "Assistive Technology in Older People's Care & Assessments Phase 2" to March.

Members were also asked to note a number of appointments which had been made to Outside Bodies, Partnership Liaison and Advisory Groups and Internal Advisory Group and Panels since the last meeting.

It was resolved unanimously to:

- a) review its Agenda Plan attached at Appendix 1;
- b) review and agree its Training Plan attached at Appendix 2; and
- c) note the appointment of the following:
  - Councillor Connor to replace Councillor McGuire on the Police and Crime Panel;

- Councillor Smith to replace Councillor McGuire on the Community Safety Strategic Board;
- Councillor Bullen to replace Councillor McGuire on the Conservators of the River Cam; and
- Councillor Cearns to replace Councillor Nethsingha on the Consultation Working Group.

## **286. CAMBRIDGESHIRE GUIDED BUSWAY DEFECTS**

The Committee considered a report detailing expert technical and legal advice regarding the rectification of defects in the construction of the Cambridgeshire Guided Busway (CGB) and the recovery of costs from the contractor Bam Nuttall (BAM). A report with similar recommendations had been presented to the Committee on 7 October 2014. Since that time, lengthy investigations had been carried out jointly with the contractor. It was noted that the results of the investigations strengthened the Authority's case as demonstrated in the expert opinion provided by Capita. Attention was drawn to the principal problems with the Busway. The Council had to consider whether it fixed the defects immediately or waited for them to fail. It was being advised to carry out rectification works and commence legal action to secure a satisfactory settlement from BAM.

During a detailed discussion, the following points were raised by some Members:

- queried the impact of the defects on public safety. The Service Director, Strategy and Development, (Director) reported that speed limits were introduced to manage any significant defects. If the Council failed to rectify the defects then there would be more speed limits on the Busway which could eventually result in passengers and buses not using the route. The Council prioritised safety at all times by carrying out regular inspections.
- confirmed that the recent incidents on the southern route of the Busway had no connection with the issues raised in the report.
- highlighted the need to bear in mind that the Council retained responsibility for maintaining the Busway in a safe condition. One Member expressed his concern about the financial consequences for the Council whatever action was taken.
- disappointment expressed by one Member that the Executive Director: Economy, Transport and Environment, the author of the technical report from Capita, and a representative from Atkins who were contracted the Project Managers, had not been present at the confidential briefing for members of the Committee and Economy and Environment Spokes. One Member reported that he had submitted three questions for consideration. Unfortunately, the presenter from Skanska had been unable to answer the technical question relating to the cracking of the longitudinal beams. He expressed further disappointment that a further £3.07m plus £192,000 of taxpayers money had been paid in professional fees to consultants some of whom had declined to answer questions from Members. The Director reported that Atkins and Skanska had not declined to answer questions. A response would be provided to the Member concerned. He informed the Committee that the Executive Director had been called away from the briefing at short notice.

- highlighted conflicting information concerning the cost of repairs to the Busway received from the Director compared with information on the Council's website; the difference in the figures had been millions. It was noted that the CFO had provided Members with an explanation, together with a revised public data set of payments over £500. One Member reported that he remained unhappy with errors of this magnitude appearing on the public website and believed that action should be taken to tighten up accountancy procedures. The CFO explained that there had been an error in the software as to how the Authority treated cost income.
- queried the CFO's revised figure of four payments totalling £217,677 which did not reconcile with the Director's original statement of £2.8m. The Director reported that the £2.8m figure reflected the funding for the Busway since 2011. The payments were not connected with the defects instead they reflected construction retention payments and land payments which were part of the original project. Provision for these costs needed to be made in the Capital Programme.
- highlighted a further commitment of £15.685m prudential borrowing raised in a previous report. One Member queried whether this related to capital provision for anticipated legal costs, professional fees and/or repairs, reserves or borrowing more money to repair the Busway. He expressed concern as to whether the Council was throwing good money after bad. He was particularly concerned about whether the repairs would last the lifetime of the Busway. The Director advised that the commitment in the capital programme was for land costs and contractual retention payments. The CFO reminded the Committee that the Council was not allowed to capitalise legal costs.
- highlighted the compelling case which made the situation regarding the defects on the route clear. One Member expressed shock that since the completion of the Busway BAM had failed to address any defects completion and had ignored defect notices. Action needed to be taken but it was important to ensure that any decision was considered by the Committee or, if necessary, full Council first.
- queried the impact of Option 1 should any further defects arise if the Council rectified the defects using a different contractor. The Director acknowledged that the situation would be complicated if another contractor was involved as it could lead to difficulties establishing which contractor was responsible should further defects arise. Members were informed that it was a risk but the Council did not have a choice.
- highlighted the 13% of elements which needed to be repaired. One Member queried what would happen to those elements which could become a problem in the future and how they would form part of any settlement. The Director reported that 13% related to only one of the defects and was based on a sample. As part of the repair works, it was proposed to expose all joints and remedy every one if necessary. It was suggested that this could therefore result in a bigger claim against BAM.
- the need raised by Councillor Bullen (*the Chairman agreed that he could be named in the minutes*) to draw a line under the project. He reported that he did not think the Council would win its legal action. He felt that the project had been flawed from the beginning and that Option 1 did not make business sense. He suggested using the

£2.2m being withheld from the contractor to keep the Busway running and then closing it when the money ran out and only reopening if the Council was successful in getting the money. He queried who had actually signed off the design. The Director reported that when the Busway had been commissioned the specification had included provision for a Design and Build Contract. The Chairman commented that the Council had therefore employed someone purportedly proposing to be an expert to take the risk. The Director explained that the terms of the contract meant that the design had been accepted and not approved. The role of the Council's agents, Atkins, was one of checking that the quality assurance had been carried out and not approval. Liability for the design therefore rested with BAM.

- acknowledged the need to continue to maintain relationships with BAM to see whether a negotiated settlement could be reached.
- suggested by one Member the need to consider alternatives such as a Tramway, as a bus system had limited capacity. He proposed the need to integrate with any light rail system being proposed by the City Deal. He suggested considering provision North and South of the City separately. The Director stated that it was his understanding that money secured through legal action for rectifying defects had to be used for that purpose, however he agreed to seek legal advice to confirm this. **Action Required.** However, he informed the Committee that Light Rail was not a City Deal proposal.
- highlighted a recent newspaper report which claimed that there had been little contact between the Council and BAM. It was noted that the Executive Director met regularly with BAM representatives. There had also been over 20 meetings with BAM representatives during the investigation of the defects.
- queried the statement in Section 3.6 regarding legal and technical advice. The Director reported that the Council did not involve lawyers for defects with an estimated assessed value of less than £50,000, as it would not be cost effective.
- queried the scheduling of any Busway works given the proposed works for the A14. The Director reported that discussions had taken place with Highways England who would maintain two lanes on the A14. He acknowledged that it was likely work would take place at the same time. Individual sections of the Busway would be closed at a time and buses would be directed to the roads. One Member queried whether the non-intended impact on the community had been taken into account by the Council's QC. The Director reported that the impact on the community in relation to the way the Council carried out repairs could be factored in. He acknowledged the need for a co-ordination of works. Another Member pointed out the reputational damage to the Council which needed to be considered in the negotiations and the impact on usage. The Director reminded Members that the contract with the bus companies did not include compensation if the guided busway was not available.
- suggested that recommendation c) was premature and that there should be no decision at this moment in time as to how the funding should be spent if the Council was successful in its action against BAM. Another Member highlighted the need to scope the work first before any action occurred. She also suggested in relation to

recommendation e) that any additional spending should be considered by General Purposes Committee first. The Director informed the Committee that lawyers had helped to draft the recommendations hence the use of the word resolve. The Chairman informed the Committee that the lawyers had advised the Council of the need to make clear in the recommendations what it intended to do.

Councillor Bates proposed an amendment to recommendations c), d) and e) (*additions in bold*) detailed below, seconded by Councillor Schumann. He informed the Committee that the advice received had been very clear and precise. He highlighted the fact that the Busway was used by 3.7 million people annually. The proposal that it could be closed was therefore unrealistic. BAM had been quoted in the Hunts Post as confirming that it would put the Busway right. He therefore hoped that BAM would come to the negotiation table so that all parties could avoid expensive legal costs.

- c) Resolve to carry out works **on the basis of Option 1 from this report** to rectify all of the superstructure, foundation and drainage defects in accordance with the assessment of the Project Manager and the advice of the Council's expert technical advisers, subject to securing funds from Bam Nuttall in accordance with the defect provisions in the construction contract or alternative legal argument.
- d) Instruct Officers to initiate negotiations and any necessary legal proceedings to recover the assessed cost of defect correction in accordance with the contract, consequential losses arising from those defects, and any costs incurred to date and incurred in future in investigating and taking advice on the defects **and to report to General Purposes Committee as those negotiations continue. Final decisions on the outcome of those negotiations are to be reported to General Purposes Committee and decided by Full Council.**
- e) Note that in the event that a settlement was not reached and it was necessary to pursue the matter through the courts the estimated costs of legal action would exceed the amount remaining in the specific reserve and agree that any additional costs should be met from the general reserve, **this to be approved by the General Purposes Committee..**

Speaking on the amendment, one Member expressed his support for legal action and challenged the unrealistic proposal to close the route. He stressed the need to hold private bodies to account and urged all Councillors to take a collective approach if the recommendation was approved in order to show the contractor a sign of strength.

In conclusion, the Chairman reminded Members that Counsel and the independent technical experts had agreed that the defects were defects under the Contract. BAM was therefore responsible. He acknowledged the importance of scoping the work and bringing it back to Committee.

The Chairman then took each amendment individually which were all carried. Before putting the substantive motion to the vote, as permitted under Part 4 - Rules of Procedure, Part 4.4 - Committee and Sub-Committee Meetings, Section 18 Voting of the Council's Constitution, the majority of members of the committee requested a recorded vote. The substantive motion on being put to the vote was carried.

*[Councillors Bailey, Bates, D Brown, Cearns, Count, Hickford, Jenkins, Mason, McGuire, Nethsingha, Onasanya, Orgee, Schumann and Walsh voted in favour; Bullen, Dent and Reeve voted against]*

It was resolved to:

- a) Note the advice of the Council's expert technical advisers regarding the causes of, and options, for rectification of the defects as set out in the report and Appendices A, and B.
- b) Note the advice of Mr Stephen Furst QC regarding the Council's legal remedies and assessment of the strength of case, as set out in confidential Appendix C.
- c) Resolve to carry out works on the basis of Option 1 from this report to rectify all of the superstructure, foundation and drainage defects in accordance with the assessment of the Project Manager and the advice of the Council's expert technical advisers, subject to securing funds from Bam Nuttall in accordance with the defect provisions in the construction contract or alternative legal argument.
- d) Instruct Officers to initiate negotiations and any necessary legal proceedings to recover the assessed cost of defect correction in accordance with the contract, consequential losses arising from those defects, and any costs incurred to date and incurred in future in investigating and taking advice on the defects and to report to General Purposes Committee as those negotiations continue. Final decisions on the outcome of those negotiations are to be reported to General Purposes Committee and decided by Full Council.
- e) Note that in the event that a settlement was not reached and it was necessary to pursue the matter through the courts the estimated costs of legal action would exceed the amount remaining in the specific reserve and agree that any additional costs should be met from the general reserve, this to be approved by the General Purposes Committee.

## **287. EXCLUSION OF PRESS AND PUBLIC**

It was resolved:

That the press and public be excluded from the meeting during the consideration of the following report on the grounds that it was likely to involve the disclosure of exempt information under paragraphs 3 & 5 of Schedule 12A of the Local Government Act 1972 as it referred to information relating to the financial or business affairs of any particular person (including the authority holding that information) and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

**288. WASTE PRIVATE FINANCE INITIATIVE CONTRACT**

The Committee received a report on the Waste Private Finance Initiative (PFI) Contract.

It was resolved unanimously to agree the recommendations as set out in the report.

Chairman



## **GENERAL PURPOSES COMMITTEE**

### **Minutes-Action Log**



#### **Introduction:**

This log captures the actions arising from the General Purposes Committee on 29th November 2016 and updates members on the progress on compliance in delivering the necessary actions. This is the updated action log as at 8th December 2016.

### **Minutes of 29th November 2016**

<b>Item No.</b>	<b>Item</b>	<b>Action to be taken by</b>	<b>Action</b>	<b>Comments</b>	<b>Completed</b>
<b>277.</b>	<b>Minutes – 25th October 2016 and Action Log</b>	S Grace/ C Malyon	Officers to find out whether it was the same Councillor who had submitted six Freedom of Information requests. Officers to ask Members to avoid using this expensive route when they could access information via the process set out in the Council's Constitution.	5 of the 6 were from one councillor – the Member concerned has been contacted.	<b>Completed</b>

Item No.	Item	Action to be taken by	Action	Comments	Completed
280.	<b>Integrated Resources and Performance Report for the period ending 30th September 2016</b>	C Malyon	In response to a query regarding Ramnoth Primary, Wisbech, the CFO agreed to find out whether work on site would definitely start in December 2016.	Based on the position as of 1 December, we will not be in a position to start on site at Ramnoth Primary School in December. It is more likely that start will be achieved in January 2017. This is due to a late tender submission from the contractor and as a result we will not be able to agree a final price or start on site in December as planned. We will be working with the school to understand the implications of this on the target delivery date of September 2017.	<b>Completed</b>

Item No.	Item	Action to be taken by	Action	Comments	Completed
284.	<b>Treasury Management Report Quarter 2</b>	C Malyon	To circulate an update on how the loan to Arthur Rank Hospice Charity was progressing at full Council.	<p>On 14 October, the state-of-the-art building was handed over to the Charity, two weeks ahead of schedule and on budget. On 11 November, doors opened to patients, with services and care now being delivered from their new home at Shelford Bottom: a spacious, attractive and therapeutic environment designed with great consideration for the patient's needs, with vastly improved facilities allowing for increased service capacity. A slideshow of photos from throughout the build are on their website: <a href="http://www.arhc.org.uk/the-new-hospice.asp">http://www.arhc.org.uk/the-new-hospice.asp</a></p> <p>The charity would be happy to show any Members around the site, if interested in visiting please contact Karen Field at <a href="mailto:Karen.Field@arhc.org.uk">Karen.Field@arhc.org.uk</a>.</p>	<b>Completed</b>
286.	<b>Cambridgeshire Guided Busway Defects</b>	B Menzies	The Director agreed to seek legal advice to confirm his understanding that money secured through legal action for rectifying defects had to be used for that purpose.	Lawyers have been asked whether the Council had to spend any money secured from Bam Nuttall on rectifying the defects – an answer was awaited.	<b>Ongoing</b>
288.	<b>Waste Private Finance Initiative Contract</b>	G Hughes	Requested a clear presentation of the savings.	E-mail sent to GPC on 5 December 2016.	<b>Completed</b>



**FINANCE AND PERFORMANCE REPORT – OCTOBER 2016**

*To:* **General Purposes Committee**

*Meeting Date:* **20 December 2016**

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

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

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

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

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

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

<b><i>Officer contact:</i></b>	
Name:	Chris Malyon
Post:	Chief Finance Officer
Email:	<a href="mailto:Chris.malyon@cambridgeshire.gov.uk">Chris.malyon@cambridgeshire.gov.uk</a>
Tel:	01223 699796

## 1. BACKGROUND

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

## 2. MAIN ISSUES

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

- 2.2 **Revenue:** At the end of October, Corporate Services (including the LGSS Managed and Financing Costs) is forecasting a year-end overspend on revenue of £569k.

There is one new significant forecast outturn variance by value (over £100,000) for Corporate Services / LGSS Managed; this is reported in section 2.2 of the report.

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

The LGSS Operational budget is forecasting a year-end overspend on revenue of £33k. This element of the budget is monitored by the LGSS Joint Committee and is not the responsibility of General Purposes Committee.

- 2.3 **Capital:** At the end of October, Corporate Services and LGSS Managed are forecasting that the capital budget will be fully spent in 2016-17. There are no new significant forecast outturn variances by value (over £500k) to report.

At the end of October, LGSS Operational is forecasting that the capital budget will be fully spent in 2016-17. There are no new significant forecast outturn variances by value (over £500,000) to report

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

## 3. ALIGNMENT WITH CORPORATE PRIORITIES

### 3.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

### 3.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

### 3.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

#### **4. SIGNIFICANT IMPLICATIONS**

##### **4.1 Resource Implications**

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

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

There are no significant implications within this category.

##### **4.3 Equality and Diversity Implications**

There are no significant implications within this category.

##### **4.4 Engagement and Consultation Implications**

There are no significant implications within this category.

##### **4.5 Localism and Local Member Involvement**

There are no significant implications within this category.

##### **4.6 Public Health Implications**

There are no significant implications within this category.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	N/A
<b>Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?</b>	N/A
<b>Are there any Equality and Diversity implications?</b>	N/A
<b>Have any engagement and communication implications been cleared by Communications?</b>	N/A
<b>Are there any Localism and Local Member involvement issues?</b>	N/A
<b>Have any Public Health implications been cleared by Public Health</b>	N/A

<b>Source Documents</b>	<b>Location</b>
CS and LGSS Cambridge Office Finance & Performance Report (Oct 16)	1 <sup>st</sup> Floor, Octagon, Shire Hall, Cambridge



**Corporate Services and LGSS Cambridge Office**

**Finance and Performance Report – October 2016**

**1. SUMMARY**

**1.1 Finance**

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

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

Monthly Indicators	Red	Amber	Green	Total
October (Number of indicators)	2	0	8	9

**2. INCOME AND EXPENDITURE**

**2.1 Overall Position**

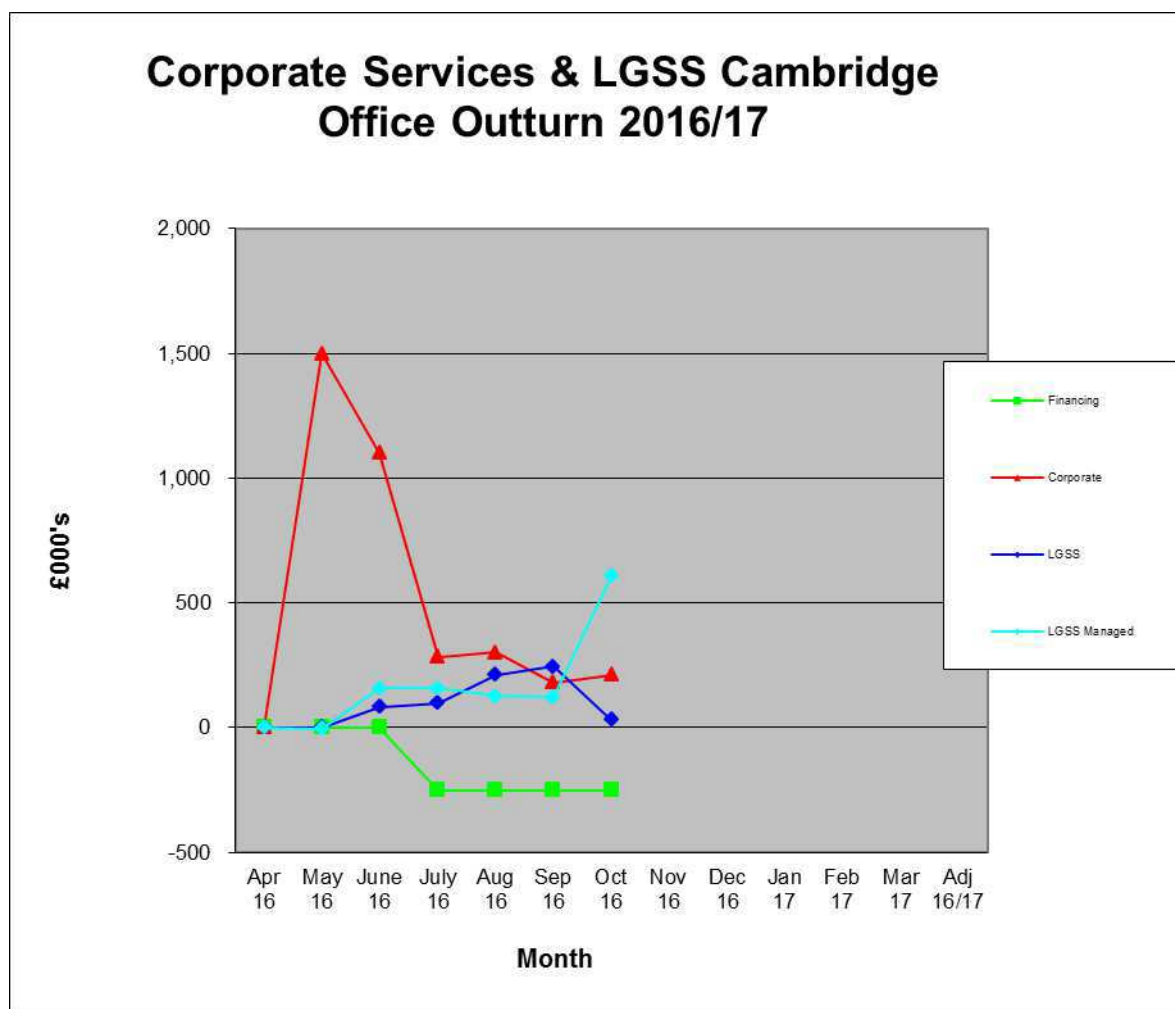
The budget figures in this table are net, with the 'Original Budget as per BP' representing the Net Budget column in Table 1 of the Business Plan for each respective Service. Budgets relating to Assets and Investments Committee have been disaggregated from these figures.

Original Budget as per BP <sup>(1)</sup>	Directorate	Current Budget	Forecast Variance - Outturn (Sept)	Forecast Variance - Outturn (Oct)	Forecast Variance - Outturn (Oct)	Current Status	DoT
£000		£000	£000	£000	%		
4,674	Corporate Services	4,830	181	212	4	Amber	↓
6,010	LGSS Managed	6,004	123	608	10	Amber	↓
34,206	Financing Costs	34,206	-250	-250	-1	Green	↔
<b>44,890</b>	<b>Sub Total</b>	<b>45,040</b>	<b>54</b>	<b>569</b>			
8,195	LGSS Cambridge Office	8,151	246	33	0	Amber	↑
<b>53,085</b>	<b>Total</b>	<b>53,192</b>	<b>300</b>	<b>602</b>			

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

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

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



### 2.2.1 Significant Issues – Corporate Services

- Corporate Services is currently predicting a year-end overspend of £212k.
- There are no exceptions to report this month.

### 2.2.2 Significant Issues – LGSS Managed

- LGSS Managed is currently predicting a year-end overspend of £608k.
- An overspend of £515k is predicted on the Corporate Redundancies budget. As agreed in the Business Plan for 2016/17, the Council has embarked upon a number of significant restructures and staff rationalisation programmes including the Corporate Capacity Review. For a number of years the Council has not fully utilised the £1m provision that is made in the base revenue budget for such staff changes, but given the current level of reductions in staffing taking place it is anticipated that this year the level of costs incurred will exceed this provision.

### **2.2.3 Significant Issues – Financing Costs**

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

### **2.2.4 Significant Issues – LGSS Cambridge Office**

- LGSS Cambridge Office is currently predicting an overspend of £33k. Any year-end deficit / surplus is subject to a sharing arrangement with Northamptonshire County Council and Milton Keynes Council and will therefore be split between partner authorities on the basis of net budget, with an equalisation adjustment processed accordingly at year-end. This will be incorporated into the report as outturn figures become available during the course of the year.
- The figures for LGSS Cambridge Office reflect the demerger of Strategic Assets and Property Services budgets, which returned to their host authorities from 1 October. These budget areas are reported in the Assets and Investments Finance and Performance report for October 2016.
- There is a forecast deficit of £250k on the consolidated trading activities in place prior to April 2016. This will be ring-fenced and met, if necessary, from the LGSS Smoothing Reserve at year end.
- There are no exceptions to report this month.

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

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

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

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

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

The following virements have been made this month to reflect changes in responsibilities.

## LGSS Cambridge Office:

	£	Notes
Transfer of LGSS Operational budgets to Assets and Investments Committee	-1,531	Strategic Assets and Property Services budgets returned to CCC following demerger
Non material virements (+/- £30k)	0	

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

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

### 3. **BALANCE SHEET**

#### 3.1 **Reserves**

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

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

#### 3.2 **Capital Expenditure and Funding**

##### Expenditure

- Corporate Services has a capital budget of £48k in 2016/17 and there is £37k spend to date. It is currently expected that the programme will be fully spent at year-end and the total scheme variances will amount to £0k across the programme.

There are no exceptions to report for October.

- LGSS Managed has a capital budget of £4m in 2016/17 and there is spend to date of £2.5m. It is currently expected that the programme will be fully spent at year-end and the total scheme variances will amount to £0k across the programme.

There are no exceptions to report for October.

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

There are no exceptions to report for October.

## Funding

- Corporate Services has capital funding of £48k in 2016/17 with the current expectation being that this continues to be required in line with the original budget proposals. There are no key funding changes to report.
- LGSS Managed has capital funding of £4m in 2016/17 and as reported above, a balanced budget is forecast at yearend.
- LGSS Cambridge Office has capital funding of £618k in 2016/17 with the current expectation being that this continues to be required in line with the original budget proposals.

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

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

## **4. PERFORMANCE**

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

Measure	Reporting frequency	What is good	Unit	Data last entered	Target	Actual	RAG status	Direction of travel	Comments
<b>Customer Service and Transformation</b>									
Proportion of FOI requests responded to within timescales	Monthly	High	%	09/11/16	90.0%	92.0%	Green	↓	76 FOI requests received. 70 responded to on time.
For context only - number of FOI requests received annually	Annually	Low	Num	05/07/16	N/A*	311	N/A	N/A	Running total will be collected quarterly. Data to be next reported on in October 2015 for Q2 2015/16.
Proportion of customer complaints received in the month before last that were responded to within minimum response times	Monthly	High	%	09/11/16	90.0%	95.2%	Green	↑	Customer complaints for August 2016 = 105  CS&T - 15 complaints all responded to in time(100%) ETE - 69 complaints. 67 responded to within 10 working days (97.10%) CFA - 21 complaints. 18 responded to within 10 working days (85.7%)
For context only - number of complaints received annually per thousand population	Annually	Low	Num	12/07/16	N/A*	2.2**	N/A	N/A	Data to be next reported on in May 2017 for 2016/17
Proportion of all transformed transaction types to be completed online by 31 March 2015***	Annually	High	%	15/07/16	75.0%	55.83%	Red	↓	This is a substantial reduction due to the vast number of concessionary renewals which generally come from a segment of the population which does not have a high propensity to transact online.
Deprivation measure - Number of physically active adults (narrowing the gap between Fenland and others)	Annually	High	%	24.03.16 (change to target and 2014 actual)	53.1% (2015) 54.1% (2016)	52.1% (2014)	TBC	N/A	Data to be next reported on in May 2017 for 2016/17
<b>LGSS Managed Services</b>									
IT – availability of Universal Business System****	Half-yearly	High	%	31/10/16	95.0%	99.7%	Green	↑	Q4 2015/16 - 95% Q3 2015/16 - 94% Q2 2015/16 - 100.0% Q1 2015/16 - 100.0%
IT – incidents resolved within Service Level Agreement	Half-yearly	High	%	31/10/16	90.0%	87.5%	Red	↓	Q4 2015/16 - 92% Q3 2015/16 - 97% Q2 2015/16 - 83% Q1 2015/16 - 98%

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

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

Measure	Reporting frequency	What is good	Unit	Data last entered	Target	Actual	RAG status	Direction of travel	Comments
<b>LGSS Cambridge Office</b>									
Percentage of invoices paid within term for month	Monthly	High	%	01/11/16	97.5%	99.7%	Green	↔	99.7% last period
Percentage of invoices paid within term cumulative for year to date	Monthly	High	%	01/11/16	97.5%	99.7%	Green	↑	99.6% last period
Total debt as a percentage of turnover	Monthly	Low	%	01/11/16	10.0%	9.7%	Green	↓	6.0 % last period
Percentage of debt over 90 days old	Monthly	Low	%	01/11/16	20.0%	16.3%	Green	↑	30.3% last period

## CS APPENDIX 1 – Corporate Service Level Budgetary Control Report

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

### Corporate Directorates

#### Budgetary Control Report 2016/17

The variances to the end of October 2016/17 for the Corporate Directorates are:

Original Budget as per BP £000	Service	Current Budget for 2016/17 £000	Forecast Variance - Outturn (September) £000	Forecast Variance - Outturn (October) £000	%
<u>Corporate Services</u>					
-846	Director, Policy & Business Support	-820	308	308	38
198	Chief Executive	198	-66	-75	-38
449	Corporate Information Management	449	0	0	0
1,305	Customer Services	1,382	0	0	0
381	Digital Strategy	381	0	0	0
237	Research	330	-4	-4	-1
0	Service Transformation	0	0	0	0
-1	Smarter Business	0	0	0	0
545	Strategic Marketing, Communications & Engagement	545	-40	0	0
165	Elections	165	0	0	0
908	Redundancy, Pensions & Injury	908	-18	-18	-2
1,434	City Deal	1,434	0	0	0
-101	Grant Income	-141	0	0	0
<b>4,674</b>		<b>4,830</b>	<b>181</b>	<b>212</b>	<b>4</b>
<u>LGSS Managed</u>					
141	External Audit	141	0	0	0
1,894	Insurance	1,894	0	0	0
1,869	IT Managed	1,863	150	122	7
1,020	Members' Allowances	1,020	0	0	0
131	OWD Managed	131	-27	-30	-23
108	Subscriptions	108	0	0	0
1,000	Corporate Redundancies	1,000	0	515	52
-53	Authority-wide Miscellaneous	-53	0	0	0
-100	Grant Income	-100	0	0	0
<b>6,010</b>		<b>6,004</b>	<b>123</b>	<b>608</b>	<b>10</b>
<u>Financing Costs</u>					
34,206	Debt Charges and Interest	34,206	-250	-250	-1
<b>44,890</b>	<b>CORPORATE SERVICES TOTAL</b>	<b>45,040</b>	<b>54</b>	<b>569</b>	<b>1</b>
<u>MEMORANDUM - Grant Income</u>					
-165	Public Health Grant - Corporate Services	-101	0	0	0
-100	Public Health Grant - LGSS Managed	-100	0	0	0
0	Other Corporate Services Grants	-40	0	0	0
<b>-265</b>		<b>-241</b>	<b>0</b>	<b>0</b>	<b>0</b>

## CS APPENDIX 2 – Commentary on Forecast Outturn Position

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

Service	Current Budget £'000	Forecast Variance - Outturn	
		£'000	%
<b>Director, Policy &amp; Business Support</b>	-820	308	38%
<p>An overspend of £308k is predicted for Director, Policy &amp; Business Support. Since last month the position has improved by £90k due to £40k in salary savings and £50k budgeted support for Corporate teams, which is not now required due to the ongoing work on Corporate Capacity Review.</p> <p>The Corporate Capacity will achieve savings in the region of £875k for this financial year. The full year costs of CCR were not realised as the consultation periods in both phases were extended to ensure that staff were able to input into the new structures. In order to make up the in- year shortfall the following measures are being taken:</p> <ul style="list-style-type: none"> <li>• Recruitment freeze for those posts within CCR;</li> <li>• Other restructures;</li> <li>• Provision that had been identified in the budget for the Capita/Mouchel latent defect connections which are no longer required;</li> <li>• Improved rates of debt collection.</li> </ul>			
<b>IT Managed</b>	1,863	133	7%
<p>An overspend of £133k is predicted for IT Managed budgets. This is made up primarily of £100k costs of WAN upgrades in libraries and community hubs and £65k revenue costs of new tablets, and offset by a credit in respect of a goods receipt relating to 2015/16.</p>			
<b>Corporate Redundancies</b>	1,000	515	52
<p>An overspend of £515k is currently predicted on the Corporate Redundancies budget. As agreed in the Business Plan for 2016/17, the Council has embarked upon a number of significant restructures and staff rationalisation programmes including the Corporate Capacity Review. For a number of years the Council has not fully utilised the £1m provision that is made in the base revenue budget for such staff changes, but given the current level of reductions in staffing taking place it is anticipated that this year the level of costs incurred will exceed this provision.</p>			
<b>Debt Charges</b>	34,206	-250	-250
<p>A £250k underspend is forecast for Debt Charges. This reflects the fall in the forecast for net interest payable following falls in interest rates across all parts of the yield curve. The impact of lower borrowing on the Debt Charges budget would normally result in a favourable forecast variance (due to lower interest payments). However the Debt</p>			

Service	Current Budget £'000	Forecast Variance - Outturn £'000                  %
Charges budget was reduced in anticipation of capital expenditure slippage during the budget setting process, so the magnitude of the variance reported is muted.		

### CS APPENDIX 3 – Grant Income Analysis

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

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

### CS APPENDIX 4 – Virements and Budget Reconciliation

#### Corporate Services:

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

#### LGSS Managed:

	£000	Notes
<b>Budget as per Business Plan</b>	<b>8,720</b>	
Disaggregation of Assets and Investments budgets	-2,714	
Non-material virements (+/- £30k)	-2	
<b>Current Budget 2016/17</b>	<b>6,004</b>	

#### Financing Costs:

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

## CS APPENDIX 5 – Reserve Schedule

### 1. Corporate Services Reserves

Fund Description	Balance at 31 March 2016	Movements in 2016-17	Balance at 31/10/16	Forecast Balance at 31 March 2017	Notes
	£'000	£'000	£'000	£'000	
<b>General Reserve</b>					
Corporate Services Carry-forward	1,218	0	1,218	0	1
subtotal	1,218	0	1,218	0	
<b>Equipment Reserves</b>					
Postal Service	57	0	57	57	
subtotal	57	0	57	57	
<b>Other Earmarked Funds</b>					
Shape Your Place - Fenland Grant	18	0	18	18	
Election Processes	325	0	325	479	2
EDRM Project	232	0	232	0	
City Deal - NHB funding	699	0	699	699	
subtotal	1,274	0	1,274	1,196	
<b>Short Term Provisions</b>					
Transforming Cambridgeshire	962	0	962	962	
Overarching Transformation Programme	0	250	250	0	3
Community Resilience	100	0	100	100	4
subtotal	1,312	0	1,312	1,062	
<b>TOTAL</b>	<b>3,862</b>	<b>0</b>	<b>3,862</b>	<b>2,316</b>	

#### Notes

- 1 The year-end position reflects the Corporate Services overspend of £212k. It is expected that £817k from reserves will be required to fund Transformation services as previously approved; this is a reduction of £90k compared to the original estimate, due to a number of posts remaining vacant. The estimated balance of £190k will contribute towards funding the shortfall on CCR savings.
- 2 The underspend on the Elections budget will be transferred to the earmarked reserve. This is to ensure that sufficient funding is available for the four-yearly County Council election.
- 3 Provision for consultancy costs in respect of Transformation Fund work, expected to be drawn down in full during 2016/17.
- 4 Provision in respect of Community Resilience.

## 2. LGSS Managed Reserves

Fund Description	Balance at 31 March 2016	Movements in 2016-17	Balance at 31/10/16	Forecast Balance at 31 March 2017	Notes
	£'000	£'000	£'000	£'000	
<b>Other Earmarked Funds</b>					
CPSN Partnership Funds	149	43	192	192	1
subtotal	149	43	192	192	
<b>Short Term Provisions</b>					
Insurance Short-term Provision	2,324	0	2,324	2,324	
External Audit Costs	89	0	89	89	
Insurance MMI Provision	1,182	0	1,182	1,182	
Back-scanning Reserve	56	0	56	56	
Contracts General Reserve	893	0	893	893	
Operating Model Reserve	1,000	0	1,000	1,000	
subtotal	5,545	0	5,545	5,545	
<b>Long Term Provisions</b>					
Insurance Long-term Provision	3,613	0	3,613	3,613	
subtotal	3,613	0	3,613	3,613	
<b>SUBTOTAL</b>	<b>9,306</b>	<b>43</b>	<b>9,349</b>	<b>9,349</b>	
<b>Capital Reserves</b>					
P&P Commissioning (Property)	422	-322	100	100	2
subtotal	422	-322	100	100	
<b>TOTAL</b>	<b>9,728</b>	<b>-279</b>	<b>9,449</b>	<b>9,449</b>	

### Notes

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

## CS APPENDIX 6 – Capital Expenditure and Funding

### Capital Expenditure

Corporate Services & LGSS Managed Capital Programme 2016/17						TOTAL SCHEME	
Original 2016/17 Budget as per BP £000	Scheme	Revised Budget for 2016/17 £000	Actual Spend 2016/17 £000	Forecast Spend - Outturn (October) £000	Forecast Variance - Outturn (October) £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
	<b>Corporate Services</b>						
33	Essential CCC Business Systems Upgrade	60	37	60	-	300	-
-	- Other Schemes	-	-	-	-	-	-
-	- Capital Programme Variations	(12)	-	(12)	-	-	-
<b>33</b>		<b>48</b>	<b>37</b>	<b>48</b>	<b>-</b>	<b>300</b>	<b>-</b>
	<b>LGSS Managed</b>						
1,105	Sawston Community Hub	1,105	2	160	(945)	1,309	-
1,150	Optimising IT for Smarter Business Working	1,638	1,716	1,718	80	3,375	80
900	IT Infrastructure Investment	912	201	420	(492)	2,400	(80)
-	- Cambridgeshire Public Sector Network	33	81	33	-	5,554	-
1,000	Microsoft Enterprise Agreement	1,000	496	500	(500)	1,902	-
250	Implementing IT Resilience Strategy for Data Centres	250	13	250	-	500	-
-	- Other Schemes	87	7	87	-	100	-
-	- Capital Programme Variations	(1,029)	-	828	1,857	-	-
<b>4,405</b>		<b>3,996</b>	<b>2,516</b>	<b>3,996</b>	<b>-</b>	<b>15,140</b>	<b>(0)</b>
<b>4,438</b>	<b>TOTAL</b>	<b>4,044</b>	<b>2,553</b>	<b>4,044</b>	<b>-</b>	<b>15,440</b>	<b>(0)</b>

### Previously Reported Exceptions

The Optimising IT for Smarter Business Working scheme budget has been rephased, resulting in an increase of £500k in the budget for 2016/17. This will not affect the overall scheme cost.

Sawston Community Hub is expected to underspend by £945k in 2016/17 due to a delay in obtaining planning permission. As a result, construction work is not expected to start before February 2016 and some of the expenditure planned for 2016/17 will now be re-phased to 2017/18.

Microsoft Enterprise Agreement scheme is predicted to underspend by £500k in 2016/17. The final £500k payment for this scheme will be due in 2017/18, not 2016/17 as originally budgeted. The total scheme cost is unchanged and the expenditure will be re-phased to 2017/18.

As agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall. Slippage in the capital programme for LGSS Managed has exceeded its capital variation budget allocation. However, as the variation budget across the Council as a whole has not yet been fully utilised, at this stage this does not lead to an overall forecast underspend on the capital programme.

## Capital Funding

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

## Previously Reported Exceptions

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

## CS Appendix 7 – Performance Scorecard

Measure	Reporting frequency	What is good	Unit	Data last entered	Time period covered	Target	Actual	RAG status	Direction of travel	Comments
<b>Customer Services and Transformation</b>										
Proportion of FOI requests responded to within timescales	Monthly	High	%	09/11/16	1 - 31 October 2016	90%	92%	Green	↓	76 FOI requests received. 70 responded to on time.
<i>For context only - number of FOI requests received annually</i>	<i>Annually</i>	<i>Low</i>	<i>Num</i>	05/07/16	1 April - 30 June 2016	N/A*	311	N/A	N/A	<p>* No target or RAG status for this indicator. Purpose is to set the context.</p> <p>2015/16 - 1228 2014/15 - 1177 2013/14 - 1153 2012/13 - 899 2011/12 - 917 2010/11 - 834</p> <p>Running total will be collected quarterly. Data to be next reported on in October 2016 for Q2 2016/17.</p>
Proportion of customer complaints received in the month before last that were responded to within minimum response times	Monthly	High	%	09/11/16	1 - 30 August 2016	90%	95.2%	Green	↑	<p>Number of customer complaints for August 2016 = 105</p> <p><u>Breakdown of August 2016 figures</u></p> <p>CS&amp;T - 15 complaints all responded to in time.(100% pass rate) ETE - 69 complaints. 67 responded to within 10 working days (97.10% pass rate) CFA - 21 complaints. 18 responded to within 10 working days (85.7% pass rate)</p>
<i>For context only - number of complaints received annually per thousand population</i>	<i>Annually</i>	<i>Low</i>	<i>Num</i>	12/07/16	1 April 2015 - 31 March 2016	N/A*	2.2**	N/A	N/A	<p>2014/15 was 1.68.</p> <p>* No target or RAG status for this indicator. Purpose is to set the context.</p> <p>Data to be next reported on in May 2017 for period of 1 April 2016 - 31 March 2017</p>
Proportion of all transformed transaction types to be completed online by 31 March 2015***	Annually	High	%	15/07/16	1 July - 30 September 2016	75%	55.83%	Red	↓	This is a substantial reduction due to the vast number of concessionary renewals which generally come from a segment of the population which does not have a high propensity to transact online.
Deprivation measure - Number of physically active adults (narrowing the gap between Fenland and others)	Annually	High	%	24.03.16 (change to target and 2014 actual)	1 April 2015 - 31 March 2016	53.1% (2015) 54.1% (2016)	52.1% (2014)	TBC	N/A	<p>New indicator identified by GPC in response to the deprivation motion passed by Council in July 2014. Indicator shared with Public Health.</p> <p>Update 24.03.16 - actual for 2014 and therefore target for 2015 and 2016 amended to reflect updates to data.</p> <p>Data to be reported on in May 2017 for year end.</p>

LGSS Managed Services										
IT – availability of Universal Business System**** IT Availability	Half-yearly	High	%	31/10/16	1 April - 30 September 2016	95%	99.7%	Green	↑	Q4 2015/16 - 95% Q3 2015/16 - 94% Q2 2015/16 - 100.0% Q1 2015/16 - 100.0%
IT – incidents resolved within Service Level Agreement	Half-yearly	High	%	31/10/16	1 January - 31 March 2016 (Q4)	90%	87.5%	Red	↓	Q4 2015/16 - 92% Q3 2015/16 - 97% Q2 2015/16 - 83% Q1 2015/16 - 98%

## LGSS APPENDIX 1 – Service Level Budgetary Control Report

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

Original Budget as per BP £000	Service	Look up	Current Budget for 2016/17 £000	Forecast Variance - Outturn (September) £000	Forecast Variance - Outturn (October) £000	%
<b><u>LGSS Cambridge Office</u></b>						
<u>Central Management</u>						
62	Service Assurance	SA	8	0	50	592
-8,787	Trading	Trad	-8,634	0	0	0
587	LGSS Equalisation	Equal	874	0	0	0
-410	Grant Income	LGSS	-220	0	0	0
<b>-8,548</b>			<b>-7,971</b>	<b>0</b>	<b>50</b>	<b>1</b>
<u>Finance</u>						
740	Audit	Aud	154	0	0	0
1,019	Chief Finance Officer	HoF	1,049	0	0	0
1,612	Finance Operations	FinOps	1,612	0	0	0
1,955	Professional Finance	Fin	1,985	45	45	2
0	Pensions Service	PS	0	0	0	0
<b>5,327</b>			<b>4,801</b>	<b>45</b>	<b>45</b>	<b>1</b>
<u>Milton Keynes Council</u>						
213	Procurement	Proc	319	-78	-58	-18
2,327	Revenues and Benefits	RB	2,382	0	0	0
0	MKC		0	12	12	0
<b>2,541</b>			<b>2,701</b>	<b>-66</b>	<b>-46</b>	<b>-2</b>
<u>People, Transformation &amp; Transactional</u>						
1,312	HR Business Partners	HR	1,328	0	-26	-2
322	HR Policy & Strategy	HRP&S	296	0	-13	-4
1,852	LGSS Programme Team	LGSS PT	1,853	50	0	0
291	Organisational & Workforce Development	OWD	229	0	0	0
-335	Transactional Services	Hrtrans	-317	0	0	0
<b>3,442</b>			<b>3,389</b>	<b>50</b>	<b>-38</b>	<b>-1</b>
<u>Law &amp; Governance</u>						
425	Democratic & Scrutiny Services	DSS	425	-16	-18	-4
-174	LGSS Law Ltd	LS	-291	10	10	3
<b>250</b>			<b>134</b>	<b>-6</b>	<b>-8</b>	<b>-6</b>
5,184	IT Services	IT	5,098	223	30	1
<b>8,195</b>	<b>Total LGSS Cambridge Office</b>		<b>8,151</b>	<b>246</b>	<b>33</b>	<b>0</b>
<b>MEMORANDUM - Grant Income</b>						
-220	Public Health Grant	LGSS PH	-220	0	0	0
0	Counter Fraud Initiative Grant	CFIG	0	0	0	0
<b>-220</b>			<b>-220</b>	<b>0</b>	<b>0</b>	<b>0</b>

## LGSS APPENDIX 2 – Commentary on Forecast Outturn Position

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

Service	Current Budget £'000	Forecast Variance - Outturn	
		£'000	%
<b>IT Services</b>	5,201	30	1
<p>It is forecast that IT Services in the LGSS Cambridge Office will overspend by £30k at year end. There is a £50k forecast overspend within NCC/CCC operations due to the additional recruitment of digital analysts to in-source work previously procured at a premium by the retained organisations and additional developer posts recruited over and above the establishment in agreement with NCC and CCC.</p> <p>A £208k saving was originally planned to be delivered from additional IT budgets being transferred from the CCC retained organisation into LGSS, but this will not be achieved this year. This saving will be mitigated across the rest of LGSS budgets, including the Property and Strategic Assets budgets returned to NCC and CCC.</p> <p>There is also a £10k pressure due to a decision to recruit to a Head of IT in Norwich in order to expand the LGSS offering in this geographical area.</p>			

## LGSS APPENDIX 3 – Grant Income Analysis

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

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

## LGSS APPENDIX 4 – Virements and Budget Reconciliation

	£'000	Notes
<b>Budget as per Business Plan</b>	9,589	
Transfer of Reablement budget from CFA to LGSS Finance	113	
Non-material virements (+/- £30k)	-20	
Transfer of Strategic Assets and Property Services budgets from LGSS Finance to Assets and Investments	-1,531	
<b>Current Budget 2015-16</b>	<b>8,151</b>	

## LGSS APPENDIX 5 – Reserve Schedule

Fund Description	Balance at 31 March 2016	Movements in 2016-17	Balance at 31/10/16	Forecast Balance at 31 March 2017	Notes
	£'000	£'000	£'000	£'000	
<b>General Reserve</b>					
LGSS Cambridge Office Carry-forward	1,013	0	1,013	461	1
subtotal	1,013	0	1,013	461	
<b>Other Earmarked Funds</b>					
Counter Fraud Initiative	130	0	130	130	
subtotal	130	0	130	130	
<b>SUBTOTAL</b>	<b>1,143</b>	<b>0</b>	<b>1,143</b>	<b>591</b>	
<b>TOTAL</b>	<b>1,143</b>	<b>0</b>	<b>1,143</b>	<b>591</b>	

### Notes

- 1 The year-end position reflects £552k expected use of operational savings.

## LGSS APPENDIX 6 – Capital Expenditure and Funding

### Capital Expenditure

LGSS Cambridge Office Capital Programme 2016/17						TOTAL SCHEME	
Original 2016/17 Budget as per BP £000	Scheme	Revised Budget for 2016/17 £000	Actual Spend 2016/17 £000	Forecast Spend - Outturn (October) £000	Forecast Variance - Outturn (October) £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
1,104	- R12 Convergence*	-	-	-	-	416	-
	- Next Generation ERP	773	-	673	(100)	1,288	-
	- Capital Programme Variations	(155)	-	(55)	100	-	-
<b>1,104</b>	<b>TOTAL</b>	<b>618</b>	-	<b>618</b>	-	<b>1,704</b>	-

### Previously Reported Exceptions

There are no previous exceptions to report.

### Capital Funding

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

### Previously Reported Exceptions

There are no previous exceptions to report.

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

*To:* **General Purposes Committee**

*Date:* **20th December 2016**

*From:* **Chief Finance Officer**

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

*Forward Plan ref:* **2016/053** *Key decision:* **Yes**

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

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

- a) Analyse resources and performance information and note any remedial action currently being taken and consider if any further remedial action is required.**
- b) Determine which option officers should implement for the use of the additional £504k received from the renegotiation of Thomas Clarkson Academy Private Finance Initiative (PFI), see section 7.**

<b><i>Officer contact:</i></b>
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Post: Chief Finance Officer
Email: <a href="mailto:Chris.Malyon@cambridgeshire.gov.uk">Chris.Malyon@cambridgeshire.gov.uk</a>
Tel: 01223 699796

## 1. PURPOSE

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

## 2. OVERVIEW

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

Area	Measure	Forecast Year End Position (September)	Forecast Year End Position (October)	Current Status	DoT (up is improving)
Revenue Budget	Variance (£m)	+£1.5m	+£1.8m	Amber	↓
Basket Key Performance Indicators	Number at target (%)	38% (6 of 16) <sup>1</sup>	44% (7 of 16) <sup>1</sup>	Amber	↑
Capital Programme	Variance (£m)	£0.0m	+£0.2m	Green	↓
Balance Sheet Health	Net borrowing activity (£m)	£421m	£423m	Green	↔

<sup>1</sup> The number of performance indicators on target reflects the current position.

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

- The overall revenue budget position is showing a forecast year-end overspend of £1.8m, which is an increase of £0.3m on the overspend reported last month. The change in position is mainly due to an increase in the overspend reported by LGSS Managed. See section 3 for details.
- Key Performance Indicators; the corporate performance indicator set has been refreshed for 2016/17. There are 18 indicators in the Council's new basket, with data currently being available for 16 of these. Of these 16 indicators, 7 are on target. See section 5 for details.
- The Capital Programme is forecasting a £0.2m overspend at year end in Assets & Investments (A&I). Although Economy, Transport and Environment (ETE), Children, Families and Adults (CFA), LGSS Managed and LGSS Operational are all reporting in-year slippage on their capital programmes, totalling £11.5m, this is within the allowances made for capital programme variations, leading to a balanced outturn overall. See section 6 for details.
- Balance Sheet Health; the original forecast net borrowing position for 31st March 2017, as set out in the Treasury Management Strategy Statement (TMSS) is £479m. This

projection has now fallen to £423m, which is £2m higher than reported last month. See section 7 for details.

### 3. REVENUE BUDGET

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

#### Key to abbreviations

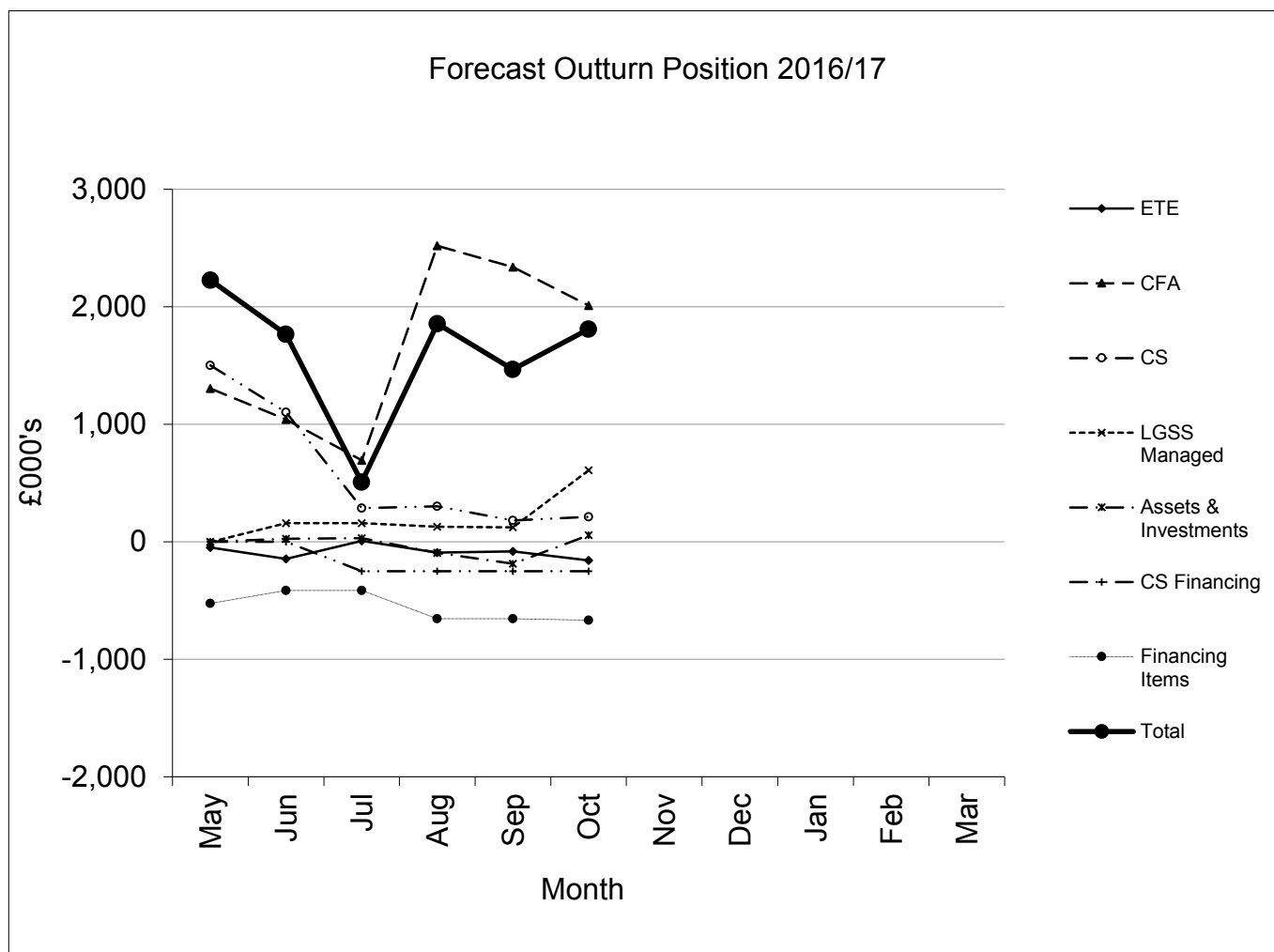
ETE – Economy, Transport and Environment  
 CFA – Children, Families and Adults  
 CS Financing – Corporate Services Financing  
 DoT – Direction of Travel (up arrow means the position has improved since last month)

Original Budget as per Business Plan £000	Service	Current Budget for 2016/17 £000	Forecast Variance - Outturn (Sept) £000	Forecast Variance - Outturn (Oct) £000	Forecast Variance - Outturn (Oct) %	Overall Status	DoT
59,952	ETE	61,967	-82	-160	-0.3%	Green	↑
242,563	CFA	242,315	2,338	2,011	0.8%	Red	↑
182	Public Health	182	0	0	0.0%	Green	↔
4,674	Corporate Services	4,830	181	212	4.4%	Amber	↓
6,010	LGSS Managed	6,004	123	608	10.1%	Amber	↓
4,104	Assets & Investments	4,245	-188	56	1.3%	Green	↓
34,206	CS Financing	34,206	-250	-250	-0.7%	Green	↔
<b>351,691</b>	<b>Service Net Spending</b>	<b>353,749</b>	<b>2,122</b>	<b>2,477</b>	<b>0.7%</b>	<b>Amber</b>	<b>↓</b>
4,677	Financing Items	1,900	-655	-668	-35.2%	Green	↑
<b>356,368</b>	<b>Total Net Spending</b>	<b>355,649</b>	<b>1,467</b>	<b>1,809</b>	<b>0.5%</b>	<b>Amber</b>	<b>↓</b>
	<b>Memorandum items:</b>						
8,195	LGSS Operational	8,151	246	33	0.4%	Amber	↑
222,808	Schools	222,808					
<b>587,371</b>	<b>Total Spending 2016/17</b>	<b>586,609</b>					

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

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

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



3.2 Key exceptions this month are identified below.

3.2.1 **Economy, Transport and Environment:** -£0.160m (-0.3%) underspend is forecast at year-end.

	£m	%
• <b>Winter Maintenance</b>		
The original £650k saving proposal against winter operations was based on the achievement of three changes to the service; leasing the gritting fleet, route optimisation and weather domain forecasting. Leasing of the fleet has already achieved the saving anticipated from this change, with an initial saving of £200k (in 15/16) followed by an on-going maintenance saving of £117k year on year. It was originally estimated that route optimisation and domain forecasting would achieve savings of £288k and £225k respectively.	+0.356	(+25%)

However in practice it has been acknowledged that the routes are already highly efficient, so further route optimisation is unlikely to achieve any savings, whilst domain forecasting is unlikely to achieve a saving of more than £60k per year – due to temperature differences across the county being more marginal than expected.

Therefore the estimated saving from those three areas totals £177k. In addition reducing the percentage area of the highway network that we now grit (from 45% to 30%) and therefore the number of gritters from 38 to 26, has saved a further £117k. This gives a total saving of £294k, which leaves a shortfall of £356k against the original £650k savings target. This has now been entered as a pressure for 17/18 in the development of the Business Plan.

In order to reinstate gritting to previous levels (45%) the total cost would be the whole £650k savings target (of which £356k has already been identified as a pressure) plus a one-off additional cost of £26k to cover a second delivery of vehicles plus additional driver training, bringing the total to £676k. Please see table below for clarification.

#### Winter gritting changes 2016/17

	Forecast saving	Actual saving
Leasing of gritters	117	117
Route optimisation / reduction	288	117
Domain forecasting	225	60
Other savings	20	0
<b>Sub-total</b>	<b>650</b>	<b>294</b>
Shortfall in savings		356
Costs to reinstate	650	
One off cost of reinstatement*	26	
<b>Total cost to reinstate</b>	<b>676</b>	

- Growth & Economy – Other** – an underspend of -£319k is forecast for year-end. This reflects the fact that Highways Development Management are currently overachieving against profile on their income targets for both Section 38 and Section 106 fees from developers; the forecast reflects the anticipated overachievement at year end based on current trends. However, it is difficult to predict income amounts and timing, so this may change as the year progresses.
 

-0.319	(-58%)
--------	--------
- For full and previously reported details see the [ETE Finance & Performance Report](#).

#### 3.2.2 Children, Families and Adults: +£2.001m (0.8%) overspend is forecast at year-end.

- |   | £m     | %      |  |  |
|---|--------|--------|--|--|
| <ul style="list-style-type: none"> <li> <b>Physical Disabilities – Carers' Service</b> – an underspend of -£350k is forecast for year-end. The number of carer assessments carried out and personal budgets awarded to date continues to be much lower than anticipated; the forecast is on the basis that this current trend continues throughout the remainder of the year.           <table> <tr> <td>-0.350</td> <td>(-17%)</td> </tr> </table> </li> </ul> | -0.350 | (-17%) |  |  |
| -0.350  | (-17%) |        |  |  |

- **Special Educational Needs (SEN) Placements** – an overspend of £500k is forecast for year-end. This reflects the increasing cost of placements, which has outstripped the inflation allocated. The number of maintained Statement/Education, Health and Care Plan is fairly consistent, but the level of need is escalating.

This budget is funded from the High Needs Block (HNB) element of the Dedicated Schools Grant (DSG) and, as such, this overspend will be met from DSG carry-forward to be applied this year.

Actions currently being taken to address the forecast overspend include:

- Actions in the Placement Strategy are aimed at returning children to within county borders and reducing Education Placement costs. +0.500 (+6%)
- A business case has been presented to health commissioners to improve the input of school nursing in area special schools to support increasingly complex medical/health needs.
- SEND Commissioning Strategy and action plan to maintain children with SEND in mainstream education.
- Further information on pressures within the HNB will be presented to Schools Forum in December and subject to approval there is likely to be a transfer of funding required within the DSG to address the pressure in future years.
- **Financing – DSG** - Within CFA, spend of £23.3m is funded by the ring-fenced Dedicated Schools Grant. For 2016/17 there is a pressure of £700k on the DSG, from Education Placements (£500k) and Commissioning Services (£200k). For this financial year the pressure will be met by DSG reserve carry forwards. -0.700 (-3%)
- For full and previously reported details see the [CFA Finance & Performance Report](#).

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

3.2.4 **Corporate Services:** +£0.212m (+4.4%) overspend is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

3.2.5 **LGSS Managed:** +£0.608m (+10.1%) overspend is forecast at year-end.

- |  | £m     | %      |
|--|--------|--------|
| • <b>Corporate Redundancies</b> – an overspend of +£515k is forecast for year-end. As agreed in the Business Plan for 2016/17, the | +0.515 | (+52%) |

Council has embarked upon a number of significant restructures and staff rationalisation programmes including the Corporate Capacity Review. For a number of years the Council has not fully utilised the £1m provision that is made in the base revenue budget for such staff changes, but given the current level of reductions in staffing taking place it is anticipated that this year the level of costs incurred will exceed this provision.

- For full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

3.2.6 **CS Financing:** -£0.250m (-0.7%) underspend is currently forecast for Debt Charges. This reflects the fall in the forecast for net interest payable following falls in interest rates across all parts of the yield curve. For full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

3.2.7 **LGSS Operational:** +£0.033m (+0.4%) overspend is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

3.2.8 **Assets & Investments:** +£0.56m (+1.3%) overspend is forecast at year-end. There are no new exceptions to report this month; for full and previously reported details see the [A&I Finance & Performance Report](#).

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

#### 4. KEY ACTIVITY DATA

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

## 5. PERFORMANCE TARGETS

5.1 As previously reported to GPC the key performance indicators are currently under review and a new set of indicators will be considered as part of the Business Plan.

Corporate priority	Indicator	Service	What is good? High or low	Date	Unit	Actual	Target	Status (Green, Amber or Red)	Direction of travel (up is good, down is bad)
Developing our economy	Percentage of Cambridgeshire residents aged 16 - 64 in employment: 12-month rolling average	ETE	High	At-30-June-2016	%	78.7%	80.9% to 81.5%	Amber	↔
	Additional jobs created*	ETE	High	To 30-Sep-2015	Number	+6,300 (provisional)	+ 3,500 (2015/16 target)	Green	↓
	'Out of work' benefits claimants – narrowing the gap between the most deprived areas (top 10%) and others*	ETE	Low	At-29-Feb-2016	%	Gap of 6.4 percentage points  Most deprived areas (Top 10%) = 11.5% Others = 5.1%	Most deprived areas (Top 10%) <=12%  Gap of <7.2 percentage points (2015/16 target)	Green	↔
	The proportion of children in year 12 taking up a place in learning	CFA (Enhanced & Preventative – E&P)	High	September 16	%	79.6%	96.5%	Red	↓
	Percentage of 16-19 year olds not in education, employment or training (NEET)	CFA	Low	September 16	%	2.2%	3.3%	Green	↑
	The proportion pupils attending Cambridgeshire Primary schools judged good or outstanding by Ofsted	CFA (Learning)	High	September 16	%	82.5%	82.0%	Green	↑

Corporate priority	Indicator	Service	What is good? High or low	Date	Unit	Actual	Target	Status (Green, Amber or Red)	Direction of travel (up is good, down is bad)
	The proportion pupils attending Cambridgeshire Secondary schools judged good or outstanding by Ofsted	CFA (Learning)	High	September 16	%	62.5%	75.0%	Red	↑
	The proportion pupils attending Cambridgeshire Special schools judged good or outstanding by Ofsted	CFA (Learning)	High	September 16	%	94.8%	100%	Amber	↔
	The proportion of Adult Social Care and Older People's Service users requiring no further service at end of re-ablement phase	CFA	High	September 16	%	54.8%	57%	Amber	↑
	Reduced proportion of Delayed Transfers of care from hospital, per 100,000 of population (aged 18+)	CFA	Low	August 16	Number	569	429 per month (4874.5 per year)	Red	↑
	Number of ASC attributable bed-day delays per 100,000 population (aged 18+)	CFA	Low	August 16	Number	121	114	Amber	↑
	Healthy life expectancy at birth (males)	Public Health	High	2012 – 2014	Years	66.1	N/A – contextual indicator	Green (compared with England)	↓ (compared with previous year)
	Healthy life expectancy at birth (females)	Public Health	High	2012 – 2014	Years	67.6	N/A – contextual indicator	Green (compared with England)	↑ (compared with previous year)
	Absolute gap in life expectancy between the most deprived 20% of Cambridgeshire's population and the least deprived 80% (all persons)	Public Health	Low	2013-2015 (Q4 2015)	Years	2.6	N/A – contextual indicator	N/A – contextual indicator	↔

Corporate priority	Indicator	Service	What is good? High or low	Date	Unit	Actual	Target	Status (Green, Amber or Red)	Direction of travel (up is good, down is bad)
Supporting and protecting vulnerable people	The number of looked after children per 10,000 children	CFA (Children's Social Care)	Low	August 16	Rate per 10,000	47.4	40	Red	↓
	No/ % of families who have not required statutory services within six months of have a Think Family involvement.	CFA (E&P)	TBC	TBC	TBC	TBC	TBC new measure for 2016/17	TBC	TBC
An efficient and effective organisation	The percentage of all transformed transaction types to be completed online	Customer Service & Transformation	High	1 July – 30 September 2016	%	55.83%.	75%	Red	↓
	The average number of days lost to sickness per full-time equivalent staff member	LGSS HR	Low	October 2016	Days (12 month rolling average)	6.98	7.8	Green	↓

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

## 5.2 Key exceptions are identified below:

- **The proportion of children in year 12 taking up a place in learning**  
As is usual at this time of year, performance has fallen (from 93.4% previously reported) while data is gathered about the situation of young people going into the new academic year. Performance is expected to improve as further data is gathered throughout the autumn term.
- For full and previously reported details go to the respective Service Finance & Performance Report:
  - [ETE Finance & Performance Report](#)
  - [CFA Finance & Performance Report](#)
  - [PH Finance & Performance Report](#)
  - [CS & LGSS Finance & Performance Report](#)
  - [A&I Finance & Performance Report](#)

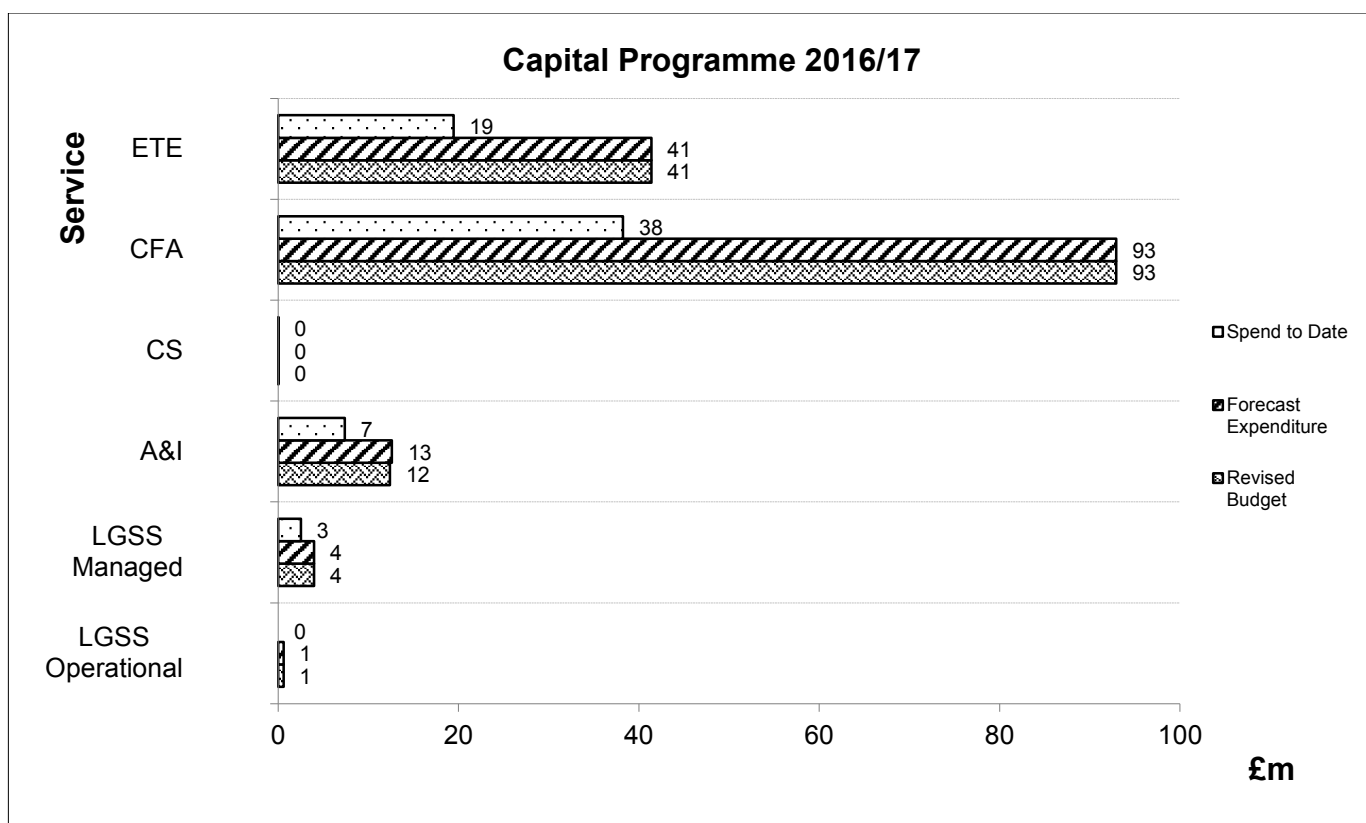
## 6. CAPITAL PROGRAMME

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

2016/17						TOTAL SCHEME	
Original 2016/17 Budget as per Business Plan  £000	Service	Revised Budget for 2016/17  £000	Forecast Variance - Outturn (Sept)  £000	Forecast Variance - Outturn (October)  £000	Forecast Variance - Outturn (October)  %	Total Scheme Revised Budget (October)  £000	Total Scheme Forecast Variance (October)  £000
71,699	ETE	41,388	-	-	0.0%	415,691	-
97,156	CFA	92,921	0	0	0.0%	543,222	31,074
33	Corporate Services	48	-	-	0.0%	300	-
4,405	LGSS Managed	3,996	-	-	0.0%	15,140	-0
11,397	A&I	12,398	-	227	1.8%	240,310	-1,867
1,104	LGSS Operational	618	-	-	0.0%	1,704	-
<b>185,794</b>	<b>Total Spending</b>	<b>151,369</b>	<b>-</b>	<b>227</b>	<b>0.1%</b>	<b>1,216,367</b>	<b>29,206</b>

#### Notes:

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



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

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

2016/17					
Service	Capital Programme Variations Budget £000	Forecast Variance - Outturn (October) £000	Capital Programme Variations Budget Used £000	Capital Programme Variations Budget Used %	Revised Forecast Variance - Outturn (October) £000
ETE	-10,500	-5,699	5,699	54.28%	0
CFA	-10,282	-3,839	3,839	37.34%	0
Corporate Services	-12	0	0	0.00%	0
LGSS Managed	-1,029	-1,857	1,857	180.47%	0
A&I	-2,850	227	0	0.00%	227
LGSS Operational	-155	-100	100	64.52%	0
<b>Total Spending</b>	<b>-24,828</b>	<b>-11,268</b>	<b>11,495</b>	<b>46.30%</b>	<b>227</b>

- 6.3 Slippage in the capital programme for LGSS Managed is forecast to exceed its capital programme variations budget allocation of £1m. However, at this stage it is not anticipated that the capital programme as a whole will slip beyond the overall variations budget, but it is not clear where any offsetting under-utilisation of the variations budget will be realised. Thus the outturn on LGSS Managed does not currently lead to an overall forecast underspend on the capital programme, but this will be closely monitored with any changes to the position reflected in future reports.
- 6.4 A more detailed analysis of current year key exceptions this month by programme for individual schemes of £0.5m or greater are identified below.

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

	£m	%
<ul style="list-style-type: none"> <li><b>Archives Centre/Ely Hub</b> – an -£1.1m in-year underspend is forecast. Delays in costing and confirming the final specification for the project have resulted in work on the scheme being pushed back, so most expenditure is now likely to occur in 2017/18.</li> </ul>	-£1.1	(-61%)
<ul style="list-style-type: none"> <li><b>ETE Capital Variation</b> – as agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall. There has been a movement of +£1.1m in the outturn for ETE capital variation since last month.</li> </ul>	+5.7	(+54%)
<ul style="list-style-type: none"> <li>For full and previously reported details see the <a href="#">ETE Finance &amp; Performance Report</a>.</li> </ul>		

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

	£m	%
<ul style="list-style-type: none"> <li><b>Basic Need – Primary</b> – a -£4.2m in-year underspend is forecast, which is a movement of -£1.0m on the position reported last month. This is largely due to movement on the following schemes: <ul style="list-style-type: none"> <li>Fawcett Primary: -£0.4m (-89%), a movement of -£0.2m since last month. The required access road will not be completed until 2017/18.</li> <li>Alconbury First Primary: -£0.1m (-4%). Works on site are now completing and are anticipated to cost less than budgeted due to not needing items on the risk register.</li> <li>Bearscroft, Godmanchester: -£1.9m (-32%), a movement of -£0.5m since last month due to start on site slipping to late October.</li> <li>Sawtry Infants: -£0.7m (-70%), a movement of -£0.1m since last month. Only design works now expected in 2016/17 with work to start on site in April 2017.</li> </ul> </li> </ul>	-3.2	(-11%)
<ul style="list-style-type: none"> <li><b>Basic Need – Secondary</b> – a +£0.9m in-year overspend is forecast, which is a movement of -£0.8m on the position reported</li> </ul>	+0.9	(-2%)

last month. This is largely due to movement on the following schemes:

- Bottisham Village College: -£0.8m (-40%), a movement of -£0.3m since last month. This is caused by the start on site being further delayed from March 2017 to July 2017 as a result of a joint bid to the Education Funding Agency for an additional £4m funding.
- St Bede's School: +£1.6m (+800%) accelerated spend due to works to remedy fire damage at the school, the cost of which will be offset by additional funding received from the insurers. The value of works expected to be completed in 2016/17 has reduced by -£0.5m since last month.
- **CFA IT Infrastructure** – a -£0.5m in-year underspend is forecast. This slippage on the project is due to lower than anticipated milestone payments being incurred in 2016/17. -0.5      (-29%)
- **CFA Capital Variation** – as agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall. There has been a movement of +£2.2m in the outturn for CFA capital variation since last month. +3.8      (+37%)
- For full and previously reported details see the [CFA Finance & Performance Report](#).

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

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

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

6.4.6 **Assets & Investments:** an overspend of +£0.2m (+1.8%) is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the [A&I Finance & Performance Report](#).

- 6.5 A more detailed analysis of total scheme key exceptions this month by programme for individual schemes of £0.5m or greater are identified below:
- 6.5.1 **Economy, Transport and Environment:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the [ETE Finance & Performance Report](#).
- 6.5.2 **Children, Families and Adults:** a +£31.1m (+6%) total scheme overspend is forecast.
- |  | £m    | %      |
|--|-------|--------|
| <ul style="list-style-type: none"> <li>• <b>Basic Need – Primary</b> – a +£27.6m total scheme overspend is forecast, which is a decrease of £0.6m on the overspend reported last month. This is due to changes in the total scheme costs of the following schemes:               <ul style="list-style-type: none"> <li>○ Alconbury First Primary: -£0.2m (-4%). Works on site are now completing and are anticipated to be lower than budgeted due to not needing items on the risk register.</li> <li>○ Clay Farm Primary: +£1.4m (14%), movement of -£0.2m since last month. The contractor's Milestone 4 report has been received and shows reduced costs for the project.</li> <li>○ Fulbourn Primary: +£0.9m (15%), movement of -£0.1m since last month. This is due to less external work needed than expected and no consequential improvements required by Building Control.</li> </ul> </li> </ul> | +27.6 | (+12%) |
| <ul style="list-style-type: none"> <li>• For full and previously reported details see the <a href="#">CFA Finance &amp; Performance Report</a>.</li> </ul>   |       |        |
- 6.5.3 **Corporate Services:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).
- 6.5.4 **LGSS Managed:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).
- 6.5.5 **LGSS Operational:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).
- 6.5.6 **Assets & Investments:** -£1.9m (-0.7%) total scheme underspend is forecast. There are no new exceptions to report this month; for full and previously reported details see the [A&I Finance & Performance Report](#).

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

Funding Source	B'ness Plan Budget £m	Rolled Forward Funding <sup>1</sup> £m	Revised Phasing £m	Additional/ Reduction in Funding £m	Revised Budget £m	Outturn Funding £m	Funding Variance £m
Department for Transport (DfT) Grant	20.5	0.2	-1.7	1.0	20.0	20.0	-
Basic Need Grant	3.8	-	-	-	3.8	3.8	-0.0
Capital Maintenance Grant	4.6	-	-	0.1	4.7	4.7	-
Devolved Formula Capital	1.1	0.9	-	-0.0	1.9	1.9	-0.0
Specific Grants	21.1	3.6	-12.7	1.7	13.8	10.3	-3.5
S106 Contributions & Community Infrastructure Levy	30.3	1.1	-3.7	0.2	27.9	27.9	-0.0
Capital Receipts	10.3	-	-	-5.9	4.3	4.3	-0.0
Other Contributions	10.7	0.2	-8.8	0.8	2.9	2.9	-0.0
Revenue Contributions	-	-	-	-	-	-	-
Prudential Borrowing	83.4	10.2	-29.3	7.7	72.0	75.7	3.7
<b>TOTAL</b>	<b>185.8</b>	<b>16.3</b>	<b>-56.1</b>	<b>5.4</b>	<b>151.4</b>	<b>151.6</b>	<b>0.2</b>

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

## 7. FUNDING ALLOCATIONS

7.1 Where there has been a material change in 2016/17 grant or other funding allocations to that budgeted in the Business Plan (BP) i.e. +/- £160k, this will require General Purposes Committee (GPC) approval.

### 7.2 Thomas Clarkson Academy Private Finance Initiative (PFI)

In 2015 the loan that funds the Thomas Clarkson PFI was renegotiated with the outcome being a one-off gain of £1,943,941. However, the amount budgeted in the 2016/17 Business Plan was £1,440,000. This leaves £503,941 of unbudgeted income and a decision is needed on how to allocate it.

Further information can be found in [Appendix 3](#); in summary the options available for allocating the additional income are:

- i) Allocate all the unbudgeted income to Thomas Clarkson Academy;
- ii) Allocate the unbudgeted income, less a £190k contribution to all schools to Thomas Clarkson Academy;
- iii) Retain all or some of the unbudgeted income for use by Cambridgeshire County Council.
- iv) A hybrid model of the above three options.

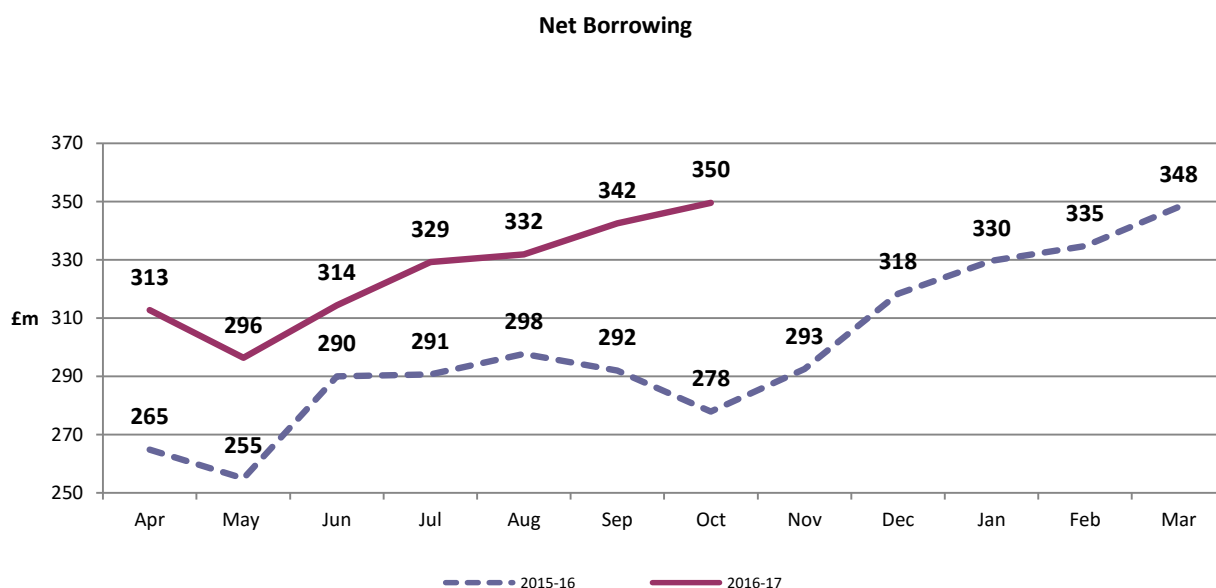
**GPC is asked to decide between these options for how to utilise the £503,941 unbudgeted income.**

## 8. BALANCE SHEET

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

Measure	Year End Target	Actual as at the end of October
Level of debt outstanding (owed to the council) – 4-6 months, £m	£0.4m	£0.7m
Level of debt outstanding (owed to the council) – >6 months, £m	£1.0m	£2.0m
Invoices paid by due date (or sooner)	97.6%	99.7%

8.2 The graph below shows net borrowing (investments less borrowings) on a month by month basis and compares the position with the previous financial year. The levels of investments at the end of October were £24.5m (excluding 3rd party loans) and gross borrowing was £374.1m.



### 8.3 Key exceptions are identified below:

Key exceptions	Impacts and actions
Less borrowing activity than planned –original net borrowing forecast was £479m. Actual net borrowing at 31st October was £350m.	<p>A £250k underspend is currently forecast for Debt Charges. This reflects the fall in the forecast for net interest payable following falls in interest rates across all parts of the yield curve.</p> <p>The impact of lower borrowing on the Debt Charges budget would normally result in a favourable forecast variance (due to lower interest payments). However the Debt Charges budget was reduced in anticipation of capital expenditure slippage during the budget setting process, so the magnitude of the variance reported is muted.</p> <p>The Council is continually reviewing options as to the timing of any potential borrowing and also the alternative approaches around further utilising cash balances (where possible) and undertaking shorter term borrowing which could potentially generate savings next year, subject to an assessment of the interest rate risks involved.</p>

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

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

## **9. ALIGNMENT WITH CORPORATE PRIORITIES**

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

There are no significant implications for this priority.

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

There are no significant implications for this priority.

### **9.3 Supporting and protecting vulnerable people**

There are no significant implications for this priority.

## **10. SIGNIFICANT IMPLICATIONS**

### **10.1 Resource Implications**

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

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

There are no significant implications within this category.

### **10.3 Equality and Diversity Implications**

There are no significant implications within this category.

### **10.4 Engagement and Consultation Implications**

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

### **10.5 Localism and Local Member Involvement**

There are no significant implications within this category.

### **10.6 Public Health Implications**

There are no significant implications within this category.

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

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

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

	CFA	Public Health	ETE	CS Financing	Corporate Services	LGSS Managed	Assets & Investments	LGSS Operational	Financing Items
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening Cash Limits as per Business Plan	242,563	182	59,952	34,206	4,674	8,720	0	9,589	3,915
Adjustment LGSS Managed and Operational						10		-10	
LGSS property virement					10			-10	
Licenses budget from LGSS Op. to CS					17	-17			
Contact Centre budget from CFA to CS	-77				77				
CPFT NHS accommodation budget from CFA to LGSS Man.	-10					10			
Reablement budget from CFA to LGSS Op.	-113							113	
Pupil forecasting/demography budget to research group	-53				53				
ETE use of service reserves			2,015						-2,015
Disaggregation of Assets and Investments budgets						-2,714	2,714		
Centralised mobile phones budget	6					-6			
Strategic Assets and Property Services budgets returned to CCC following demerger							1,531	-1,531	
<b>Current budget</b>	<b>242,316</b>	<b>182</b>	<b>61,967</b>	<b>34,206</b>	<b>4,831</b>	<b>6,004</b>	<b>4,245</b>	<b>8,151</b>	<b>1,900</b>
Rounding	0	0	0	0	0	0	0	0	0

## APPENDIX 2 – Reserves and Provisions

Fund Description	Balance at 31 March 2016	2016-17		Forecast Balance 31 March 2017	Notes
		Movements in 2016-17	Balance at 31 October 16		
	£000s	£000s	£000s	£000s	
<b>General Reserves</b>					
- County Fund Balance	18,921	-27	18,894	19,671	
- Services					
1 CFA	1,623	-1,062	561	-1,451	
2 PH	1,138	-155	983	638	
3 ETE	3,386	-2,015	1,371	0	
4 CS	1,218	0	1,218	230	
5 LGSS Operational	1,013	0	1,013	461	
subtotal	27,299	-3,259	24,040	19,549	
<b>Earmarked</b>					
- Specific Reserves					
6 Insurance	2,864	0	2,864	2,864	
subtotal	2,864	0	2,864	2,864	
- Equipment Reserves					
7 CFA	782	-80	702	98	
8 ETE	218	0	218	250	
9 CS	57	0	57	57	
subtotal	1,057	-80	977	405	
<b>Other Earmarked Funds</b>					
10 CFA	4,097	-2,070	2,027	995	Includes liquidated damages in respect of the Guided Busway - current balance £2.4m.
11 PH	2,020	0	2,020	1,445	
12 ETE	6,631	-594	6,037	4,919	
13 CS	1,274	0	1,274	1,196	
14 LGSS Managed	149	43	192	192	
15 Assets & Investments	233	71	304	327	
16 LGSS Operational	130	0	130	130	
17 Transformation Fund	9,891	-80	9,811	19,062	Savings realised through change in MRP policy
subtotal	24,425	-2,630	21,795	28,266	
<b>SUB TOTAL</b>	<b>55,645</b>	<b>-5,969</b>	<b>49,676</b>	<b>51,084</b>	
<b>Capital Reserves</b>					
- Services					
18 CFA	2,428	8,718	11,146	425	Section 106 and Community Infrastructure Levy balances.
19 ETE	11,703	18,173	29,876	10,200	
20 LGSS Managed	422	-322	100	100	
21 Assets & Investments	230	125	355	230	
22 Corporate	39,388	5,088	44,476	24,935	
subtotal	54,171	31,782	85,953	35,890	
<b>GRAND TOTAL</b>	<b>109,815</b>	<b>25,813</b>	<b>135,629</b>	<b>86,973</b>	

**Notes:**

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

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

Fund Description	Balance at 31 March 2016	2016-17		Forecast Balance 31 March 2017	Notes
		Movements in 2016-17	Balance at 31 October 16		
	£000s	£000s	£000s	£000s	
<b>- Short Term Provisions</b>					
1 ETE	712	-33	679	0	
2 CS	1,312	0	1,312	1,312	
3 LGSS Managed	5,545	0	5,545	5,545	
4 Assets & Investments	50	0	50	50	
subtotal	7,619	-33	7,586	6,907	
<b>- Long Term Provisions</b>					
5 LGSS Managed	3,613	0	3,613	3,613	
subtotal	3,613	0	3,613	3,613	
<b>GRAND TOTAL</b>	<b>11,232</b>	<b>-33</b>	<b>11,199</b>	<b>10,520</b>	

## **APPENDIX 3 – Public Finance Initiative (PFI) Re-Financing: Thomas Clarkson Academy**

### **1. BACKGROUND**

- 1.1 In 2015 the loan that funds the Thomas Clarkson Academy PFI was re-negotiated. The outcome was a one off 'gain' of £1.94m.
- 1.2 From the outset of the contract there has been an affordability gap that sits with the LA. At the point of re-negotiation this was £1.44m. GPC approved that this sum should be taken by the LA to cover this gap and it was incorporated into the 16-17 Business Plan.
- 1.3 This leaves a 'residual one off gain' of £504k.
- 1.4 Thomas Clarkson Academy have costs over and above other schools because they are funded by a PFI. Principally, they have:
  - i. A larger building than they would have had using traditional capital – although these extra costs are covered by the additional funding they get through their formula for PFI.
  - ii. The PFI contract requires a higher standard of services than would be the norm in most schools.
  - iii. The PFI contract is also inflexible to change. Thus, for instance, it is not possible to delay repairs as might be done in another school. The costs of remedying damage or making alterations are likely to be higher than seen elsewhere due to not having a choice of suppliers and having to reinstate to the original standard.
- 1.5 Annually, all Cambridgeshire schools contribute £190k to the cost of Thomas Clarkson Academy's PFI through the schools' funding formula.

### **2. ALLOCATING THE RESIDUAL GAIN**

- 2.1 There are three main options for allocating the 'residual gain':
  - i. The full amount is given to Thomas Clarkson Academy to offset the additional costs they face. However, this would not recompense 'all schools' for the annual contribution they make.
  - ii. The full amount is given to Thomas Clarkson Academy minus the 'all schools' contribution, the latter being divided amongst 'all schools'.
  - iii. All, or part, of the 'residual gain' is retained by the LA to support county-wide school improvement. However, this would not recompense Thomas Clarkson Academy for the additional costs they face and not all schools would directly benefit.
- 2.2 A hybrid model is also possible, e.g. allocating a third to Thomas Clarkson Academy, a third to 'all schools' and a third to the Cambridgeshire School Improvement Board' to fund its school improvement activities, targeted at the county's priorities.
- 2.3 The allocation of the 'residual gain' is a County Council decision.

### **3. SIGNIFICANT IMPLICATIONS**

#### **3.1 Local Implications:**

- The view of the local MP, Stephen Barclay, is not known although he has, and continues to take, a keen interest in the PFI deal and we anticipate that he would expect the school to benefit from any proposal.

#### **3.2 Partnership and/or Consultation:**

- Thomas Clarkson Academy's view is that they should benefit from the 'residual gain'. However, the amount of benefit and the nature of the 'residual gain' (e.g. direct allocation, through a school improvement fund) has not been discussed with them.
- The view of 'all schools' could be sought through Schools Forum. For example, if GPC decided that they preferred 5.ii above, Schools Forum could be asked if they would prefer the 'all schools residual gain' to be allocated to the Cambridgeshire School Improvement Board, rather than divided up amongst all schools.

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<sup>i</sup> The Cambridgeshire School Improvement Board brings together representatives of all phases with FE, the Teaching School Alliances, school partnerships, the Diocesan Authorities, the universities, elected members, governors, the teacher unions and the Regional Schools Commissioner under an independent Chair. The aim of the Board is to ensure that all of these groups work together to meet the County's school improvement priorities.



**TRANSFORMATION FUND BIDS**

**To: General Purposes Committee**

**Meeting Date: 20th December 2016**

**From: Chief Finance Officer**

**Electoral division(s): All**

**Forward Plan ref: 2016/046      Key decision: Yes**

**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) Using assistive technology to help people with learning disabilities live more safely and independently without the need for 24 hour or overnight care**
- b) Enhanced Occupational Therapy Support to reduce the need for double handed care**
- c) Recouping under-used direct payment budget allocations from service users**
- d) Dedicated Reassessment Team – Learning Disabilities**
- e) Care Plan Review Capacity – Physical Disabilities**
- f) Total Transport**
- g) Street Lighting Synergies**
- h) Neighbourhood Cares Transformation Pilot – a new approach to social work in communities**

**And note the three proposals approved by the Section 151 Officer in consultation with the Leader, as per approved delegation:**

- i) Specialist Adult and Autism Support to increase independence**
- j) Continuing financial re-assessment programme for client contributions**

**k) Move to full cost recovery for non-statutory highway works**

<b><i>Officer contact:</i></b>	
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Post:	Chief Finance Officer
Email:	<a href="mailto:Chris.Malyon@cambridgeshire.gov.uk">Chris.Malyon@cambridgeshire.gov.uk</a>
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 eleven proposals requesting funding from the Transformation Fund. These proposals should secure significant revenue reductions in the base revenue budget.
- 2.2 Seven of the proposals relate to savings within Adult Social Care and Older People, with a focus on increased independence. Two proposals relate to Economy, Transport & Environment services, ensuring the Council is recovering full cost for non-statutory works and benefits from collaborative working. One proposal is a part of the Total Transport initiative, driving savings through improved capacity management. The final proposal relates to a transformed approach to social work in communities.
- 2.3 The titles of the eleven proposals are:-
  - a) Using assistive technology to help people with learning disabilities live more safely and independently without the need for 24 hour or overnight care
  - b) Enhanced Occupational Therapy Support to reduce the need for double handed care
  - c) Direct Payments – Centralised support
  - d) Dedicated Reassessment Team – Learning Disabilities
  - e) Care Plan Review Capacity – Physical Disabilities
  - f) Total transport
  - g) Street Lighting Synergies
  - h) Neighbourhood Cares Transformation Pilot – a new approach to social work in communities
  - i) Specialist Adult and Autism Support to increase independence
  - j) Continuing financial re-assessment programme for client contributions
  - k) Move to full cost recovery for non-statutory highway works
- 2.4 As a package, the eleven proposals request cash investments totalling £3,922k, with cash savings of £43,123k over the period from 2017-18 to 2021-22.
- 2.5 The following tables set out the total request for funding from the Transformation Fund for the eleven 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 a previous Committee meeting.

Investment request:

	<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>	<b>2021-22 £000</b>
Adults Services	-	982	746	-	-	-
Commissioning	-	1,060	76	38	-	-
Environment, transport & economy	800	-	-	-	-	-
Finance & budget review	-	133	87	-	-	-
<b>Total</b>	<b>800</b>	<b>2,175</b>	<b>909</b>	<b>38</b>	<b>-</b>	<b>-</b>
<b>Cumulative total</b>	<b>800</b>	<b>2,975</b>	<b>3,884</b>	<b>3,922</b>	<b>3,922</b>	<b>3,922</b>

Savings:

	<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>	<b>2021-22 £000</b>
Adults Services	-	-538	-538	-538	-538	-538
Commissioning	-	-4,112	-7,012	-7,517	-7,972	-7,972
Environment, transport & economy	-	-129	-264	-398	-525	-652
Finance & budget review	-	-776	-776	-776	-776	-776
<b>Total</b>	<b>-</b>	<b>-5,555</b>	<b>-8,590</b>	<b>-9,229</b>	<b>-9,811</b>	<b>-9,938</b>
<b>Cumulative total</b>	<b>-</b>	<b>-5,555</b>	<b>-14,145</b>	<b>-23,374</b>	<b>-33,185</b>	<b>-43,123</b>

- 2.6 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.

#### **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 2.5.

### **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 providing as supporting information ([link](#)) 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.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	Yes Chris Malyon
<b>Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?</b>	Yes Fiona McMillan
<b>Are there any Equality and Diversity implications?</b>	Yes – cleared for provided Community Impact Assessments Daniel Thorp
<b>Have any engagement and communication implications been cleared by Communications?</b>	N/A – no implications
<b>Are there any Localism and Local Member involvement issues?</b>	N/A – no implications
<b>Have any Public Health implications been cleared by Public Health?</b>	N/A – no implications

Source Documents	Location
None	

### **USING ASSISTIVE TECHNOLOGY TO HELP PEOPLE WITH LEARNING DISABILITIES LIVE MORE SAFELY AND INDEPENDENTLY WITHOUT THE NEED FOR 24 HOUR OR OVERNIGHT CARE**

#### **Overview**

The LDP has an established savings programme from the use of assistive technology – allowing for the tracking of the cashable savings from AT assessments and also a judgement about the avoided cost per case. This has delivered a track record of savings over the last 3 years and scope still exists for further savings by applying assistive technology to remaining services users and projects.

These savings form a part of the overall care budget savings within the Learning Disability Partnership.

The savings are primarily driven by reducing the requirement for forms of night-time support. Night staff levels and community hours are assessed with assistive technology to see what levels of staffing the service user actually uses and needs. OT's enable independence by teaching daily living skills, recommending aids, technology & adaptations, so that people are more independent and therefore less reliant on paid staff. Service users are then able to move on to the next stage of more independent living. Dual trained learning disability OTs/Assistive Technologists provide recommendations/reports of care needs. These are sent to the LDP team managers and care managers to implement the changes to the care package. All cases are reviewed quarterly with the service and business development manager.

This work also forms part of the wider assistive technology work programme which is:

- Reviewing how the potential of assistive technology is threaded into all of our processes at every stage of people's involvement with the local authority
- Exploring the approach to identifying the latest equipment and buying it most cost-effectively
- Exploring how we can embed the deployment of assistive technology in children's services – especially for families with children with disabilities – helping managing demand for the LDP adult care budget
- Exploring whether we might want to offer some pump-priming funding and capacity to companies looking to develop new ATT
- Exploring the case for using mainstream devices to help support people living with various disabilities.

This proposal is weighed against a do nothing option - whereby the identified scope for cost reduction is not achieved.

#### **Outline of the proposal**

The total cost of the team delivering these savings is £186k and so this will require a one off investment in 2017/18 - for the provision of an Occupational Therapy & Assistive Technology Consultancy Service.

#### **Outcomes expected**

The predicted savings for 2017/18 are based on the track record of identified savings over the previous business planning periods. For the current 12 month period the team are reporting that the total saving will be £270k in reduced care spend from the review of existing care packages.

For this estimate we are assuming the team will achieve the same level of saving in the 2017/18 business planning period - 80% of this financial benefit accrues to CCC (the rest being health share of the LDP) resulting in a predicted cash saving of £215k.

### Assumptions

Figures are estimated and assume:

- Reducing waking staff to sleeping staff saves on average of £40k per year.
- Removing sleeping staff saves on average of £14k per year.
- Assuming savings will be taken for two-thirds of the financial year on average, five waking-staff provisions and twenty eight sleeping-staff provisions would need to be removed to achieve £400k of savings.

More detailed work is underway to assess the remaining scope for savings - analysing the proportion of clients not yet reviewed and the level of annual referrals - this will inform a refined judgement of the saving contribution.

The proven track record of using assessment assistive technology to identify and evidence the reduction in staffing overnight and the known current ongoing work gives assurance that there is the potential to meet the required savings target. The investment will mean an increase in capacity to carry out the assessment work therefore meaning an increased pace in completing work on referrals in a more timely way and maximising the use of the available assessment kits.

### Risks

The identified risks are that the teams are not able to respond in a timely way to complete the required casework once a saving through ATT is identified. This will be mitigated by linking this project to the multidisciplinary team being created to drive the re-assessment work meaning that casework to realise savings will not need to be prioritised against the demands of day to day work that locality teams are dealing with.

Further risks relate to the willingness of families and providers to fully utilise ATT rather than the use of staffing overnight. Work to embed ATT in provision of children's services will in the longer term mean this becomes the norm rather than the exception and that is it not something that changes at the age of 18 having had a member of staff in place for a number of years as a child / young adult.

### Community Impact Assessment

Provided as supporting information.

### Return on Investment

A/R.6.116	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	TOTAL
Investment	-	186	-	-	-	-	186
Savings	-	-214	-214	-214	-214	-214	-1,260
Return on Investment							115%

## ENHANCED OCCUPATIONAL THERAPY SUPPORT TO REDUCE THE NEED FOR DOUBLE-HANDED CARE

### Overview

The Double-Up Team, consisting of two Senior Occupational Therapists and two Occupational Therapist Technicians, was set up as a 'spend to save' initiative in 2013 based on evidence from other local authorities. Initially set up as a pilot project, it was endorsed as part of the County Council's prevention agenda, the implementation of Transforming Lives and the requirements of The Care Act.

The team's remit is to focus on the review of service users to assess whether it is possible to either:

- Reduce existing double-up packages of care to single-handed care

OR

- Prevent single-handed care packages being increased to double-up

This team is currently based outside of the existing mainstream Occupational Therapy service to ensure focus on the delivery of actions that will benefit the recipients whilst returning a saving direct to the Council. Through the actions of the existing team, savings against the Council's homecare budget were generated in the region of £1.1m in 2015/16 and are on track to achieve a similar figure in the current financial year.

### Outline of the proposal

This business case proposes the expansion of the service through the recruitment of an additional two Occupational Therapists workers to apply the learning and benefits associated with the current model to other settings as well as providing additional review capacity.

### Outcomes expected

The savings calculations are as follows:

Number of people transferring between residential and nursing care in 2015/16) = 44

(note - this excludes 'complex' transfers, such as where there was a clear gap in service (eg due to hospital admission))

The cost variation between residential and nursing care is assumed to be £150 per week / £7,800 per year

a 25% reduction in transfers = 11

A full year benefit of a reduction in transfers is therefore  $11 \times £7,800 = £85,800$

Two new OT workers will also increase the teams standard double-up review activity. while much of their focus will be on new activity, it is assumed that they will be able to increase the financial benefits of this by around 10% = equating to around £110,000

The latest homecare commissioned hours report suggests there are around 700 hours of double-up care delivered to learning disability service users per week. Assuming a 10% reduction in hours as a result in a successful double-up review from the new OT workers, and a unit cost of £16 per hour, there would be anticipated savings of £1,100 a week.

The full year benefit would be £57,000

$£85,800 + £110,000 + £57,000 = £252,800$

## Risks

1. There is a risk that the enhanced service will not deliver savings. This is unlikely but will be dependent on successful recruitment of appropriately experienced staff at a time when there is a national shortage of Occupational Therapists.
2. The service will struggle to attract staff - there is currently a shortage of qualified OT's in Cambridgeshire

However, the underlying assumptions suggest the benefits are achievable.

## Community Impact Assessment

Provided as supporting information.

## Return on Investment

A/R.6.165	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	TOTAL
Investment	-	90	90	-	-	-	180
Savings	-	-252	-252	-252	-252	-252	-1,260
Return on Investment							140%

## **RECOUPING UNDER-USED DIRECT PAYMENT BUDGET ALLOCATIONS FROM SERVICE USERS**

### **Overview**

Based upon the results of an Internal Audit carried out in January 2015, it is understood that around 25% of Direct Payments (DPs) are not currently monitored, and therefore no funding was recouped from these. For 2015/16 the total recouped from DPs was £1.975m, which it can therefore be assumed applies to 75% of DPs. Assuming a further 60% of this is recoverable, there is likely to be in the region of £395,000 potential for recouped DPs from the 25% that are currently unmonitored.

The report identified that a lack of central coordination and impact amongst the roles responsible for monitoring DPs was a root cause of the lack of monitoring.

### **Outline of the proposal**

It is therefore proposed to centralise the administration and monitoring of DPs.

The key change this would allow would be that as soon as a DP is agreed with a service user, the central DP team would take over the administration of that DP. This would ensure that they are aware of all service users with DPs and are therefore not reliant on locality teams to complete administration and monitoring work. The new team would be aware of all of the DPs and could therefore plan a monitoring programme to ensure they are all checked.

The staffing for the new team would be based upon the existing DPMOs, plus additional 1 FTE DPMO post and 0.68 FTE supervisory post, supported by 1.5 FTE admin function. This team would be managed within the central Practice Team by a Consultant Practitioner (an existing role within the Adult Social Care directorate). The additional cost of these posts is £87k per year.

Adults Committee / GPC have endorsed this proposal in principle in the Summer of 2016, however due to a capacity gap in the role that will manage this function it is not envisaged that the additional activity required to generate the saving will be in place before April 2017. This means transformation funding is needed.

### **Expected outcomes**

Having a centralised team should increase the quality of monitoring, enable the central team to develop reports that link practice to DP provision, and maintain oversight of spend and financial reconciliation as well as removing paperwork from Social Care Practitioners.

Once centralised, the team will be ideally situated to act as a central control on the entire Direct Payments system; from creating and setting up on AFM, sending out, following up and processing key documents, through to their work monitoring Direct Payments expenditure, information for/to service users, reviewing the social care documentation which forms part of the Direct Payments process notifying teams of any outstanding reviews and where there appears to be non-compliance with the DP agreement notify and work with the Social care teams. They will be a clear point of contact for the Service user, any Direct Payment Support Organisations and the locality teams and will have specialist knowledge in the area of direct payment.

There is also an option to extend the capability of the team to include a dedicated Finance and Assessment Officer and a new role of Support Planning Coordinator (Direct Payments). These roles have not been costed into the investment at this point.

### Assumptions and risks

The predicted savings are based upon a broad assumption that the Direct Payments that are monitored are of a similar type and value to those that are unmonitored. This would need to be tested further to provide greater assurance of the possible savings.

It has been assumed within this business case that savings would be evenly realised across the year, but further work may refine this assumption.

Because there is a significant control group (DPs that are monitored) and there are tangible explanations for the number of DPs that go unmonitored, this proposal represents a fairly safe assumption that increasing the ability of the Council to monitor DPs will lead to savings realised

### Community Impact Assessment

Provided as supporting information.

### Return on Investment

A/R.6.101	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021- 22 £000	TOTAL
Investment	-	87	87	-	-	-	174
Savings	-	-395	-395	-395	-395	-395	-1,975
Return on Investment							227%

**DEDICATED REASSESSMENT TEAM – LEARNING DISABILITIES****Overview**

This is the second year of a 2 year plan. The focus will be on continuing to develop independence and resilience of individuals and their networks through the Transforming Lives approach and the application of policy lines approved by Adults Committee in 2016.

This will include:

- Accepting more risk in packages
- Funding in place to manage situations where there was a likely need for increased support will be removed where there is no evidence that this has been used. Instead, working to the transforming lives model, teams will be more responsive to emerging need and intervene early to prevent or delay that need.
- Identifying opportunities to promote group activities both in the community and in day care settings meaning support staff can be shared.
- Introduction of set (benchmark) prices for care in line with current practice in Physical Disabilities and Older Peoples services requiring negotiation with existing providers.
- Focusing on setting goals in support plans that support people to progress and increase their independence, reducing funding when those goals are achieved.

A continued programme of reviews and re-assessments will underpin these changes; this is the second year of the programme. As the second year, around two-thirds of this saving are the full-year effect of actions taken in 2016/17, with the remainder achieved through new reassessment activity.

The Learning Disability Partnership has a pooled health and social care budget therefore additional savings are required to maintain the pooled budget, this work will be focused on a review of specialist health support including the commissioned inpatient provision. CCC contributes approximately 80% of the pooled budget.

**Outline of the proposal**

This proposal relates to the management of demand for care budgets. The care budgets are only accessed by service users who have been assessed as having eligible needs. Once a service user is assessed as having eligible needs, provision of a personal budget must be made for them. The only legal way to change that provision is to re-assess and produce a different support plan that still meets the assessed eligible needs. This proposal sets out ways of ensuring that assessment, re-assessment and support planning allow savings to be made.

The principles of the Transforming Lives model is that services respond to an emerging need quickly using the family and community networks around a person to support them or providing short term intensive support to resolve a current issue. This replaces previous practice which would have been to offer an assessment and meet any eligible needs with a service offer, taking into account the support from family carers. In Transforming Lives the emphasis is on addressing the needs early and where possible in the short-term, only considering more intensive long-term social care funded support where the presenting needs cannot be met in any other way.

In the field of learning disability, there is less opportunity to respond to emerging need, because the person will have had a range of needs since birth or very early childhood and over 90% of new people accessing the LDP are young people reaching 18 who are already in receipt of a

funded service. Once people are receiving a service from the LDP it is likely to last for many years and often for the person's lifetime. This means that the Transforming Lives approach needs to be tailored for people with learning disabilities with an increased expectation that, wherever possible, skills will be developed to promote independence and that family and community networks will be explored and where possible will be used to reduce the social care funding required to meet needs.

The amount of funding provided to meet eligible need can depend on local market conditions. Local authorities are able to consider a range of options that can meet a person's assessed needs and can choose the most cost effective option. In effect we therefore only have to provide enough funding for the local authority to purchase the service, not enough funding for anyone to purchase the service. Therefore, negotiation of bulk discounts with providers can also allow savings to be made from care budgets.

A one-off investment of £750k is required to enable a dedicated staffing resource for reassessments to be maintained for the second year of this plan. This will consist of a Commissioning Manager, operational and procurement leads, brokerage support, six social workers and admin support - totalling 12 FTE of additional staff.

In addition, there is resource dedicated to negotiating with providers of care to ensure that contracts and costs are appropriate given the needs of service-users identified through the reassessment process.

It is estimated that the reassessment programme will deliver savings in 2016/17, concentrated in the second half. The full-year effect of this saving is estimated to be around £1m, which will be seen as reduced budget need at the start of the year. It is estimated that new reassessment activity will generate for CCC a further £1.3m of savings in 2017/18 (£1.6m for the pool as a whole), concentrated at the start of the year - this will require approximately a 4% reduction in costs per service-user on average.

### Expected Outcomes

1. This is the second year of a programme of re-assessments. In 2016/17 any savings made as a result of re-assessments would have been for part of the year there will therefore be additional savings in 2017/18 against this activity as the full year effect will be realised.
2. The transforming lives approach embeds the principle of teams responding to emerging needs in a timely way and therefore wherever possible preventing those needs from escalating further. The expectation is that through more effective use of an individual's support and community networks and/or the use of short term funded support this will either prevent the need for long term funded support or reduce the amount of long term funded support required. Where a person's needs do change and become greater the teams will in the first instance work with the individual, family carers and providers to reconfigure existing funding and the care and support plan to absorb as much of the additional need within current resource as possible. This will include ensuring that the agreed policy lines continue to be applied.
3. Through the work to date in embedding the Transforming Lives approach teams have been able to identify in local communities groups and activities that are clearly supporting a number of individuals that would otherwise need a level of ongoing funded support. Where necessary to maintain this community resource teams have been able to invest in the resource at a significantly reduced rate than would have been needed if the resource had closed and individual support had been required.

### Assumptions and risks

- There is demand for services that is increasing. People are expected to ask for assessments and need support; and the needs of people who already use services are expected to increase.
- That it is possible to reduce personal budgets and meet eligible needs in other ways than they are met at the moment
- That what is being proposed is legal
- That providers will be willing and able to negotiate, and that their business operation will be sustainable and safe after reductions are agreed
- That there is capacity and willingness within the community, family and friends to provide more support
- That service users, family, friends, the community and partner agencies are all willing to tolerate an increase in risk
- The forecast savings for 2016/17 will be delivered as expected

### Community Impact Assessment

Provided as supporting information.

### Return on Investment

A/R.6.114	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	TOTAL
Investment	-	750	-	-	-	-	750
Savings	-	-2,381	-4,306	-4,306	-4,306	-4,306	-19,605
Return on Investment							574%

**CARE PLAN REVIEW CAPACITY – PHYSICAL DISABILITIES****Overview**

This business case is the second year of a two-year process of reassessing Autistic Spectrum and Physically Disabled service-users. The focus of activity to achieve the savings will be on assessing and reassessing social care needs in the context of the Council's Transforming Lives Model. This is a three tier approach; Tier 1, helping people to help themselves, Tier 2, offering help when it is needed and Tier 3 the provision of statutory support services; the tiers are not exclusive of one another.

This assessment and re-assessment activity will reduce the care budget that is spent on support for people with physical disabilities and those on the autistic spectrum. Support that is currently commissioned for these service users can be divided into three areas:

- Residential and Nursing Home placements
- Supported living/24hour support in the community
- Domiciliary Care and activities

**Outline of the proposal**

The only legal option for reducing personal budgets is to do a re-assessment of need and review the support plan.

The Physical Disability and Adult and Autism Teams will review/reassess need where it is clear that a person could benefit from short and medium term goals to maximise their independence and where there is significant opportunity to meet personal care needs more cost effectively and/or to renegotiate support costs. Practitioners will also seek community resources to negate/remove the need for long term statutory funding.

The reviews will use a 'toolkit' to re-design packages with people. The toolkit will include:

- All packages to be checked against current ways of working, including no change reviews, to ensure Tier 1 / community / family input has been considered and that live in care does not unnecessarily include breaks for the paid carers etc
- Patches / Teams to ensure that a significant and growing proportion of staff are Trusted Assessors for Assistive Technology.
- Continue close working with Double Up Team
- Work closely with Reablement to identify alternative ways on providing any long term support that might be required, and introduce Direct Payments as early as possible.
- Look at 24/7 care and see if 4/5 calls per day would be more cost effective way of meeting need.
- Cases to be checked prior to finalising any work regarding debts / non-payment of contributions
- Look to form better links with and usage of Brokerage.

£128k of investment is sought to provide a further year's funding for temporary staff engaged in the review process. Without this, there will not be enough staff time to dedicate to reviews in addition to managing business-as-usual activity. This is the approach which is delivering on target in 2016/17.

## Expected Outcomes

The saving of £791k in 2017/18 consists of an estimated £252k that is the full-year effect of commitment reductions made in 2016/17, based on savings known to date and assuming £40k of reduction in commitment per month to the end of 2016/17. The remainder, £538k, is based on an assumed reduction in commitment of £80k per month in 2017/18 (an average reduction of around 8.5% per package).

The strategy for delivering these savings is as follows:

1. New support planning policy which sets out a sustainable and legal framework for support plans.
2. Reviews of service users to amend support plans so they are in accordance with new policy.
3. Plan review programme over 2 years.
4. Develop new models of service in Y1 and Y2 to be implemented in Y3 – 5, to deliver savings required in those years.

## Assumptions and risks

### **Key Assumptions:**

- These savings are predicated on the assumption that a reduction made in a package gives rise to a saving in terms of 'money not spent' for a full 12 months. The longer-term strategy is to implement new models of service in Y3 when further package reductions do not need to be made.
- Transforming Lives Model of working produces the level of savings required
- Numbers of new users of the Physical Disability Service remains relatively static.
- Number of people entering the Adult and Autism Service is as expected to transfer from Children's Services.
- Income revenue is as predicted
- Staff retention
- Expansion of the Adult Early Help Team

### **Key risks:**

- Spend on people with a Physical Disability in Cambridgeshire is already below the National average. Reductions to packages may not be possible at the proportion that is modelled here. Regular monitoring of the reductions achieved will allow identification of this issue.
- That there is not enough capacity in the team to do the reviews as set above. Mitigation is to produce a good plan so it is clear what needs to be done when. To keep under observation during year to ensure number of reviews stays on track.
- Savings depend on doing follow up activity to identify and arrange alternative services. This follow up activity needs to be included as part of the plan. The amount of time required to do it is unpredictable as it depends on the situation. The team will therefore manage this very carefully.
- Some service users may challenge the package of support offered to them following a review to implement new policy. Policy will continue to do the reduction even if someone is disputing it.

The Physical Disability and Adult and Autism Teams have made good progress to date with reviewing existing users during 2016/17 and as a consequence there may be less scope for reaching the savings expectations for 2017/18. To counter balance this social care practitioners will be more practiced at conducting reassessments and may therefore identify further scope for a reduction in support at second review; particularly those people who have been set clear goals during 2016/17, with the aim of increasing their independence.

It has to be reiterated that the Physical Disability Service already offers below the national average in the way of ongoing statutory support.

### Community Impact Assessment

Provided as supporting information.

### Return on Investment

A/R.6.111	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	TOTAL
Investment	-	128	-	-	-	-	128
Savings	-	-791	-1,231	-1,736	-2,191	-2,191	-8,140
Return on Investment							1,712%

## **TOTAL TRANSPORT**

### Overview

The aim of this updated business case is to deliver a similar level of savings to those achieved in Phase 1 of the Total Transport pilot in East Cambridgeshire. This took a "clean sheet" approach to mainstream school bus networks, and aimed to maximise efficiency by changing routes, removing smaller vehicles, and combining services where possible.

The previous assumption (that all pupils travel every day) was challenged, and replaced by a flexible approach to capacity management. This means that in a number of cases more pupils were allocated to a route than the contracted capacity. The introduction of smartcard technology allowed remote monitoring of passenger numbers, to minimise the risk of buses actually running full.

The experience and data gained so far from the pilot indicates that by increasing the staff time available to review networks and to actively manage them on an on-going basis, significant savings can be delivered. The benefit of additional staff resource is magnified when supported by new technology such as smartcards.

The original business case focused on the active capacity management element of Total Transport. It didn't propose "clean sheet" network reviews, nor the resource to actively manage services. Experience of the pilot so far has indicated that these two strands are particularly important in achieving sustainable savings, however.

### Outline of the proposal

The normal approach to school transport within CCC is to review one third of the county each year. This could continue to be the case for any roll-out of Total Transport, however it would result in savings being phased in. The updated proposal instead sets out to conduct a county-wide review from September 2017.

This proposal, focusing on the roll-out of Phase 1, is considered to be the best option for delivering savings. The second phase of Total Transport is not covered within this bid, as the new services won't be implemented until January 2017, and several months of data will be needed before any evaluation can be undertaken. Phase 2 is not, however, expected to deliver direct savings - it's more about getting the most out of a defined resource, and supporting cost avoidance in social care budgets.

The request is for two fixed-term and one permanent appointment. School transport networks are best reviewed at the start of the academic year. In order to complete the engagement, planning and procurement that is necessary ready for September 2017, the new team would need to be in place from the start of April at the latest.

Work is being undertaken to upgrade the Capita ONE system that is used for school transport, including the introduction of a new "optimiser". This may further strengthen the capacity to deliver savings, however it is not a dependency.

### Expected Outcomes

The use of smartcard technology will enable the collection of loading data, allowing the Council to manage the number of vehicles procured, reducing spare capacity and lowering costs.

The basic principle that has been established during the pilot is that a significant amount of time is required to fully review school transport networks and to actively manage them in order to deliver sustainable savings. Given the cost of school transport (around £30k per vehicle per year) it is possible to secure a good return on staff spending.

### Assumptions and risks

The main assumption that is as yet unproven is that real loadings are less than 100% throughout the school year. Data collected so far indicates that travel rates rarely exceed 90% and in some cases are much lower. These figures may change, for example due to winter weather, although significant variations are considered unlikely.

There is a risk that it won't be possible to recruit suitable staff. The decision to target two fixed-term and one permanent appointment means that some applicants may be deterred by a perceived lack of job security.

### Community Impact Assessment

Provided as supporting information.

### Return on Investment

A/R.6.244	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	TOTAL
Investment	-	132	76	38	-	-	246
Savings	-	-840	-1,275	-1,275	-1,275	-1,275	-5,940
Return on Investment							518%

**STREET LIGHTING SYNERGIES****Overview**

It was agreed between Cambridgeshire County Council, Northamptonshire County Council, Balfour Beatty Living Places and Connect Roads that in the event that both Cambridgeshire and Northamptonshire entered into the Street Lighting PFI Contracts that they would benefit from project efficiencies and synergies. A £8m joint saving was offered, which could begin to be realised once both parties completed their Core Investment Programmes (CIP).

**Outline of the proposal**

CIP Project savings are created by a cheaper works price for the CIP than was set in the original Financial Model and Loan Facility Agreement, and therefore Connect Roads has drawn down less money than modelled and have not use the full Base Loan Facility.

However, the Base Loan Facility is fully swapped with a Hedge Fund and to realise the CIP Project savings the Authority is required to pay the partial hedge break costs for the savings amount and any other associated costs (other liabilities).

The Break Cost is currently estimated to be in the region of £800,000. However, this figure is subject to change (it could be in the region of £500,000 - £1m).

The Authority has two options with regards to the break costs:

- to pay the cost upfront, or;
- to pay over time by a reduction in the monthly saving

It is considered that the net benefit to the Authority would be greater if the Authority pre-paid the break costs, i.e. it is anticipated that pre-paying the break costs would give a higher Net Present Value to the Authority than a reduction from the monthly savings. This can be viewed as an 'invest to save' project in its simplest form.

The Service Provider was required to give written notice to both Authorities 40 business days before the date both parties were anticipated to complete CIP. The letter confirmed the date by which the Authority was required to formally request the Break.

**Expected Outcomes**

From the completion of CIP onwards the savings can be taken monthly over the last twenty years of the PFI Contracts.

The Synergies money is made up of two parts:

- CIP Project savings
- Operational savings

The table overleaf details CCC yearly savings which are taken directly as a deduction from the Street Lighting Monthly Unitary Charge (please note that these are estimates but are unlikely to change significantly).

<b>Project</b>	<b>Savings</b>	<b>Operational Savings</b>	<b>Total</b>
Year 0	£95,133	£49,182	£144,315
Year 1	£128,532	£108,216	£236,748
Year 2	£135,401	£89,448	£224,849
Year 3	£133,980	£80,466	£214,446
Year 4	£126,797	£66,714	£193,511
Year 5	£126,939	£64,074	£191,013
Year 6	£123,877	£63,336	£187,213
Year 7	£108,132	£89,880	£198,012
Year 8	£115,830	£86,724	£202,554
Year 9	£122,776	£74,436	£197,212
Year 10	£123,801	£68,046	£191,847
Year 11	£123,741	£69,648	£193,389
Year 12	£123,504	£70,578	£194,082
Year 13	£112,413	£108,828	£221,241
Year 14	£118,045	£105,180	£223,225
Year 15	£122,829	£102,096	£224,925
Year 16	£133,702	£87,024	£220,726
Year 17	£145,924	£85,878	£231,802
Year 18	£147,126	£87,930	£235,056
Year 19	£102,956	£85,392	£188,348
Year 20	£0	£24,886	£24,886
	<b>£2,471,438</b>	<b>£1,667,962</b>	<b>£4,139,400</b>

### Assumptions and risks

At this stage the break cost of £800,000 is an estimate and could be subject to change.

There are no risks to the Authority associated with the Street Lighting Synergies. Once confirmed, the savings are non-negotiable monthly deductions for the next 20 years of the Street Lighting PFI Contract.

### Community Impact Assessment

To be completed.

### Return on Investment

B/R.6.214	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	TOTAL
Investment	800	-	-	-	-	-	800
Savings	-	-129	-264	-398	-525	-652	-1,968
Return on Investment							82%

**NEIGHBOURHOOD CARES TRANSFORMATION PILOT – A NEW APPROACH TO SOCIAL WORK IN COMMUNITIES**Overview

Proposal to pilot a radically different model of social work in Cambridgeshire, to be known as “Neighbourhood Cares”.

This transformation bid is to pilot the model of care in two patches across Cambridgeshire during 2017/18 and 2018/19 with the aim of offering a better quality of care.

Outline of the proposal

The proposal is to select two Cambridgeshire patches in which to pilot the work. We want there to be some contrast between the two patches so that we can test the approach in different settings and consider how we might need to adapt it to the diversity of different areas of Cambridgeshire. The client groups in scope will be older people in these two localities. It is important to note that this work may involve extending the scope of the number of people we work with in a given patch - including people who wouldn't currently hit existing thresholds for care. By reaching and working with people before they reach the point of requiring statutory services we will have greater success in preventing or delaying needs and helping people to stay independent.

We will specify the functions to be delivered but will look to give the teams as much flexibility as possible in how these are delivered. We will advertise for a single generic position of “Neighbourhood Worker” and will look to recruit people who are enthused by the possibility of working flexibly and creatively and by taking on new challenges and responsibilities from a range of different professional backgrounds and with different skills, encouraging people to share their expertise with one another and allowing the team to match the team member with the most appropriate skills to the needs of each service user.

The following key principles will guide how the teams will operate:

- Empowered Teams.
- Size of Teams – generally maximum of 12 members of staff.
- Team Structure – non-hierarchical, self-managing, collaborative, solution focussed and supportive of each other.
- Role Generosity and Flexibility –key worker tries to take responsibility for doing as much as they can themselves.
- Maximise opportunities to collaborate with partners.
- Local delivery and solutions.
- Devolved budget and decision making.
- Strip out transactional and non value-added costs.
- Local autonomy and accountability.
- Creative solutions developed locally.
- Different solutions in different parts of the county.
- Reduced dependency on care agencies.
- Responsibility for the whole population.
- Increasing community resilience and building on social capital.
- Delivery of statutory responsibilities.

Another key element of the proposal is an investment in external expertise and support from the MySupportBroker organisation. It is proposed that we partner with MySupportBroker, bringing them in to work as part of the team on a short term basis working with and coaching staff.

A research and evaluation framework will be designed to test the financial impact in the pilot sites and capture the learning.

Other costs include project management, administration and also consultation with “Public World”, who are the official partner for Buurtzorg.

The total cost would be £656,000 for each of two years. Breakdown of the figures:

Four full time equivalent (FTE) staff for each patch recruited at MB2 (8 FTE x £49,500= £396,000)

Support role to cover both pilot teams 1 FTE @ £40,000

MySupportBroker Commissioning cost- £75,000

Evaluation- £25,000

Marketing, materials and communications- £20,000

Project Manager- £60,000

Public World- consultation cost -£20,000

Admin support- £20,000

Total for 2017-18 £656,000

Total for £2018-19 £656,000

Initially, the cost of the new staff team would be over and above the cost of the current traditional model, in effect a double running cost. This is because it is important to give the team a period of several months to build the necessary relationships within the community to develop their role as change agents, capacity builders before taking on a large caseload.

The pilot is proposed to run for two years (2017/8 and 2018/19) and if successful, we would expect by 2018/19 to be in a position to re-direct the mainstream resources/team members into the new model and move away from double running.

### Expected Outcomes

The key outcomes we want to achieve are:

- Shift as much resource as possible to the front line.
- Free up staff to have more direct contact with the people we need them to work with, in the way we want them to work.
- Improve the quality and continuity of the service user experience.
- Generate capacity where we currently have capacity gaps, particularly in home care.
- Reduce the cost of care (in the back office and in commissioned care).
- Set ourselves up for the future – the learning from the pilot sites would then be the basis for the wider transformation of the whole system.

We see this work as building on, rather than replacing, the successful innovations that have been developed in recent years. The teams would take on as many functions as possible but it is likely that the following will be in place:

- Local patch based teams arranging and delivering the vast majority of care provision for people within communities.
- A central early help service continuing as the first point of referral for anyone calling the contact centre (families or professionals).
- A dedicated discharge and reablement offer which is able to ensure people exiting hospital get the help they need quickly and do not remain in hospital for longer than necessary.

- The Multi-agency Safeguarding Hub (MASH) and some specialist safeguarding capacity being retained centrally to handle the most complex safeguarding issues.

Supporting health and social care integration in Cambridgeshire-the pilots will be developed as an embedded part of work on health and social care integration in Cambridgeshire.

Part of the community resilience strategy- a locally deployed social work service will allow us to support and work alongside the capacity which exists within communities themselves.

The roll-out of the new model of social work will occur alongside the roll-out of the CCC new community hubs programme and we want to link these two projects together.

The pilot sites are opportunities to drive innovative and flexible collaboration with the existing voluntary and community sector and with local public services.

### Assumptions and risks

The model proposed is a radical departure from existing practice and so inherently entails some risk. Beginning this work with pilot sites will ensure that the risks are at a manageable scale. We will be learning and amending the model continually as the pilots develop - mitigating any unidentified risks as we proceed.

A less closely managed, directed and monitored model of social work potentially entails a greater degree of risk - it requires us to trust the teams to deliver outcomes and meet need independently. The experience of the Buurtzorg model is that this independence has succeeded, with service users reporting better quality of care and no increase in complaints. However, it is important the greater degree of risk is understood and acknowledged in undertaking this work. The pilots will include a mechanism for the service users to feedback on their experiences regularly.

There may also be a financial risk in that teams will be empowered to use their judgement to spend resources without management oversight. We anticipate that this will lead to reduced overall spend, but this cannot be certain.

### Community Impact Assessment

To be completed.

### Return on Investment

C/R.5.304	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	TOTAL
Investment	-	656	656	-	-	-	1,312
Savings	-	-	-	-	-	-	-
Return on Investment							-

**SPECIALIST ADULT AND AUTISM SUPPORT TO INCREASE INDEPENDENCE****Overview**

Formed in 2014, the Adult and Autism Team (AAT) currently supports approximately 100 people with resources of 3 FTE social worker / Adult Support Worker, 1 FTE management and 1.6 FTE support workers (initially provided by [supplier name]).

Support is most often focused on high quality preventative work. Over 55% of the AAT work has been (transforming lives) Tier 1 and Tier 2 work, where supporting people through crisis, unplanned events or transition into Adulthood has negated the need for long term support.

A further 55 people are expected to transition to the team during 2016/17 and 12 are currently on the waiting list for assessment. Cases that have been passed to the AAT from other services, and are currently on the case load, also need intensive support to shift to a Transforming Lives way of working. It is not expected to be possible to deliver high quality preventative work with this level of demand given current available resources.

**Outline of the proposal and Expected Outcomes**

The proposal is therefore to continue providing 2 FTE of Support Worker for remaining part of a 12 month fixed term period which began in 2016-17 funded by CFA earmarked reserves. The role holders work with service users, both new (coming through Transitions, more work with families) and existing, to support and teach daily living skills through working to set goals and recommending aids, technology & adaptations, so that people on the Autistic Spectrum and other vulnerabilities are more independent and therefore less reliant on both formal and informal support networks. This is expected to cost £50,000 in 2017/18.

In due course, it is anticipated that the workers would pay for themselves with cash savings by reducing the value of packages that already exist. Savings would also accrue from avoided cost where new service users have had lower packages than expected because they have had Transforming Lives type support.

**Assumptions and risks**

It is assumed that this provision is enough for demand and that there is enough time to support independence.

1. Exit strategy - this proposal is only for 12 months (in total), workers have begun in 2016 and that means their contract will end in late 2017 at the same time as the [redacted] contract ends. It is assumed that these timescales will not change and therefore that re-commissioning of services for this user group can take place then.
2. Currently, the level of demand for this service is estimated, as it is a relatively new service user group. The AAT has attracted high numbers of service users initially, due to unmet need prior to the service being introduced. The preparing for adulthood processes are still in their infancy and the numbers of young people on the autistic spectrum or similar vulnerability are not yet accurate. It is assumed that the extra workers in this proposal will be enough to meet that demand.
3. Effectiveness - The aim is to support the young people turning 18 during 2016/17 through short/medium term 1:1 support in order to avoid or negate long term funding – but this is yet to be tested on a service scale.

To mitigate these assumptions and risks, demand will be monitored throughout the 12 months and a full evaluation of the impact of 1:1 support work with existing and new clients will be undertaken to inform the re-commissioning in Sep 2017.

Risks associated with this proposal will be managed in three ways:

1. Keeping tight grip on quality of work with service users to maximise the chance of effectiveness
2. Limiting the length of contracts and planning re-commissioning
3. Ongoing monitoring of service delivery

#### Community Impact Assessment

Provided as supporting information.

#### Return on Investment

A/R.6.113	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	TOTAL
Investment	-	50	-	-	-	-	50
Savings	-	-72	-72	-72	-72	-72	-360
Return on Investment							144%

**CONTINUING FINANCIAL RE-ASSESSMENT PROGRAMME FOR CLIENT CONTRIBUTIONS****Overview**

Delivering the programme of increased client contribution income requires a significant increase in the scale and frequency of financial assessments with the majority of clients contributing to their care in the community needing to be reassessed during 2016/17 and 2017/18.

This programme is underway and this bid requests that funding continues until Oct 2016 (this will be 12 months in total). The alternative is to not increase staff resource (or to decrease the extra capacity that is funded until March 2017 only), but this is likely to mean there is limited progress through the additional re-assessments that we know are needed.

The Financial assessment service is continuing to embed use of the Abacus IT system, following the approach used in Northamptonshire County Council. Once the ""bulge"" of backlogged reassessments is progressed by the additional capacity, and there is greater recent loading on Abacus, it will be easier to apply global updates via the system (such as for DWP benefit changes) meaning that the amount collected can be updated much quicker than if a financial assessor needs to consider each case.

**Outline of the proposal**

This bid to the transformation fund is to continue that approach in Apr - Oct 2017.

Funding for additional time-limited financial assessment capacity is requested to ensure that all service users have an up to date assessment, that policies are appropriately applied and that we rigorously monitor client income in a range of areas. The funding requested is for four additional fixed term Financial Assessment Officers. These staff are based in Northamptonshire, and based on costs to date will require £46k in 2017/18.

In total there are approximately 4800 service users across older people, people with mental health needs, learning and physical disability client groups who make a financial contribution to their care. Approximately 70% of these people's assessment has not been updated for more than 1 year meaning there will be approximately 3360 assessments requiring attention during 2016/17 and 2017/18.

A proportion of this workload can be met within existing resources – particularly if the current vacancies in the service can be addressed, but at least 1600 assessments will require additional posts to undertake. The additional posts have been scoped on a 12 month basis - this is the request for funding the second 6 months.

Given the time required to complete a financial assessment and based on based feedback from Northamptonshire County Council who have already deployed similar roles we estimate that each Finance and Benefits Advisor (FABA) could complete 400 per year. This is a rate of approximately 2 assessments per worker per day meaning we would require 4 additional staff members to address the additional 1600 required (whilst the existing team can address the other 1600 and maintain the existing workload).

The financial reassessment programme is underway (as of October 2016) and is being funded in 2016/17 from CFA Earmarked Reserves.

### Expected Outcomes

The additional dedicated capacity will focus on the workstream related to reassessing people's whose assessment is significantly out of date and where the appropriate contribution level is likely to have increased

Changes in standard rate DRE, as well as national changes in pension levels and DWP benefits will be picked up through the re-assessment process.

### Assumptions and risks

Modelling shows that by reassessing people's income and assets more frequently we will identify additional income which should be taken into account. This has the effect of increasing client contributions which represent income for the County Council – set against the costs of providing care services.

It important to note that this proposal does not in any way change the threshold or criteria relating to client income or contributions. Instead it relates to a more frequent assessment regime which we anticipate will increase contributions overall because on average people's income increases between each assessment. In effect it is about applying the existing framework more closely rather than changing it.

It is equally important to note that the assessments are not weighted towards increasing contributions - there will be instances where people's income or assets have diminished between reviews and where their contribution will therefore decrease appropriately.

### Community Impact Assessment

Provided as supporting information.

### Return on Investment

A/R.6.134	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	TOTAL
Investment	-	46	-	-	-	-	46
Savings	-	-381	-381	-381	-381	-381	-1,905
Return on Investment							828%

**MOVE TO FULL COST RECOVERY FOR NON-STATUTORY HIGHWAY WORKS****Overview**

Currently non-statutory Local Highways Improvement works and third party highway works do not cover their full cost.

**Outline of the proposal**

This proposal would involve introducing a new time recording system and new processes for costing and charging for schemes from third parties such as parishes.

Initially this will begin with the Highway Projects and Road Safety team and the Policy and Regulation team. Depending on the nature of the schemes, this scope could be developed to also include Traffic Signals and Parking, IHMC and the Asset Management team. There is also scope to include ongoing maintenance following scheme delivery; this could provide a sustained and increased income. This proposal fits into the wider organisational agenda of fully recovering costs and commercialisation.

We will need to work with ETE Committees and engage with all Members regarding this proposal. We will also need to engage with parishes as their costs will increase as a result of this proposal. The implementation of a time-recording system is vital to the success of this proposal and the commercialisation agenda across ETE, therefore early work to investigate the options for this is already underway. We will also need to train and educate staff regarding recording their time and a commercial culture will be required from our staff to ensure the success of the proposal.

**Expected Outcomes**

Under this proposal we will also be able to have more transparency regarding the actual cost of schemes and will provide an accurate quote for work in advance of it starting. In addition to costs being fully recovered, a stronger understanding of how officer time is spent will support managers in allocating resources and setting service objectives.

**Assumptions and risks****Assumptions**

- Implementation of a new time-recording system.
- Ability to recruit staff to do this work/retain current staff.
- That there is a market for a Local Authority to operate in this way.

**Risks**

- This is a competitive market, so there is a risk of potential customers choosing other providers.
- Possible lack of Member support, as this will affect all of their patches.
- Reputational risk.
- Culture change takes longer to embed than expected which means that income targets are not achieved.

**Community Impact Assessment**

Provided as supporting information.

## Return on Investment

B/R.6.213	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	TOTAL
Investment	-	50	-	-	-	-	50
Savings	-	-100	-200	-200	-200	-200	-900
Return on Investment							400%



## COMMUNITY IMPACT ASSESSMENT

Directorate / Service Area		Officer undertaking the assessment
CFA, Adult Social Care		Name: Andy Mailer
<b>Proposal being assessed</b>		Job Title: Strategy Manager
Using assistive technology to help people with learning disabilities live and be safe more independently without the need for 24 hrs or overnight care		Contact details: 01223 715 699
<b>Business Plan Proposal Number (if relevant)</b>	A/R.6.116	Date completed: 20 <sup>th</sup> September 2016
Date approved: .....		
Aims and Objectives of the Service or Function affected		
<p>The LDP has an established changed programme focussed on the increased use of assistive technology to reduce the need for a range of night time care arrangements. The programme involves a small team of occupational therapy and assistive technology specialists reviewing eligible cases to identify alternative solutions that will support safe and independent living, without the need for 24 hour / night time support.</p>		
What is the proposal?		
<p>New and existing care packages will be reviewed by specialist Assistive Technology and Occupational Therapy staff to identify appropriate equipment which could help disabled people to be safe and live more independently. In particular we will seek to mitigate the need for support when people wake in the night.</p> <p>The programme has a proven track record of meeting needs while delivering savings over the last 3 years. Scope still exists for further savings by applying assistive technology to remaining services users and projects. These savings form a part of the overall care budget savings within the Learning Disability Partnership and are primarily driven by reducing the requirement for forms of night-time support.</p> <p>It is proposed that night staff levels and community hours are assessed using assistive technology to ensure that commissioned staffing levels are appropriate to the service user and reflect what they actually use and need.</p> <p>Occupational Therapists will enable independence by teaching daily living skills, recommending aids, technology &amp; adaptations, so that people are more independent and therefore less reliant on paid staff. Service users are then able to move on to the next stage of more independent living.</p> <p>Dual trained learning disability Occupational Therapists and Assistive Technologists will provide report on the persons individual care needs and set out a series of recommendations for implementation that will support and assist the person to live safely and independently. The report will be provided to the LDP team managers and care managers to implement through changes to the persons care package.</p> <p>All cases will be reviewed quarterly with the service and business development manager to ensure they remain appropriate to the needs of the individual. Changes will be identified and made as appropriate to ensure the safety of the individual.</p>		
Who will be affected by this proposal?		
<p>.</p> <p>This proposal will impact on all identified residents with a learning disability who meet eligibility for care and support under the Care Act 2014.</p>		
What positive impacts are anticipated from this proposal?		

### Health & Wellbeing

- Improved quality of life, dignity and well-being for service users
- Promotion of as much independence as possible for people who, otherwise, have very complex needs
- Service users are able to live well and to remain as independent as possible
- People at risk of harm are kept safe
- People able to live in a safe environment
- People live a healthy lifestyle and stay healthy for longer
- People have better access to specialist assessment and provision of equipment that best meets their needs

### Finance

- To bring additional savings and avoided costs to the County

### **What negative impacts are anticipated from this proposal?**

The service is only provided to people with specific needs that meet the national eligibility criteria for social care and so the negative impact of the changes will be focused on people with those “characteristics”.

The County Council has an existing policy of meeting need in the most effective way, whilst making best use of available resource. The policy states:

The concept of “meeting needs” is intended to be broader than a duty to provide or arrange a particular service. Because a person’s needs are specific to them, there are many ways in which their needs can be met.

The way that eligible needs are met can change over time as new and innovative ways of working are developed and examples of national and local best practice are shared and adopted across the county. The Council will take decisions on a case by- case basis and will balance assessed risk against the total costs of different potential options for meeting needs, and will include cost as a relevant factor in deciding between suitable alternative options for meeting needs. This does not mean choosing the cheapest option; but the one which delivers the outcomes desired for the best value. As a consequence, the way that needs are being met can change over time.

The Council fully recognises that changes to individual care packages can be unsettling and the team is highly skilled at supporting the service user and their family through the period of change.

### **Are there other impacts which are more neutral?**

N/A

**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

## COMMUNITY IMPACT ASSESSMENT

Directorate / Service Area		Officer undertaking the assessment
CFA, Older People & Mental Health		Name: Diana Mackay .....
<b>Proposal being assessed</b>		Job Title: Service Development Manager .....
Enhanced Occupational Therapy Support to reduce the need for double-handed care		Contact details: Diana.mackay@cambridgeshire.gov.uk
Date completed: 20/9/2016		Date approved: .....
<b>Business Plan Proposal Number (if relevant)</b>	A/R.6.165	
Aims and Objectives of the Service or Function affected		
<p>Since January 2014 CCC's Double-Up Team have been reviewing adult service users with the aim of reducing or preventing the need for long term packages of domiciliary care that require two carers at each visit. The need for two carers is usually related to the service user's moving and handling needs.</p> <p>The Double-Up Team currently consists of two Senior Occupational Therapists (OT) and two OT Technicians. They review service users with a view to providing information and advice or alternative moving and handling equipment that facilitates single-handed care.</p> <p>Since the beginning of the initiative, the team has brought nearly £1.5m savings / avoided costs to the domiciliary care budget. These savings are primarily in Adult Services (older people and adults with physical disabilities). The impact of the team's work has also improved people's quality of life and wellbeing – demonstrated through a number of case studies, available on request.</p>		
What is the proposal?		
<p>The Double-Up Team was set up as a 'spend to save' initiative in 2013 based on evidence from other local authorities. Initially set up as a pilot project, it was endorsed as part of the County Council's prevention agenda, the implementation of Transforming Lives and the requirements of The Care Act.</p> <p>The team consists of two Senior Occupational Therapists (OTs) and two OT Technicians employed directly by the County Council. The team's remit is to focus on the review of service users to assess whether it is possible to either:</p> <ul style="list-style-type: none"> <li>• Reduce existing double-up packages of care to single-handed care</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• Prevent single-handed care packages being increased to double-up</li> </ul> <p>This team is currently based outside of the existing mainstream OT service to ensure focus on the delivery of actions that will benefit the recipients whilst returning a saving direct to the Council. Through the actions of the existing team, savings from the Councils homecare budget were generated in the region of £1.1m in 2015-16 and are on track to achieve a similar figure in the current financial year. This business case proposes the expansion of the service through the recruitment of an additional two OT workers so they can share learning and benefits associated with the current model to other settings (further details are listed in the 'scope' section of this document) as well as providing additional review capacity.</p> <p>The proposal is to increase the resources within the team by recruiting an additional two Senior Occupational Therapists so that more reviews can be undertaken in order to bring further savings to the CFA Directorate as a whole. This will include assessments of more service users in the following areas:</p> <ul style="list-style-type: none"> <li>• Learning Disability</li> <li>• Service users in community hospitals whose discharge is delayed due to perceived need for a double-up care package (the team already work with the acute hospitals)</li> <li>• People in receipt of NHS CHC packages, particularly where there is joint funding with Social Care</li> <li>• Self funders (in order to delay the point at which they might need their care package funded by the County Council)</li> <li>• Care Homes – in order to progress with a pilot project already agreed, with the aim of developing a Care Home Educator role with a focus on improving moving and handling in the care home sector. This could bring savings and improvements in terms of falls prevention, admission avoidance, prevention of pressure</li> </ul>		

sores, prevention of moves from residential to nursing care and general promotion of better moving & handling practice in the care home sector

#### **Who will be affected by this proposal?**

The proposal would cover the whole of Cambridgeshire

See above for which service users groups would be affected.

The team is likely to continue to target older people more than other groups purely do to the needs of that demographic group.

#### **What positive impacts are anticipated from this proposal?**

##### Health & Wellbeing

- Improved quality of life, dignity and well-being for service users (full case studies available on request)
- Promotion of as much independence as possible for people who, otherwise, have very complex needs
- 45% of service users report to be able to do more for themselves following the team's intervention and provision of alternative equipment
- Older people and adults with disabilities able to live well and to remain as independent as possible
- Children and young people enabled to live well and to be more independent
- People at risk of harm are kept safe
- People able to live in a safe environment
- People live a healthy lifestyle and stay healthy for longer
- People have better access to specialist assessment and provision of equipment that best meets their moving & handling needs

##### Finance

- To bring additional savings and avoided costs to the County Council, and service users themselves (self-funders)
- Existing care packages reduced in 50% of cases

#### **What negative impacts are anticipated from this proposal?**

The changes to individual care packages resulting from the Teams intervention can be unsettling to the service user and their family, and a small number of family carers have raised concerns about the reduction in support. These issues are worked through on a case by case basis through extensive dialogue with the service user and their family to address their concerns.

Enhancing the service to work with learning disability cases may result in some challenges from families and formal care providers, but the team are experienced at supporting relevant parties through the change period.

#### **Are there other impacts which are more neutral?**

N/a

### 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

## COMMUNITY IMPACT ASSESSMENT

Directorate / Service Area		Officer undertaking the assessment
CFA, Adult Social Care		Name: Teresa Cockette .....
<b>Proposal being assessed</b>		Job Title: Policy Development manager ASC
Ensuring direct payment budget allocations are proportionate to need through closer monitoring		Contact details: 01223 715568 .....
		Date completed: 20/9/2016 .....
		Date approved: .....
<b>Business Plan Proposal Number (if relevant)</b>	A/R.6.101	
Aims and Objectives of the Service or Function affected		
<p>Currently the business process for setting up new direct payments and the monitoring of direct payments sits in/across different teams and services:-            Business support process is carried out within each team across adult's services and is usually dependent on one single member of staff with some knowledge of Direct payments to carry out the setting up process.            The Direct Payment Monitoring (DPMOs) is carried out by a central team which currently sits in Learning Disability services. The DPMO team are reliant on the locality teams to notify them of any new DP being set up, this notification enables the DPMOs to put in place the monitoring process.</p> <p>A recent audit report identified that the lack of centralised coordination and impact amongst the roles responsible for direct payment monitoring was a root cause of the lack of monitoring. The main reasons were:-</p> <ol style="list-style-type: none"> <li>1. Locality teams were not remembering to notify/refer to the DPMOs for monitoring.</li> <li>2. Information management system was not set up for reporting when a new DP had been set up by the planned care team, or when a DP had been changed or discontinued.</li> <li>3. Information received by the teams to DPMOs was scant and did not include correct details</li> <li>4. Impact of poor loading, adjustments or general poor recording by the locality teams make monitoring challenging</li> </ol> <p>The current process as detailed above contributes to the fact that we are not monitoring around 25% of people who have a direct payment in Cambridgeshire. This has a potential value of £395.00 per annum of unspent monies not returned to the LA in a timely manner.</p>		
What is the proposal?		

Improving central monitoring and coordination arrangements for direct payments - ensuring budget allocations are proportionate to need and any underspends are recovered. Done through making arrangements for direct payments – ensuring budget allocations are proportionate to need and any underspend are recouped in a timely fashion.

Once centralised the team will act as a central control on the setting up and monitoring of direct payments across CFA, this will include:- creating and setting up on Adult Finance management system (AFM) sending out, following up and processing key documentation, monitoring spend, providing information for and too people who have a direct payment, monitoring spend of direct payment notifying teams of any inappropriate or unusual spend, notify teams of reviews that need to be completed and where there appears to be any noncompliance of spend as specified in the Direct payment agreement notify teams. The central team will be a single point of contact for any support organisation and locality teams and have specialist knowledge in the field of Direct Payments.

#### **Who will be affected by this proposal?**

Currently as the knowledge about setting up of a direct payment and the ongoing monitoring of a direct payment is varied, customers will potentially have a very different experience when it comes to the setting up arrangements.

Having a centralised team will start to drive consistency, efficiency and offer a more equal approach which should improve customer experience and overall business monitoring.

The central team will offer the same approach across all of adult service the will build professional relationships with all customers, staff and providers and be the go to team for expert advice in relation to the business and monitoring side of Direct payments.

#### **What positive impacts are anticipated from this proposal?**

Having a centralised team should reduce the oversight of monitoring, enable the central team to develop reports that link practice to DP provision, and maintain oversight of spend and financial reconciliation as well as removing paperwork from Social Care Practitioners.

Additionally the central team will be a single point of contact for customers, LA staff, and direct payment support service.

Provide a more Efficient setting up of a direct payment.

Apply a consistent application of policy and procedures

Improve communication to all

Provide expert knowledge to customers and staff

Reduce workload of locality business support teams.

Potential to bring in more income to the LA due to increased monitoring of all direct payments.

##### **Management Benefits**

Improved management oversight of direct payment process: reduction in number of unsigned agreements, better service user understanding of legal framework, improved signing of authorised person agreements and better compliance with care act directives around capacity and direct payment.

Better budget management reporting in relation to claw back (audit finding)

Fiscal management in relation to fraud and mis spending benefits of close communication between admin and DPMOs

##### **Service user benefits**

Timeliness – will be seen as priority in setting up on the systems

Delays in processing a direct payment request should reduce

One point of contact for service user

##### **Benefits to locality teams**

Reduced work load for SW practitioners (refer to business support role).

Better management info – more accurate budget forecast.

One point of contact for locality teams.

Improvement in communication around service user contribution following financial assessment.

A process for reporting and auditing fraud/ ease of access for the SOVA leads.

**Opportunity**

Increasingly we are being asked for information relating to the number of Personal Assistance employed by Service Users. Currently CCC do not record such data In addition with a central team it is an opportunity to think about management of employer and PA information :

**What negative impacts are anticipated from this proposal?**

Some work will need to be completed with the locality team as they currently do not complete the necessary paperwork to enable the timely processing of a direct payment, without this information being provided correctly the central team will struggle.

Some practice issue will need to be addressed i.e. how to deal with split packages arranged provision and direct payment?

**Are there other impacts which are more neutral?**

**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

## COMMUNITY IMPACT ASSESSMENT

Directorate / Service Area		Officer undertaking the assessment
CFA, Adult Social Care		Name: Tracy Gurney  Job Title: Head of The Learning Disability Partnership  Contact details: 01223 714692  Date completed: 19.09.16 .....  Date approved: .....
Service / Document / Function being assessed		
Increasing independence and resilience when meeting the needs of people with learning disabilities  Transforming in-house learning disabilities services		
Business Plan Proposal Number (if relevant)	A/R.6.114, A/R.6.122	
Aims and Objectives of Service / Document / Function		
<p>The Learning Disability service in the context of the Transforming Lives model will focus on maintaining and increasing independence and the use of community resources and family networks where these are able to meet a person's needs. Through this work we will reduce dependence on and provision of ongoing social care services. For those people who receive social care services, the Teams will ensure that eligible needs are met in the most cost effective way possible. This approach will include the expectation that people will pay for chosen activities where the specific activity is a choice rather than the only way that eligible needs can be met, that where possible assistive technology will be used to promote independence and reduce demand on social care services, particularly staffing.</p>		
<p><b>What is changing?</b>          Where relevant, consider including: how the service/document/function will be implemented; what factors could contribute to or detract from this; how many people with protected characteristics are potentially impacted upon; who the main stakeholders are; and, details of any previous or planned consultation/engagement to inform the CIA.</p>		
<p>The focus will be on helping individuals be independent and resilient through the Transforming Lives initiative, together with policies approved by Adults Committee in 2016. Care and support will focus on developing skills and opportunities, wherever possible, to increase independence. In the short term this may include more intensive support in order to reduce reliance on social care support in the longer term.</p> <p>We will review and make necessary changes to in house services focussed on ensuring that resource is appropriately targeted to provide intensive short term support aimed at increasing independence. We will also Identify where we can work with the independent sector to provide for assessed needs in a different way and so consider ending any service that is underutilised. We will continuing to provide a respite function both as a day provision and an overnight provision and will ensure that this is appropriately staffed and is cost effective.</p> <p>The funding for the LDP operates a pooled budget bringing together through a section 75 arrangement health and social care funding. Whilst the budget proposals relate to the CCC element of funding it is necessary to maintain the agreed financial contribution to the pool and therefore the LDP service needs to make an additional 20% saving to that outlined in the CCC financial tables.</p> <p>The integrated Learning Disability Teams and in-house providers services will reduce expenditure on ongoing health and social care services through:</p> <ul style="list-style-type: none"> <li>• Ensuring people have access to accessible information and advice to help them themselves</li> <li>• Ensuring people have access to support when they need it to assist them through unstable periods/crisis in order to maintain independence.</li> <li>• Considering community resource and family or social network support before provision of statutory support</li> <li>• Using local resources to avoid or reduce the need for transport</li> <li>• Setting progressive goals to increase/regain independence to negate or reduce the need for ongoing support</li> <li>• Supporting carers through the model of carers support</li> <li>• Increased use of mobile technology for practitioners, saving time and travel expense</li> <li>• Increased use of Assistive Technology to increase independence and reduce the need for staffing where</li> </ul>		

assessed risks allow.

- Working with CYPS to embed the principles of increasing independence in life skills alongside educational attainment in preparation for greater independence in adulthood therefore reducing need for services over a person's lifetime.
- Ensuring that eligible needs are met in the most cost effective way possible,
- An acceptance of greater levels of risk where services are meeting needs but not going beyond this to cover situations that might arise e.g. temporary changes in condition
- Expectation that people pay for activities that are their choice rather than specifically required to meet assessed eligible needs.
- Reducing the number of activities in care packages that are related to social inclusion where a person already attends education / community groups or lives with others.
- Expectation that where 24 hour care and support is funded that providers will be expected to meet social inclusion and activity needs within that funding.
- Accepting a higher degree of risk within care packages by withdrawing aspects that are currently in place to mitigate likelihood of a situation occurring rather than actual risk.
- Identifying where people attend activities / services with one to one support and where possible commission shared support in these situations which will be more cost effective. This will include identifying opportunities for activities which meet assessed needs being provided more cost effectively in groups rather than individually.
- Review of current performance delivery and capacity of in house services to ensure this is as cost effective as possible. This will include a review of staffing structure and use of agency and relief staff.
- Consider any scope for rationalisation of in house respite services with independent sector providers.

In addition practitioners will continue to:

- Work closely with partners; health, voluntary orgs
- Focus on people placed out of county or in high cost placements and establish new more cost effective provisions within county.
- Use assistive technology to reduce the need for care staff particularly waking night staff.
- Meet the requirements of the winterbourne concordat and transforming care agenda.
- Only commission single person services where this is an assessed eligible need.

#### Who is involved in this impact assessment?

e.g. Council officers, partners, service users and community representatives.

Council Officers

#### What will the impact be?

Tick to indicate if the expected impact on each of the following protected characteristics is positive, neutral or negative.

Impact	Positive	Neutral	Negative
Age			X
Disability			X
Gender reassignment		X	
Marriage and civil partnership		X	
Pregnancy and maternity		X	
Race		x	

Impact	Positive	Neutral	Negative
Religion or belief		X	
Sex		X	
Sexual orientation		X	
The following additional characteristics can be significant in areas of Cambridgeshire.			
Rural isolation			X
Deprivation		X	

For each of the above characteristics where there is a positive, negative and / or neutral impact, please provide details, including evidence for this view. Consider whether the impact could be disproportionate on any particular

protected characteristic. Describe the actions that will be taken to mitigate any negative impacts and how the actions are to be recorded and monitored. Describe any issues that may need to be addressed or opportunities that may arise.

#### **Positive Impact**

The service is only provided to people with specific needs that meet the national eligibility criteria for social care and so the positive impact of the changes will be focused on people with those “characteristics”.

- People will have access to the information and advice they need to help themselves and will be well supported at all levels to maximise their independence and to increase inclusion in their local communities
- Young people will be supported to maximise the skills needed for adulthood before reaching the age of 18.

#### **Negative Impact**

The service is only provided to people with specific needs that meet the national eligibility criteria for social care and so the negative impact of the changes will be focused on people with those “characteristics”.

- Where it is possible to meet only eligible needs within a reduced level of funding on the health and social care package this will be implemented and therefore it is anticipated that a number of people will have a change in their package and an associated reduction in their personal budget to fund that package.
- Choice will be informed and limited by the most cost effective way to meet assessed needs.
- Greater expectation on carers to continue to provide care and support may lead to more pressure on carers however carers have a right to their own assessment and care plan under The Care Act and their needs will be taken into account in this way.
- Expectations on independent sector providers to meet needs around social inclusion and activity within their funding to a greater extent than is expected currently.
- Greater expectation on community resources to help meet the needs of those with a Learning Disability in their local area. Some areas of the county are currently in a better position than others to do this.

#### **Neutral Impact**

The characteristics where the impact is deemed as neutral are those which are not relevant as no distinction is made when delivering the service.

#### **Issues or Opportunities that may need to be addressed**

- Ensure resources in local communities are accessible to people with learning disabilities though teams working proactively and having a presence in those communities.
- Ensure practitioners have knowledge and promote the use of assistive technology
- Availability of mobile technology for staff
- Work with partner agencies/organisations to increase local opportunities/activities for people with a disability
- Ensure that information, advice and guidance is accessible for all across the county
- Services in place that support progression/maximising independence
- Ensure that the service/personal budget offered is sufficient to meet eligible needs in the most cost effective way

**Community Cohesion**

If it is relevant to your area you should also consider the impact on community cohesion.

The proposals are underpinned by the intention to reform adult social care which will mean that there is a much stronger focus on supporting people within their community and this will have a positive impact on community cohesion

## COMMUNITY IMPACT ASSESSMENT

Directorate / Service Area		Officer undertaking the assessment
CFA, Adult Social Care		Name: Linda Mynott  Job Title: Head of Disability Service  Contact details: 01480 373220  Approved 14/10/15
Service / Document / Function being assessed		
Supporting people with physical disabilities and people with autism to live more independently		
Business Plan Proposal Number (if relevant)	A/R.6.111	
Aims and Objectives of Service / Document / Function		
<p>The Physical Disability Team and Adult and Autism Team in the context of the Transforming Lives model will focus on maintaining and increasing independence and the use of community resources and family networks where these are able to meet a person's needs. There will be an expectation that people access the Reablement service and Assistive Technology. Through this work we will reduce dependence on and provision of ongoing social care services. For those people who receive social care services, the Teams will ensure that eligible needs are met in the most cost effective way possible. This approach will include the expectation that people pay for chosen activities where the specific activity is a choice rather than the only way that eligible needs can be met. The Teams will continue to use a benchmark cost of what we would expect to pay for each type of care provision.</p>		

What is changing?
<p>The focus will be on developing independence and resilience of individuals and their networks through the Transforming Lives approach and the application of policy lines approved by Adults Committee in 2016.</p> <p>The Physical Disability &amp; Autism &amp; Adults Teams will reduce expenditure on ongoing social care services through:</p> <ul style="list-style-type: none"> <li>• Ensuring people have access to information and advice to help them themselves</li> <li>• Ensuring people have access to support when they need it to assist them through unstable periods/crisis in order to maintain independence</li> <li>• Considering community resource before provision of statutory support</li> <li>• Using local resources to avoid the need for transport</li> <li>• Setting progressive goals to increase/regain independence to negate or reduce the need for ongoing support</li> <li>• Supporting carers through a new model of carers support</li> <li>• Increased use of mobile technology for practitioners, saving time and travel expense</li> <li>• Working with CYPS to improve preparation for independence - focussing on lifelong skills and employment skills for children with disabilities whilst still in education</li> <li>• Ensuring that eligible needs are met in the most cost effective way possible, with benchmarking of unit costs being used to inform this approach</li> <li>• An acceptance of greater levels of risk where services are meeting needs but not going beyond this to cover situations that might arise e.g. temporary changes in condition</li> <li>• Expectation that people pay for activities that are their choice rather than specifically required to meet assessed eligible needs.</li> <li>• Where there are a number of different ways to meet eligible needs, the most cost effective way will be adopted</li> </ul> <p>In addition practitioners will continue to:</p>

- Work closely with partners; health, voluntary orgs
- Maximise the use of the Reablement Service to promote independence
- Maximise use of Housing Related Support Services
- Maximise the use of sensory equipment
- Maximise moving and handling reassessments to reduce the use of 'double of care'
- Continue to maximise access to Visual Impairment Rehabilitation and Occupational Therapy
- Maximise the use of Assistive Technology

#### Who is involved in this impact assessment?

e.g. Council officers, partners, service users and community representatives.

All relevant Adult Social Care managers  
Council Officers

#### What will the impact be?

Tick to indicate if the impact on each of the following protected characteristics is positive, neutral or negative.

Impact	Positive	Neutral	Negative
Age			X
Disability			x
Gender reassignment		X	
Marriage and civil partnership		X	
Pregnancy and maternity		X	
Race		X	

Impact	Positive	Neutral	Negative
Religion or belief		X	
Sex		X	
Sexual orientation		X	
The following additional characteristics can be significant in areas of Cambridgeshire.			
Rural isolation			X
Deprivation		X	

For each of the above characteristics where there is a positive, negative and / or neutral impact, please provide details, including evidence for this view. Describe the actions that will be taken to mitigate any negative impacts and how the actions are to be recorded and monitored. Describe any issues that may need to be addressed or opportunities that may arise.

#### Positive Impact

The service is only provided to people with specific needs that meet the national eligibility criteria for social care and so the positive impact of the changes will be focused on people with those "characteristics".

- People will have access to the information and advice they need to help themselves and will be well supported at all levels to maximise their independence and to increase inclusion in their local communities
- Young people will be supported to maximise the skills needed for adulthood before reaching the age of 18.

#### Negative Impact

The service is only provided to people with specific needs that meet the national eligibility criteria for social care and so the negative impact of the changes will be focused on people with those "characteristics".

- Where it is possible to meet eligible needs and reduce the expenditure on the social care package, some people will have a change in their package and an associated reduction in their personal budget.
- Support/provision will be informed by the most cost effective way to meet assessed needs.
- Greater expectation on carers to continue to provide care and support may lead to more pressure on carers

#### Neutral Impact

- The characteristics where the impact is deemed as neutral are those which are not relevant as no distinction is made when delivering the service.

#### **Issues or Opportunities that may need to be addressed**

- Ensure adequate capacity of re-ablement and housing related support services
- Ensure practitioners across ASC have adequate knowledge of Sensory Services
- Availability of mobile technology for staff
- Work with partner agencies/organisations to increase local opportunities/activities for people with a disability
- Ensure that information, advice and guidance is accessible for all across the county
- Services in place that support progression/maximising independence
- Ensure that the service/personal budget offered is sufficient to meet eligible needs in the most cost effective way
- Ensure all practitioners across ASC have an up to date awareness of Assistive Technology
- Ensure practice is in line with the councils Transforming Lives approach

**Community Cohesion**

If it is relevant to your area you should also consider the impact on community cohesion.

The proposals are underpinned by the intention to reform adult social care which will mean that there is a much stronger focus on supporting people within their community and this will have a positive impact on community cohesion

# COMMUNITY IMPACT ASSESSMENT

Directorate / Service Area		Officer undertaking the assessment
ETE / Passenger Transport CFA / Learning (cross-directorate project)		Name: Toby Parsons
Proposal being assessed		Job Title: Transport Policy & Operational Project Manager
Total Transport - Roll-out of Total Transport Phase 1		Contact details: 01223 743787
Business Plan Proposal Number (if relevant)		Date completed: 22 November 2016
A/R. 6.244		Date approved: 2.12.2016
Aims and Objectives of the Service or Function affected		
<p>The service provides home to school transport for eligible pupils travelling to mainstream schools across Cambridgeshire, and in a small number of cases across the county boundary. Transport to special needs schools is provided separately and is not included in this project.</p>		
What is the proposal?		
<p>This is an updated proposal, in light of the data and experience gained through Phase 1 of the Total Transport pilot, which was implemented in the East Cambridgeshire area at the start of September 2016. By investing in staff and by extending the use of smartcard technology, the Council will be able to deliver more efficient mainstream school transport services, matching capacity more closely with demand. The intention is to secure financial savings whilst ensuring that all eligible pupils continue to receive free transport with reasonable but efficient travel arrangements.</p> <p>A “clean sheet” network review will be undertaken, to improve efficiency and achieve savings. At the same time, smartcards will replace standard passes, to allow data about real passenger numbers to be collected.</p> <p>There will be no changes to eligibility, nor will charges be introduced (the Council has no statutory right to do so). There will be some impact on journey times, and certain groups of pupils will share services with others. Services will continue to be provided within statutory guidance and the Council’s policy commitments.</p>		
Who will be affected by this proposal?		
<p>The proposal would cover all eligible mainstream pupils within Cambridgeshire.</p>		
What positive impacts are anticipated from this proposal?		
<p>The proposal will deliver financial savings with limited impact on the service received by users.</p>		
What negative impacts are anticipated from this proposal?		

There will be some impact on journey times, and the groups of pupils who share transport. There will be no removal of transport, nor any introduction of charges.

Are there other impacts which are more neutral?

The introduction of smartcards rather than standard tickets will simply change the boarding process for pupils.

### Impacts on specific groups with protected characteristics

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

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

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

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

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

None

## COMMUNITY IMPACT ASSESSMENT

Directorate / Service Area		Officer undertaking the assessment
CFA, Adult Social Care		Name: Linda Mynott  Job Title: Head of Disability Services  Contact details: 01480 373252  Date completed: 13.09.16  Date approved: .....
Proposal being assessed		
Specialist Support for Adults with Autism to increase their independence		
<b>Business Plan Proposal Number (if relevant)</b>	A/R.6.113	
Aims and Objectives of the Service or Function affected		
<p>The Adult and Autism Team was created in April 2014 to meet the needs of Vulnerable Adults who do meet access criteria for Learning Disability Partnership, Physical Disability or Mental Health Services.</p> <p>The team consists of a Senior Social Worker, 1.5 Social Workers and 1.5 Adult Support Co-ordinators. The Team is managed by a 0.5 hr Service Manager and 0.5 hr Team Manager.</p> <p>Referrals to the team come through transition from Children's Services and the Contact Centre. Whilst the majority of people who present to the service are on the Autistic Spectrum the team support people with a variety of other vulnerabilities.</p> <p>In recognition that people on the Autistic Spectrum benefit from occasional assistance during an unplanned event or crisis, a preventative service was commissioned from the National Autistic Society (NAS) to provide 1:1 support through 2 x 0.8 hr Support Workers, working across the County. NAS has the benefit of being co-located with CLAS, the Adult Autistic Spectrum Disorder Diagnosis Centre and importantly people are able to self-refer. The work of the NAS support workers spans offering information and advice on diagnosis, assistance (can be re-occurring) during a crisis or unplanned event and one to one short/medium term goal focused support.</p>		
What is the proposal?		
<p>It is recognised that the support offered by NAS is not sufficient to cope with developing demands, in particular the 1:1 support. As it has not yet been possible to determine future commissioning arrangements for people on the Autistic Spectrum, or other vulnerabilities, the proposal is to introduce 2 x full time equivalent Council Support Workers, who would sit with the Adult &amp; Autism Team for a fixed term period of 12 months. The workers will provide short/medium goal focused intervention, assisting people to maximise their independence and reducing the need for ongoing statutory support.</p> <p>The work of the 'in house' Support Workers will be monitored and evaluated to inform future commissioning arrangements.</p>		
Who will be affected by this proposal?		
<p>Recruitment of 2 full time Support Workers for a 24 month period to work with service users to develop skills and access opportunities such as training or employment that would reduce the need for social care support.</p> <p>The proposal will affect people on the Autistic Spectrum and Vulnerable Adults who do meet access criteria for Learning Disability Partnership, Physical Disability or Mental Health Services and are deemed to meet eligibility criteria.</p>		
What positive impacts are anticipated from this proposal?		

Increased independence and wellbeing for people using the service.  
Financial savings for Cambridgeshire County Council.  
Assisting with monitoring and evaluating current and future need.

**What negative impacts are anticipated from this proposal?**

Existing service users may need to adjust to a change in the way that support is provided; working to towards greater independence.

**Are there other impacts which are more neutral?**

No

**Impacts on specific groups with protected characteristics**

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

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

Impact	Tick if disproportionate impact
Age	
Disability	X
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**

This proposal directly affects people on the Autistic Spectrum and Vulnerable Adults who meet the eligibility criteria for services; the impact will be a positive one

## COMMUNITY IMPACT ASSESSMENT

Directorate / Service Area		Officer undertaking the assessment	
LGSS Transactions		Name: Ashley Leduc .....  Job Title: Service Delivery Manager .....  Contact details: 07912 891860 .....  Date completed: 12 <sup>th</sup> September 2016 .....  Date approved: .....	
Proposal being assessed			
Increase in income from Older People's client contributions from increased frequency of reassessments			
<b>Business Plan Proposal Number (if relevant)</b>	A/R.6.134		
Aims and Objectives of the Service or Function affected			
Previously, financial reassessments for people who are receiving council funded services in the community were completed on an ad hoc basis. This meant that financial contributions did not increase in line with uplifts to state benefits or new income and capital being received.			
What is the proposal?			
<p>We realised recently that older people and those with mental health are not always being financially reassessed every year. The council will therefore reassess all clients more regularly to ensure that the full contributions are being collected.</p> <p>There are 2 things changing in terms of reassessing customers who receive community based services.</p> <ol style="list-style-type: none"> <li>1. A temporary reassessment team is being created to reassess all the customers in the community who have not had an up to date financial assessment in the last 12 months. This will enable the Council to up to date their records and increase contributions based upon inflationary increases in their income which they have received since their last financial assessment. It also gives the Council the opportunity review all financial circumstances including allowances afforded for housing and disability costs.</li> <li>2. All those customers who have received a financial assessment in the last 12 months will receive an automatic reassessment every April in line with increases to state benefits and private pensions. This will alleviate the need for the Financial Assessment team to manual reassess every 12 months and ensure that the Council can maximise financial contributions at the earliest possible point.</li> </ol> <p>The aim of this work is so that the Council can ensure that the customer has an up to date financial assessment regularly. This will enable the Council to maximise income being generated and to ensure that the charge is fair.</p>			
Who will be affected by this proposal?			
.			
The proposal will affect all Adult Social Care customers across all of Cambridgeshire.			
What positive impacts are anticipated from this proposal?			
It is anticipate that income generation for the authority will be increased to the correct levels and will provide the Council the opportunity to identify those customers who have not maximised their benefit entitlement. The proposal also means that less staff time is being spent reassessing customers and can be better focussed on improving the customer experience.			
What negative impacts are anticipated from this proposal?			

Customer's financial contributions may increase which may mean that they feel additional financial pressure. This could lead to customer complaints and people refusing to pay their care invoices.

**Are there other impacts which are more neutral?**

Automatic reassessments are not always 100% accurate which can mean that customers have to contact us to provide correct information.

**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**

## COMMUNITY IMPACT ASSESSMENT

Directorate / Service Area		Officer undertaking the assessment
Economy, Transport & Environment Directorate Highways Service		Name: Richard Lumley
<b>Proposal being assessed</b>		Job Title: Head of Highways
Move to full cost-recovery for non-statutory highways works		Contact details: <a href="mailto:Richard.lumley@cambridgeshire.gov.uk">Richard.lumley@cambridgeshire.gov.uk</a>
<b>Business Plan Proposal Number (if relevant)</b>		Date completed: 18 September 2016
<b>B/R.6.213</b>		Date approved: .....
Aims and Objectives of the Service or Function affected		
<p>Cambridgeshire County Council's highway service facilitates the local highway improvement (LHI) initiative and third party (privately funded) schemes) on the public highway, across Cambridgeshire.</p> <p>In both cases these are community led and funded (LHI require a minimum 10% contribution to the scheme cost), small scale highway improvement schemes.</p> <p>Highway's officers work closely with local communities, local members and Parish / Town councils to support, guide and implement the desired improvements.</p>		
What is the proposal?		
<p>The County Council is aware that at present not all costs associated with this work are being accurately recorded and thus recovered. Given the significant pressure on budgets it is important that true cost of work is known and that those communities that want highway schemes to take place are aware of the full cost and can then cover the cost.</p> <p>It is proposed to implement a time recording system for all highways staff across the county to use, to start recording the time spent on individual projects. This information will then build up a picture of how much a particular type of scheme will cost, thereby enabling the Council to provide accurate quotes for schemes. This in turn will allow the applicant to make an informed decision as to whether or not they wish to proceed.</p> <p>Council officers will be educated in the use of the system and the more commercial approach that the organisation needs to take going forward.</p> <p>Greater transparency will also enable the County Council to resource itself accordingly, therefore ensure that if the money is available from the applicants then the scheme can be progressed.</p>		
Who will be affected by this proposal?		
<p>The proposal will affect all those that wish to apply for highway improvement schemes, either via the LHI application process of privately funded work.</p> <p>County Council staff will have to change their mind set and approach to delivering LHI and privately funded schemes, ensuring that time is recorded accurately in order to recover the full cost of schemes.</p>		
What positive impacts are anticipated from this proposal?		

- Reduced pressure on already stretched budgets, therefore potential for the money to go further.
- Greater transparency regarding small scale highway improvement schemes.
- County staff becoming more commercially minded.
- Increased certainty that schemes will be delivered due to appropriate resource and better programme management.

**What negative impacts are anticipated from this proposal?**

- The cost of schemes to communities will increase.
- Poorer communities may not be able to fund highway improvements.
- Could lead to an increased divide between areas of the county.

**Are there other impacts which are more neutral?**

There are no neutral impacts.

## 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	x

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

The likelihood is that the cost of schemes will increase; therefore some of the more deprived communities may not be able to afford to pay for highway improvement schemes. However there are still other types of funding available through the local transport plan that will ensure the whole county benefits from highway improvements. The LHI initiative is also designed in such a way that communities only have to pay a contribution, rather than cover the cost of the whole scheme.



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

**To:** General Purposes Committee

**Meeting Date:** 20 December 2016

**From:** Sue Grace, Corporate Director  
Chris Malyon, Chief Finance Officer

**Electoral division(s):** All

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

**Purpose:** This report provides the Committee with an overview of the draft Business Plan revenue and capital proposals for Corporate and LGSS Managed Services and cross-Council proposals that are within the remit of the General Purposes Committee.

**Recommendation:** General Purposes Committee is recommended to:

- a) note the overview and context provided for the 2017/18 to 2021/22 Business Plan revenue proposals for the Service, updated since the last report to the Committee in October.
- b) comment on the revenue savings proposals that are within the remit of the General Purposes Committee for 2017/18 to 2021/22.
- c) comment on the changes to the capital programme that are within the remit of the General Purposes Committee.

<b><i>Officer contact:</i></b>	
Name:	Sue Grace
Post:	SH1104
Email:	<a href="mailto:Sue.Grace@Cambrdgeshire.gov.uk">Sue.Grace@Cambrdgeshire.gov.uk</a>
Tel:	01223 715680

## 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 continues to reduce whilst our costs continue to rise. Those increases are driven by inflationary and demographic pressures. As the fastest growing county in the country the pressures of demography are far greater in this county than elsewhere.

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 £68m in the last two years and are on course to save a further £41m this year (2016/17). As a result, we have had to make tough decisions over service levels during this time. Over the coming five years those decisions become even more challenging. That is why this year the Council has adopted a new approach to meeting these financial challenges, which builds upon the outcome-led approach that was developed last year.

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

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

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

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

- 1.5 In July 2016 General Purposes Committee considered and endorsed a report which summarised the role that the new approach to transformation has played so far this year.
- 1.6 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, which are relevant to this Committee.
- 1.7 Funding projections have been updated based on the latest available information to provide a current picture of the total resource available to the Council. At this stage in the year, however, projections remain fluid and will be reviewed as more accurate data becomes available.
- 1.8 The main cause of uncertainty is the upcoming Comprehensive Spending Review and Local Government Finance Settlement. General Purposes Committee resolved not to accept the multi-year grant settlement that was being offered by the Government and therefore this uncertainty will be an annual event.
- 1.8 The Committee is asked to endorse these proposals for consideration as part of the Council's development of the Business Plan for the next five years.

## 2. FINANCIAL OVERVIEW

- 2.1 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 £33.6m are required for 2017-18, and a total of £99m across the full five years of the Business Plan. The level of savings required do change each year as cost projections are updated to reflect the latest information available including the latest service pressures that have been identified. The following table shows the total amount necessary for each of the next five years, separating Public Health in 2017-18 as it is ring-fenced:

Service Block	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000
Council	-33,002	-19,440	-16,892	-18,495	-10,583
Public Health	-606	-	-	-	-
<b>Total</b>	<b>-33,608</b>	<b>-19,440</b>	<b>-16,892</b>	<b>-18,495</b>	<b>-10,583</b>

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

	2017-18 £'000	Risk
Dedicated Schools Grant funding	4,300	This potential pressure is the result of a consultation on national funding reforms and review by Schools Forum.
Business rates revaluation	-	The Business Rates re-valuation is due to take effect from 1st April 2017, which could see significant rises in business rate liabilities in some areas and for some types of property.
Local Government Finance Settlement	-	Risk that the Council's funding is lower than budgeted.
<b>Total</b>	<b>4,300</b>	

- 2.3 In some cases services have planned to increase locally generated income instead of cutting expenditure. For the purpose of balancing the budget these two approaches have the same effect and are treated in the same way.
- 2.4 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	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000
Council	-	-1,823	-12,224	-12,168	-9,879
Public Health	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-1,823</b>	<b>-12,224</b>	<b>-12,168</b>	<b>-9,879</b>

Note, this assumes the Public Health Grant is un-ring-fenced from 2018-19 onwards.

- 2.5 The level of savings required is based on a 2% increase in Council Tax, through levying the Adults Social Care precept in all years it is available (up to and including 2019-20), but a 0% general Council Tax increase. This assumption is built into the Medium Term Financial Strategy (MTFS) which was discussed by GPC in July. For each 1% more or less that Council Tax is changed, the level of savings required will change by approximately +/-£2.5m.
- 2.6 There is currently a limit on the increase of Council Tax of 2% and above. Should Councils wish to increase their council tax above this it can only do so having sought the views of the local electorate 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 council tax limit of 2% and above will remain in place for all five years.
- 2.7 Following December service committees, GPC will review the overall programme in early January, before recommending the programme in late January as part of the overarching Business Plan for Full Council to consider in February.

### 3. TRANSFORMATION UPDATE

- 3.1 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.
- 3.2 As a consequence it was agreed that the Council would establish a fund that would 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.
- 3.3 All savings proposals have been aligned with one of the eleven transformation workstreams and £7,387k has been requested from the transformation fund to support the delivery of these savings in 2017-18.

Investments requested:

Transformation Workstream	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000
Finance & Budget Review	-	133	-46	-87	-	-
Customer & Communities	-	-	-	-	-	-
Assets, Estates & Facilities Management	-	-	-	-	-	-
Commissioning	73	1,412	-1,042	-332	-38	-
Contracts, Commercial & Procurement	-	-	-	-	-	-
Workforce Planning & Development	-	-	-	-	-	-
Adult Services	146	5,442	-4,646	-796	-	-
Children's Services	-	-	-	-	-	-
Economy, Transport & Environment	800	-	-	-	-	-
Corporate & LGSS	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
<b>Total</b>	<b>1,019</b>	<b>7,387</b>	<b>-6,134</b>	<b>-1,215</b>	<b>-38</b>	<b>-</b>
<b>Absolute</b>	<b>1,019</b>	<b>7,387</b>	<b>1,253</b>	<b>38</b>	<b>-</b>	<b>-</b>
<b>Cumulative</b>	<b>1,019</b>	<b>8,406</b>	<b>9,659</b>	<b>9,697</b>	<b>9,697</b>	<b>9,697</b>

Savings aligned to workstreams:

Transformation Workstream	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000
Finance & Budget Review	-5,041	-5	2,283	-10	-
Customer & Communities	-687	-606	-168	-27	-
Assets, Estates & Facilities Management	-174	-19	-19	-561	2
Commissioning	-8,429	-5,223	-2,506	-2,752	-
Contracts, Commercial & Procurement	-4,717	-3,978	-1,000	-	-
Workforce Planning & Development	-4,589	-3,668	-	-	-
Adult Services	-2,836	-1,457	-1,062	-1,057	-
Children's Services	-2,108	-1,834	-1,414	-1,157	-
Economy, Transport & Environment	-459	-135	-134	-127	-127
Corporate & LGSS	-468	-706	-619	-607	-566
Public Health	-606	-	-	-	-
Changes to fees, charges & ring-fenced grants	-1,154	14	-29	-29	-13
Proposals to be finalised	-2,340				
<b>Subtotal</b>	<b>-33,608</b>	<b>-17,617</b>	<b>-4,668</b>	<b>-6,327</b>	<b>-704</b>
Unidentified savings		-1,823	-12,224	-12,168	-9,879
<b>Total</b>	<b>-33,608</b>	<b>-19,440</b>	<b>-16,892</b>	<b>-18,495</b>	<b>-10,583</b>

#### 4. CAPITAL PROGRAMME UPDATE

- 4.1 The draft capital programme was reviewed individually by service committees in September and was subsequently reviewed in its entirety, along with the prioritisation of schemes, by General Purposes Committee in October. No changes were made as a result of these reviews, though work is ongoing to revise and update the programme in light of continuing review by the Capital

Programme Board, changes to overall funding or to specific circumstances surrounding individual schemes.

- 4.2 The Council is still awaiting funding announcements regarding various capital grants which are expected to be made during December/January, plus the ongoing nature of the capital programme inevitably means that circumstances are continually changing. Therefore Services will continue to make any necessary updates in the lead up to the January GPC meeting at which the Business Plan is considered.

## **5. OVERVIEW OF CORPORATE, LGSS MANAGED AND CROSS-COUNCIL DRAFT REVENUE PROGRAMME**

- 5.1 General Purposes Committee has led the redesign of the business planning process as detailed above (Section 1 of this report) and as a result will be considering cross-council proposals as well as proposals relating to Corporate and LGSS Managed Services.
- 5.2 **Appendix A** of this report outlines the proposals that have been developed along with other key financial information. Key lines within the table are:
- 5.3 **Base Adjustment C/R.1.008.** Following the completion of the Corporate Capacity Review Phase One an adjustment has been made to the base budget to support staff moving from other Directorates into Corporate Services.
- 5.4 **Council-wide demography (C/R4.007) and Contact Centre demography (C/R 3.001).** As per the agreement of General Purposes Committee at its meeting on 20 September 2016, this year the Council is taking a new approach to funding the impact of population growth on its services. Funding to meet the demands of general population growth, expected to be 1.4%, will be held centrally by GPC and provided to Services Committees as and when actual demography impact is felt and when the Service Committees request funding.
- 5.5 However, services that demonstrate they will experience an increase in demand above and beyond the 1.4% general population growth will receive additional demography funding. This is the case for the Contact Centre which is affected by a rise in the number of older people in Cambridgeshire above 1.4% this group tend to use Contact Centre services more than the wider population.
- 5.6 **Apprenticeship Levy (C/R4.005).** The Government's Apprenticeship Levy will come into force in 2017/18. This requires that large employers such as the Council pay 0.5% of their salary budget into a pool that will fund apprenticeship schemes nationwide. The expected cost of this for the Council is £500k. The Council is developing plans to increase apprenticeship opportunities across its services and therefore expects to access this national fund to support the development of apprenticeships across the Council.
- 5.7 **Elections C/R.4.006.** Following the decision to proceed with devolution across Cambridgeshire and Peterborough further work is taking place to confirm the costs of the 2017 County Council elections. We will work to maximise the economies of scale we can achieve with partners by running the Mayoral and County Council elections together.

- 5.8 **Investments** in section five of the table refer largely to investments that have either been approved by GPC as part of the Transformation Fund or are in the Transformation Pipeline for consideration later in the year. All investments are shown here to provide GPC with oversight of the entire Transformation Fund, although many of the savings related to these investments are shown within the Service Committee finance tables which “own” these savings.
- 5.9 **Savings** in section 6 are the savings that are “owned” by GPC. These include savings achieved through more effective contract management; through further organisational reviews and re-structures across the Council; and through the Citizen First Digital First programme which was approved by GPC in July 2016 and is supported by the Transformation Fund.
- 5.10 **C/R.6.109 and C/R.6.110** are savings achieved by capitalising the costs of the Transformation team and by further transformation savings that we expect to be brought forward for 2017/18.
- 5.11 All these proposals are subject to further consideration and development prior to approval at Full Council in February 2016 when the final proposals become the Council’s Business Plan.

## 6. OVERVIEW OF CORPORATE AND LGSS MANAGED DRAFT CAPITAL PROGRAMME

- 6.1 The capital programme is shown in full in **Appendix A** as part of the finance tables. Since the Capital Programme was presented in October there have been a number of significant changes to schemes:

**C/C.1.005 Capitalisation of Transformation Team** – This proposal was previously funded by revenue. We are now using the flexibility of capital receipts to fund these costs from capital instead of being funded by revenue.

**C/C.2.005 Microsoft Enterprise Agreement for CCC** – This scheme was agreed as part of the 2016-17 Business Planning process, with costs to be incurred in 2016-17, however it is now expected costs of £500k will now occur in 2017-18.

## 7. NEXT STEPS

- 7.1 The proposals will be considered alongside those from the other service committees at the General Purposes Committee in early January.

January	General Purposes Committee will review the whole draft Business Plan on 10 <sup>th</sup> January and review again on 24 <sup>th</sup> January for recommendation to Full Council
February	Full Council will consider the draft Business Plan

## 8. ALIGNMENT WITH CORPORATE PRIORITIES

- 8.1 **Developing the local economy for the benefit of all**  
The Council’s business planning process, which is represented in this report, is the core way the organisation plans to meet its corporate priorities with the resources available in the coming five years.

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

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

## **8.3 Supporting and protecting vulnerable people**

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

# **9. SIGNIFICANT IMPLICATIONS**

## **9.1 Resource Implications**

This report is about the business planning process so has a direct impact on resources.

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

There are no significant implications within this category.

## **9.3 Equality and Diversity Implications**

These implications are set out in the Community Impact Assessments which accompany these proposals.

## **9.4 Engagement and Consultation Implications**

Consultation on the Business Plan has been carried out with the public and reported to the last meeting of GPC.

## **9.5 Localism and Local Member Involvement**

There are no significant implications within this category.

## **9.6 Public Health Implications**

There are no significant implications within this category.

## 10. SIGNIFICANT IMPLICATIONS

### 10.1

Implications	Officer Clearance
<b>Have the resource implications been cleared by Finance?</b>	Yes Name of Financial Officer: Chris Malyon
<b>Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?</b>	No N/A
<b>Are there any Equality and Diversity implications?</b>	Yes these are set out in the Community Impact Assessments which accompany these proposals (Appendix B) Name of Officer: Sue Grace
<b>Have any engagement and communication implications been cleared by Communications?</b>	Yes Name of Officer: Mark Miller
<b>Are there any Localism and Local Member involvement issues?</b>	No N/A
<b>Have any Public Health implications been cleared by Public Health</b>	No N/A

Source Documents	Location
None	N/A



# Section 3 – Finance Tables

## Introduction

There are six types of finance table: tables 1-3 relate to all Service Areas, while only some Service Areas have tables 4, 5 and/or 6. Tables 1, 2, 3 and 6 show a Service Area's revenue budget in different presentations. Tables 3 and 6 detail all the changes to the budget. Table 2 shows the impact of the changes in year 1 on each policy line. Table 1 shows the combined impact on each policy line over the 5 year period. Some changes listed in Table 3 impact on just one policy line in Tables 1 and 2, but other changes in Table 3 are split across various policy lines in Tables 1 and 2. Tables 4 and 5 outline a Service Area's capital budget, with table 4 detailing capital expenditure for individual proposals, and funding of the overall programme, by year and table 5 showing how individual capital proposals are funded.

**TABLE 1** presents the net budget split by policy line for each of the five years of the Business Plan. It also shows the revised opening budget and the gross budget, together with fees, charges and ring-fenced grant income, for 2017-18 split by policy line. Policy lines are specific areas within a service on which we report, monitor and control the budget. The purpose of this table is to show how the net budget for a Service Area changes over the period of the Business Plan.

**TABLE 2** presents additional detail on the net budget for 2017-18 split by policy line. The purpose of the table is to show how the budget for each policy line has been constructed: inflation, demography and demand, pressures, investments and savings are added to the opening budget to give the closing budget.

**TABLE 3** explains in detail the changes to the previous year's budget over the period of the Business Plan, in the form of individual proposals. At the top it takes the previous year's gross budget and then adjusts for proposals, grouped together in sections, covering inflation, demography and demand, pressures, investments and savings to give the new gross budget. The gross budget is reconciled to the net budget in Section 7. Finally, the sources of funding are listed in Section 8. An explanation of each section is given below.

- **Opening Gross Expenditure:** The amount of money available to spend at the start of the financial year and before any adjustments are made. This reflects the final budget for the previous year.

- **Revised Opening Gross Expenditure:** Adjustments that are made to the base budget to reflect permanent changes in a Service Area. This is usually to reflect a transfer of services from one area to another.
- **Inflation:** Additional budget provided to allow for pressures created by inflation. These inflationary pressures are particular to the activities covered by the Service Area.
- **Demography and Demand:** Additional budget provided to allow for pressures created by demography and increased demand. These demographic pressures are particular to the activities covered by the Service Area. Demographic changes are backed up by a robust programme to challenge and verify requests for additional budget.
- **Pressures:** These are specific additional pressures identified that require further budget to support.
- **Investments:** These are investment proposals where additional budget is sought, often as a one-off request for financial support in a given year and therefore shown as a reversal where the funding is time limited (a one-off investment is not a permanent addition to base budget).
- **Savings:** These are savings proposals that indicate services that will be reduced, stopped or delivered differently to reduce the costs of the service. They could be one-off entries or span several years.
- **Total Gross Expenditure:** The newly calculated gross budget allocated to the Service Area after allowing for all the changes indicated above. This becomes the Opening Gross Expenditure for the following year.
- **Fees, Charges & Ring-fenced Grants:** This lists the fees, charges and grants that offset the Service Area's gross budget. The section starts with the carried forward figure from the previous year and then lists changes applicable in the current year.
- **Total Net Expenditure:** The net budget for the Service Area after deducting fees, charges and ring-fenced grants from the gross budget.
- **Funding Sources:** How the gross budget is funded – funding sources include cash limit funding (central Council funding from Council Tax, business rates and government grants), fees and charges, and individually listed ring-fenced grants.

**TABLE 4** presents a Service Area's capital schemes, across the ten-year period of the capital programme. The schemes are summarised by start year in the first table and listed individually, grouped together by category, in the second table. The third table identifies the funding sources used to fund the programme. These sources include prudential borrowing, which has a revenue impact for the Council.

**TABLE 5** lists a Service Area's capital schemes and shows how each scheme is funded. The schemes are summarised by start year in the first table and listed individually, grouped together by category, in the second table.

**TABLE 6** follows the same format and purpose as table 3 for Service Areas where there is a rationale for splitting table 3 in two.

## Section 4 - C: Corporate and Managed Services

Table 1: Revenue - Summary of Net Budget by Operational Division

Budget Period: 2017-18 to 2021-22

Net Revised Opening Budget 2017-18 £000	Policy Line	Gross Budget 2017-18 £000	Fees, Charges & Ring-fenced Grants 2015-16 £000	Net Budget 2017-18 £000	Net Budget 2018-19 £000	Net Budget 2019-20 £000	Net Budget 2020-21 £000	Net Budget 2021-22 £000
	<b>Corporate Services</b>							
973	Corporate Director	1,596	-101	1,495	1,696	1,697	1,701	1,705
198	Chief Executive	201	-3	198	198	198	198	198
1,409	Business Intelligence	1,638	-251	1,387	1,387	1,387	1,387	1,387
1,434	City Deal	1,512	-	1,512	1,644	1,803	1,803	1,803
951	Communications & Information	951	-	951	951	951	951	951
1,287	Customer Services	1,462	-128	1,334	1,358	1,383	1,408	1,433
381	Digital Strategy	384	-	384	384	384	384	384
-	Emergency Planning	-	-	-	-	-	-	-
165	Elections	165	-	165	165	165	165	165
908	Redundancy, Pensions & Injury	1,079	-182	898	888	878	868	868
-	Commercial approach to contract management	-2,000	-	-2,000	-2,000	-2,000	-2,000	-2,000
-	Organisational Structure Review	-1,312	-	-1,312	-3,312	-3,312	-3,312	-3,312
-	Citizen First, Digital First	-303	-	-303	-679	-847	-874	-874
-	HR Policy Change	-600	-	-600	-600	-600	-600	-600
-	Contract mitigation	-	-	-	1,500	2,000	2,000	2,000
-	Demography	3,405	-	3,405	6,794	10,263	13,798	17,387
-	Cross Service Transformation savings	-2,340	-	-2,340	-2,340	-2,340	-2,340	-2,340
-956	Corporate Capacity Review - Phase 2	-956	-	-956	-956	-956	-956	-956
<b>6,749</b>	<b>Subtotal Corporate Services</b>	<b>4,884</b>	<b>-665</b>	<b>4,219</b>	<b>7,079</b>	<b>11,055</b>	<b>14,582</b>	<b>18,200</b>
	<b>Transformation</b>							
1,282	Transformation	345	-345	-	-	1,293	1,293	1,293
<b>1,282</b>	<b>Subtotal Transformation</b>	<b>345</b>	<b>-345</b>	<b>-</b>	<b>-</b>	<b>1,293</b>	<b>1,293</b>	<b>1,293</b>
	<b>Managed Services</b>							
141	External Audit	141	-	141	141	141	141	141
-45	Finance Managed	295	-318	-24	-24	-24	-24	-24
1,894	Insurance	2,074	-	2,074	2,074	2,074	2,074	2,074
1,863	IT Managed	2,511	-159	2,353	2,353	2,353	2,353	2,353
1,020	Members Allowances	1,031	-	1,031	1,031	1,031	1,031	1,031
166	Organisational & Workforce Development Managed	168	-	168	168	168	168	168
1,000	Capitalisation of Redundancies	-	-	-	-	1,000	1,000	1,000
-	Transformation Fund	7,387	-	7,387	1,253	38	-	-
<b>6,040</b>	<b>Subtotal Managed Services</b>	<b>13,608</b>	<b>-477</b>	<b>13,131</b>	<b>6,997</b>	<b>6,782</b>	<b>6,744</b>	<b>6,744</b>

## Section 4 - C: Corporate and Managed Services

Table 1: Revenue - Summary of Net Budget by Operational Division

Budget Period: 2017-18 to 2021-22

Net Revised Opening Budget 2017-18 £000	Policy Line	Gross Budget 2017-18 £000	Fees, Charges & Ring-fenced Grants 2015-16 £000	Net Budget 2017-18 £000	Net Budget 2018-19 £000	Net Budget 2019-20 £000	Net Budget 2020-21 £000	Net Budget 2021-22 £000
	<b>- UNIDENTIFIED SAVINGS TO BALANCE BUDGET</b>	-	-	-	-1,823	-14,047	-26,215	-36,094
	<b>Future Years</b>							
	- Inflation	-	-	-	213	450	752	1,094
	- Savings	-	-	-	-	-	-	-
14,071	<b>CS BUDGET TOTAL</b>	18,837	-1,488	17,349	12,465	5,532	-2,845	-8,764

## Section 4 - C: Corporate and Managed Services

**Table 2: Revenue - Net Budget Changes by Operational Division**

Budget Period: 2017-18

Policy Line	Net Revised Opening Budget £000	Net Inflation £000	Demography & Demand £000	Pressures £000	Investments £000	Savings & Income Adjustments £000	Net Budget £000
<b>Corporate Services</b>							
Corporate Director	973	3	-	519	-	-	1,495
Chief Executive	198	0	-	-	-	-	198
Business Intelligence	1,409	13	-	-	-	-35	1,387
City Deal	1,434	1	-	-	77	-	1,512
Communications & Information	951	0	-	-	-	-	951
Customer Services	1,287	24	23	-	-	-	1,334
Digital Strategy	381	4	-	-	-	-	384
Emergency Planning	-	-	-	-	-	-	-
Elections	165	-	-	-	-	-	165
Redundancy, Pensions & Injury	908	-	-	-	-	-10	898
Commercial approach to contract management	-	-	-	-	-	-2,000	-2,000
Organisational Structure Review	-	-	-	-	-	-1,312	-1,312
Citizen First, Digital First	-	-	-	-	-	-303	-303
HR Policy Change	-	-	-	-	-	-600	-600
Contract mitigation	-	-	-	-	-	-	-
Demography	-	-	-	3,405	-	-	3,405
Cross Service Transformation savings	-	-	-	-	-	-2,340	-2,340
Corporate Capacity Review - Phase 2	-956	-	-	-	-	-	-956
<b>Subtotal Corporate Services</b>	<b>6,749</b>	<b>46</b>	<b>23</b>	<b>3,924</b>	<b>77</b>	<b>-6,600</b>	<b>4,219</b>
<b>Transformation</b>							
Transformation	1,282	11	-	-	-	-1,293	-
<b>Subtotal Transformation</b>	<b>1,282</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-1,293</b>	<b>-</b>
<b>Managed Services</b>							
External Audit	141	-	-	-	-	-	141
Finance Managed	-45	-	-	-	21	-	-24
Insurance	1,894	180	-	-	-	-	2,074
IT Managed	1,863	3	-	486	-	-	2,353
Members Allowances	1,020	11	-	-	-	-	1,031
Organisational & Workforce Development Managed	166	2	-	-	-	-	168
Capitalisation of Redundancies	1,000	-	-	-	-	-1,000	-
Transformation Fund	-	-	-	-	7,387	-	7,387
<b>Subtotal Managed Services</b>	<b>6,040</b>	<b>197</b>	<b>-</b>	<b>486</b>	<b>7,408</b>	<b>-1,000</b>	<b>13,131</b>
<b>CS BUDGET TOTAL</b>	<b>14,071</b>	<b>253</b>	<b>23</b>	<b>4,410</b>	<b>7,485</b>	<b>-8,893</b>	<b>17,349</b>



## Section 4 - C: Corporate and Managed Services

December Service Committees

**Table 3: Revenue - Overview**

Budget Period: 2017-18 to 2021-22

Detailed Plans	Outline Plans
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Ref	Title	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Transformation Workstream	Description
<b>1</b>	<b>OPENING GROSS EXPENDITURE</b>	<b>20,041</b>	<b>24,444</b>	<b>19,361</b>	<b>12,430</b>	<b>4,055</b>		
C/R.1.001	Base Adjustments	-1,034	-	-	-	-		Adjustment for permanent changes to base budget from decisions made in 2016-17.
C/R.1.007	Base Adjustment - Advocacy	-95	-	-	-	-		Budget moved to CFA from CST due to centralisation of expenditure on advocacy to a single contract
C/R.1.008	Base adjustment - CCR Phase 1	2,251	-	-	-	-		CCR revenue staffing budgets moved to Corporate Services from CFA, ETE and A&I.
<b>1.999</b>	<b>REVISED OPENING GROSS EXPENDITURE</b>	<b>21,163</b>	<b>24,444</b>	<b>19,361</b>	<b>12,430</b>	<b>4,055</b>		
<b>2</b>	<b>INFLATION</b>							
C/R.2.001	Inflation	256	215	239	304	344		Some County Council services have higher rates of inflation than the national level. For example, this is due to factors such as increasing running costs of Council properties. This overall figure comes from an assessment of likely inflation in all Corporate services.  Forecast pressure from inflation, based on detailed analysis incorporating national economic forecasts, specific contract inflation and other forecast inflationary pressures.
<b>2.999</b>	<b>Subtotal Inflation</b>	<b>256</b>	<b>215</b>	<b>239</b>	<b>304</b>	<b>344</b>		
<b>3</b>	<b>DEMOGRAPHY AND DEMAND</b>							
C/R.3.001	Customer Services Demography	23	24	25	25	25		Increases in the number of older people in Cambridgeshire may see calls to our Contact Centre rise. This is above and beyond the 1.4% population growth that is accounted for Corporately and features later on in this table - see C/R.4.007
<b>3.999</b>	<b>Subtotal Demography and Demand</b>	<b>23</b>	<b>24</b>	<b>25</b>	<b>25</b>	<b>25</b>		
<b>4</b>	<b>PRESSURES</b>							
C/R.4.005	Apprenticeship Levy	500	-	-	-	-		From April 2017, large employers, including the Council, will be required to pay a levy of 0.5% of their salary budget. This will provide Central Government with a pool of money to support apprenticeship schemes nationwide. This is the forecast cost for our Council.
C/R.4.006	Elections	-	-	-	-	-		Full County Council elections are held every four years across the whole country and are due again for this Council in May 2017. This figure (to be confirmed) is based on expected costs for 2017, and we will be rolling those costs forward on an annual basis to pay for the next elections in 2021.

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**Table 3: Revenue - Overview**

**Budget Period: 2017-18 to 2021-22**

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

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December Service Committees

**Table 3: Revenue - Overview**

Budget Period: 2017-18 to 2021-22

Detailed Plans	Outline Plans
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Ref	Title	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Transformation Workstream	Description
<b>5</b>	<b>INVESTMENTS</b>							
C/R.5.001	Commercial approach to contract management	400	-400	-	-	-	Contracts, commercial & procurement	Transformation Fund investment relating to proposal C/R.6.101 which gives an expected saving of £2,000k per year from 2017-18. This project will establish a Commercial Board, ensuring all commercial opportunities are being robustly pursued.
C/R.5.102	Total Transport	132	-56	-38	-38	-	Commissioning	Transformation Fund investment relating to proposal A/R.6.244. With a predicted saving of £1,275k. Total Transport is a project looking at delivering school transport in a better and more efficient way.
C/R.5.202	Move to full cost recovery for non-statutory highway works	50	-50	-	-	-	Commissioning	Transformation Fund investment relating to proposal B/R.6.213 which gives an expected saving of £200k per year from 2018-19. This project will ensure that the Council recovers all costs associated with additional non-statutory highway works.
C/R.5.301	Specialist Support for Adults with Autism to increase their independence	50	-50	-	-	-	Adults' services	Transformation Fund investment relating to proposal A/R.6.113 which will save £72k per year from 2017-18. This project will involve working with service users to develop skills as well as access to training and employment opportunities to increase independence. This in turn will reduce the need for social care support.
C/R.5.302	Using assistive technology to help people with learning disabilities live and be safe more independently without the need for 24hr or overnight care	186	-186	-	-	-	Adults' services	Transformation Fund investment relating to proposal A/R.6.116 saving £214k per year from 2017-18. We will identify appropriate equipment and smart technology to help people with disabilities be safe and live more independently.
C/R.5.303	Using assistive technology to support older people to remain independent in their own homes (approved)	110	-60	-50	-	-	Adults' services	Transformation Fund investment relating to proposal A/R.6.145 saving £595k per year from 2018-19. Investing in smart technology to help service users stay in their homes, independently, for longer. In this way we can reduce care spending overall while ensuring we make provision for those who cannot remain independent in their own homes.

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**Table 3: Revenue - Overview**

**Budget Period: 2017-18 to 2021-22**

Detailed Plans	Outline Plans
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Ref	Title	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Transformation Workstream	Description
C/R.5.304	Neighbourhood Cares Transformation Pilot- A New Approach to Social Work in Communities	656	-	-656	-	-	Adults' services	<p>Proposal to pilot a radically different model of social work in Cambridgeshire, to be known as "Neighbourhood Cares".</p> <p>This model of social work is informed by the latest thinking developed locally through the Transforming Lives Project, innovation being led by other local authorities and in particular by the successful Buurtzorg model of community care in The Netherlands.</p> <p>This transformation bid is to pilot the model of care in two patches across Cambridgeshire during 2017-18 and 2018-19 with the aim of offering a better quality of care.</p> <p>The key outcomes we want to achieve are:</p> <ul style="list-style-type: none"> <li>•Shift as much resource as possible to the front line.</li> <li>•Free up staff to have more direct contact with the people we need them to work with, in the way we want them to work.</li> <li>•Improve the quality and continuity of the service user experience.</li> <li>•Generate capacity where we currently have capacity gaps, particularly in home care.</li> <li>•Reduce the cost of care (in the back office and in commissioned care).</li> <li>•Set ourselves up for the future – the learning from the pilot sites would then be the basis for the wider transformation of the whole system.</li> </ul> <p>The proposed pilot will test new ways of working which are vital to the achievement of better outcomes and managing with a reduced budget for social care over the medium term. If successful, the ways of working developed through the pilot would then be rolled out countywide and form the basis of our model of local care across Cambridgeshire. This pilot will help us test solutions to the strategic challenges facing the adult social care in Cambridgeshire.</p>
C/R.5.305	Enhanced Occupational Therapy Support to reduce the need for double-handed care	90	-	-90	-	-	Adults' services	Transformation Fund investment relating to proposal A/R.6.165 saving £252k per year from 2017-18. based on an existing successful pilot scheme this would use Occupational Therapy to reduce the need for extra care.
C/R.5.306	Recouping under-used direct payment budget allocations (increased monitoring)	87	-	-87	-	-	Finance & budget review	Transformation Fund investment relating to proposal A/R.6.101 saving £395k per year from 2017-18. This will ensure that budget allocations are proportionate to the needs of the user, and any underspends are recovered.

## Section 4 - C: Corporate and Managed Services

December Service Committees

**Table 3: Revenue - Overview**

**Budget Period: 2017-18 to 2021-22**

Detailed Plans	Outline Plans
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Ref	Title	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Transformation Workstream	Description
C/R.5.307	Dedicated Reassessment Team - Learning Disabilities	750	-750	-	-	-	Commissioning	Transformation Fund investment relating to proposal A/R.6.114 saving at least £2.3million in 2017-18 and savings in subsequent years. Funding dedicated reassessment capacity to deliver savings and to drive better practice. Other savings within the LD programme, including A/R.6.115, A/R.6.117 and A/R.6.122, which relate to commissioning, will also draw on the additional capacity costed within this investment.
C/R.5.308	Supporting people with physical disabilities & people with autism to live more independently	128	-128	-	-	-	Commissioning	Transformation Fund investment relating to proposal A/R.6.111 saving £791k in 2017-18 and making savings in subsequent years. This investment provides increased capacity to undertake the reassessment programme, and consists of funding for 2 social workers and administrative support, totalling 3.5 FTE.
C/R.5.312	Increase in client contributions from improving frequency of re-assessment - older people & elderly mental health	46	-46	-	-	-	Finance & budget review	Transformation Fund investment relating to proposal A/R.6.134, saving £381k. This is the 2017-18 investment in four additional financial assessment offers required to progress a programme of financial re-assessment of social care clients.  By ensuring that clients have a regular financial review, which is in any case a Care Act requirement, we will increase the collection of client contributions to reflect uplifts in pensions, benefits and other personal finance changes.
C/R.5.313	Assistive Technology Phase 2 - Enhanced Response Service	350	-350	-	-	-	Adults' services	Following the agreement of GPC to the Assistive Technology proposals (Phase 1) in September 2016 a further business case has been developed to establish an enhanced assistive technology response service to reduce/delay/minimise admissions to hospital and funded care.
C/R.5.319	ASC/OP investment required to manage and reduce demand & cost to serve	3,400	-3,400	-	-	-		Full proposal is being developed and is likely to include resourcing of projects on: - OP Home Care - OP Accommodation - Crisis Response - Section 117 aftercare (Mental Health) - Lifetime Costs: use of upfront spending to reduce the total lifetime costs of service users with long term needs
C/R.5.320	OP & MH service delivery - sustaining budgetary performance	600	-600	-	-	-		Good progress has been made in managing the OP & MH budgets but there are diminishing returns and investment is required to manage the risks to deliver these savings.  This links to the redistribution of current underspends in this area shown at A/R.4.022 within the CFA section of the tables

## Section 4 - C: Corporate and Managed Services

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**Table 3: Revenue - Overview**

**Budget Period: 2017-18 to 2021-22**

Detailed Plans	Outline Plans
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Ref	Title	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Transformation Workstream	Description
C/R.5.401	Enhanced intervention service for children with disabilities	120	-	-120	-	-	Commissioning	Transformation Fund investment relating to proposal A/R.6.217 saving £696k from 2018-19 onwards per year. This will reduce the number of children with disabilities in out of county residential homes, to enable them to safely live with their family and access education in their local area.
C/R.5.402	Systemic family meetings to be offered at an earlier stage to increase the number of children being diverted from LAC placements	148	-37	-111	-	-	Commissioning	Transformation Fund investment relating to proposal A/R.6.219 saving £611k per year from 2018-19 onwards. Change the referral criteria for systemic family meetings to take place with families at an earlier stage; at the point just before beginning a child protection plan. This would enable the Council to work with a larger group of 390 children at Child Protection Level, rather than 240 at Court Proceedings Level.
C/R.5.403	Link workers within Adult Mental Health Services	84	-21	-63	-	-	Commissioning	Transformation Fund investment relating to proposal A/R.6.221 saving £480k per year from 2018-19. To keep families together wherever possible we will embed a Think Family approach in adult mental health services and increase access to preventative and early help services.
C/R.5.953	City Deal Revenue Costs	77	132	159	-	-	Finance & budget review	City Deal revenue costs funded by the growth in New Homes Bonus.
C/R.5.954	Wisbech Community Led Local Development (CLLD) Fund	21	-	-	-	-		The Council's financial contribution to the administration of the Wisbech CLLD Fund, unlocking an overall Fund of £2.1m for investment in Wisbech's communities
<b>5.999</b>	<b>Subtotal Investments</b>	<b>7,485</b>	<b>-6,002</b>	<b>-1,056</b>	<b>-38</b>	<b>-</b>		
<b>6</b>	<b>SAVINGS GPC</b>							
C/R.6.101	Commercial approach to contract management	-2,000	-	-	-	-	Contracts, commercial & procurement	Ensuring the Council pursues all commercial opportunities, with a focus on contract management through improved commissioning and procurement.
C/R.6.102	Organisational Structure Review [EI]	-1,312	-2,000	-	-	-	Workforce planning & development	Ensuring that the Council's structures are as efficient and effective as possible, to meet the needs of our communities. This is part of an ongoing programme of organisational redesign.
C/R.6.103	Courier Contract	-35	-	-	-	-	Commissioning	A more efficient Council-wide postage service, has generated savings against courier costs.
C/R.6.104	Citizen First, Digital First - Repayment of financing costs	-56	-510	-3	-3	-3	Customer & communities	Investment in a range of technology solutions that will enable us to ensure that our digital presence is engaging and easy to use, to integrate our various existing IT systems, and enable the delivery of the Citizen First, Digital First strategy. This saving will repay the debt charges resulting from borrowing.

## Section 4 - C: Corporate and Managed Services

December Service Committees

**Table 3: Revenue - Overview**

Budget Period: 2017-18 to 2021-22

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

Ref	Title	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Transformation Workstream	Description
C/R.6.105	Citizen First, Digital First - Surplus to repayment of financing costs	-247	134	-165	-24	3	Customer & communities	Additional savings to C/R.6.104, after repayment of the debt charges resulting from borrowing to invest and enable the delivery of the Citizen First, Digital First strategy.
C/R.6.106	Reduction in costs on Redundancy, Pensions & Injury budget	-10	-10	-10	-10	-	Finance & budget review	Reduction in costs on Redundancy, Pensions & Injury budget, held within Corporate Services.
C/R.6.109	Capitalisation of the Transformation team	-1,293	-	1,293	-	-	Finance & budget review	Using the flexibility of capital receipts direction to fund the transformation team from capital instead of being funded by revenue.
C/R.6.110	Cross service transformation savings	-3,298	-	-	-	-	Finance & budget review	Savings to be made through cross service working and transformation.
	<b>Cross Committee</b>							
C/R.6.999	Unidentified Savings	-	-1,823	-11,224	-12,168	-9,879	Finance & budget review	Savings to be identified during future years' Business Planning processes.
<b>6.999</b>	<b>Subtotal Savings</b>	<b>-8,251</b>	<b>-4,209</b>	<b>-10,109</b>	<b>-12,205</b>	<b>-9,879</b>		
	<b>TOTAL GROSS EXPENDITURE</b>	<b>25,086</b>	<b>20,003</b>	<b>13,072</b>	<b>4,697</b>	<b>-1,220</b>		
<b>7</b>	<b>FEES, CHARGES &amp; RING-FENCED GRANTS</b>							
C/R.7.001	Previous year's fees, charges & ring-fenced grants	-6,647	-7,095	-6,896	-6,898	-6,900		Previous year's fees and charges for the provision of services and ring-fenced grant funding rolled forward.
C/R.7.002	Increase in fees, charges & ring-fenced grants	-445	-	-	-	-	Finance & budget review	Adjustment for changes to fees, charges & ring-fenced grants reflecting decisions made in 2016-17.
C/R.7.003	Fees and charges inflation	-3	-2	-2	-2	-2	Finance & budget review	Uplift in external charges to reflect inflation pressures on the costs of services.
	<b>Changes to fees &amp; charges</b>							
C/R.7.201	Change in Public Health Grant	-	201	-	-	-		Change in ring-fenced Public Health grant to reflect change of function and treatment as a corporate grant from 2018-19 due to removal of ring-fence.
<b>7.999</b>	<b>Subtotal Fees, Charges &amp; Ring-fenced Grants</b>	<b>-7,095</b>	<b>-6,896</b>	<b>-6,898</b>	<b>-6,900</b>	<b>-6,902</b>		
	<b>TOTAL NET EXPENDITURE</b>	<b>17,991</b>	<b>13,107</b>	<b>6,174</b>	<b>-2,203</b>	<b>-8,122</b>		

## Section 4 - C: Corporate and Managed Services

December Service Committees

**Table 3: Revenue - Overview**

Budget Period: 2017-18 to 2021-22

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

Ref	Title	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Transformation Workstream	Description
<b>FUNDING SOURCES</b>								
<b>8</b>	<b>FUNDING OF GROSS EXPENDITURE</b>							
C/R.8.001	Budget Allocation	-17,991	-13,107	-6,174	2,203	8,122		Net spend funded from general grants, business rates and Council Tax. Funding transferred to Service areas where the management of Public Health functions will be undertaken by other County Council officers, rather than directly by the Public Health Team. Fees and charges for the provision of services.
C/R.8.002	Public Health Grant	-201	-	-	-	-		
C/R.8.003	Fees & Charges	-6,894	-6,896	-6,898	-6,900	-6,902		
<b>8.999</b>	<b>TOTAL FUNDING OF GROSS EXPENDITURE</b>	<b>-25,086</b>	<b>-20,003</b>	<b>-13,072</b>	<b>-4,697</b>	<b>1,220</b>		

## Section 4 - C: Corporate and Managed Services

**Table 4: Capital Programme**

Budget Period: 2017-18 to 2026-27

Summary of Schemes by Start Date					Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	Committee
Ongoing					-2,581	-	-913	-1,323	-115	-115	-115	-	
Committed Schemes					3,511	1,754	1,718	39	-	-	-	-	
2017-2018 Starts					11,632	-	3,039	6,868	575	575	575	-	
<b>TOTAL BUDGET</b>					<b>12,562</b>	<b>1,754</b>	<b>3,844</b>	<b>5,584</b>	<b>460</b>	<b>460</b>	<b>460</b>	<b>-</b>	
Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	Committee
<b>C/C.01</b>	<b>Corporate Services</b>												
C/C.1.001	Essential CCC Business Systems Upgrade	Windows 2003 servers came to the end of their life in July 2015. The majority of all organisation wide customer / digital systems sat on these servers, which required upgrading.		Committed	300	111	150	39	-	-	-	-	
C/C.1.003	Citizen First, Digital First	Significant improvements could be made to our website; to system integration to take out multiple re-keying from one system into another; and in other areas through investment in a suite of technologies that will improve our efficiency such as a more robust e-payments system.		2017-18	3,546	-	1,246	575	575	575	575	-	
C/C.1.005	Capitalisation of Transformation Team	Funding the Transformation team from capital instead of revenue, by using the flexibility of capital receipts direction.		2017-18	2,586	-	1,293	1,293	-	-	-	-	
<b>Total - Corporate Services</b>					<b>6,432</b>	<b>111</b>	<b>2,689</b>	<b>1,907</b>	<b>575</b>	<b>575</b>	<b>575</b>	<b>-</b>	GPC
<b>C/C.02</b>	<b>Managed Services</b>												
C/C.2.005	Microsoft Enterprise Agreement for CCC	Microsoft software is deeply embedded within the Council's IT services, from desktop office automation, email and operating systems, to collaboration (SharePoint) and integration (BizTalk) services, and server operating systems and management tools. An Enterprise Agreement is offered by Microsoft as a way to buy and support licences for their software products as a bundle. This is at a lower cost than buying the components separately, and delivers additional benefits such as technical training and support.		Committed	1,902	1,402	500	-	-	-	-	-	
C/C.2.006	CPSN Replacement	This is for the procurement of a replacement Wide Area Network solution. The current contracted service is due to end in June 2018. This proposal is for funding for the 2017-18 and 2018-19 financial years to allow for the procurement and transition to a new service.		2017-18	5,500	-	500	5,000	-	-	-	-	GPC

## Section 4 - C: Corporate and Managed Services

Table 4: Capital Programme

Budget Period: 2017-18 to 2026-27

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost ì 000	Previous Years ì 000	2017-18 ì 000	2018-19 ì 000	2019-20 ì 000	2020-21 ì 000	2021-22 ì 000	Later Years ì 000
C/C.2.108	Community Hubs - Sawston	To develop a community hub in Sawston combining the library, children's centre, locality team and flexible community meeting facilities, in close association with Sawston Village College.		Committed	1,309	241	1,068	-	-	-	-	-
	Total - Managed Services				8,711	1,643	2,068	5,000	-	-	-	-
C/C.10 C/C.3.001	Capital Programme Variation Variation Budget	The Council has decided to include a service allowance for likely Capital Programme slippage, as it can sometimes be difficult to allocate this to individual schemes due to unforeseen circumstances. This budget is continuously under review, taking into account recent trends on slippage on a service by service basis.		Ongoing	-2,581	-	-913	-1,323	-115	-115	-115	-
	Total - Capital Programme Variation				-2,581	-	-913	-1,323	-115	-115	-115	-
	TOTAL BUDGET				12,562	1,754	3,844	5,584	460	460	460	-

GPC

GPC

Funding	Total Funding ì 000	Previous Years ì 000	2017-18 ì 000	2018-19 ì 000	2019-20 ì 000	2020-21 ì 000	2021-22 ì 000	Later Years ì 000
Government Approved Funding								
Total - Government Approved Funding	-	-	-	-	-	-	-	-
Locally Generated Funding								
Capital Receipts	44,547	8,750	2,293	11,125	2,769	6,015	2,130	11,465
Prudential Borrowing	-31,985	-6,996	1,551	-5,541	-2,309	-5,555	-1,670	-11,465
Total - Locally Generated Funding	12,562	1,754	3,844	5,584	460	460	460	-
TOTAL FUNDING	12,562	1,754	3,844	5,584	460	460	460	-

## Section 4 - C: Corporate and Managed Services

Table 5: Capital Programme - Funding

Budget Period: 2017-18 to 2026-27

Summary of Schemes by Start Date					Total Funding ì 000	Grants ì 000	Develop. Contr. ì 000	Other Contr. ì 000	Capital Receipts ì 000	Prud. Borr. ì 000	Committee
Ongoing					-2,581	-	-	-	41,520	-44,101	
Committed Schemes					3,511	-	-	-	441	3,070	
2017-2018 Starts					11,632	-	-	-	2,586	9,046	
TOTAL BUDGET					12,562	-	-	-	44,547	-31,985	
Ref	Scheme	Linked Revenue Proposal	Net Revenue Impact	Scheme Start	Total Funding ì 000	Grants ì 000	Develop. Contr. ì 000	Other Contr. ì 000	Capital Receipts ì 000	Prud. Borr. ì 000	Committee
C/C.01	Corporate Services										
C/C.1.001	Essential CCC Business Systems Upgrade		-	Committed	300	-	-	-	-	300	
C/C.1.003	Citizen First, Digital First		-2,455	2017-18	3,546	-	-	-	-	3,546	
C/C.1.005	Capitalisation of Transformation Team			2017-18	2,586	-	-	-	2,586	-	
	Total - Corporate Services		-2,455		6,432	-	-	-	2,586	3,846	GPC
C/C.02	Managed Services										
C/C.2.005	Microsoft Enterprise Agreement for CCC			Committed	1,902	-	-	-	402	1,500	
C/C.2.006	CPSN Replacement		-	2017-18	5,500	-	-	-	-	5,500	
C/C.2.108	Community Hubs - Sawston		-	Committed	1,309	-	-	-	39	1,270	
	Total - Managed Services		-		8,711	-	-	-	441	8,270	GPC
C/C.10	Capital Programme Variation										
C/C.3.001	Variation Budget			Ongoing	-2,581	-	-	-	-	-2,581	
	Total - Capital Programme Variation		-		-2,581	-	-	-	-	-2,581	GPC
C/C.9.001	Excess Corporate Services capital receipts used to reduce total prudential borrowing			Ongoing	-	-	-	-	41,520	-41,520	
	TOTAL BUDGET				12,562	-	-	-	44,547	-31,985	



## Section 4 - C: Corporate and Managed Services

December Service Committees

**Table 6: Revenue - Financing Debt Charges Overview**

Budget Period: 2017-18 to 2021-22

Detailed Plans	Outline Plans
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Ref	Title	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Transformation Workstream	Description
<b>1</b>	<b>OPENING GROSS EXPENDITURE</b>	<b>32,766</b>	<b>29,577</b>	<b>32,176</b>	<b>33,956</b>	<b>34,939</b>		
G/R.1.001	Base Adjustments	-	-	-	-	-		Adjustment for permanent changes to base budget from decisions made in 2016-17.
<b>1.999</b>	<b>REVISED OPENING GROSS EXPENDITURE</b>	<b>32,766</b>	<b>29,577</b>	<b>32,176</b>	<b>33,956</b>	<b>34,939</b>		
<b>2</b>	<b>INFLATION</b>							
<b>2.999</b>	<b>Subtotal Inflation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>3</b>	<b>DEMOGRAPHY AND DEMAND</b>							
<b>3.999</b>	<b>Subtotal Demography and Demand</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>4</b>	<b>PRESSURES</b>							
<b>4.999</b>	<b>Subtotal Pressures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>5</b>	<b>INVESTMENTS</b>							
G/R.5.001	Revenue impact of Capital decisions	-7,905	1,298	1,801	1,500	600		Change in borrowing costs as a result of changes to levels of prudential borrowing in the capital programme.
G/R.5.002	Invest to Save Housing Schemes - Interest Costs	1,276	1,301	-21	-517	-79		Revenue costs associated with the development of new 'affordable' housing and open market rent housing on Council owned land in order to generate long-term income streams.
G/R.5.003	Slippage provision	2,000	-	-	-	-		The Council's capital programme has underspent significantly in previous financial years, leading to underspends being declared in relation to capital financing costs. To reduce these underspends, a provision was originally included in the base revenue budget to reflect this, however this has now been superseded by a provision directly within the capital programme. Therefore, this specific reduction to the base revenue budget can now be reversed as the reduction is instead reflected in proposal G/R.5.001.
<b>5.999</b>	<b>Subtotal Investments</b>	<b>-4,629</b>	<b>2,599</b>	<b>1,780</b>	<b>983</b>	<b>521</b>		
<b>6</b>	<b>SAVINGS</b>							
G/R.6.001	GPC PFI Refinancing	1,440	-	-	-	-	Finance & budget review	A one-off saving generated in 2016-17 as a result of refinancing the PFI contract for Thomas Clarkson Community College.

## Section 4 - C: Corporate and Managed Services

December Service Committees

**Table 6: Revenue - Financing Debt Charges Overview**

Budget Period: 2017-18 to 2021-22

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

Ref	Title	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Transformation Workstream	Description
G/R.6.003	MRP: Accountable Body	-	-	-	-	-	Finance & budget review	As Accountable Body the Council incurs certain administrative costs in undertaking this role. However it also holds the cash on an interim basis pending utilisation by those parties. The Council therefore intends to maximise the use of these resources whilst not detrimentally affecting those resources. This is only possible where the body or partnership does not use the funds that have been awarded in the financial year in which they are provided.
<b>6.999</b>	<b>Subtotal Savings</b>	<b>1,440</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
	<b>TOTAL GROSS EXPENDITURE</b>	<b>29,577</b>	<b>32,176</b>	<b>33,956</b>	<b>34,939</b>	<b>35,460</b>		
<b>7</b>	<b>FEES, CHARGES &amp; RING-FENCED GRANTS</b>							
G/R.7.001	Previous year's fees & charges	-	-2,700	-9,923	-11,606	-11,035		Previous year's fees and charges for the provision of services rolled forward.
G/R.7.002	Invest to Save Housing Schemes - Income Generation	-2,700	-7,223	-1,683	571	-188		Generation of long-term income stream associated with the development of new 'affordable' housing and open market rent housing on Council owned land.
<b>7.999</b>	<b>Subtotal Fees, Charges &amp; Ring-fenced Grants</b>	<b>-2,700</b>	<b>-9,923</b>	<b>-11,606</b>	<b>-11,035</b>	<b>-11,223</b>		
	<b>TOTAL NET EXPENDITURE</b>	<b>26,877</b>	<b>22,253</b>	<b>22,350</b>	<b>23,904</b>	<b>24,237</b>		

FUNDING SOURCES								
<b>8</b>	<b>FUNDING OF GROSS EXPENDITURE</b>							
G/R.8.101	Budget Allocation	-26,877	-22,253	-22,350	-23,904	-24,237		Net spend funded from general grants, business rates and Council Tax. Fees and charges for the provision of services.
G/R.8.102	Fees and Charges	-2,700	-9,923	-11,606	-11,035	-11,223		
<b>8.999</b>	<b>TOTAL FUNDING OF GROSS EXPENDITURE</b>	<b>-29,577</b>	<b>-32,176</b>	<b>-33,956</b>	<b>-34,939</b>	<b>-35,460</b>		

## COMMUNITY IMPACT ASSESSMENT

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

### *Describe what is changing and why*

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

The technology that we require will help us to:

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

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

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

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

### **Who will be affected by this proposal?**

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

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

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

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

### **What positive impacts are anticipated from this proposal?**

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

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

### **What negative impacts are anticipated from this proposal?**

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

Work will be undertaken to reduce this possibility by:

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

**Are there other impacts which are more neutral?**

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

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

## Impacts on specific groups with protected characteristics

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

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

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

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

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

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

Evidence<sup>1</sup> indicates that:

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

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

To mitigate that risk, work will be undertaken to:

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

<sup>1</sup> See [https://goon-uk-prod.s3-eu-west-1.amazonaws.com/uploads/Basic%20Digital%20Skills\\_UK%20Report%202015\\_131015\\_FINAL.pdf](https://goon-uk-prod.s3-eu-west-1.amazonaws.com/uploads/Basic%20Digital%20Skills_UK%20Report%202015_131015_FINAL.pdf) and <https://www.gov.uk/government/publications/government-digital-inclusion-strategy/government-digital-inclusion-strategy>, accessed 7<sup>th</sup> October 2016

## Version Control

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



**LEVEL OF OUTSTANDING DEBT**

**To:** General Purposes Committee

**Meeting Date:** 20th December 2016

**From:** LGSS Finance Director

**Electoral division(s):** All

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

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

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

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

reduce the potential for bad debt to occur.

- (vi) that once access to DWP CIS is available, in collaboration with ASC introduce a provisional charge matrix to replace the current full cost approach where a financial assessment cannot be completed to minimise the likelihood of debt accruing that is not actually due.
- (vii) continue with the implementation of the ICON system and seek with CCC to exploit its full potential in due course.
- (viii) That the debt targets be rebased to the current levels split ASC only and Sundry debt with a target to reduce the aged debt levels in each financial year from 2017-18 as follows:

Aged Debt	Adult Social Care	Sundry Debt
1 - 90 days	5%	5%
91 - 360 days	7.5%	10%
360+ days	10%	15%

***Officer contact:***

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## 1. BACKGROUND

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

### Responsibilities of CCC

- 1.3 The Council agreed a formal Collections Strategy in June 2014 to bring together both debt policy and process to ensure they were aligned towards achieving the Council's strategic financial objectives. This has now been revised and updated to reflect the need for a more robust timescale when chasing overdue debts including the options for external debt collection agents and legal services to be used.
- 1.4 The key aspects of the Strategy are:
- CCC departments must seek payment upfront or on delivery of service for all applicable services only invoicing for those where it was absolutely necessary to do so in order to minimise the potential for bad debts to occur;
  - All invoices must be raised in Oracle using the prescribed method within a maximum period of 7 days from the delivery or start of services quoting purchase orders (where applicable);
  - A first and final reminder is sent to customers after 34 days to advise the invoice is overdue for payment and that enforcement action will commence if it is not paid within a final period of 10 days.

### Debt Recovery Service Responsibilities

- 1.5 The Debt Recovery Service is an integrated, single team based in Cambridge providing the service across Cambridgeshire and Northamptonshire. The team comprises of 9 FTE reporting to a Team Leader and through to a dedicated Service Delivery Manager for Debt and Income. There are two dedicated Senior Debt Officers who manage large value, challenging Adult Social Care debts that have multiple unpaid invoices.
- 1.6 The debt recovery team manages all debt types for CCC and Northamptonshire County Council (NCC) and is supplemented by two dedicated Senior Debt Officers based in Northampton who manage large value, challenging Adult Social Care debts that have multiple unpaid invoices.
- 1.7 Where an invoice remains unpaid following the final demand being issued one of two things will happen:
- Invoices for less than £250 will automatically be referred to external debt collection

agents for further recovery action

- For all invoices above £250, a review of the case is undertaken, which involves a debt recovery officer reviewing the invoice raised, any communications received and then attempting to speak to the customer to secure payment in full or to set up a repayment plan.

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

## 2. MAIN ISSUES

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

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

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

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

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

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

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

	Total			
	Current Target	2011-12	2015-16	Increase / Decrease
	£	£	£	£
Volume of Invoices Raised		70,372	66,016	-4,356
Value of Invoices Raised		165,458,250	184,669,488	19,211,238
Average Invoice Value		2,351	2,797	446
*Year End Debt – 90-180 Days	410,000	373,304	728,887	355,583
*Year End Debt – 181 Days +	990,000	723,727	2,032,677	1,308,950
*Total Debt > 90 Days	1,570,000	1,097,031	2,761,564	1,664,533

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

- 2.3 The level of debt written off by the Council in 2014-15 was £308,710 and this reduced in 2015-16 to £210,806, however to October in the current financial year £205,010 has been written off with a projected year-end total in the region of £400,000. The decrease in 2015-16 figures is not due to any one single event or issue and it is likely this was a culmination of the stages debts being reviewed were at and the changes to people and processes that were undertaken, which is explained later in this report. Benchmarking data is being sought from other Council's together with information on their processes and practices relating to debt services in order to drive a best practice approach.
- 2.4 Whilst there is forecast to be a higher level of write off this year to the previous two years, with the changes already made and those planned it is expected that the position will not deteriorate further in the coming years. Continued collaboration between the debt service and all Directorates of the Council is key to both managing the current aged debt and importantly reducing the amount of invoiced debt generally.

#### Changes to Invoicing Behaviour

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

#### Adult Social Care – Impact of Changes

- 2.8 The increase in invoiced values is slightly misleading if taken on its own. For example, in 2011/12 the total value was £165.5m, however in 2013/14 this had reduced to £150.6m before increasing in 2015/16 to £184.6m.
- 2.9 There are many factors that affect the invoicing of the Council due to the diverse nature of the services offered and the projects and programmes ongoing at any one time. For example, if large capital projects or joint-working arrangements are undertaken in one year

but not another then this could adversely affect the value of invoices raised. It is not straightforward to strip these out to provide a more consistent data set for comparative purposes.

- 2.10 The current debt position is largely attributable to the increased levels of charging for Adult Social Care services where changes over time to the charging policy have resulted in more people being assessed to financially contribute towards the services they receive.
- 2.11 In 2011/12, 3,427 financial assessments were conducted and by 2015/16 this had increased to 4,346. In 2016/17, 3,554 have already been undertaken and it is anticipated the figure will exceed 5,000 for the full year. Furthermore, a greater proportion of those being assessed are being required to pay for the service in full.

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

- 2.12 Another factor is the considerable increase in high-cost packages as well as the assessed contribution levels. In May 2011, the maximum high-cost package invoice was £484 but by May 2015 had risen to £1,475 and by September 2016 to £1,882.
- 2.13 This is significant as Adult Social Care debt has always been – and remains – the most difficult to collect mainly due to people not believing they should have to pay for the care they are receiving or delays in internal processes. The working relationship between the Financial Assessments team and Care Management Teams has generally been good with little delay between the start of care and the instruction for assessment, which is in contrast to Northamptonshire where there are consequently higher levels of debt. There are nevertheless recent examples of increasing delays in excess of eight to ten weeks (July, August, and September this year).
- 2.14 There have been some more recent changes from January 2016 that are also now impacting the overall Adult Social Care debt. Invoicing for community care is now backdated to the date it commenced, which is resulting in larger invoices than previously being issued especially where there have been any delays in the process, e.g. notification by a care team to the financial assessments team or the service user has been slow to provide the required information to complete the assessment. The cost would have been borne by the service historically.
- 2.15 A harder stance is now being taken with service users (clients) who do not engage or return any information required for the assessment leading to a full-cost charge being applied, which in some cases can be £375 per week higher than the likely assessed charge. Since this change was made 124 cases have had a full-cost applied due to non-disclosure of information.
- 2.16 There is a potential downside to this approach as when the missing information is supplied and the financial assessment is completed the actual assessed charge is, in almost all cases, much lower than the invoiced charge. Whilst corrective action can be taken once the information is received, an unintended consequence is the potential for income to become over-stated until this happens. Additionally, evidence and experience demonstrates that service users simply will not pay the full-cost invoices issued or even part thereof meaning the Council receives no income for the care services being provided.

## Debt Recovery Challenges

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

## Management changes

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

## Debt Recovery Strategies

- 2.21 The Collections Strategy outlined earlier is the starting point for all recovery activity with the initial letters being system driven. The revised strategy will filter out low-value invoices to an external debt collection agent without any individual review. This will leave our skilled debt recovery officers the time to focus on reviewing higher-value cases to determine the most appropriate way forward.

- 2.22 The primary objective is to secure full repayment or a payment plan when contact with a debtor is made. This is not always possible and depending on individual circumstances the next course of action will vary from case to case depending on factors such as the value of invoice(s), whether any assets are available to pursue, e.g. a property, and the type of services provided. For example, care services cannot currently be stopped even if invoices are not being paid so an increasing debt position results.
- 2.23 Three external debt collection agents have recently been introduced and are used where it has not been possible to collect the outstanding debt via the debt team. These are debts that previously would have been written off (after exhausting all other available avenues) and are taken on a 'no collection, no payment' basis. The performance data from these companies is currently being analysed to assess how best to utilise their services moving forwards.
- 2.24 Legal action continues to be an avenue pursued where the prospect of recovery is considered to be good in terms of the costs and resources required. Each case is assessed on its own merits in terms of the amounts due, known assets and likely success of the action otherwise there is the potential to throw good money after bad.

#### Improvements Made/In Progress

- 2.25 Debt prevention activities remain the most effective method to reduce the risks of bad debt occurring. The Debt Service have pro-actively engaged with Adult Social Care to collaborate on debt prevention, improved processes and managing the customer journey as a single integrated process with the aim of reducing the time from care needs being assessed to an invoice being issued.
- 2.26 The Debt Service have been heavily involved in the changes made by Cambridgeshire in the Customer Contact Centre to ensure the financial information provided is clear, informative and emphasises that it is very likely you will have to financially contribute to any care provided by the Council.
- 2.27 Both the Debt Service and Financial Assessment Team have also adopted a default position of advising service users that payment should be made by direct debit in all instances in an effort to minimise the opportunity for someone to either forget to or not pay invoices issued.
- 2.28 The Debt Service are currently finalising the CCC access to create direct debits online via the telephone. This will provide the ability for any employee of CCC or Finance Operations to take direct debit details over the phone so a mandate can be set up for an invoice to be paid. This will significantly reduce the time the current paper process takes and ensure direct debits can be in place prior to invoices being issued.
- 2.29 The Financial Assessment team have agreed with Adult Social Care that a financial assessment officer will be available one day a week from December in each locality office so Care Management staff can refer cases or queries for resolution or undertake joint visits to service users (so a financial assessment officer would accompany a care worker) to secure the information needed to complete the assessment including a direct debit form or resolve any known issues.

- 2.30 The Financial Assessment team have agreed with Adult Social Care that a financial assessment officer will be placed in Addenbrooke's and Hinchingsbrooke hospital's to work alongside social care staff to undertake financial assessments concurrently with care assessments. This will enable us to collect information faster, manage any queries raised, provide service users with clear information on what their contribution will be and to collect a direct debit in all cases as the method of payment.
- 2.31 The Financial Assessment Team are providing training to all Care Management staff about the financial assessment process and the importance of discussing this with a service user and, where possible, collecting any documents or forms. This is important as more and more people approach the Council the need to minimise delays in invoices being issued/invoices not being paid becomes a priority.
- 2.32 The Financial Assessment Team will shortly have access to the Department for Work and Pensions (DWP) Customer Information System (CIS), which will provide access to the financial information of a service user even if they have not yet provided it. This will lead to financial assessments being undertaken more quickly with improved accuracy on income levels and assessed contribution. If a referral from care management is received in a timely manner this would enable invoicing for services to start earlier, possibly at the point the service starts, thus negating large, one off invoices from being issued that are difficult to collect. An added advantage would also be less risk at the point a service user no longer requires support as services are not being invoiced in arrears.
- 2.33 An additional benefit from introducing CIS would be the ability to more accurately provisionally assess a service user who has not or will not provide details to us. This would remove the current full cost invoicing, which can distort the debt figures and ensure more reflective charging is invoiced.
- 2.34 Once access to CIS is confirmed, the financial assessment process will be streamlined by introducing recorded telephone financial assessments. The benefit of this will be that a service user will be informed at the end of the call what their financial contribution will be, any queries or objections can be proactively managed and direct debit details will be collected to minimise the risk of bad debt occurring.
- 2.35 Further activity is underway through the implementation of the ICON system that will improve the current processes and systems for taking card payments and also provide the option to utilise recurring card payments for those services applicable, e.g. care provision. Additional benefits from introducing this system will be a streamlined process to take online payments and efficiencies across all services from utilising a single cash management system. There are other modules that will be explored once the core product is implemented to determine which are most beneficial to CCC.

### Targets

- 2.36 Clearly the targets do need to be updated. Initially it would make sense to rebase the target to current level otherwise the position of continually reporting under performance will persist. Recognising that the largest invoicing area both by volume and value is Adult Social Care and that this is also the most challenging debt to collect, it is proposed that the target is split into two categories – Adult Social Care debt and Sundry debt – to effectively measure performance across the distinct debt types.

- 2.37 For comparative purposes, data on ASC debt levels of neighbouring authorities has been collated and a summary table of this is attached. This shows ASC debt is a challenge for all authorities with large numbers being experienced by all those engaged. This exercise will be conducted annually to assess how well Cambridgeshire is performing and whether any broader issues/challenges are emerging.
- 2.38 To align broadly with the current principles of how performance is measured the following targets for reducing the level of debt over the next 3 full financial years are proposed:

Aged Debt	Adult Social Care	Sundry Debt
1 - 90 days	5%	5%
91 - 360 days*	7.5%	10%
360+ days*	10%	15%

\*excluding debts with legal, on payment plans or secured

It is proposed to take the overall debt figures at 31 March each financial year as the baseline to measure performance in this area.

### **3. ALIGNMENT WITH CORPORATE PRIORITIES**

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

There are no significant implications for this priority.

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

There are no significant implications for this priority.

#### **3.3 Supporting and protecting vulnerable people**

There are no significant implications for this priority.

### **4. SIGNIFICANT IMPLICATIONS**

#### **4.1 Resource Implications**

There are no significant implications within this category

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

There are no significant implications within this category

#### **4.3 Equality and Diversity Implications**

There are no significant implications within this category

#### **4.4 Engagement and Communication Implications**

There are no significant implications within this category

#### 4.5 Localism and Local Member Involvement

There are no significant implications within this category

#### 4.6 Public Health Implications

There are no significant implications within this category

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

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

**Adult Social Care Debt as at 31st March 2016 compared to Neighbouring Authorities**

Authority	Total Adult Social Care Debt £'000'	Current £'000'	1-90 Days Overdue £'000'	91-180 Days Overdue £'000'	181-360 Days Overdue £'000'	361+ Days			
						Total Overdue £'000'	% Relates to Health	% Relates to Care (Client contribution)	% Other
Cambridgeshire	5,876	1,264	1,566	585	768	1,693	0	99%	1%
Derbyshire	10,148	2,774	2,199	1,119	1,132	2,924	6%	82%	12%
Leicestershire	0								
Leicester City	0								
Milton Keynes	3,008	264	514	360	520	1,350	4%	86%	10%

**Adult Social Care Debt as at 31st March 2016 compared to Neighbouring Authorities**

Authority	Total Invoiced	Total Adult Social Care Debt £000	1-90 Days Overdue £000	91-180 Days Overdue £000	181-360 Days Overdue £000	361+ Days Overdue £000	Secured Non Invoiced Deferred Debt £000
Cambridgeshire		4,612	1,566	585	768	1,693	514
Northamptonshire		23,916	11,315	2,279	2,891	7,431	3,322
Derbyshire		7,374	2,199	1,119	1,132	2,924	4,427
Leicestershire		0					
Nottinghamshire		8,394	3,336	742	1,284	3,032	Not Provided
Lincolnshire		5,083	1,321	751	745	2,266	2,536
Nottingham City		0					
Derby City		0					
Leicester City		0					
Rutland		0					
Milton Keynes		2,744	514	360	520	1,350	561
Nottingham City		0					

**Analysis of 361+ Day Debt**

Authority	Total Overdue £000	Total Overdue as a %	£ Relates to Health	% Relates to Health	£ Relates to Care (Client contribution)	% Relates to Care (Client contribution)	£ Other	% Other
Cambridgeshire	1,693	36.7%	0	0	1,676	99%	17	1%
Northamptonshire	7,431	31.0%	2,824	38%	4,607	62%	0	0%
Derbyshire	2,924	39.6%	4,431	6%	2,398	82%	351	12%
Nottinghamshire	3,032	36.1%	0	0%	2,971	98%	61	2%
Lincolnshire	2,266	44.6%	45	2%	2,198	97%	23	1%
Milton Keynes	1,350	49.2%	54	4%	1,161	86%	135	10%



**A CORPORATE ENERGY STRATEGY FOR CAMBRIDGESHIRE COUNTY COUNCIL**

**To:** General Purposes Committee

**Meeting Date:** 20th December 2016

**From:** Executive Director, Economy, Transport and Environment

**Electoral division(s):** All

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

**Purpose:** To share the draft Corporate Energy Strategy for Cambridgeshire with Committee, and seek approval to consult externally on the draft Strategy (Appendix A).

**Recommendation:** Committee is asked to agree

- a) The draft principles and priorities of the draft Corporate Energy Strategy as set out in section 2.3 and 2.4 of the report;
- b) External key stakeholder consultation of the Corporate Energy Strategy (appendix A); and
- c) The timetable for finalising and approving the Corporate Energy Strategy as set out in section 2.9.

<b><i>Officer contact:</i></b>	
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## 1. BACKGROUND

- 1.1 The UK is becoming increasingly dependent on imported energy, such as oil and gas. Currently we import approximately 40% of our energy needs. This is at a time when global demand for energy between now and 2040 is set to increase by 34%, and global competition for fuels is predicted to increase prices.
- 1.2 In 2012, Government published the Energy Bill to deliver electricity market reform (EMR) that sought to attract investment to replace current methods of energy generation, such as coal fired power stations and old nuclear facilities. EMR also sought to upgrade the grid by 2020 to cope with the rising demand for electricity. The focus of the EMR was to enable Government to address energy security issues, and to support growth, thus enabling UK businesses and consumers to have secure supplies of energy, which would benefit the economy in terms of jobs, growth and investment.
- 1.3 The Government's UK Energy Efficiency Strategy (2012) promotes the ethos that the UK should only use the energy that it really needs. The strategy calculated that through reducing energy consumption, and by promoting cost-effective investment in energy efficiency, the equivalent of 22 power stations might not be required. Government has, therefore, been keen to support the public sector in developing energy efficiency projects.
- 1.4 In addition, legislation was passed in 2010 to allow Local Authorities to sell electricity generated from renewable sources, enabling councils to generate income from developing local renewable energy projects, either on their own or in partnership. This was intended to encourage the development of local renewable electricity projects.

## 2. MAIN ISSUES

- 2.1 Members, through Committee and other discussions, have indicated a desire to grow the Council's energy ambitions, and bring forward larger energy projects with the aim of making better use of our assets, generating income and reducing energy consumption. Therefore, it has been proposed that a Corporate Energy Strategy for Cambridgeshire to enhance collaborative working on energy both internally across services, and externally with partners such as Peterborough City Council be developed.
- 2.2 In addition to buildings, the Council has a range of assets including transport, farm estate, waste, potential housing and other land sites that could present energy opportunities. The strategy will set out the Council's energy ambitions to enable projects to be identified as potential opportunities to generate income, and improve energy efficiency.
- 2.3 The Council's business plan includes a vision for Cambridgeshire to be a *Sustainable and Prosperous Place*. Essential for a modern, low carbon economy is a clean, secure and sufficient supply of energy as even minor disruptions in supply can cause major problems for communities and businesses. The Council can play a role in supporting this vision by agreeing a set of principles and priorities that support the exploration of energy opportunities using its assets. Key principles are:
  - Help to secure energy supplies and infrastructure on our assets that supports the needs of our businesses and communities;
  - Maximise commercialism, income generation and making best use of our assets;

- Build energy resilient communities through aligning our assets with local needs
- Exploit new technologies to reduce energy consumption; and
- Integrate energy solutions with waste, transport, housing and digital infrastructures to bring new solutions and innovation to our growth agenda.

2.4 To deliver the benefits to the Council, and its communities, six priorities have been identified. These are:

- Local energy generation through the use of locally available fuels and assets to generate electricity and heat;
- Supplying energy through investing in infrastructure to supply consumers directly or indirectly;
- Energy efficiency by reducing consumption and waste and helping to make fuel supplies go further;
- Managing costs through collective purchasing and contract negotiations;
- Selling energy to generate income to local consumers; and
- Supporting growth through integrating energy and digital infrastructure with transport and housing projects we develop to support the management of supply and demand of energy.

2.5 These principles and priorities have informed the draft Energy Strategy that is attached as **Appendix 1**. This sets out the key principles the Council could adopt when considering opportunities for new energy projects. It is proposed that this should be subject to a consultation for four weeks starting 3rd January 2017 – 31st January 2017 targeting key partners and stakeholders including Central Government and its agencies, District Councils, Parish Councils, Environment Agency, Greater Cambridge and Greater Peterborough Local Enterprise Partnership, Cambridge Cleantech, Housing Associations, Wildlife Trust and other key partners. The consultation results will be reviewed and the Draft Strategy updated and presented back to Members for decision on 21st March 2017. When the final strategy is adopted, this will provide a clear statement of the Council's intentions on energy issues and give officers a clear view of the type of projects that it is acceptable to investigate and develop further.

### **3. ALIGNMENT WITH CORPORATE PRIORITIES**

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

The external consultation on the Strategy has no significant impact. However, the Strategy when agreed and implemented, should contribute towards improved local energy security, which is fundamental to a thriving local economy. Benefits to the local economy come through helping to manage uncertain energy costs; potentially reducing the Councils costs for landfilling waste.

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

The external consultation on the Strategy has no significant impact on this objective but depending on actual projects that come forward, there could be a beneficial impact on health.

### **3.3 Supporting and protecting vulnerable people**

The external consultation on the Strategy has no significant impact. The Strategy recognises that managing the Council's own energy costs through reducing consumption, generating and selling local energy should bring income to the authority to help front line services. In addition, schemes for collective buying of energy helps residents and businesses reduce energy bills and reduce the impact of future energy price rises.

## **4. SIGNIFICANT IMPLICATIONS**

### **4.1 Resource Implications**

There are no significant resource implications for going to external consultation on the draft the Strategy. However, the implementation of the Strategy has implications including:

- *Making better use of our assets.* Investment in energy projects, particularly on county owned land, has the potential to provide a significant financial return.
- *Development costs.* The Council will be taking the upfront development risk on larger projects. If a project is successful, development costs are repaid. However, some projects may not get delivered for technical or other reasons despite costs being incurred. However the assumption will be that revenue generating schemes will need to cover all development costs.
- *Public Works Loan Board (PWLB) borrowing.* Financing new energy schemes will require the Council to continue to provide funding, e.g. by borrowing from the Public Works Loan Board. The Council will continue to carefully manage risks to projects.
- *Property implications.* There are a range of opportunities to explore for the Council's property and land assets. It is important for close collaboration to ensure projects are not competing or compromised by different agendas.

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

There are no significant implications for taking this draft strategy to consultation. Investment decisions would be made on a project by project basis, based on a sound business case.

### **4.3 Equality and Diversity Implications**

There are no significant implications for taking the draft strategy to consultation and a community impact assessment is not required. When individual projects are developed and brought forward for investment decision, community impact assessments will be required for those eligible to do so.

### **4.4 Engagement and Consultation**

The external consultation planned for the Strategy targets key stakeholders as specified in section 2.5. The consultation provides the opportunity to explore with partners a range of technologies, including wind and Energy from Waste (EfW), as potential development

projects for the Council's assets. It is important to note that consulting on the strategy does not replace the need for individual energy projects to undertake community engagement and public consultation or comply with local planning policies.

#### 4.5 Localism and Local Member Involvement

There are no significant implications under this heading.

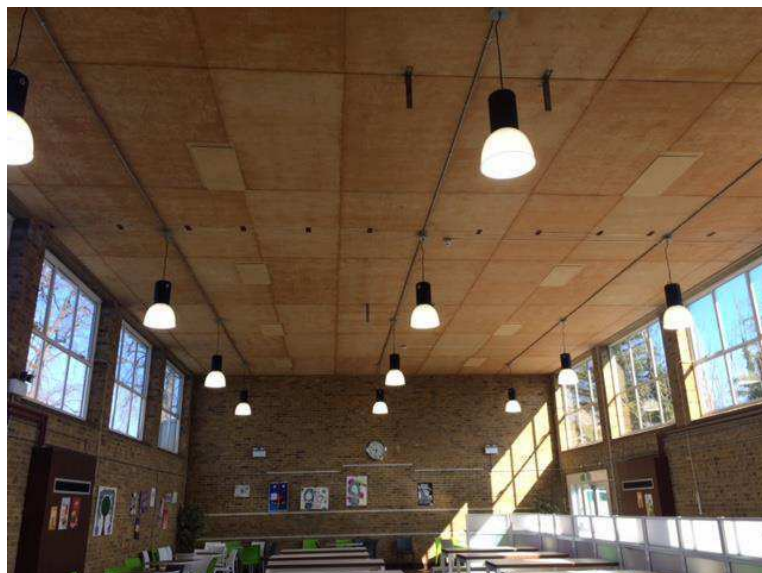
#### 4.6 Public Health

Displacing fossil fuels through clean energy and reducing energy consumption will bring health benefits through improved air quality and tackling the impacts of climate change.

Implications	Officer Clearance
<b>Have the resource implications been cleared by Finance?</b>	Yes Name of Financial Officer: Sarah Heywood
<b>Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?</b>	Yes Name of Legal Officer: Lynne Owen
<b>Are there any Equality and Diversity implications?</b>	Yes Name of Officer: Tamar Oviatt-Ham
<b>Have any engagement and communication implications been cleared by Communications?</b>	Yes Name of Officer: Mark Miller
<b>Are there any Localism and Local Member involvement issues?</b>	Yes Name of Officer: Paul Tadd
<b>Have any Public Health implications been cleared by Public Health</b>	Yes Name of Officer: Iain Green

Source Documents	Location
<p>'Energy Trends' is a quarterly bulletin containing statistics on all major aspects of energy in the UK.</p>	<p><a href="https://www.gov.uk/government/statistics/energy-trends-march-2016">https://www.gov.uk/government/statistics/energy-trends-march-2016</a></p>
<p>The Draft Corporate Energy Strategy</p>	<p>\\ccc.cambridgeshire.gov.uk\data\ETE Growth &amp; Economy\EIU\New Business\Strategy Development\Corporate Energy Strategy</p>
<p>Electricity market Reform: Contracts for Difference</p>	<p><a href="https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/296341/EMR_CfD_Report_.pdf">https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/296341/EMR_CfD_Report_.pdf</a></p>
<p>Electricity and Gas Forecasts</p>	<p><a href="https://www.ukpower.co.uk/home_energy/future-gas-electricity-price-forecast">https://www.ukpower.co.uk/home_energy/future-gas-electricity-price-forecast</a></p>

# A CORPORATE ENERGY STRATEGY



*A clean, secure and sufficient supply of energy is essential for a modern, low carbon economy. Even minor disruptions in supply can cause major problems for communities and businesses.*



Bassingbourn Village College improved their lighting, generate renewable energy from solar, heat their buildings through a new biomass boiler and receive income from the renewable heat incentive and feed in tariff from government.



## A Corporate Energy Strategy 2016-2020

### 1.0 INTRODUCTION – WHY DO WE NEED A CORPORATE ENERGY STRATEGY?

A clean, secure and sufficient supply of energy is essential for our economy. We need energy to heat and light our homes, to power our businesses and to transport people and goods. Without it, we could not function as an economy or modern society. Even minor disruptions in supply can cause major problems for communities and businesses.

The UK is becoming increasingly dependent on imported energy, such as oil and gas. This is at a time when global demand for energy and prices are increasing. At the same time, many of our coal and nuclear power stations are coming to the end of their useful lives and without action to ensure reliable supplies to replace power plants, there will be a dramatic shortfall in our energy capacity and risks to our energy security.

There is also significant change taking place across the energy sector. *Decentralised* and *decarbonised* energy along with new technologies are bringing *disruption* and *democratisation* to the energy market. This disruption comes through finding solutions to global challenges including climate change as well as technological advances such as battery storage, internet of things and data analytics which facilitate clean, decentralised energy and help to reduce consumption. Consumers are being empowered to participate in the energy market, generating and selling energy and shifting their energy demand to achieve lower or higher tariffs dependent on what works best, helping the strategic supply and demand challenge.

#### The purpose of the strategy is to:

- Provide a better joined up, corporate approach to energy investment, savings and delivery;
- Identify the benefits of a strategic and more ambitious approach to energy for the authority, its joint working with Cambridgeshire and Peterborough local authorities and our shared communities;
- Understand our role developing modern energy infrastructure that supports the delivery of transport, housing, waste management and smart community projects
- Identify how we can reduce energy consumption through our service delivery and policy development
- Identify projects, delivery mechanisms and partners that can work with us to help facilitate greater energy resilience for our communities using our shared assets; and
- Attract investment into energy infrastructure on the Council's assets which can benefit the broader community

### 1.1 The National Perspective

In August 2010, legislation was passed to allow Local Authorities to sell electricity generated from renewable sources to create an opportunity for councils to gain financially (as well as environmentally) from developing local renewable energy projects, either on their own or in partnership. This was intended to encourage the development of local renewable electricity projects and open up new sources of income for local councils.

Government, through the UK Energy Efficiency Strategy (November 2012) is keen to promote that the UK gets as close as possible to using only the energy it really needs. It calculated that through reducing energy consumption, the equivalent of 22 power stations could potentially not be required if cost-effective investment in energy efficiency develops at scale. To facilitate this change, government is supporting the public sector to increase knowledge on the process, costs and benefits of financed energy efficiency projects, and how these investments work with public sector budgets.

Government published the Energy Bill 2012 to deliver electricity market reform (EMR) and attract £110 billion investment to replace current generating capacity (e.g. coal fired power stations and old nuclear facilities), upgrade the grid by 2020 and to cope with the rising demand for electricity. The focus is on energy security and supporting growth to ensure UK businesses and consumers have secure supplies of energy. This will ensure that energy projects maximise the benefits to the economy in terms of jobs, growth and investment.

The Climate Change Act places legally binding obligations on the UK to reduce its CO2 emissions by 80% by 2050. The UK has also signed up to delivering 15% of its primary energy from renewable energy sources by 2020 and a series of market mechanisms have been introduced to stimulate investment into clean energy to meet these targets including Feed in Tariff, Contracts for Difference and the Renewable Heat Incentive. Demand for fossil fuels is greatest from the transport sector and Government is tackling this problem through supporting the market for plug-in electric vehicles, recharging infrastructure and the development of bio-fuels to support the shift to low carbon.

## **1.2 The Local Context**

Cambridgeshire has the technical potential to deliver 28% of its energy needs (for buildings and services but excluding transport) through local renewable energy projects (CRIF 2012)<sup>1</sup>. The main opportunities are set out in section 3, below and include solar, wind, micro renewables and biomass. The public sector has the potential to deliver energy infrastructure via schools, offices, non-domestic buildings and land developments. This is particularly relevant as we move towards a Cambridgeshire and Peterborough Devolution Deal. Investment into local decentralised energy infrastructure to facilitate transport and smart community ambitions in partnership with the commercial and community sectors, could facilitate greater energy self-sufficiency and a low carbon economy.

The County produced over 82,000 tonnes of municipal biomass waste (green waste) and 141,500 tonnes of black bin waste during 2015/16. The Cambridgeshire and Peterborough Joint Municipal Waste Management Strategy 2008-2022 includes objectives to manage waste as a resource, ensuring energy is recovered where possible and putting outputs from waste treatment facilities to beneficial use. The Waste PFI contract is at a stage where there are enough years remaining within it to allow investment into an energy from waste facility. This would reduce the costs for landfilling, generate income from the sale of heat and electricity locally and provide more local jobs.

## **2.0 OUR VISION**

Cambridgeshire County Council's vision is for a *Sustainable and Prosperous Place* and to ensure the whole county can benefit from Cambridgeshire's economic prosperity. An ambitious approach to energy can support the delivery of this vision through:

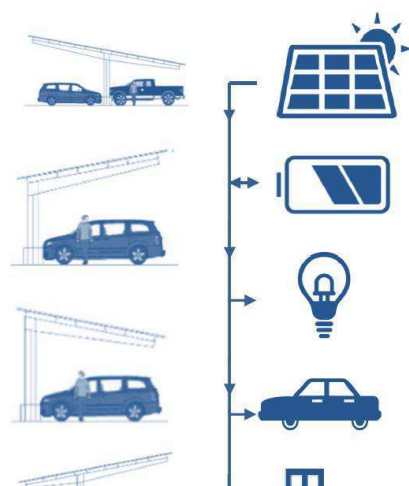
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<sup>1</sup> Cambridgeshire Local Authorities adopted the Cambridgeshire Renewables Infrastructure Framework (CRIF) in 2012 as an evidence base for local plan and policy development.

- Helping to secure low carbon energy supplies and infrastructure on our assets that can help support the needs of our businesses and communities;
- Maximising commercialism, income generation and making best use of the Council's assets;
- Building energy resilient communities through aligning the Council's assets and its potential for energy generation with local needs
- Exploiting new technologies, Internet of Things (IoT) and data analytics to reduce energy consumption; and
- Integrating energy solutions into our work on waste, transport, housing and digital infrastructures to bring new solutions and innovation to the growth agenda.
- Attracting investment into Cambridgeshire from third parties to upgrade energy infrastructure on the Council's assets for the benefit of the wider community

## 2.1 Setting out the priorities and outcomes

To help deliver the vision, key priorities for the energy strategy have been developed, and include:



1. Energy generation – exploiting local availability of fuels and assets to generate low carbon electricity and heat;
2. Energy supply – putting in the infrastructure to supply local energy to consumers;
3. Energy efficiency – reducing consumption and waste, helping to make supplies go further;
4. Managing costs - reduce energy costs through collective purchasing, contract negotiations, data analytics and the Internet of Things(IoT)
5. Selling energy – generating income through selling electricity and heat to local consumers; and
6. Supporting growth – integrating energy and digital infrastructure with transport and housing to strategically manage supply and demand for energy.

In addressing these priorities, we will deliver a number of key outcomes as set out in the Figure below and in the following pages, recognising that each of the priorities is mutually supportive with many interdependencies.

**Figure 1 - Outcomes anticipated from each priority**

Priority 1 - Energy Generation	Priority 2 - Energy Supply	Priority 3 - Energy Efficiency	Priority 4 - Managing Costs	Priority 5 - Selling Energy	Priority 6 - Supporting Growth
<ul style="list-style-type: none"> <li>• <b>Make best use of our assets</b> through energy generation on our schools, offices, non-domestic buildings and land assets to reduce energy bills and generate income</li> <li>• Attract investment to help <b>upgrade local energy infrastructure</b></li> <li>• <b>Generating income</b> through attracting finance incentives and selling energy to cover costs as a minimum</li> <li>• <b>Developing the Low carbon</b> economy by using local renewable and waste fuels to shift from dependence on fossil fuels</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Build resilient communities</b> through developing local energy supplies outside of the influence of global market changes</li> <li>• <b>Supporting vulnerable people</b> through continuity of local energy supplies to support critical local services</li> <li>• <b>Supporting a prosperous economy</b> through creating local energy related jobs and sharing our learning</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Reducing costs and waste</b> by reducing energy consumption</li> <li>• <b>Supporting vulnerable people</b> to keep warm, improve health and reduce costs</li> <li>• <b>Making best use of our assets</b> by reducing energy consumption and energy bills bringing down service costs</li> <li>• <b>Supporting growth</b> of new technologies and integrated design for communities to balance energy demand and supply more efficiently</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Supporting vulnerable people</b> by collective purchasing and negotiation on energy to reduce bills</li> <li>• <b>Working in partnership</b> to procure energy and reduce costs</li> <li>• <b>Amend contracts</b> such as Street Lighting, Waste and Highways to include new technologies that save or generate energy bringing down overall costs</li> <li>• <b>Attracting investment</b> by equipping councillors and officers with the skills and knowledge to negotiate and attract energy investments</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Make best use of our assets</b> by integrating energy schemes into what we already do, for example electric vehicle charging for park and ride, and then sell energy to customers.</li> <li>• <b>Create a sustainable and prosperous local economy</b> through selling locally produced energy to <b>generate income</b>.</li> <li>• <b>Exploiting digital infrastructure</b> to meter, control and sell energy to local customers</li> </ul>	<ul style="list-style-type: none"> <li>• Manage energy supply and demand for transport and housing developments by integrating new technologies and digital infrastructure to <b>create smart energy</b> communities.</li> <li>• <b>Improve air quality</b> for new developments through access to local clean energy supplies for transport and housing.</li> <li>• Supporting local ownership and investment in energy infrastructure will keep financial returns local which is good for a <b>prosperous economy</b>.</li> </ul>

### 3.0 LOCAL RENEWABLE ENERGY OPPORTUNITIES

3.1 Cambridgeshire has the technical potential to deliver renewable energy projects across a range of different technologies listed below. It is important that all opportunities for local generation are explored. Due to the geography and population distribution across Cambridgeshire, research shows that there is potential for projects at all scales but greater numbers of smaller projects are likely due to balancing of supply and demand.

Fuel Type	Opportunities	Challenges	Income potential
<b>Solar PV</b>  Suitable for buildings and land assets (small scale to large scale projects)	<ul style="list-style-type: none"> <li>Generates electricity</li> <li>Attracts feed-in tariff at low levels</li> <li>At scale, can apply for Contracts for Difference via the auction process</li> <li>Electricity can be sold to local consumers if connected to battery storage to smooth the generation profile ( this applies to wind below)</li> <li>Local planning policy generally supportive</li> </ul>	<ul style="list-style-type: none"> <li>Exporting electricity via the local distribution network is difficult due to network constraints</li> <li>Identifying the right business model to make a project financially viable</li> <li>Assessing glint and glare of projects on local wildlife and housing</li> <li>Planning permission required</li> </ul>	Triangle Farm 12 MW Solar Park delivers sufficient electricity for approximately 3000 homes per annum and generates £350K net revenue p.a. The contracts for difference price started at £79 per MWh in 2015. (For comparison the cost of the Hinckley Point nuclear plant, is either <a href="#">£90 or £93 per MWh</a> depending on how many reactors are eventually built.
<b>Bioenergy / Biomass</b> (wood-based)  Suitable for school/ office boilers or heating for housing or industrial buildings. (Small – large scale)	<ul style="list-style-type: none"> <li>Generates low carbon heat and electricity</li> <li>Attracts renewable heat incentive at a good price (2016)</li> <li>Wood can be sourced locally</li> <li>Green waste from households can be prepared and used as a fuel for larger schemes</li> </ul>	<ul style="list-style-type: none"> <li>Planning permission required for the biomass boilers and chimney</li> <li>Negotiating local supplies of biomass pellets and the length of contracts</li> <li>Design and delivery challenges for new sites</li> <li>Air quality management zones need to be checked</li> </ul>	For a 499Kwth biomass boiler for larger schools, renewable heat incentive of £0.05 per Kwth (March 2016) is paid. School projects are generating income of between £23K-£25K per annum.
<b>Biomethane</b> (Produced through the anaerobic digestion of organic matter, such as plant or livestock waste materials)	<ul style="list-style-type: none"> <li>Potential opportunities for the farm estates e.g. energy beet crops</li> <li>Can be delivered at a range of scales</li> <li>Attracts Renewable Heat Incentive (RHI) for smaller schemes which can aid</li> </ul>	<ul style="list-style-type: none"> <li>Planning permission is required for anaerobic digestion facilities</li> <li>There are some tracts of land not appropriate to grow energy crops e.g. Grade 1 and 2 agricultural land</li> </ul>	**For schemes greater than 5MW, contracts for difference maximum strike price for 2017/18 is estimated at £140 per MWh

Fuel Type	Opportunities	Challenges	Income potential
Appropriate for farm estate – (Small - Medium Scale)	viability and for larger schemes Contracts for Difference (CfD)		
<b>Waste</b>  Pre-treated organic waste and black bin waste used to extract energy for heating and electricity generation  (Small – large scale)	<ul style="list-style-type: none"> <li>• Produces electricity and heat.</li> <li>• Anaerobic digestion of organic waste also produces biogas that be used as a fuel ( see below)</li> <li>• Supply energy for new housing developments and /or existing developments. To generate income</li> <li>• Attracts renewable heat incentives (RHI) for small schemes and CfD for large schemes</li> <li>• Cost savings on waste disposal via landfill</li> <li>• Extract value from waste locally (rather than give to others to get this value)</li> <li>• A local EfW could reduce the transport costs associated with shipping Refuse Derived Fuel (RDF) to a facility outside the county or outside the country and provide a more sustainable solution for waste from local commercial sources than landfill.</li> <li>• Provide long term capacity for the treatment of household and commercial waste</li> </ul>	<ul style="list-style-type: none"> <li>• Local perception of energy from waste schemes. Schemes can be controversial</li> <li>• Planning permission required. The planning application will need to address: <ul style="list-style-type: none"> <li>- transport impacts</li> <li>- environmental impacts</li> <li>- visual impact</li> </ul> </li> <li>• Environmental Permit required. Permit application will need to address environmental impacts including impact on air quality</li> <li>• Grid reinforcement costs could be significant to export electricity as part of early financial viability</li> </ul>	<b>**Contract for difference maximum strike price for 2017/18 is estimated at £80 per MWh</b>

Fuel Type	Opportunities	Challenges	Income potential
<b>Wind</b>  Appropriate for transport assets (e.g. guided bus route way) or farm estate	<ul style="list-style-type: none"> <li>Generates electricity</li> <li>Significant land development opportunities particularly along the guided bus way and farm estate</li> <li>Finance incentives available particularly via Contracts for Difference</li> <li>Wind at scale generates good commercial returns</li> <li>Wind with battery storage and EV charging is an opportunity to balance supply and demand for electricity</li> </ul>	<ul style="list-style-type: none"> <li>Planning permission will be required</li> <li>Local planning policy is less supportive of onshore wind development</li> <li>Noise and flicker of the blades give rise to local concerns</li> <li>Local perception of wind projects on house prices can be negative</li> <li>Grid connection is a barrier unless developed with local customers and storage options</li> <li>The Council currently has a policy to not build wind turbines on its assets</li> </ul>	<p>*The current 16/17 strike price for onshore wind projects is around <a href="#">£79 per MWh</a>. (For off-shore wind the price is £114 per MWh and above.</p>
<b>Hydro electricity</b>	<ul style="list-style-type: none"> <li>Small opportunities on the river and canal systems that could be developed</li> </ul>	<ul style="list-style-type: none"> <li>Limited opportunities as low lying, flat geography</li> <li>Economics of small scale hydro in low lying areas still to be tested</li> </ul>	
<b>Geothermal energy and extraction of heat from air</b>  Thermal energy generated and stored in the Earth.	<ul style="list-style-type: none"> <li>Produces low level heat</li> <li>Ground source heat pumps can supply low level heat for new buildings and communities to reduce heat consumption.</li> <li>Air source heat pumps extract heat and recirculate warm air</li> <li>Attracts renewable heat incentives (RHI) for Ground Source heat pumps</li> </ul>		<p>**For large scale schemes greater than 5MW, contracts for difference maximum strike price for 2017/18 is estimated at £140 per MWh.</p> <p>***Air and Ground source heat pumps attract renewable heat incentive of between £0.0257 and £0.0895 per Kwhth dependent on projects.</p>
<b>Energy Storage</b>  <i>Not a fuel type but a technology</i>	<ul style="list-style-type: none"> <li>Stores excess energy produced when renewables are working</li> </ul>	<ul style="list-style-type: none"> <li>To be eligible for finance incentives under National Grid's STOR</li> </ul>	Short Term Operating Reserves (STOR) is a negotiated payment for access to extra power

Fuel Type	Opportunities	Challenges	Income potential
to help manage the variability of renewable energy	<ul style="list-style-type: none"> <li>Supplies energy when needed</li> <li>Helps balance generation with the need for continuity of supply</li> </ul>	programme a minimum of 3MW is needed	either generation or demand reduction during certain periods of the day where actual demand is greater than forecast.

(\*Source: <https://fullfact.org/economy/cost-onshore-wind/> 2016)

(\*\*Source: Investing in renewable technologies – CfD contract terms and strike prices, DECC, Dec 2013)

(\*\*\*<https://www.ofgem.gov.uk/environmental-programmes/non-domestic-rhi/contacts-guidance-and-resources/tariffs-and-payments-non-domestic-rhi>)

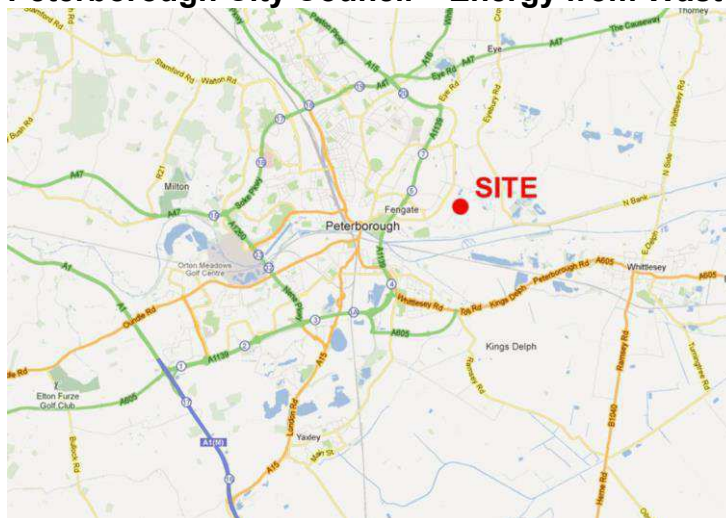
### Cambridgeshire County Council – 12 MW Solar Farm

A £10million investment by the Authority and a 'Contract for Difference' with the Low Carbon Contracts finance company generating income for the Authority.

Below is an aerial view of the solar farm scheme, which generates electricity for the equivalent of 3000 homes.



### Peterborough City Council – Energy from Waste Plant



The facility is located on the Eastern edge of the Fengate Resource Recovery Park in Peterborough. Viridor runs the facility and handles approximately 85,000 tonnes of waste per annum. The scheme makes a significant contribution to both waste policy and to energy policy.

3.2 Cambridgeshire has the potential to deliver 28% of its energy needs for buildings and services but only if all types of technologies and fuels are deployed. It is recognised that there are some technologies that are currently more acceptable to the public than others, others which are more complex to deliver and some with significant technical and financial barriers. The key challenges include difficulties connecting to the local grid to export electricity; uncertainty over energy finance availability and community acceptability. However, innovation, technology and cooperation can help manage these issues providing there is leadership and willingness to find solutions.

### 3.3 What are the new opportunities that can be explored by the Energy Strategy?

Priorities and outcomes	Energy Projects underway	New areas of work and key Opportunities	Resources
<b>1 - Energy Generation</b> <ul style="list-style-type: none"> <li>Making best use of our assets</li> <li>Attracting Investment</li> <li>Generating income</li> <li>Developing the low carbon economy</li> <li>Displace carbon emissions from fossil fuels</li> </ul>	<p>£15million of projects including twenty four schools, seven CCC buildings and a 12 MW solar park are under contract. Solar energy and heat generated from biomass boilers attract feed in tariff, renewable heat incentive and contracts for difference. Investment to date at £15million generating approximate returns of £1.4million per annum.</p> <p>A further 32 schools have signed up for energy performance and have received outline business cases for decision.</p> <p>The aim is to maximise investment into Cambridgeshire schools and public buildings.</p>	<p>Bring forward the business cases for large scale energy projects on transport, farm estate, housing, waste and other assets. <b>See appendix A for potential project areas. In particular scope the options for:</b></p> <ul style="list-style-type: none"> <li>wind turbines along the guided bus route</li> <li>a demonstrator project for community energy for a new CCC housing development site</li> <li>Energy from Waste technologies and sites to provide heat and electricity for local communities and/or the grid dependent on grid capacity</li> <li>Further solar parks</li> <li>Opportunities for storage</li> </ul> <p>Identify opportunities to access grants, finance incentives and other funding options.</p> <p>Collaborate with local partners and other counties to achieve scale for generation, battery storage or other projects.</p>	<p><i>Capacity and skills:</i> Energy Investment Unit LGSS Finance and Legal Asset Managers Refit Service Provider (Engineering support) Farm Estate Assets and Commissioning</p> <p><i>Finance</i> PWLB loan facility Upfront development budgets recovered through profits from schemes Finance incentives and grants Private sector finance to share risk on large projects</p>
<b>2 – Energy Supply</b> <ul style="list-style-type: none"> <li>Building resilient communities</li> </ul>	<p>Development of the Smart Energy Grid Project for St Ives Park and Ride to generate, store and supply local energy.</p>	<p>Assess the local grid capacity and its ability to accommodate growth. Report the findings and impacts to Members.</p>	<p>As above but including:  <i>Capacities and skills</i></p>

<ul style="list-style-type: none"> <li>Supporting vulnerable people</li> <li>Supporting a prosperous economy</li> </ul>	<p>Delivery of a business support programme using the lessons learnt from the smart energy grid project to help build the supply chain.</p>	<p>Work with key services to scope the opportunities to develop energy projects on buildings and local sites to directly access local energy generation. This includes working with Children, Families and Adults Department to identify potential sites and the broader health and care networks.</p> <p>Work with partners to assess the pros and cons for different energy supply models for local government including council-run fully licensed supplier, license lite, white label or sleeved supply arrangements, private wire or license exempt supplier. Assessment includes the potential scale of energy generation and local demand to guide the potential options for 'energy company' set up.</p>	<p>Park and Ride Smarter Cambridge</p>
<p><b>3- Energy Efficiency</b></p> <ul style="list-style-type: none"> <li>Reducing cost and waste</li> <li>Supporting vulnerable people</li> <li>Making best use of our assets</li> <li>Supporting Growth</li> <li>Reduce carbon emissions</li> </ul>	<p>Please see activities on schools and public buildings in 1 above. Energy performance contracting covers both energy generation and energy efficiency.</p>	<p>Continue to grow the pipeline of buildings to improve energy efficiency improvements and investment – see Appendix A.</p> <p>Bring forward the business case to invest in LEDs for street lighting to save money on the contract.</p>	<p>As for 1 above</p>
<p><b>4- Cost management</b></p> <ul style="list-style-type: none"> <li>Supporting vulnerable people</li> </ul>	<p>Delivered five 'collective switch' opportunities for residents and businesses to reduce energy bills.</p>	<p>Continue to deliver collective switch opportunities for residents and businesses through sharing the</p>	<p>LGSS Energy Manager LGSS Procurement Energy investment Unit</p>

<ul style="list-style-type: none"> <li>Working in partnership</li> <li>Managing changes to contracts and procurements</li> <li>Attracting investment</li> </ul>	<p>Procured electricity and gas supply tariffs for public sector buildings ( C J-S – please add any further details)</p> <p>Skills audit undertaken 2015 to identify in-house availability of skills to deliver energy projects</p> <p>Procured an energy service provider from the REFIT 2 Framework to deliver energy projects, manage performance risk on projects and upskill staff/members on the business model.</p>	<p>Peterborough’s Collective Switch scheme.</p> <p>Review electricity and heat supply tariffs and contracts to source low carbon energy and renewable energy supplies for public sector buildings.</p> <p>Scope opportunities for setting up a data platform for energy and other data to analyse and identify new solutions to reduce consumption.</p> <p>Procure ‘white label’ or other opportunities for securing low cost energy</p> <p>Review skills audit to identify relevant skills and knowledge across Cambridgeshire and Peterborough to support energy project delivery across the priorities, identify key skills gaps and potential new procurements.</p> <p>Procure new partner arrangements under REFIT 3 Framework to deliver Energy Performance Contracting for larger more complex projects to bring the engineering design skills and innovation to projects.</p>	<p>ICHOOSR/Peterborough collective switch scheme</p> <p>Assets and Commissioning Service</p> <p>Energy Investment Unit LGSS Finance and Legal Asset Managers Refit Service Provider (Engineering support)</p>
<p><b>5- Selling Energy</b></p> <ul style="list-style-type: none"> <li>Make best use of our assets</li> <li>A sustainable and prosperous economy</li> <li>Generate income</li> </ul>	<p>Work is underway engaging with customers for the direct sale of electricity for the Smart Energy Grid Project described below.</p>	<p>To participate directly in the buying and selling of energy is a trading activity and must be pursued through a company structure (the exception is where the supply is a result of solely selling output from generating assets held by the local</p>	<p>As for 1 above but in addition:</p> <p>Licensed energy company arrangements</p>

	Draft power purchase templates are under discussion and negotiations on tariffs starting.	<p>authority). With partners, assess corporate structure options and the conditions under which this is best pursued.</p> <p>Identify if existing schools have extra land not required for educational purposes but which could be used for local energy projects. This land could generate energy to sell to the school and local community. Identify if and how this can be achieved.</p>	Blue Sky Peterborough
<b>6 – Growth</b> <ul style="list-style-type: none"> <li>• Creating Smart Energy Communities</li> <li>• Improving air quality</li> <li>• A prosperous local economy</li> <li>• Working with innovative companies to test new ideas</li> </ul>	The business case for the development of a Smart Energy Grid Demonstrator Project on St.Ives Park and Ride has been agreed by the Authority and match funding is to be agreed before this project is finalised. The scheme will supply renewable energy for electric vehicle charging and to sell to local consumers.	<p>Replicating the learning from this project to deliver Smart Energy Solutions on other park and ride sites and land assets including City Deal and growth area projects.</p> <p>Scope ‘demand response’ opportunities using cloud based software and the internet of things, to identify Virtual Energy Storage ( VES) options that help balance the national grid earning revenue for the authority through the use of existing batteries on computers and other devices.</p> <p>Identify how 5<sup>th</sup> generation mobile network will inform the development of energy projects</p> <p>Explore opportunities for developing low carbon transport projects and smart community projects supported directly by</p>	<p>As for 1 above but in addition:</p> <p>City Deal Smarter Cambridge Growth and development</p>

		<p>local decentralised energy generation schemes.</p> <p>Collaborate with the private/ community sectors to identify new projects, planning in the energy requirements upfront and integrated into projects.</p> <p>Replicate the Smart Energy Grid Project at St Ives on further park and ride schemes to link into City Deal and other projects where energy supply and demand can be development and managed</p>	
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## 4.0 FUNDING AND RESOURCES FOR THE DELIVERY OF ENERGY STRATEGY

### 4.1 Grants funding and income generation

There are a range of financial incentives to support renewable energy projects. The Energy Investment Unit has already accessed and explored funding opportunities in the following areas:

#### Feed in Tariff (FiT)

This is available for renewable electricity generation and is generally applied to solar, wind, combined heat and power and anaerobic digestion. Access to high levels of incentive for technologies can reduce over time as experienced recently with solar but remains available for schemes, albeit at a reduced level.

#### Renewable Heat Incentive

Specific examples include financing incentives from Government that have been accessed to bring forward heat projects. The Renewable Heat Incentive (RHI) is available for biomass, ground source heat pumps and combined heat and power. Some Cambridgeshire schools are already accessing this money through the installation of biomass boilers.

#### Contracts for Difference

Government also runs annual auctions to apply for 'Contracts for Difference'. This is aimed at larger projects where FITs don't apply and is an opportunity for projects to compete for finance incentive ensuring that competition drives down prices. The Authority has signed a Contract for Difference for the 12MW solar park.

#### Government Grants

There are also opportunities to apply for government grants where there are projects that bring innovation or change but need some grant support to ensure they stack up financially.

#### Cambridgeshire's Energy Investment Fund

The Authority has invested directly in projects through borrowing from Public Works Loan Board (PWLb). A set of investment principles has been agreed by Members to guide the development of project business cases. For smaller projects, under £1million, a delegated decision making process is in place to facilitate investment and a loan facility has been agreed under which project approvals can be facilitated. For larger projects, it is agreed to set development budgets which are repaid through the profits on a project if investment is approved via Assets and Investment Committee.

##### Milton CoE Primary School, Milton, Cambridgeshire



##### Cost of project: £166,000

Energy measures include:

- Insulation
- Building Management System
- Heating controls
- New boilers
- Solar PV

Savings:

- 26% savings on energy cost
- £11,000 energy spend reduction per annum
- 45 tonnes of CO2 per annum saved

The Authority is supportive of co-investment into projects. At a small scale, this has worked through schools and academies contributing funds towards energy performance contracting, or attracting other grants such as Salix Finance but for larger projects this could include private sector and pension fund investments to help manage project risk.

## **4.2 The Energy Investment Unit**

The Council has formed the Energy Investment Unit to develop and deliver energy projects to save money for the public sector and generate income for the authority. The unit is funded through income generated by projects and it works with asset managers and service managers to identify potential projects, access existing and new procurements, and brings forward the engineering, financial and legal skills to deliver projects on the ground. Working closely with finance and legal colleagues over the last three years, the unit has built a solid base of skills and knowledge to bring forward energy projects, assess complex business cases, identify benefit share arrangements and advise on contracting arrangements. The unit is currently managing over twenty five energy performance contracts.

### **Contact information**

If your team has energy project ideas but not the capacity or know how to move forward, we are happy to help. Tel: 01223 728552 or email [sheryl.french@cambridgeshire.gov.uk](mailto:sheryl.french@cambridgeshire.gov.uk)

## **4.3 Who will monitor the action plan and where will process be reported?**

The strategy will be approved by Cambridgeshire's Economy and Environment and General Purposes Committees which will also receive annual progress reporting. The Strategy delivery will be monitored internally via the Strategic Asset Management Board which meets monthly and will help unlock barriers to the identification and delivery of projects.

## **5.0 WORKING WITH PARTNERS AND KEY STAKEHOLDERS TO DELIVER THE ENERGY STRATEGY**

Delivery of the strategy requires collaboration and partnerships across a range of stakeholders and professional disciplines, both internal and external to the authority.

Early engagement with government is needed to understand their plans for supporting local energy schemes and whether devolution plans could help facilitate delivery through new powers, responsibilities and funding.

Owing to the local grid network having reached its capacity in many parts of Cambridgeshire, connections to the grid to export electricity are difficult to obtain and costly. It will be important to work closely with the network operator and National Grid to establish where there are opportunities to connect and export electricity or to establish find new partnerships, projects or models where supply and demand for decentralised energy can be facilitated in other ways such as smart grids, private wire and energy storage or other new innovations.

Stakeholder engagement is essential for the successful delivery of energy projects. It will be important to meet local communities, parish councils and businesses to talk through ideas, potential benefits and key challenges as projects come forward.

Working with colleagues at Peterborough City Council and our partner Cambridgeshire Local Authorities is also key. This will draw on the skills and experiences across the organisations to identify and deliver projects as well as ensuring a joined up approach to delivery and resource sharing which brings benefits to the communities we serve.

## **6.0 THE BENEFITS OF AN ENERGY STRATGY FOR CAMBRIDGESHIRE COMMUNITIES?**

Energy bills have more than doubled in the last 10 years and further price increases are expected. More than 40% of the UK's energy is imported and global demand for energy continues to grow. Buying energy on the global market is competitive. Becoming more energy self-sufficient through generating local energy on buildings, car parks and other land assets reduces the amount of energy we import, provides more certainty around energy bills, builds community resilience should global energy supplies become restricted, and supports the local economy.

The UK Climate Change Act 2008 along with global agreements to reduce carbon emissions means that investors such as university pension funds are increasingly moving away from investing in fossil fuels and supporting low carbon investments. This brings emission reductions in the form of improved air quality and health as well as slow global warming impacts.

## Appendix A: Existing and Future potential project areas for energy project development

White= already happening light grey= potential new opportunities dark grey= need scoping

Type of Asset	Project Development underway Y/N	Potential New project	Delivery of Strategy Priorities
<b>Schools</b>			
240 schools (existing)	Yes		Energy Generation Energy Efficiency Managing costs
10 new schools	No	Yes	Energy Generation Energy Supply Selling Energy Supporting Growth
<b>CCC Buildings</b>			
Offices	Yes		Energy Generation Energy Efficiency Managing costs
Libraries	Yes		As above
Catering Services	No	Y- Small scale	As above
Community buildings	No	Y- Small scale	As above
Children Centres	No	Y -Small scale	As above
<b>Transport Assets</b>			
Park and Ride	Y- Demonstrator project	Yes – replication of demonstrator project	Energy Generation Energy Supply Selling Energy Supporting Growth
Guided busway	N	Yes – large scale	Energy Generation Energy Supply Selling Energy
Cycle ways	N	Possible demonstrator for solar paving	Energy Generation
Highways land/verges	N	Yes- small to large scale	Energy Generation Energy Supply Selling Energy
<b>Farm Estate</b>			
Barns + farm buildings	Y	Y – small scale	Energy Generation
Other Land - Further five sites		Y – medium to large scale	Energy generation Selling energy
<b>Other</b>			
Housing Company - land development	N	Demonstrator project potential	Energy Generation Energy Supply Energy Efficiency Selling Energy
<b>Contracts</b>			
Waste	N	Y- large scale	Energy Generation Energy Supply Energy Efficiency Selling Energy Managing contract costs
Street lighting	Y	Y – large scale	Energy Efficiency Managing Contract Costs
Highways	N	To be explored-large scale	Energy Generation Energy Supply Selling Energy





# GENERAL PURPOSES COMMITTEE AGENDA PLAN

Published on 1st December 2016  
As at 8th December 2016



Cambridgeshire  
County Council

## Notes

## Agenda Item No.10

Committee dates shown in bold are confirmed.

Committee dates shown in brackets and italics are reserve dates.

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

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

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

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

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

Committee date	Agenda item	Lead officer	Reference if key decision	Spokes meeting date	Deadline for draft reports	Agenda despatch date
<b>20/12/16</b>	1. Minutes – 29/11/16	M Rowe	Not applicable		07/12/16	09/12/16
	2. Amendments to Business Plan Tables (if required)	C Malyon	Not applicable			
	3. Integrated Resources and Performance Report (October)	R Bartram	2016/053			
	4. Resources and Performance Report (October) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	5. Level of Outstanding Debt	C Malyon	Not applicable			
	6. Transformation Bids	C Malyon	2016/046			
	7. County Council Elections 2017	S Grace	Not applicable			

<b>Committee date</b>	<b>Agenda item</b>	<b>Lead officer</b>	<b>Reference if key decision</b>	<b>Spokes meeting date</b>	<b>Deadline for draft reports</b>	<b>Agenda despatch date</b>
	8. A Corporate Energy Strategy for Cambridgeshire County Council	S Pledger/ S French	Not applicable			
<b>10/01/17</b>	1. Minutes – 20/12/16	M Rowe	Not applicable		28/12/16	30/12/16
	2. Local Government Finance Settlement	C Malyon	Not applicable			
	3. Draft Business Plan	C Malyon	Not applicable			
	4. Quarterly Risk Management Report	S Norman	Not applicable			
	5. Integrated Resources and Performance Report (November)	R Bartram	2017/001			
	6. Resources and Performance Report (November) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	7. Transformation Bids	C Malyon	2017/020			
	8. Changes to Arrangements for the Appointment of External Auditors*	J Lee	Not applicable			
<b>24/01/17</b>	1. Minutes – 10/01/17	M Rowe	Not applicable		11/01/17	13/01/17
	2. Transformation Strategy/Strategic Framework	C Malyon	Not applicable			
	3. Capital Receipts Strategy (if required)	C Malyon	Not applicable			
	4. Treasury Management Strategy	C Malyon	Not applicable			
	5. Business Plan*	C Malyon	Not applicable			
	6. Housing Development Agency - Approval to Set Up As A Company	C Malyon	2017/013			
	7. Tender for insurance cover for the Council	M Greenhall	2017/011			

<b>Committee date</b>	<b>Agenda item</b>	<b>Lead officer</b>	<b>Reference if key decision</b>	<b>Spokes meeting date</b>	<b>Deadline for draft reports</b>	<b>Agenda despatch date</b>
<i>[28/02/17] Provisional Meeting</i>					15/02/17	17/02/17
<b>21/03/17</b>	1. Minutes – 24/01/17	M Rowe	Not applicable		08/03/17	10/03/17
	2. Quarterly Risk Management Report	S Norman	Not applicable			
	3. Integrated Resources and Performance Report (January)	R Bartram	2017/002			
	4. Resources and Performance Report (January) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	5. Treasury Management Report – Quarter 3	M Batty	Not applicable			
	6. Transformation Bids	C Malyon	2017/016			
	7. Community Resilience and Cambridgeshire County Council's Innovation Fund – Monitoring Report	S Ferguson	Not applicable			
	8. Community Hubs	C May	2017/019			
	9. CREATE Project Investment	W Ogle-Welbourn	2017/018			
<i>[25/04/17] Provisional Meeting</i>					25/04/17	13/04/17
<b>06/06/17</b>	1. Minutes – 21/03/17	M Rowe	Not applicable		23/05/17	25/05/17
	2. Integrated Resources and Performance Report (March)	R Bartram	2017/003			

Committee date	Agenda item	Lead officer	Reference if key decision	Spokes meeting date	Deadline for draft reports	Agenda despatch date
	3. Resources and Performance Report (March) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	4. Treasury Management Report – Quarter 4 and Outturn Report*	M Batty	Not applicable			
	5. Assistive Technology in Older People's Care & Assessments – Monitoring Report	C Black	Not applicable			
<b>25/07/17</b>	1. Minutes – 06/06/17	M Rowe	Not applicable		12/07/17	17/07/17
	2. Integrated Resources and Performance Report for the Period Ending 31st March 2017	R Bartram	2017/026			
	3. Integrated Resources and Performance (May)	R Bartram	2017/022			
	4. Resources and Performance Report (May) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	5. Medium Term Financial Strategy	C Malyon	Not applicable			
	6. Capital Strategy	C Malyon	Not applicable			
	7. County Council Consultation Strategy	S Grace	Not applicable			
<b>[22/08/17] Provisional Meeting</b>						
<b>19/09/17</b>	1. Minutes – 25/07/17	M Rowe	Not applicable			
	2. Integrated Resources and Performance Report (July)	R Bartram	2017/017			

Committee date	Agenda item	Lead officer	Reference if key decision	Spokes meeting date	Deadline for draft reports	Agenda despatch date
	3. Resources and Performance Report (July) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	4. Treasury Management Report – Quarter 1	M Batty	Not applicable			
	5. Corporate Risk Register	S Norman	Not applicable			
<b>24/10/17</b>	1. Minutes – 19/09/17	M Rowe	Not applicable			
	2. Integrated Resources and Performance Report (August)	R Bartram	2017/023			
	3. Resources and Performance Report (August) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	4. Service Committee Review of Draft Revenue Business Planning Proposals for 2018/19 to 2022/2023	C Malyon	Not applicable			
	5. Draft 2018/19 Capital Programme and Capital Prioritisation	C Malyon	Not applicable			
<b>28/11/17</b>	1. Minutes – 24/10/17	M Rowe	Not applicable			
	2. Integrated Resources and Performance Report (September)	R Bartram	2017/024			
	3. Resources and Performance Report (September) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	4. Treasury Management Report – Quarter 2*	M Batty	Not applicable			
<b>19/12/17</b>	1. Minutes – 28/11/17	M Rowe	Not applicable			
	2. Integrated Resources and Performance Report (October)	R Bartram	2017/025			

<b>Committee date</b>	<b>Agenda item</b>	<b>Lead officer</b>	<b>Reference if key decision</b>	<b>Spokes meeting date</b>	<b>Deadline for draft reports</b>	<b>Agenda despatch date</b>
	3. Resources and Performance Report (October) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	4. Amendments to Business Plan Tables (if required)	C Malyon	Not applicable			
<b>09/01/18</b>	1. Minutes – 19/12/17	M Rowe	Not applicable			
	2. Integrated Resources and Performance Report (November)	R Bartram	2018/001			
	3. Resources and Performance Report (November) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	4. Local Government Finance Settlement	C Malyon	Not applicable			
	5. Draft Business Plan	C Malyon	Not applicable			
	6. Quarterly Risk Management Report	S Norman	Not applicable			
<b>23/01/18</b>	1. Minutes – 09/01/18	M Rowe	Not applicable			
	2. Transformation Strategy/Strategic Framework	C Malyon	Not applicable			
	3. Capital Receipts Strategy	C Malyon	Not applicable			
	4. Treasury Management Strategy	C Malyon	Not applicable			
	5. Business Plan*	C Malyon	Not applicable			
<i>[27/02/18] Provisional Meeting</i>						
<b>27/03/18</b>	1. Minutes – 23/01/18	M Rowe	Not applicable			

Committee date	Agenda item	Lead officer	Reference if key decision	Spokes meeting date	Deadline for draft reports	Agenda despatch date
	2. Treasury Management Report – Quarter 3	M Batty	Not applicable			
	3. Integrated Resources and Performance Report (January)	R Bartram	2018/002			
	4. Resources and Performance Report (January) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	5. Quarterly Risk Management Report	S Norman	Not applicable			
<i>[24/04/18] Provisional Meeting</i>						
<b>29/05/18</b>	1. Minutes – 27/03/18	M Rowe	Not applicable			
	2. Integrated Resources and Performance Report (March)	R Bartram	2018/003			
	3. Resources and Performance Report (March) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	4. Treasury Management Report – Quarter 4 and Outturn Report*	M Batty	Not applicable			

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

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

Forward plan reference	Intended date of decision	Matter in respect of which the decision is to be made	Decision maker	List of documents to be submitted to the decision maker	Reason for the meeting to be held in private

**Decisions to be made in private as a matter of urgency in compliance with Regulation 5(6)**

3. Where the date by which a meeting must be held makes compliance with the above requirements impracticable, the meeting may only be held in private where the decision-making body has obtained agreement from the Chairman of the Council.
4. Compliance with the requirements for the giving of public notice has been impracticable in relation to the business detailed below.
5. The Chairman of the Council has agreed that the Committee may hold a private meeting to consider the business referred to in paragraph 4 above because the meeting is urgent and cannot reasonably be deferred for the reasons stated below.

Date of Chairman's agreement	Matter in respect of which the decision is to be made	Reasons why meeting urgent and cannot reasonably be deferred

For further information, please contact Quentin Baker on 01223 727961 or [Quentin.Baker@cambridgeshire.gov.uk](mailto:Quentin.Baker@cambridgeshire.gov.uk)

<b>GENERAL PURPOSES COMMITTEE TRAINING PLAN</b>	The Training Plan below includes topic areas for GPC approval. Following sign-off by GPC the details for training and development sessions will be worked up.	<b><u>Appendix 2</u></b>
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Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
	Background to services provided by Customer Service & Transformation	Members will gain an insight into the range of frontline and back-officer services provided across CS&T: <ul style="list-style-type: none"> <li>Consultation</li> </ul>		24 Nov	Sue Grace  Mike Soper / Elaine O'Connor	Presentations & Q&A.	Cllrs Schumann, Count, Leeke, Kavanagh, Rouse, Orgee, Hickford, Bates. Criswell, Cearn, Tew, Reeve, Bullen, Jenkins, Nethsingha & McGuire	GPC	94%
	Equality and Diversity responsibilities	Understanding the responsibilities the Committee has to comply with equality legislation and to provide services for all Cambridgeshire communities		20 Oct 2015	LGSS Law / CS&T		Cllrs Bailey, Bates, D Brown, Count, Criswell, Hickford, Hipkin,	GPC	82%

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
							Jenkins, McGuire, Reeve, Tew, Walsh, Divine, Williams		
	Background to services provided by Customer Service & Transformation	Members will gain an insight into the range of frontline and back-officer services provided across CS&T: Information Security & Sharing		22 Dec 2015	Sue Grace  Dan Horrex. (CS&T)	Presentati on & Q&A.	Cllrs Bailey, Bates, D Brown, Bullen, Cearn, Count, Criswell, Hickford, Jenkins, McGuire, Orgee, Reeve, Tew, Whitehead	GPC	82%
	Emergency Planning	Members will gain an insight into the role of Emergency Planning		14 Jan 2016	Sue Grace  Stuart Thomas	Presentati on & Q&A.	Cllrs Bailey, Bates, D Brown, Cearn, Count, Criswell, Divine, Hickford, Hipkin, Orgee, Reeve,		

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
							Rouse and Tew		
	Open Data & Cambridgeshire Insight Training			15 March 2016	M Soper	Presentati on & Q&A.	Cllrs Bailey, Bates, D Brown, Bullen, Cearns, Count, Criswell, Hickford, Hipkin, Jenkins, Nethsingha, Reeve, and Tew	GPC	76%
	An overview of information management at CCC including the new data protection regulations			29 November 2016	D Horrex	Presentati on & Q&A	Cllrs Bailey, Bates, D Brown, P Bullen, E Cearns, S Count, A Dent, R Hickford, D Jenkins, L Nethsingha, T Orgee, P Reeve and J Schumann	GPC	76%

