

SERVICE COMMITTEE REVIEW OF DRAFT REVENUE BUSINESS PLANNING PROPOSALS FOR 2018-19 TO 2022-23

To: **Children and Young People Committee**

Meeting Date: **10 October 2017**

From: **Wendi Ogle-Welbourn, Executive Director for People and Communities and Chris Malyon, Chief Finance Officer**

Electoral division(s): **All**

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

Purpose: **This report provides the Committee with an overview of the draft Business Plan Revenue Proposals that are within the remit of the Children and Young People Committee.**

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

a) note the overview and context provided for the 2018-19 to 2022-23 Business Plan revenue proposals for the Service;

b) comment on the draft revenue proposals that are within the remit of the Children and Young People Committee for 2018-19 to 2022-23.

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1. OVERVIEW

- 1.1 The Council's Business Plan sets out how we will spend the resources we have at our disposal to achieve our vision and priorities for Cambridgeshire, and the outcomes we want for people.

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.	

- 1.2 To ensure we deliver this agenda, our focus is always on getting the maximum possible value for residents from every pound of public money we spend and doing things differently to respond to changing needs and new opportunities. The Business Plan therefore sets out how we aim to provide better public services and achieve better results for communities whilst responding to the challenge of reducing resources.
- 1.3 Like all Councils across the country, we are facing a major challenge. Demand is increasing and funding is reducing at a time when the cost of providing services continues to rise significantly due to inflationary and demographic pressures. Through our FairDeal4Cambs campaign we are currently linking with the 39 Shire County areas who make up membership of the County Council's Network and who are raising the issue of historic underfunding of Shire Counties with our MPs and through them with Government. As the fastest growing County in the country this financial challenge is greater in Cambridgeshire than elsewhere. We have already delivered £186m of savings over the last 5 years and have a strong track record of value for money improvements which protect front line services to the greatest possible extent. However, we know that there will be diminishing returns from existing improvement schemes and that the substantial pressure on public finances remains. It is therefore clear that we need to work more closely with local communities to help them help themselves as well as going further and faster in redesigning the way we commission and deliver services.
- 1.4 As such our Business Plan recognises the scale of change needed and proposes a significant programme of change across our services, with our partners and, crucially, with our communities. To support this we have a dedicated fund, providing the resource needed in the short term to drive the change we need for the future.

- 1.5 As the scope for traditional efficiencies diminishes our plan is increasingly focused on a range of more fundamental changes to the way we work. Some of the key themes driving our thinking are;
- Income and Commercialisation - identifying opportunities to bring in new sources of income which can fund crucial public services without raising taxes significantly and to take a more business-like approach to the way we do things in the council.
 - Strategic Partnerships – acting as ‘one public service’ with our partner organisations in the public sector and forming new and deeper partnerships with communities, the voluntary sector and businesses. The aim being to cut out duplication and make sure every contact with people in Cambridgeshire delivers what they need now and might need in the future.
 - Demand Management – working with people to help them help themselves, for example access to advice and information about local support and access to assistive technology. Where public services are needed ensuring this is made available early so that people’s needs don’t escalate to the point where they need to rely heavily on public sector support in the long term – this is about supporting people to remain as healthy and independent as possible for as long as possible.
 - Commissioning – ensuring all services that are commissioned to deliver the outcomes people want at the best possible price – getting value for money in every instance.
 - Modernisation – ensuring the organisation is as efficient as possible and as much money as is possible is spent on front line services and not back office functions taking advantage of the latest technologies and most creative and dynamic ways of working to deliver the most value for the least cost.
- 1.6 The Council continues to undertake financial planning of its revenue budget over a five year period 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, with a focus on those which are relevant to this Committee. Increasingly the emerging proposals reflect joint proposals between different directorate areas and more creative joined up thinking that recognise children live in families and families live in communities, so many proposals will go before multiple Committees to ensure appropriate oversight from all perspectives.
- 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 Equally as our proposals become more ambitious and innovative, in many instances they become less certain. Some proposals will deliver more or less than anticipated, equally some may encounter issues and delays and others might be accelerated if early results are promising. To manage this we need to incorporate some changes to our business planning approach, specifically;

- We want to develop proposals which exceed the total savings/income requirement – so that where some schemes fall short they can be mitigated by others and we can manage the whole programme against a bottom-line position. We aim to establish a continual flow of new proposals into the change programme – moving away from a fixed cycle to a more dynamic view of new thinking coming in and existing schemes and estimates being refined
- A managed approach to risk – with clarity for members about which proposals have high confidence and certainty and which represent a more uncertain impact

1.9 The Committee is asked to comment on these initial proposals for consideration as part of the Council's development of the Business Plan for the next five years. Draft proposals across all Committees will continue to be developed over the next few months to ensure a robust plan and to allow as much mitigation as possible against the impact of these savings. Therefore these proposals may change as they are developed or alternatives found.

1.10 Committees will receive an update to the revenue business planning proposals in December at which point they will be asked to endorse the proposals to the General Purposes Committee (GPC) as part of the consideration for the Council's overall Business Plan.

2. BUILDING THE REVENUE BUDGET

2.1 Changes to the previous year's budget are put forward as individual proposals for consideration by committees, General Purposes Committee and ultimately Full Council. Proposals are classified according to their type, as outlined in the attached Table 3, accounting for the forecasts of inflation, demand pressures and service pressures, such as new legislative requirements that have resource implications, as well as savings.

2.2 The process of building the budget begins by identifying the cost of providing a similar level of service to the previous year. The previous year's budget is adjusted for the Council's best forecasts of the cost of inflation, the cost of changes in the number and level of need of service users (demand) and proposed investments. Should services have pressures, these are expected to be managed within that service where possible, if necessary being met through the achievement of additional savings or income. If it is not possible, particularly if the pressure is caused by legislative change, pressures are considered corporately. It should be noted, however, that there are no additional resources and therefore this results in an increase in the level of savings that are required to be found across all Council Services. The total expenditure level is compared to the available funding and, where this is insufficient to cover expenditure, the difference is the savings/income requirement to be met through transformational change, and or, savings projects in order to achieve a set of balanced proposals.

2.3 The budget proposals being put forward include revised forecasts of the expected cost of inflation following a detailed review of inflation across all services at an individual budget line level. Inflation indices have been updated using the latest available forecasts and applied to the appropriate budget lines. Inflation can be broadly split into pay, which accounts for inflationary costs applied to employee salary budgets, and non-pay, which

covers a range of budgets, such as energy, waste, etc. as well as a standard level of inflation based on government Consumer Price Index (CPI) forecasts. All inflationary uplifts require robust justification and as such general inflation was assumed to be 0%. Key inflation indices applied to budgets are outlined in the following table:

Inflation Range	2018-19	2019-20	2020-21	2021-22	2022-23
Standard non-pay inflation (CPI)	2.2%	2.0%	2.0%	2.0%	2.0%
Other non-pay inflation (average of multiple rates)	3.5%	2.3%	1.7%	1.7%	1.7%
Pay (admin band)	1.0%	1.0%	1.0%	1.0%	1.0%
Pay (management band)	1.0%	1.0%	1.0%	1.0%	1.0%

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

Service Block	2018-19	2019-20	2020-21	2021-22	2022-23
People and Communities (P&C)	2,197	2,659	2,673	2,673	2,673
Economy, Transport and Environment (ETE)	1,086	1,267	849	874	853
ETE (Waste Private Finance Initiative)	856	918	971	953	945
Public Health	16	19	24	24	24
Corporate and Managed Services	279	128	138	138	138
LGSS Operational	72	88	114	114	114
Total	4,506	5,079	4,769	4,776	4,747

2.5 A review of demand pressures facing the Council has been undertaken. The term demand is used to describe all anticipated demand changes arising from increased numbers (e.g. as a result of an ageing population, or due to increased road kilometres) and increased complexity (e.g. more intensive packages of care as clients age). The demand pressures calculated are:

Service Block	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000
People and Communities (P&C)	6,693	7,115	7,583	7,626	8,415
Economy, Transport and Environment (ETE)	269	265	267	265	271
Total	6,962	7,380	7,850	7,891	8,686

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

Service Block / Description	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000
New Pressures Arising in 18-19					

P&C: Children's Change Programme	886	0	0	0	0
P&C: Legal	400	0	0	0	0
P&C: Adoption	367	0	0	0	0
P&C: DSG Contribution to Combined Budgets	3,612	0	0	0	0
ETE: Cambridgeshire and Peterborough Minerals and Waste Local Plan	108	0	-54	-54	0
ETE: Waste PFI	1,175	0	0	0	0
ETE: Removal of P&R charges	1,200	0	0	0	0
ETE: Ely Archives Centre	0	78	0	0	0
ETE: Norwich Tech Partnership Contribution	25	0	0	0	0
ETE: Guided Busway Defects	1,100	200	-1,300	0	0
ETE: Coroner Service	95	0	0	0	0
CS: Commercial approach to contract management	340	0	0	0	0
Existing Pressures Brought Forward					
P&C: Fair Cost of Care and Placement Costs	0	1,500	2,500	1,000	0
P&C: Impact of National Living Wage on Contracts	3,770	3,761	3,277	0	0
P&C: Local Housing Allowance limits - impact on supported accommodation	0	412	595	199	0
P&C: Children Innovation and Development Service	50	0	0	0	0
P&C: Multi Systemic Therapy (MST)	63		0	0	0
ETE: Libraries to serve new developments	0	0	49	0	0

CS: Contract mitigation	0	2,000	0	0	0
A&I: Renewable energy - Soham	4	5	4	5	0
Professional and Management Pay Structure - combined	84	0	0	0	0
Impact of National Living Wage on CCC employee costs (combined)	18	74	174	174	174
Total	-	-	-	-	-

3. SUMMARY OF THE DRAFT REVENUE BUDGET

- 3.1 In order to balance the budget in light of the cost increases set out in the previous section and reduced Government funding, savings or additional income of £37.2m are required for 2018-19, and a total of £85m across the full five years of the Business Plan. The following table shows the total level of savings necessary for each of the next five years, the amount of savings attributed from identified savings and the residual gap for which saving or income has still to be found.:

Service Block	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000
Total Saving Requirement	37,169	23,614	14,221	3,862	5,951
Identified Savings	-25,433	-3,961	-2,304	-581	-278
Identified additional Income Generation	-6,196	-1,712	542	-201	-13
Residual Savings to be identified	5,540	17,941	12,459	3,080	5,660

- 3.2 As the table above shows there is still a significant level of savings or income to be found in order to produce a balanced budget for 2018-19. While actions are being taken to close the funding gap, as detailed below, it must be acknowledged that the proposals already identified are those with the lower risk and impact profiles and the further options being considered are those considered less certain, or with greater impact.
- 3.3 The actions currently being undertaken to close the gap are:
- Reviewing all the existing proposals to identify any which could be pushed further – in particular where additional investment could unlock additional savings
 - Identifying whether any longer-term savings can be brought forward
 - Reviewing the full list of in-year and 2018-19 pressures – developing mitigation plans wherever possible to reduce the impact of pressures on the savings requirement

- Bringing more ideas into the pipeline – this work will continue to be led across service areas - recognising that it is the responsibility of all areas of the Council to keep generating new proposals which help meet this challenge. This ongoing focus on finding new ways of working includes the new programme of 'outcomes focused reviews' which have been commissioned in priority areas; this means looking in-depth at services where it is considered further savings or opportunities for creating additional income may be possible
- 3.4 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 and the figures can be confirmed:
- While the Business Plan includes a pressure relating to the increase in the National Living Wage, the phasing of this increase has not been confirmed. Once this is known the pressure will be updated to reflect this.
 - The result of schools funding reforms, in particular the control of the Dedicated Schools Grant shifting further toward individual schools, is still under discussion and the significant current pressure will be updated as the outcome of this discussion becomes clear.
 - Movement in current year pressures. Work is ongoing to manage our in-year pressures downwards; however, any change to the out-turn position of the Council will impact the savings requirement in 2018-19. This is particularly relevant to demand led budgets such as children in care.
 - Due to the level of reduction in Government grants in later years the Council did not take the multi-year settlement offered as part of the 2015 Spending Review. As such there is some uncertainty around the accuracy of our funding assumptions which will become clearer after the Government's Autumn Budget is announced on November 22nd and the Local Government Finance settlement due in mid-December.
- 3.5 In some cases services have planned to increase income to prevent a reduction in service delivery. For the purpose of balancing the budget these two approaches have the same effect and are treated in the same way.
- 3.6 This report forms part of the process set out in the Medium Term Financial Strategy whereby the Council updates, alters and refines its revenue and capital proposals in line with new savings targets. New proposals are developed across Council to meet any additional savings requirement and all existing schemes are reviewed and updated before being presented to service committees for further review during December.
- 3.7 The level of savings required is based on a 2% increase in Council Tax, through levying the Adults Social Care (ASC) precept in, but a 0% general Council Tax increase. It should be noted that the Government has only confirmed that ASC precept will be available up to and including 2019-20. For each 1% more or less that Council Tax is changed, the level of savings required will change by approximately +/-£2.5m.
- 3.8 There is currently a limit on the increase of Council Tax to 1.99%, above which approval must be sought from residents through a positive vote in a local referendum. It is estimated that the cost of holding such a referendum

would be around £100k, rising to as much as £500k should the public reject the proposed tax increase (as new bills would need to be issued).

- 3.9 Following October and December service committees, the General Purposes Committee will review the overall programme in December 2017 before recommending the programme in January as part of the overarching Business Plan for Full Council to consider in February 2018.

4. BUSINESS PLANNING CONTEXT FOR CHILDREN AND YOUNG PEOPLE COMMITTEE

- 4.1 We have already delivered a significant programme of transformational change across Children's Services in recent years, in particular through the Children's Change Programme. This has developed a more efficient and effective service model and helped us deliver multi-million pound savings to contribute to the challenges facing the local authority. However we are still experiencing high levels of demand with the number of children in care remaining at a higher level than Cambridgeshire has had previously and a rising prevalence of special educational need and disability. At the same time our grant funding continues to diminish creating further pressure on the budget model.
- 4.2 The level of demand goes beyond that which can be absorbed within services and so it needs to be met by additional investment, as well as changing the way we do things (see 1.5). A number of demand funding allocations are therefore proposed across services within the remit of the Children's Committee as part of business planning to ensure we continue to be able to support eligible children and families who need help from services. An overview of the additional funding is provided below and the associated modelling and business cases are attached as appendices to this report.

Demand Area	Description	Amount £000 2018/19
Home to School Special Transport	Additional funding is required to provide transport to education provision for children and young people with special educational needs or who are looked after. The additional investment is needed as there are increasing numbers of children with special educational needs (SEN) and increasing complexity of need which requires individual or bespoke transport solutions. The cost of transport is also affected by the number of special school places available which is also increasing – in particular as a result of the new Littleport Special School.	315
Looked After Children	Additional budget is required to provide care for children who become Looked After. As with many local authorities we have experienced a steady rise in the number of Looked After Children in recent years. Looking ahead, the number of Looked After Children is predicted to increase by around 4% each year and this equates to around 25 more children to care for. The additional investment will ensure we can fully deliver our responsibilities as corporate parents and fund suitable foster, residential or other	1,460

	supported accommodation placements for all children becoming looked after.	
Special Guardianship Orders Adoption	Additional funding is also required to cover the cost of identifying, assessing and supporting adoptive parents and other permanent carers for children in care. As numbers of children increase we need to invest in adoptive and special guardianship placements which provide stable, loving and permanent care for children who come into the care system.	350

4.3 This pattern of rising demand creates the imperative for change, and so in response we are committed to;

- Investing in our services to transform them, delivering better outcomes and constrained demand
- Transforming the way we work – making improvements to how we manage our business, our people and our money
- Better managing the contracts we have with suppliers and external providers
- Developing new and deeper partnerships – bringing benefits for all
- Only considering reducing services as a last resort

4.4 Section 5 of this paper describes the transformation proposals we have developed for 2018/19 to deliver these commitments – addressing the financial challenge without cutting services.

5. OVERVIEW OF CHILDREN'S COMMITTEE'S DRAFT REVENUE PROGRAMME

5.1 The paragraphs below provide an overview of the draft 2018/19 business planning proposals within the remit of the Children's Committee. In each case the reference to the business planning table is included along with the anticipated level of financial saving or additional income. It is important for the Committee to note that the proposals and figures are draft at this stage and that work on the business cases is ongoing. Updated proposals will be presented to Committee again in December at which point business cases and the associated impact assessments will be final for the Committee to endorse.

5.2 Additional investment is required to deliver transformation at this scale and the programme of savings described below will need to be supported by resources agreed through the Council's Transformation fund process. A report will be prepared for General Purposes Committee detailing the additional resource requirements, the associated savings and therefore the return on investment. This report will go to the November meeting of General Purposes Committee.

Transforming our services, delivering better outcomes and constrained demand

5.3 A/R.6.253 Looked After Children (LAC) Placement Budget Savings (-2000k in 2018/19)

This programme incorporates a range of proposals to secure sustainable savings from the Looked After Children (LAC) placements budget. Savings will focus on maintaining outcomes whilst ensuring best possible value for money. The overall estimated level of saving from this work is £2000k, but work is ongoing on this programme and a more refined estimate will be provided for the December Committee paper. Individual schemes include:

- Significantly increasing the number of in house fostering placements to reduce reliance on the more costly independent fostering placements
- Developing new 'supported lodgings' provision as a cost-effective placement option – increasing the availability of provision to meet the needs of 16 and 17 year olds
- Inflation Savings – undertaking negotiations with providers to mitigate inflationary pressures.
- Re-commissioning our contracts for Independent Fostering Placements and securing cost-reductions – using the up-coming procurement process to negotiate further discounts from high-volume providers

Further savings will be delivered by:-

- The new Enhanced Intervention Service for Disabled Children - helping families stay together
- Reducing the length of time children are in care through more effective reunification work
- Earlier and wider use of systemic family meetings to identify family solutions which avoid the need for children to be accommodated in care
- reducing the impact of parental mental health in risk to children
- the new No Wrong Door or Hub Model of Care placements – this will provide an integrated team to stay with the young person throughout their care journey and provide flexible accommodation and support

5.4 A/R 6.204 Children's Change Programme (-594k 2018/19)

We will continue to look at additional opportunities for improvement and increasing productivity across children's services. A number of areas will be considered including whether the service(s) offered by separate teams and fixed term posts can be mainstreamed into the new District teams; how we can maximise the use of our Fostering service; consider using technology and different ways of working to increase productivity; consider reviewing the use of out of hours support provided by external providers. We will also explore further opportunities to share services with Peterborough City Council.

5.5 A/R. 6.252 Home to School Transport (Special) – Independent Travel Training (-96k in 2018/19)

For some children/young people who have a special educational need which entitles them to free transport to school, there is the opportunity to work with them to develop independent travel skills. By investing in training and support to help more pupils to travel independently on school buses or public transport, rather than requiring taxis or minibuses, to go to school this project will deliver savings on bespoke transport costs and enable these pupils to develop confidence in using travel options for learning, work and social activities for the rest of their lives. The scheme will start in summer 2018, with savings from the start of the school year in 2018/19. This links to other Home to School Transport (Total Transport) projects A/R.6.210, A/R. 6.214, A/R 6.249 and A/R.6.244.

5.6 A/R. 6.214 Total Transport – Home to School Transport (Special) – Moving Towards Personal Budgets (-100k in 18/19)

Personal Transport Budgets (PTB) are a sum of money paid on a discretionary basis to the parent of a child that is eligible for home to school transport in exchange for the parent/carer taking on full responsibility for transporting their child safely to and from school. It can be used completely flexibly by the parent/carer provided attendance remains high and the child arrives at school ready to learn. By encouraging the use of PTBs, other Local Authorities have reduced spend on home to school transport, in particular by providing a different solution for families living a long way from viable bus routes. The scheme also allows much greater flexibility for families and children. In some instances families might commission their own private provider but in others parents might choose to transport their own children directly (with the payment covering the cost). For children with complex needs it is often much better for them to be transported by people who know them and their needs individually and for parents to be on-hand to attend to any issues which might arise. This programme has begun, with some personal budgets in operation, however significant savings can be achieved in future years through a stronger focus on PTBs, greater engagement with children and families, and some amendments to the operation of the scheme. This links to other Home to School Transport (Total Transport) projects A/R.6.210, A/R 6.244, A/R 6.249 and A/R 6.252.

5.7 A/R.7.107 Reviewing and Repositioning Learning 'traded' services (-500k in 2018/19)

Learning traded services will be reviewed, through the Outcome Focused Review process, with a view to maximising the full potential of these services. We will consider alternative delivery models, cost recovery, ways to increase market share, sustainability and identify greater profit potential. The services included in this review will be Cambridgeshire Catering and Cleaning, Outdoor Centres, Professional Centre Services, Education ICT and Cambridgeshire Music Services. The Commercial and Investment Committee is leading on this proposal due to its commercial nature, but it is being reported to Children's Committee for information and comment.

5.8 A/R.6.224 Children's Centres - Building a new service delivery model for Cambridgeshire Communities

A significant transformation programme is underway in Children's Centre's Services developing a new service model which protects expenditure on front line delivery whilst delivering significant financial savings. A major public consultation has been organised seeking views from all stakeholders – this closed on the 22nd September 2017 and responses will be used to inform the future offer and will substantiate how the attributed savings will be achieved. The business case and community impact assessment provided to the Committee at this stage are draft and will be updated further for the December Committee meeting – once the consultation responses have been fully analysed. It is proposed that a saving will be achieved by re-purposing some existing children's centre buildings and streamlining both management infrastructure and back office, associated service running and overhead costs. Services will be targeted to the most vulnerable children and young people, and as an integral part of the early help offer, redesigned services will provide support to families when and where they really need them. A range of flexible services will be provided which

are not restricted to delivery from children's centre buildings, in order to maintain the current level of expenditure on front line delivery.

Better managing the contracts we have with suppliers and external providers

5.9 A/R.6.244 Total Transport/Home Schools Transport Mainstream (-342k in 18/19)

Through the ongoing Total Transport transformation programme we are scrutinising contract services to ensure that Council delivers the most efficient mainstream school transport services whilst ensuring that all eligible pupils continue to receive their free transport entitlement in line with Council policy on journey times. This expanded programme across the County builds on data and experience gained through Phase 1 of the Total Transport pilot, which was implemented in East Cambridgeshire at the start of September 2016. Additional staff have been employed as part of an 'Invest to Save' initiative to ensure on-going scrutiny of contract services to ensure the Council delivers the most efficient mainstream school transport services whilst ensuring that all eligible pupils continue to receive their free transport entitlement in line with Council policy on journey times. Based upon work conducted so far, this work is anticipated to deliver £342,000 savings in 18/19. Some of these savings include the ongoing impact of tenders conducted in 17/18. This links to other Home to School Transport (Total Transport) projects A/R.6.210, A/R. 6.214, A/R 6.249 and A/R 6.252.

5.10 A/R.6.210 Home to School Transport (Special) – Route Retendering (-104k in 2018/19)

We expect to achieve savings through the process of retendering and managing Home to School Transport contracts for pupils with Special Educational Needs that are eligible for free transport. Based upon learnings from the approach taken to achieving savings in Mainstream Home to School Transport through the Total Transport transformation work, this consists of a combination of contract re-tendering, route reviews, looking across client groups and managing demand for children requiring transport provision, including the impact of the new Highfield Littleport Area Special School and access improvements to the Meadowgate Special School footpath in Wisbech. Some of these savings will result from the ongoing impact of tenders completed in 17/18. This links to other Home to School Transport (Total Transport) projects A/R.6.214, A/R 6.244, A/R 6.249 and A/R 6.252.

making improvements to how we manage our business, our people and our money

5.11 A/R.6.251 Review of Home to School Transport Commissioning and Administration (-100k in 2018/19)

We are conducting an end-to-end review of the functions / business processes undertaken in each service (Customer Services, School Admissions and Education Transport) for the transport provision for students through the Outcome Focused Review structure; this work has an estimated saving of £100k. We'll be in a better position to confirm the level of saving that can be achieved in cashable terms by the December round of Member Committees.

5.12 A/R.6.249 Home to School Transport (Special) – Managing Within Reduced Resources (-110k in 18/19)

We have reviewed and improved our financial monitoring systems for Home to School transport budgets and identified the potential for efficiency. Wherever actual use of transport falls below the allocated amount we can identify the shortfall and clawback the difference between budget and actual demand. The identified opportunity is approximately £10,000 a month. This also reflects the successful ongoing efforts to constrain demand, manage contracts more effectively, by budgeting in these more efficient ways we are planning to manage our resources within a smaller budget requirement, with a lower margin for error on this underspend. It is anticipated that this can deliver £110,000 savings in 18/19 This links to other Home to School Transport (Total Transport) projects A/R.6.210, A/R. 6.214, A/R 6.249 and A/R 6.252.

5.13 A/R.6.201 Staffing reductions in Commissioning (-94k in 2018/19)

The Commissioning Directorate Restructure implemented in May 2017 creating a central team has realised savings of -34K. The restructure has created efficiencies through removal of duplication, increasing the opportunities to jointly commission and improving the ability of the Directorate to influence, negotiate and work with providers and operational teams in a collaborative way to get the right outcomes across a whole system. There are further plans to remove the vacant Business Development Analysis post and cease the Small Grant Fund which occur in 2018/19 will result in a further -60K saving.

5.14 A/R.6.248- Review the commissioning of the local assistance scheme and resource requirement (-21k in 2018/19)

The Cambridgeshire Local Assistance Scheme was reviewed in 2016/17 and a new 3 + 2 year contract awarded in 2017/18. The budget is £321k and the contract value is £300k/year, therefore a surplus of £21k can be offered as a permanent saving.

5.15 A/R.6.250 - Grants to Voluntary Organisations (-168k 2018/19)

£168k permanent saving from the Home Start/Community Resilience Grant where the re-commissioning of this service ceased in 16/17. Reported as an in-year saving for 2017/18 and now captured as a permanent saving within the 2018/19 business plan. No further reduction in grants to voluntary organisations will result from this proposal – it is purely to account for the previous saving on a permanent basis.

Developing new and deeper partnerships – bringing benefits for all

5.16 A/R.6.227: Strategic review of the local authority's ongoing statutory role in learning. How services are provided to schools and how this is charged (-324k 2018/19).

Learning Services will be reviewed to identify savings and review charging policies where income is generated, in the context of the changing role of local authorities in the education landscape. This will focus on the Local Authority's statutory and core roles and functions; developing joint working with Peterborough's education services and with other local authorities, as appropriate. This review is awaiting the appointment of the new Service Director of Learning and phasing for the delivery of the estimated £324k saving may need to be reviewed once they are in post. Further detail of this proposal will be provided as the work progresses.

6 CROSS CUTTING PROPOSALS

6.1 In addition to the proposals outlined above which fall within the remit of the Children's Committee, there are a number of cross-cutting initiatives which are of relevance to all Committees. These proposals will be particularly highlighted to General Purposes Committee in their overarching role across the business plan but are described in outline below for information. As the work progresses and the specific implications for individual committees become clearer further updates will be provided.

6.2 C/R.6.103 Automation (-500k in 2018/19)

We are undertaking a systematic review of service processes, identifying where there is scope for automation to add value and investigating the end-to-end process for further efficiencies. We are building on the work of the Citizen First, Digital First programme which identified a range of potential efficiencies that could be made at the Contact Centre and in the back-office through integrating different systems. This work fundamentally considers how and why we provide what we do which could lead to larger savings and which will enable us to more fully exploit the technologies that the Citizen First, Digital First programme have invested in. Some of the areas where we think automation might have strong potential include;

- Training - with a move to e-learning
- Elements of Education Transport Processes
- Element of the schools admission process

6.3 C/R.7.102 Fees & Charges (-80k in 2018/19)

Exploring the potential to review our policy and approach to fees and charges – in particular ensuring that the true full cost of delivery (including all overheads) has been captured in calculating the maximum charge we are allowed to apply. This has the potential to generate more income to fund council services and presents an opportunity for us to ensure that the costs of delivering services are fully covered. It's estimated that this will generate £80k of additional income.

6.4 C/R.6.101 Shared Arrangements with Peterborough City Council (-300k in 2018/19)

We are continuing to explore further opportunities to share activities and costs and learn from one another's best practice with Peterborough City Council (PCC). We have already achieved savings through joining senior roles across PCC and Cambridgeshire County Council (CCC) and believe there are further opportunities for savings across both Councils and a greater impact on shared outcomes for our citizens. It's estimated that this will save £300k. A number of areas are being explored:

- Shared senior roles across PCC and CCC
- Closer relationships and resource sharing between corporate functions across PCC and CCC
- Review of back office functions to see if there any further opportunities to join up and make savings
- Review of customer front door and contact centre functions
- Further analysis of joint commissioning and procurement opportunities

- All Outcomes Focused Reviews will consider opportunities to join delivery and commissioning with PCC and other partners

7. NEXT STEPS

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

8. ALIGNMENT WITH CORPORATE PRIORITIES

8.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

8.2 Helping people live healthy and independent lives

The impact of these proposals is summarised in the community impact assessments, attached as an appendix.

8.3 Supporting and protecting vulnerable people

The impact of these proposals is summarised in the community impact assessments, attached as an appendix.

9. SIGNIFICANT IMPLICATIONS

9.1 Resource Implications

The proposals set out the response to the financial context described in section 4 and the need to change our service offer and model to maintain a sustainable budget. The full detail of the financial proposals and impact on budget is described in the financial tables of the business plan, attached as an appendix. The proposals seek to ensure that we make the most effective use of available resources and are delivering the best possible services given the reduced funding. This set of business planning proposals, is subject to financial risk. In particular the proposals for reduced spending on statutory care budgets represent ambitious targets for budgets which are 'demand-led' and therefore not fully controllable. We will always need to meet statutory needs and so we are reliant on our early help and preventative activity being successful in reducing demand. If this is not successful then further savings will have to be found elsewhere.

9.2 Statutory, Legal and Risk implications

The proposals set out in this report respond to the statutory duty on the Local Authority to deliver a balanced budget. Children's Services will continue to meet the range of statutory duties for supporting vulnerable groups, but as

stated within the impact sections of this paper the model of help provided to people with statutory needs will change.

9.3 Equality and Diversity Implications

The Community Impact Assessments describe the impact of each proposal, in particular any disproportionate impact on vulnerable or minority groups.

9.4 Engagement and Consultation Implications

Our Business Planning proposals are informed by the CCC public consultation on the Business Plan and will be discussed with a wide range of partners throughout the process (some of which has begun already). The feedback from consultation will continue to inform the refinement of proposals. Where this leads to significant amendments to the recommendations a report would be provided to the Children's Committee.

Draft Community Impact Assessments (CIAs) for the savings proposals are attached to this paper for consideration by the Committee, and where applicable these will be developed based on consultation with service users and stakeholders.

9.5 Localism and Local Member Involvement

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

Implications	Officer Clearance
<i>Have the resource implications been cleared by Finance?</i>	<i>Name of Financial Officer: Chris Malyon and Tom Kelly</i>
<i>Has the impact on statutory, legal and risk implications been cleared by LGSS Law?</i>	<i>n/a</i>
<i>Have the equality and diversity implications been cleared by your Service Contact?</i>	<i>See individual impact assessments in t he papers</i>
<i>Have any engagement and communication implications been cleared by Communications?</i>	<i>Name of Officer: Christine Birchall</i>
<i>Have any localism and Local Member involvement issues been cleared by your Service Contact?</i>	<i>Different for each proposal – vast majority affect all of Cambs – any specifics for a given patch are dealt with in the business case for t hat proposal</i>
<i>Have any Public Health implications been cleared by Public Health</i>	<i>Val Thomas</i>

Source Documents	Location
Strategic Framework	https://cmis.cambridgeshire.gov.uk/cc_live/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/580/Committee/2/Default.aspx