

# Children's Services Committee

<b>Report title:</b>	<b>Strategic and Financial Planning 2018-19 to 2021-22</b>
<b>Date of meeting:</b>	<b>17 October 2017</b>
<b>Responsible Chief Officer:</b>	<b>Matt Dunkley – Interim Executive Director of Children's Services</b>

## Strategic impact

This report provides an update on the Service Committee's detailed planning to feed into the Council's budget process for 2018-19. The Council's budget setting activity is informed by a range of documents including the Medium Term Financial Strategy, and the County Council Plan, which is currently being updated. Together these help to set the context for the Council's medium term service and financial planning, which will support the development of a robust, balanced budget for 2018-19.

## Executive summary

This report forms part of the strategic and financial planning framework for Service Committees. It provides an update on the Council's budget setting process, and sets out details of the actions required by Service Committees to enable the Council to set a balanced budget for 2018-19.

### Recommendations:

**Children's Services Committee is recommended to:**

- 1. Note that the budget planning assumptions for 2018-19 are unchanged from the September 2017 Children's Services committee Strategic and Financial Planning 2018-19 to 2021-22 paper;**
- 2. Consider and agree the service-specific budgeting issues for 2018-19 as set out in section 3 and 4;**
- 3. Agree that there are no planned or proposed savings for 2018-19 which could be implemented during 2017-18 to provide an in-year saving in addition to those already reflected in the forecast position and reported as part of the September 2017 Children's Services committee Strategic and Financial Planning 2018-19 to 2021-22 paper;**
- 4. Consider and agree whether any savings identified for 2019-20 have the capacity to be brought forward to 2018-19;**
- 5. Agree proposed new savings for 2018/19 (Table 4), for recommendation to Policy and Resources Committee, including those which will require consultation.**

## 1. Introduction

- 1.1 The Council's approach to medium term service and financial planning includes a rolling medium term financial strategy, with an annual budget agreed each year. The County Council agreed the 2017-18 Budget and Medium Term Financial Strategy (MTFS) to 2019-20 at its meeting 20 February 2017. At this point, the MTFS identified a gap for budget planning purposes of £35.015m.
- 1.2 The MTFS position is updated through the year to provide Members with the latest available financial forecasts to inform wider budget setting work across the organisation. As previously reported to Committees, Policy and Resources Committee considered a

report “Strategic and Financial Planning 2018-19 to 2021-22” on 3 July 2017, which set out a forecast gap of £100.000m for the period to 2021-22.

- 1.3 This year, the budget-setting process is closely aligned with development of the new Council Plan and associated corporate strategy work, to be completed in the autumn. Further details of this were set out in the report “Caring for your County” and in the Strategic and Financial Planning reports considered by Policy and Resources Committee.
- 1.4 This report builds on the position reported to Service Committees in September and represents the next stage of the Council’s budget planning process. In particular, the paper sets out details of the saving proposals identified for 2018-19 and subsequent years, for the Committee’s consideration.

## 1.5 **2017-18 budget position**

- 1.5.1 The latest details of the 2017-18 budget position are set out in the budget monitoring report elsewhere on the agenda. The Council’s overarching budget planning assumptions for 2018-19 continue to assume that the 2017-18 Budget will be fully delivered (i.e. that all savings are achieved as planned and there are no significant overspends).

## 2. **2018-19 Budget planning**

### 2.1 2017-20 Medium Term Financial Strategy

- 2.1.1 County Council approved the 2017-18 Budget and the Medium Term Financial Strategy for the period 2017-18 to 2019-20 on 20 February 2017. The Medium Term Financial Strategy to 2019-20 set out a balanced budget for 2017-18, but a deficit remained of £16.125m in 2018-19, and £18.890m in 2019-20. The Medium Term Financial Strategy’s aim is to ensure a balanced budget to aid forward planning and help mitigate financial risk. The Medium Term Financial Strategy position is shown in the table below.

**Table 1: Budget surplus / deficit as reported to Full Council on 20 February 2017**

	<b>2017-18 £m</b>	<b>2018-19 £m</b>	<b>2019-20 £m</b>
Additional cost pressures and forecast reduction in Government grant funding	74.212	58.719	52.819
Council Tax base increase	-19.853	-14.722	-9.338
Identified saving proposals and funding increases	-54.359	-27.872	-24.591
<b>Budget gap (Surplus) / Deficit</b>	<b>0.000</b>	<b>16.125</b>	<b>18.890</b>

- 2.2 The £58.719m assumed cost pressures and forecast reduction in Government grant funding in 2018-19 consists of:

- a) Inflationary cost pressures for pay and non-pay budgets of £11.548m
- b) Legislative changes of £22.891m including responsibilities at the time anticipated relating to the improved Better Care Fund, and pension revaluation costs
- c) Demographic cost pressures of -£2.866m. Demographic pressures in Adult Social Services were offset by the fact that additional funding for Children’s Services was one-off in 2017-18 and so reversed in the plans for 2018-19. This pressure has subsequently been made ongoing during 2018-19 budget planning
- d) NCC policy changes of £2.552m
- e) Forecast funding reductions of £24.594m

- 2.3 It should be noted that the budget gap of £16.125m in 2018-19 assumes a CPI (1.9%) increase in council tax above the 3% Adult Social Care precept, based on the assumptions

used by the Government at the time of the 2016-17 local government settlement. Any reduction in this increase will require additional savings to be found. The assumed increases in Council Tax for the Adult Social Care Precept and inflation (the OBR forecast of CPI) are set out in the table below. It should be noted that currently CPI is running at 2.6%<sup>1</sup> and the Council awaits guidance from the Government on the council tax referendum threshold for 2018-19. The assumed council tax increases are of course subject to Full Council's decisions on the levels of Council Tax, which will be made before the start of each financial year. In addition to an annual increase in the level of Council Tax, the budget assumes modest annual tax base increases of 0.5%

2.4 The Medium Term Financial Strategy (MTFS) for 2017-20 agreed by Full Council in February therefore set out a forecast gap for the years 2018-19 and 2019-20 of £35.015m and included planned net savings of £72.737m. Detail of these savings is shown in Appendix 1.

## **2.5 Latest forecast budget gap 2018-19**

2.5.1 As reported to Service Committees in September, since the preparation of the Medium Term Financial Strategy, further pressures on the budget have been identified, resulting in changes to the Council's budget planning position. In September Service Committees also considered the budget planning principles for 2018-19. Alongside the assumptions about Council Tax, other key assumptions within the Council's current budget model include:

- a) That Revenue Support Grant will substantially disappear in 2020-21. This equates to a pressure of around £36m, but significant uncertainty is attached to this and clearly the level of savings required in year three could be materially lower should this loss of funding not take place
- b) 2017-18 Budget and savings delivered in line with current plans (no overspend)
- c) Use of additional Adult Social Care funding during 2017-18 and future years as agreed by Adult Social Care Committee 10 July 2017
- d) 2017-18 growth in Children's Services is included as an ongoing pressure
- e) Ongoing annual pressures will exist in waste budgets
- f) Council tax increases are agreed (subject to annual decision by Full Council) as shown in the table above for 2018-19 to 2020-21 (including Adult Social Care precept in 2018-19) with no increase in council tax in 2021-22
- g) Moderate council tax base growth over the period of the MTFS

2.5.2 The latest estimate of the budget gap for the four year planning period up to 2021-22 is £100.000m. The table below sets out the summary County Council forecast position. Further details of the budget planning changes as reported to Policy and Resources Committee are shown in the September report to this Committee.

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<sup>1</sup> UK consumer price inflation: July 2017, published by the Office for National Statistics:  
<https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/july2017>

**Table 2: Norfolk County Council budget gap forecast**

	2018-19	2019-20	2020-21	2021-22	Total
	£m	£m	£m	£m	£m
<b>Gap as at MTFS February 2017</b>	<b>16.125</b>	<b>18.890</b>	<b>0.000</b>	<b>0.000</b>	<b>35.015</b>
New pressures	13.135	-6.897	20.773	21.366	<b>48.377</b>
Funding changes	-11.612	5.998	42.343	0.000	<b>36.729</b>
Savings changes	0.878	0.535	-10.000	0.000	<b>-8.587</b>
Council tax increase (1.99% 2020-21, 0% 2021-22)	0.000	0.000	-7.657	0.000	<b>-7.657</b>
Council tax base growth (0.5%)	0.000	0.000	-1.914	-1.962	<b>-3.877</b>
<b>Revised gap as at P&amp;R July 2017</b>	<b>18.526</b>	<b>18.526</b>	<b>43.544</b>	<b>19.404</b>	<b>100.000</b>
Reallocate year 4 saving to years 1-3 (split 20/60/20)	3.881	11.642	3.881	-19.404	<b>0.000</b>
<b>Total new savings to find (in addition to savings in 2017-18 MTFS)</b>	<b>22.407</b>	<b>30.168</b>	<b>47.425</b>	<b>0.000</b>	<b>100.000</b>
<b><u>Note: Budget planning assumes:</u></b>					
<b>Forecast council tax</b>	<b>373.535</b>	<b>382.873</b>	<b>392.445</b>	<b>394.407</b>	<b>n/a</b>
Forecast increase in council tax in budget planning (including ASC precept, council tax increase and council tax base growth)	14.723	9.338	9.572	1.962	35.595
Council tax increase	1.9%	2.0%	2.0%	0.0%	
Adult Social Care precept increase	3.0%	-	-	-	

2.5.3 The budget position and the associated assumptions are kept under continuous review, and will be updated to reflect any changes arising from the Government's Autumn Budget, or further information about the Council's funding position as it becomes available. Reports on the latest financial planning position will be presented to Policy and Resources Committee up until budget-setting by County Council in February.

2.5.4 The outline budget-setting timetable for 2018-19 is set out in Appendix 2 to this report.

## 2.6 Allocation of savings required

2.6.1 The following table sets out the indicative savings by department (excluding Schools and Public Health) as reported to the Committee in September.

**Table 3 Allocation of new MTFS 2018-22 savings required by Committee**

<b>Allocation of new 2018-22 MTFS savings by Committee excluding Schools and Public Health</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>Total</b>
	£m	£m	£m	£m	£m
Adult Social Care	-1.477	-11.480	-18.047	0.000	<b>-31.004</b>
Children's Services	-7.134	-6.369	-10.013	0.000	<b>-23.516</b>

Communities	-2.461	-2.197	-3.454	0.000	<b>-8.112</b>
Environment, Development and Transport	-6.663	-5.950	-9.353	0.000	<b>-21.966</b>
Policy and Resources	-3.553	-3.172	-4.987	0.000	<b>-11.712</b>
Business and Property	-0.362	-0.323	-0.507	0.000	<b>-1.192</b>
Digital Innovation and Efficiency	-0.757	-0.677	-1.064	0.000	<b>-2.498</b>
<b>Total</b>	<b>-22.407</b>	<b>-30.168</b>	<b>-47.425</b>	<b>0.000</b>	<b>-100.000</b>

2.6.2 The following table sets out the indicative savings by department (excluding Schools and Public Health) as reported to the Committee in September.

### 3 Committee response

3.1 In September, Children's Services committee reviewed the current budget position, including considering service-specific budgeting issues. Relevant issues noted and agreed were:

- a) Pressure within the placements budget due to volume and mix for children who are looked after, in line with Children's Services nationally
- b) Pressure as a result of the numbers and complexity of support for children with Special Educational Needs and alternative education for permanently excluded pupils
- c) The current focus upon the Improvement Plan to move the service out of inadequate and towards a good OFSTED rating
- d) The department's response to the current financial challenges is through a number of strategic initiatives focused on demand management, prevention and early help, that is expected to lead to better outcomes for children as well as a reduction in the cost of formal care arrangements

3.2 September's Policy and Resources committee considered and approved the recommendations in the paper "Demand Management & Prevention Strategy: Children's Services". These recommendations:

- Approved Children's Services Demand Management and Prevention Strategy as one of the seven council priorities, to be delivered through a transformation programme;
- Agreed one-off investment of £12-15m over four years to enable the transformation programme, with funding for the investment to be identified during the budget setting process;
- Agreed that funds will be held centrally, overseen by Executive Director of Finance, and drawn down only in line with pre-agreed milestones.

This transformation is required provide better outcomes for children and families through focusing on providing families with earlier targeted help where needed, ensuring that the referrals to social care are the right referrals, and increasing permanence for children. This will be a more sustainable system that focuses on timely, cost effective and efficient service provision, resulting in enabling future identified budget savings to be achieved through reducing the number of children looked after and the unit costs for each child looked after.

3.3 The Integrated Performance and Finance monitoring paper elsewhere on the agenda, reports increased forecast of costs for children who are looked after as at the end of August (period 5). Improvements in the robustness of social work practice is leading to an increase in the volume of looked after children in the short to medium term, which is combined with difficulties in sourcing appropriate placements from the market. A key part of the transformation programme will be sufficiency in the market to ensure that the department has the right placements available when they are needed.

## 4 2018-19 Budget

- 4.1 Children's Services have committed to savings of £5.504m in this financial year, and further savings of £0.409m in 2018-19. These savings are forecast to be achieved in 2018-19, with the exception of those included within the Budget Gap forecast for 2018-22 not being achievable due to changes in service needs; this position was reported to the Committee in September.
- 4.2 When considering what changes to service provision could be made to meet the allocated savings targets for Children's Services (see table 3 above), our priority has been to ensure that the plans to transform services through the one-off investment are not undermined. Therefore, savings have not been proposed that meet the full targets allocated in each year, because the view is that any others would have a detrimental effect upon the department's ability to undertake transformational change.
- 4.3 The first consideration for savings has been further efficiencies and ensuring that the service is utilising resources effectively. The subsequent area of consideration has been whether additional income can be secured for services that we can charge for. Proposals brought to the committee have avoided reducing preventative services and early intervention activities that are targeted at the most vulnerable families in need of our support.

### 4.4 2018-19 Budget Proposals

- 4.4.1 **Reduction in legal expenses to ensure that we are getting legal advice only when we need to and that it is provided by a legal professional at the right level**  
**2018-19 £0.142m saving; 2019-20 £0.142m saving**

*Why is this being considered?*

Improvements are currently being made to the robustness of social work decision making, and it is expected that this will lead to social workers only engaging legal services at the most appropriate time.

*What would be required?*

Guidance to social workers will be updated to provide clarity as to when legal advice about cases should be sought to ensure that we are getting legal advice only when we need to. Additionally, through work with legal services, Children's Services will ensure that when legal advice is needed, it is provided by a legal professional at the right level so that the Council are not paying more than needed to for legal advice.

*What are the implications of the proposal?*

The cost of legal advice for the department should reduce whilst ensuring that appropriate advice is sought at the right time and provided by a legal professional at the right level.

- 4.4.2 **Increase income received for Early Years training through charging more than we currently do**  
**2018-19 £0.090m saving**

*Why is this being considered?*

Early years training provision has previously been reviewed with changes made to the charges for training courses that the Council sells to nurseries, pre-schools and other early years providers. The Council has the power to offer training for all early years providers and is able to impose reasonable charges when securing such services. The Council is required to secure appropriate training provision for specific groups (such as those who are judged less than 'good' by OFSTED) and to ensure that providers are able to access training around the Early Years Foundation Stage, SEND/Vulnerable groups and

Safeguarding. The Council should enable providers to choose where and how they take up training or quality improvement.

*What would be required?*

A review would be undertaken of the training courses that we currently sell to nurseries, pre-schools and other early years providers, alongside a review of the charges.

*What are the implications of the proposal?*

Children's Services early years training offer will be a more traded and commercialised programme. This will mean that those early years settings that choose to access the training offer will be charged more for the provision than they are currently charged, thus increasing the income received and reducing the net cost of the service to the Council.

**4.4.3 Reduce the reliance on agency social workers through the recruitment of more permanent social workers and improved retention of existing staff  
2019-20 £0.200m saving**

*Why is this being considered?*

Children's Services currently relies significantly upon agency social workers and managers whilst work is undertaken to improve recruitment and retention of permanent staff. Additional funding has previously been allocated to offset the additional costs of agency workers.

*What would be required?*

Actions to improve rates of recruitment and retention are already being taken, and these actions have been effective. This activity includes recruiting, inducting and supporting newly qualified social workers through the Norfolk Institute of Professional Excellence; in effect "growing our own". These roles are supernumerary and the programme provides newly qualified social workers with additional support whilst they build up workloads and gain hands-on experience. This programme is key to the department being able to recruit and retain staff, and needs to be funded on a recurrent basis.

*What are the implications of the proposal?*

As the permanent workforce increases there will be less need to use agency workers, which will reduce the additional costs currently being incurred that are over and above the normal establishment costs for social workers. This proposal is expected to make savings in 2018-19, but this initial release of funding will be utilised to provide recurrent funding for the supernumerary Norfolk Institute of Professional Excellence posts, which will ensure sustainable long-term recruitment. The remainder of the saving will be released in 2019-20.

**4.4.4 Implement the Demand Management and Prevention Strategy transformation programme to achieve better outcomes for the children and young people involved in our services and to reduce the numbers that we look after, which will ultimately lead to a reduction in how much we spend.  
2019-20 £1.000m saving; 2020-21 £2.000m saving; 2021-22 £2.000m saving**

*Why is this being considered?*

The numbers of children who are looked after has significantly increased in recent years, along with the cost of providing appropriate care and support. We want to ensure that the right care and support is being offered at the right time to the right people. As part of the Norfolk Futures programme, Policy and Resources committee has agreed significant one-off investment to develop earlier targeted help where needed and to re-balance the placement mix available to meet the needs of the children and young people who do require care, which should result in a more sustainable system that provides better outcomes for children and families

*What would be required?*

Investment in the Demand Management and Prevention Strategy transformation programme will be required, as detailed in 3.2 above. This will include improving support to families to prevent children and young people from coming into care, and increasing the numbers of children who are fostered, particularly by foster carers who work directly for Norfolk County Council

*What are the implications of the proposal?*

Over the life of the transformation programme, it is expected that the department will see a reduction in the number of children and young people who are looked after. This will be due to families being better supported to stay together and, where this not possible, there will be an increase in permanence arrangements.

Additionally, it is expected that the placement mix for those children who do need to be looked after will change to see a shift towards foster care, particularly in-house foster care, and away from expensive, residential placements. This should lead to a reduced unit cost per child looked after.

The reduction in numbers of children who are looked after and the reduction in unit cost will generate savings.

- 4.4.5 **Remodel the children's centre service offer to provide a more targeted response to families through working more closely with our other services and partners, for example by sharing buildings, and by focusing their work on the families that need them most**  
**2018-19 £2.000m saving; 2019-20 £3.000m saving**

*Why is this being considered?*

The current delivery model provides universal Children's Centre service access to all families in Norfolk and is delivered from both dedicated buildings and via a number of outreach locations. There is now an opportunity to consider how improved integration and collaboration between both universal and targeted support services to ensure that the appropriate response is provided to the right family at the right time.

*What would be required?*

Remodelling of the Children's Centre service for Norfolk is part of the Local Services Strategy corporate priority work, and will look at how other properties within the public estate can be utilised to support effective delivery of this service whilst making better use of available resources. That work will begin for the 18-19 financial year with our current providers and partners.

It is envisaged the result would be services being provided more flexibly through effective joint working, including closer alignment with our library service and Public Health commissioned Healthy Child Programme. Ensuring that appropriate provision is made available to the most vulnerable families and communities will remain the key priority of the Children's Centre Service

*What are the implications of the proposal?*

Children's Centre service providers already undertake a detailed needs analysis to identify vulnerable groups. The redesigned service will be more focussed on those target groups recognised through this local needs analysis. The provision of targeted information, guidance and support will be determined in collaboration with the Healthy Child Programme and Social Care teams to ensure that each family that requires it receives an appropriate and effective response to meet their needs. It may also involve a scaling back of the universal offer from the Children's Centre service in some instances from 2018/19 onwards.



Parents and children accessing Children's Centre Services will continue to be able to access a range of information, advice, guidance and support, including an increased offer from on-line support. For those in need of face to face support, this would be provided on a targeted outreach basis, as well as support being available via phone and on-line. This would apply to vulnerable families and communities living in both rural and urban areas.

- 4.4.6 The following table sets out a summary of the savings proposals for Children's Services committee to consider for recommendation to Policy and Resources committee:

**Table 4: New 2018-19 Saving Proposals**

<b>Proposal</b> Note: savings are shown as a negative figure	<b>Saving 2018-19 £m</b>	<b>Saving 2019-20 £m</b>	<b>Saving 2020-21 £m</b>	<b>Saving 2021-22 £m</b>	<b>Total 2018-22 £m</b>
Reduction in legal expenses	-0.142	-0.142			-0.284
Early years training	-0.090				-0.090
Reduced reliance on agency social workers		-0.200			-0.200
Reduced Looked After Children's costs		-1.000	-2.000	-2.000	-5.000
Children's Centre service	-2.000	-3.000			-5.000
<b>Total new Children's savings</b>	<b>-2.232</b>	<b>-4.342</b>	<b>-2.000</b>	<b>-2.000</b>	<b>-10.574</b>

- 4.4.7 Committee discussions about proposed new savings will be reported to Policy and Resources Committee in October 2017, and used to inform development of the Council's 2018-19 Budget to enable an overall assessment of the budget position to be made.
- 4.4.8 Due to the lead in times and the need for consultation, it is not proposed that any new savings proposals could be delivered any earlier than 2018-19.
- 4.4.9 However future savings will be considered as part of the Norfolk Futures programmes and there may be the potential for savings to be brought forward when more detailed business cases have been prepared.
- 4.5 2018-19 Budget proposals requiring consultation**
- 4.5.1 Over the autumn Norfolk County Council will begin engaging residents in a discussion about the council's ideas for the future. We will be giving people the chance to hear more about how Norfolk County Council could change in the future, ask questions and offer their own ideas and aspirations for the county. As well as feeding in their views online, opportunities for people to find out more and contribute their ideas will include a series of roadshows where people can get involved and share their thoughts face-to-face.
- 4.5.2 Whilst it's important to focus on what Norfolk County Council will look like in the future we also have an immediate need to set a balanced budget for 2018/19. Our budget proposals for 2018/19 are based on the assumption that council tax will increase overall by 4.9% (1.9% for general council tax and 3.0% for the Adult Social Care precept). As in previous years we are inviting comments on this approach via our consultation hub on Citizen Space.
- 4.5.3 Where any of our individual budget saving proposals require consultation we will publish them on the Council's consultation hub, Citizen Space. We will make any consultation documents available in other formats on request, make extra effort to find out the views of people who may be affected and carry out impact assessments. Our consultation will take place between November and the new year. Consultation feedback on both individual budget proposals and council tax will be available for Committees in January.

- 4.5.4 We will promote opportunities for people to get engaged in the discussion around Norfolk County Council's ideas for the future – as well as how to have their say on budget proposals and council tax - through the Your Norfolk residents magazine, news releases, online publications and social media.
- 4.5.5 As part of the 2018-19 budget planning process, we will need to consult on the proposal to remodel the Children's Centre service offer.

## **5. Financial implications**

- 5.1 Financial implications for the Committee's Budget are set out throughout this report.

## **6. Issues, risks and innovation**

- 6.1 Significant risks or implications have been set out throughout the report. Specific financial risks in this area are also identified in the Corporate Risk Register, including the risk of failing to manage significant reductions in local and national income streams (RM002) and the risk of failure to effectively plan how the Council will deliver services (RM006).
- 6.2 Additionally, there are significant risks identified within the corporate risk register that are specific to Children's Services that could have an impact on the ability of the service to deliver savings. These are the risk of failing to avoid significant adverse variance to budgeted spend on home to school transport (RM014a) and the risk of failure to move out of intervention (RM018).
- 6.3 Decisions about significant savings proposals with an impact on levels of service delivery will require public consultation. As in previous years, saving proposals, and the Council's Budget as a whole, will be subject to equality and rural impact assessments later in the budget-setting process.
- 6.4 Some of the savings proposals include a level of delivery risk, due to the need to support children and families, and to manage demand, whilst implementing changes to services. The savings proposal are now further supported by Norfolk Futures.

## **7. Background Papers**

- 7.1 Background papers relevant to the preparation of this report are set out below.

[Norfolk County Council Revenue and Capital Budget 2017-20, County Council, 20 February 2017, Item 4](#)

[Norfolk County Council Budget Book 2017-20, May 2017](#)

[Caring for your County, Policy and Resources Committee, 3 July 2017, Item 7](#)

[Strategic and Financial Planning 2018-19 to 2021-22, Policy and Resources Committee, 3 July 2017, Item 9](#)

[Finance Monitoring Report Outturn, Policy and Resources Committee, 3 July 2017, Item 11](#)

[Additional Social Care Funding, Adult Social Care Committee, 10 July 2017, Item 11](#)

[Strategic and Financial Planning 2018-19 to 2021-22, Children's Services Committee 12 September 2017, item 12](#)

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## Previously agreed MTFS savings 2017-20

## Agreed MTFS savings 2017-20 by Committee

	2017-18	2018-19	2019-20	Total
	£m	£m	£m	£m
Adult	-11.213	-18.716	-10.000	<b>-39.929</b>
Children's	-1.854	-0.859	-0.535	<b>-3.248</b>
Communities	-1.906	-0.102	0.000	<b>-2.008</b>
EDT	-5.340	-0.605	0.000	<b>-5.945</b>
Policy and Resources	-23.646	9.100	0.290	<b>-14.256</b>
Business and Property	-1.710	-1.751	-1.000	<b>-4.461</b>
Digital Innovation and Efficiency	-2.105	-0.726	-0.059	<b>-2.890</b>
<b>Total</b>	<b>-47.774</b>	<b>-13.659</b>	<b>-11.304</b>	<b>-72.737</b>

Categorisation of saving	2017-18	2018-19	2019-20	2017-20
	£m	£m	£m	£m
<b>A) Cutting costs through efficiencies</b>	<b>-32.813</b>	<b>8.967</b>	<b>-0.245</b>	<b>-24.091</b>
(i) Efficiency savings	-32.531	9.589	-0.245	-23.187
(ii) Reducing service standards	-0.282	-0.622	0.000	-0.904
<b>B) Better value for money through procurement and contract management</b>	<b>-1.161</b>	<b>-1.044</b>	<b>0.000</b>	<b>-2.205</b>
(i) Efficiency savings	-1.161	-1.044	0.000	-2.205
<b>C) Service Redesign: Early help and prevention, working locally</b>	<b>-8.978</b>	<b>-18.411</b>	<b>-10.000</b>	<b>-37.389</b>
(i) Efficiency savings	-0.458	-0.950	-0.500	-1.908
(ii) Reducing service standards	-1.170	-7.199	-0.800	-9.169
(iii) Ceasing a service	-0.350	0.000	0.000	-0.350
(iv) Providing statutory services differently	-7.000	-10.262	-8.700	-25.962
<b>D) Raising Revenue; commercial activities</b>	<b>-3.059</b>	<b>-1.561</b>	<b>0.000</b>	<b>-4.620</b>
(i) Efficiency savings	-3.049	-1.561	0.000	-4.610
(ii) Reducing service standards	-0.010	0.000	0.000	-0.010
<b>E) Maximising property and other assets</b>	<b>-1.763</b>	<b>-1.610</b>	<b>-1.059</b>	<b>-4.432</b>
(i) Efficiency savings	-1.763	-1.610	-1.059	-4.432
<b>Total</b>	<b>-47.774</b>	<b>-13.659</b>	<b>-11.304</b>	<b>-72.737</b>

Further details of savings by Department can be found in the 2017-18 Budget Book.

Outline budget-setting timetable for 2018-19

Activity/Milestone	Time frame
County Council agree recommendations for 2017-20 including that further plans to meet the shortfall for 2018-19 to 2019-20 are brought back to Members during 2017-18	20 February 2017
Spring Budget 2017 announced	8 March 2017
Consider implications of service and financial guidance and context, and review / develop service planning options for 2018-20	March – June 2017
Executive Director of Finance and Commercial Services to commission review of 2016-17 outturn and 2017-18 Period 2 monitoring to identify funding from earmarked reserves to support Children's Services budget.	June 2017
Member review of the latest financial position on the financial planning for 2018-20 (Policy and Resources Committee)	July 2017
Member review of budget planning position including early savings proposals	September – October 2017
Consultation on new planning proposals and Council Tax 2018-21	October to December 2017 / January 2018
Service reporting to Members of service and budget planning – review of progress against three year plan and planning options	November 2017
Chancellor's Autumn Budget 2017	TBC November / December 2017
Provisional Local Government Finance Settlement	TBC December 2017
Service reporting to Members of service and financial planning and consultation feedback	January 2018
Committees agree revenue budget and capital programme recommendations to Policy and Resources Committee	Late January 2018
Policy and Resources Committee agree revenue budget and capital programme recommendations to County Council	29 January 2018
Confirmation from Districts of council tax base and Business Rate forecasts	31 January 2018
Final Local Government Finance Settlement	TBC February 2018
County Council agree Medium Term Financial Strategy 2018-19 to 2020-21, revenue budget, capital programme and level of Council Tax for 2018-19	12 February 2018