

CABINET - 5th APRIL 2011

**A COMMUNITY BUDGET FOR FAMILIES WITH COMPLEX
NEEDS IN LEICESTERSHIRE**

REPORT OF THE CHIEF EXECUTIVE

PART A

Purpose of Report

1. To seek Cabinet approval for the proposal for the community budget for families with complex needs.

Recommendations

2. It is recommended that the proposal for 'A Community Budget for Leicestershire' for families with complex needs (set out in Appendix A to this report), be approved.

Reasons for Recommendations

3. Cabinet approval will allow the community budget programme to proceed within the time-scales expected by Government.

Timetable for Decisions (including Scrutiny)

4. The proposal includes a timescale for the 1st phase of the programme to be completed by the end of June 2011. The Scrutiny Commission will consider the proposal at its meeting on 20th April 2011.

Policy Framework and Previous Decisions

5. Provision has been made within the Medium Term Financial Strategy approved by County Council on the 23rd February 2011 for £4m from balances to:

'lead, enable and help to implement place based approaches to public service planning and decision making through joint commissioning including the Community Budget for Families with Complex Needs, the Total Place Access to Services and Drugs and Alcohol projects and the development of new commissioning hubs (including health and social care).'

6. The Leicestershire proposal was submitted to meet the Government's deadline of 28th February and endorsed by the Leicestershire Together Board on 14th March 2011.

Resources Implications

7. The Community Budget for families with complex needs will lead to more efficient and effective services and better outcomes for families saving substantial public funding. Initial estimates of the number of families with complex needs in Leicestershire (750 - 800) and initial estimates of savings from pilot projects in other parts of the country indicate that overall gross savings could be as much as £18m pa across all public services.
8. Of the allocation from balances of £4m, £1.5 million is available to support the assessment and redesign of existing services for families with complex needs over the two year period and £2.5 million is available on an invest to save basis to support the implementation of that service redesign.
9. Local partner agencies have been asked to make resources available to support the programme and staff resources have been contributed from District Councils, Police, Health, Probation and the VCS. Staff from the Chief Executives Department, Children's and Young Peoples Services and Resources Department of the County Council are also supporting the programme.
10. There is no general Government funding for Community Budgets but a number of enabling funds are being aligned to the programme. Leicestershire has already been successful in obtaining £900,000 over two years for exemplar projects from the Department for Education and a bid for a further £900,000 from the Big Lottery 'Improving Futures' fund is currently being developed by Voluntary Action Leicestershire with other VCS partners.
11. The Leicestershire programme is due to start in April with the first phase due to report in July. Government Ministers have pressed for early and speedy progress to be made.
12. The Local Government Association has granted the County Council £75,000 over two years. Leicestershire is one of three local authorities chosen by Participle and the LGA in the first phase of a programme to extend the LIFE approach to other Community Budget areas.
13. The Director of Corporate Resources has been consulted on the resources implications of this report.

Circulation under the Local Issues Alert Procedure

None

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PART B

Background

14. Leicestershire was one of 16 top tier local authority areas to be invited to develop a proposal to address the needs of families with complex needs by the Chancellor of the Exchequer in his Comprehensive Spending Review statement on 20th October 2010:

'The first community budgets will be run in 16 local areas from April 2011 for families with complex needs. These will pool departmental budgets for local public service partnerships to work together more effectively, help improve outcomes, and reduce duplication and waste. All places may be able to operate these approaches from 2013-14. Councils and their partners will also have greater flexibility to work across boundaries in health, policing, worklessness and child poverty.'

15. There were two main drivers for the initiative.

- (a) Total Place and similar studies demonstrated that better outcomes could be achieved at less cost if agencies worked more closely together to plan and commission services in a holistic way. The current round of community budgets provide an opportunity to further prove this case and allow a further role out of place based budgeting in future years.
- (b) The Prime Minister was concerned about the disproportionate demand and cost that a minority of families caused to public services.

The Proposal

16. Leicestershire's proposal has been developed by a range of local public agencies and the VCS to meet the Government's invitation. It incorporates the Access to Services and Substance Misuse projects developed under the previous Government's Total Place programme. It was submitted to Government on the 28th February and has received the support of the Government sponsor - Peter Makeham a Director General at the Home Office. A letter from the Secretary of State for Communities inviting Leicestershire to proceed with its proposal is expected shortly.

17. The proposal has three phases:

- (a) To work until June 2011 with groups of families with complex needs and with frontline service practitioners to identify current good practice but also how families can be supported more effectively in future.
- (b) Between June 2011 and April 2012 to continue to work with families and practitioners to assess and redesign services.
- (c) To implement during 2012/13 the proposals for redesigned services.

18. To enable an early start on the programme it is proposed to apply the LIFE programme in the County. LIFE is a pioneering family-led programme, developed by Participle in collaboration with Swindon Borough Council, which supports change within families caught in a cycle of chronic crisis. This highly successful new approach supports families to build more independent lives, free from government intervention. Over two years the cost to Leicestershire of working with Participle is £90,000, with additional funding from the LGA (£75,000) and LIFE HQ (a community interest company).

Budgets

19. The community budget process will develop proposals for the redesign of services which will in turn require a reallocation of resources including more joining up and realigning of staff groups and realigning and pooling of budgets.

20. Government has recommended that a range of budgets are pooled to enable agreed change to be implemented more effectively - including those budgets set out in paragraph 30 of Appendix A.. Many resourcing decisions need to be made in the context of the agreed proposals for change and these proposals will not be available until early 2012. In the main therefore those budgets agreed in principle for pooling will not be affected in 2011/12. It is possible however that some realignment of funding will be needed during 2011/12 to enable the implementation of 'quick wins' identified by early redesign work.

Governance

21. Leicestershire Together has agreed to a Project Board for the Community Budget to report to the proposed new Public Service Board for the County. The Project Board will have 9 local members (including elected Members) drawn from the Health & Well Being Board, the Children & Young People's Board and the Community Safety Strategy Group as these theme boards oversee many of the services that will need to be reviewed. The nine members should as far as possible incorporate key agencies including the Police, Probation, District Council, GP consortia, Schools, the VCS and the County Council. The Government's sponsor for the programme has also been invited to join the Board.

22. It is expected that the new ways of commissioning services arising from the community budget and other service areas will require a greater locality focus. Proposals for locality governance are being developed as part of a review of partnership arrangements through Leicestershire Together.

23. There is also a reference group of officers drawn from an even wider range of agencies and a 'design group' of officers including experts in health, community safety, children's services, etc, supported by the County Council's Total Place unit.

Background Papers

HM Treasury Spending Review 2010 (October 2010)
Leicester and Leicestershire Total Place Final Report 22nd February 2010

Relevant Impact Assessments

The proposals developed through the Community Budget will be subject to risk assessment, equality and other relevant impact assessments. The proposals will be developed from a thorough understanding of the expectations and needs of citizens and clients.

List of Appendices

Appendix A - A Community Budget for Leicestershire