



County Council – 18 October 2016

Please find attached item 5b (Report of the Cabinet arising from the meeting held on 11 October 2016) for consideration at the County Council meeting being held on 18 October 2016. This item was marked as to follow on the agenda published on 10 October.

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REPORT OF THE CABINET

The Cabinet met on 11 October 2016. Attendance:-

Councillor Glazier (Chair)

Councillors Bennett, Bentley, Chris Dowling, Elkin, Maynard, Simmons and Tidy

1. Reconciling Policy, Performance and Resources

1.1 This report provides members with the latest update of the Medium-Term Financial Plan (MTFP) and further information on the areas of search being progressed by officers as savings for 2017/18 and 2018/19. With the exception of the decision required to accept the Government's four year funding offer, the report is presented to share the latest information on funding issues, both national and local and on the development of savings plans. The current position is one of considerable uncertainty with a number of "moving parts" that will only begin to be clarified with the announcement of the Autumn Statement in November.

1.2 The update of the MTFP indicates a projected shortfall against previous plans of £4.9m for 2017/18 together with a number of additional financial risks. In response additional savings of £6.5m for 2017/18 have been identified as areas of search. These savings are in addition to the £17.3m previously included in the MTFP.

1.3 The State of the County report agreed by Cabinet in June set out:

- the main national and local issues facing the Council over the next three years;
- the agreed policy outcomes to be used to act as the focus of activity over the period;
- the strategic and financial challenge we face; and
- the work we have in place to help to deliver the savings over the remainder of the MTFP period.

1.4 The report took into account our existing plans, the likely changes in funding, growth in demand for services due to demographic and legislative changes and set out MTFP which was extended to 2020/21 to match the NHS 3+2 model. In this model there is greater certainty about the first three years than the last two, which are indicative of the direction of travel for the County Council. The report confirmed the current planning assumption of the need to make savings of £70m-£90m during the current three year plan period 2016/17-2018/19.

1.5 Cabinet agreed to continue to develop plans for savings of £17.3m in 2017/18 from the areas of search agreed by the County Council in February 2016. A possible funding gap of an additional £7m was also identified due to the Government's announcements at that time on changes to local authorities' responsibilities for schools. The total savings assumption for the MTFP period still remained £70m-90m. The updated MTFP also assumed that Council would agree to annual Council Tax rises of 1.99% and would apply the 2% Adult Social Care precept that the Government has made available in acknowledgement of the considerable pressures local authorities face in this area.

Medium Term Financial Plan update

National Outlook

1.6 It has been announced that the Autumn Statement will be made on 23 November. The Provisional Local Government Settlement is likely to be in December and a technical consultation on the settlement has been announced that will end 28 October. While it is now clear that the previous objective of a budget surplus by 2020 has been abandoned it will remain unclear until the Autumn announcements how this will affect local government funding.

1.7 The Government has announced that, by the end of this Parliament, local authorities will be funded by use of 100% of the business rates that are raised locally. This proposed change to the business rates system is the most significant change in local government funding since the introduction of the community charge and national non-domestic rates. East Sussex is a net importer of business rates and without some form of continuing top-up from the Government will find funding existing services extremely challenging. A detailed response to the consultation has been sent by ESCC, 3SC and SE7 and is available on request. The outlook for local government finance therefore remains both highly uncertain and highly challenging.

MTFP Update

1.8 Since the State of the County report in June the MTFP has been updated as follows:

- Collection Fund

The existing MTFP includes an assumption of an annual projected surplus of £2m on council tax collection by the District and Borough Councils for 2017/18 to 2019/20. Based on trends for previous years and additional surplus shown in the collection authorities 2015/16 accounts, it is now clear that an estimated surplus of £4m can be assumed 2017/18 to 2019/20. This is an increase of £2m on the previous MTFP assumptions.

- Education Services Grant

In the previous MTFP, a reduction in the Education Services Grant (ESG) which local authorities receive to fund services for schools from £4.4m to zero was assumed. This was based on the Government's plans to reduce the national ESG budget by £600m. The guidance published alongside July's ministerial announcement now suggests ESG of £0.98m is likely to be awarded to ESCC for 2017/18. This is subject to confirmation and approval by Schools' Forum in January 2017, however, as it is now expected to be approved it is now included in the MTFP.

- Inflation

A review of the provision for Pay Award/Inflation/National Living Wage has been undertaken. This has resulted in a reduction of £1m for 2017/18 mainly as a result of updating the inflation rates applied to contracts and the removal of the provision for general running costs.

1.9 The updated MTFP is set out in Appendix 1.

Quarter 1 Review

1.10 At the end of quarter 1, the gross projected year-end overspend within service departments was £12.7m. The main areas of overspend were £8.7m in Adult Social Care, mainly due to ongoing pressures on Independent Sector Care. Discussions are taking place with the Clinical Commissioning Groups (CCGs) about mitigating this overspend through the deployment of Better Care Fund contingencies, as was also agreed last year. Moving forward the pressure on Adult Social Care has been incorporated into the planning for East Sussex Better Together (ESBT) which is described below. In addition, there is a projected £4.0m overspend in Children's Services, mainly for Education and Inclusion, Special Educational Needs and Disability (ISEND), Looked After Children (LAC), and Home to School Transport. Children's Services are continuing to work towards fully understanding the range of possible outcomes and to seek further mitigations from existing budgets. The current working assumption is that the in-year service overspends can, through mitigating actions, be absorbed without material impact on the Council's forward financial sustainability. This assumption will be tested continuously through Q2 and Q3 review.

Service plans and pressures

1.11 The Council has confirmed the approach it wishes to take to making savings which is to prioritise its priority areas and to use its operating principles and facilitating programmes to make the best use of the available resources. Savings of the scale that we have made over the last 5

years and will need to make for the foreseeable future mean that all services have and will continue to need to contribute to the savings. There are three particularly significant areas that are detailed below:

The Council's role in Education

1.12 The Government is reviewing its plans for the future of education policy and the role that it expects for local authorities. This means that the loss of Education Services Grant is not likely to be as immediate as was expected in June (see above). The position regarding Dedicated Schools Grant (DSG) is less clear. In June, Cabinet agreed to revise the MTFP to assume the loss of £3m of DSG. It is possible, given the delay in announcements regarding the future funding of schools, that this loss of grant will not occur in 2017/18. For the time being, however, the £3m continues to be excluded from the MTFP.

1.13 The Council will need to continue to plan for the loss of this funding in the medium term however, and to ensure that our schools are well placed to continue to improve education outcomes when the Council is no longer funded to support improvement through the plans we have in place in Excellence for All.

Children's Services, including ISEND

1.14 It was reported at quarter one that there are significant pressures emerging in Children's Services, chiefly in the ISEND, home to school transport and LAC budgets. Work is being undertaken to understand the nature of these pressures and whether more can be done to manage demand.

1.15 The Department is considering ways to mitigate the overspend and underlying pressures within the department. Savings for 2017/18 have been identified which, if confirmed, would provide considerable mitigation towards the overall pressure, leaving a net pressure figure of £1.8m.

1.16 Further work is underway to identify further savings for 2018/19, as current indications are that there will be a net pressure of £7.3m by that year – due to the temporary nature of some of the 2017/18 savings as well as increasing pressures in ISEND.

1.17 In summary, the current working position regarding children's services budgets and their impact on the MTFP is as follows:

	2017/18 £million	2018/19 £million
Pressures:		
Underlying Pressures (previously managed through one-off funding, etc.)	2.600	
Emerging SEND pressures	4.600	0.800
Sub-Total Pressures	7.200	0.800
Mitigations:		
Temporary	(0.800)	0.700
Ongoing (excluding CSD share of additional savings requirement)	(0.600)	
Proposed Inter-Block DSG Transfer (assumed to be one-off only pending clarification of national funding changes)	(4.000)	4,000
Net Pressures	1.800	5.500
Cumulative	1.800	7.300

Working with the NHS

1.18 Members are aware that there is growth in the number of older people in the county and the associated need for more care to help with increasingly complex conditions. ESCC is working

with the CCGs across the county to try to improve the way that health and social care works together to improve outcomes for residents.

1.19 For residents in the areas covered by the Eastbourne, Hailsham, Seaford CCG and Hastings & Rother CCG, East Sussex Better Together will provide a transformational integrated partnership with the County Council. The East Sussex Better Together Strategic Investment Plan sets out how we will spend the pooled health and social care budgets and identifies a range of schemes which will mitigate increasing demands on services. These schemes will change the way care is delivered, leading to efficiencies in operational costs, reductions in admissions to hospital, improvements in triage and assessment capacity. The investment plans for health and social care will help to ensure that we can meet the growth in the demand for community care by making the best use of available resources.

1.20 In November, Cabinet will consider the model for accountable care. Accountable care brings together health and social care providers to take responsibility for the cost and quality of care for a defined population within an agreed budget. An accountable care system is geared towards preventing ill health (keeping people well) and promoting independence and wellbeing, while ensuring we have high quality hospital, care and specialist services when people need them.

1.21 The delivery of ESBT is heavily reliant on shifting resources away from hospital and into community based care and promoting prevention and health and wellbeing to reduce demand. The NHS has introduced a new planning process in 2016/17 and there is a requirement to develop a Sustainability and Transformation Plan (STP) for Sussex and East Surrey. ESBT has been accepted within the STP as the agreed model for place based planning. There will be a need moving forward to ensure that ESBT continues to be recognised by the STP and NHS England as the most effective way to ensure clinical and financial sustainability across health and social care services. New planning guidance has been issued by NHS England which requires two year strategic plans and Trust Provider contracts to be agreed by early December.

1.22 Within the High Weald, Lewes and Havens area the County Council will continue working with the CCG to develop the jointly agreed Connecting For You (C4Y) Programme. Consideration will be given in future years to how population based commissioning can be fully integrated, pooled budgets further developed and proposals for joint services drawn together within a communities of practice model. For 2017/18 we will work with the CCG to align our plans as we have in previous years, but because this is not full integration, the service offer in this part of the county will be different as will be the proposals for identifying savings.

1.23 Areas of search for savings from within the ESBT pooled budget and for the remainder of services within Adult Social Care (ASC) are set out in separate tables within Appendix 2.

Summary

1.24 Officers have updated the MTFP for agreed identified pressures and further corporate savings as set out in the following table.

	17/18 Estimate £million	18/19 Estimate £million	19/20 Estimate £million	20/21 Estimate £million
Deficit - State of the County	7.073	4.974	18.056	29.517
Collection Fund surplus	(2.000)	(2.000)	(2.000)	
Pay Award/Inflation/National Living Wage	(1.010)	(1.837)	(2.428)	(2.839)
Education Services Grant	(0.980)	(0.980)	(0.980)	(0.980)
General Contingency	0.020	0.020	0.020	
Children's Services net pressure	1.800	7.300	7.300	7.300
Adult Social Care net pressure	TBC	TBC	TBC	TBC
Deficit - Cabinet 11th October 2016	4.903	7.477	19.968	32.998

1.25 There are, however, a number of significant financial issues that will alter the budget gap; however the planning horizon remains within the £70-90m assumption.

1.26 The Council is on the cusp of significant service and organisational change that will impact on the MTFP. The business case for the next stage of development for ESBT will have significant financial implications. The Business Case for ESBT accountable care will be discussed by Cabinet in November setting the policy direction on integration. It is possible that an additional pressure of up to £4.9m may be identified, once the treatment of the demographic and inflationary pressures, along with the treatment of the ASC precept are agreed. Additionally, the negotiations relating to ESBT and with High Weald Lewes and Havens are continuing and there remain a number of pressures and risks that are being worked through. These will be reported to Members later in the year when they are clearer.

1.27 Pressures within Children's services are still being worked through, to ensure that the full range of possibilities have been analysed. Some mitigations are dependent on the support of the Schools' Forum. Currently, the known worst case position on DSG has still been assumed within the above figures; if DSG changes were to be deferred, the position in 2017/18 would improve by £3m.

1.28 There are also risks that our plans will be affected by changes in Government policy. Some of that risk may be clearer when the Autumn Statement has been announced on 23 November. Although, should Cabinet agree to accept it, the four year funding offer (see paragraphs 1.49 to 1.53 below) gives us some level of certainty about funding for next year. There are, however, still significant unknowns for example grants, including our share of DSG, capital funding and the Council Tax income that we can expect.

Areas of Search for Savings

1.29 Chief Officers have identified revised areas of search set out in Appendix 2. The areas of search for Business Services/Orbis, Governance Services and Communities, Economy and Transport are in the familiar format ie set out by department. To reflect the new partnership planning arrangements, the proposals for the other portfolios are set out under:

- ESBT total pooled budget (including of Adults, Children's, Public Health and CCG funding)
- ASC areas of search for savings for those services outside ESBT
- Children's Services outside ESBT

1.30 The table below summarises the areas of search already agreed by County Council and included in the MTFP together with additional areas identified of £6.656m for 2017/18 and 2018/19 (£6.498m in 2017/18 and £0.158m in 2018/19). The update of the MTFP indicates a projected shortfall against previous plans of £4.9m for 2017/18 together with a number of additional financial risks. In response additional savings of £6.5m for 2017/18 have been identified as areas of search. These savings are in addition to the £17.3m previously included in the MTFP.

	2017/18 Areas of Search (£m)			2018/19 Areas of Search (£m)		
	Current: included in MTFP	Additional – areas of search	Total (current + additional)	Current: included in MTFP	Additional – areas of search	Total (current + additional)
Adult Social Care	2.019	0.760	2.779	4.000	0.000	4.000
Business Services / Orbis	0.981	0.491	1.472	1.396	0.000	1.396
Children's Services (excl. schools)	3.139	1.500	4.639	4.903	*(0.697)	4.206
Community, Economy & Transport	0.999	0.537	1.536	0.894	0.825	1.719
Governance Services	0.100	0.170	0.270	0.104	0.030	0.134
ESBT:						
Adult Social Care	8.074	3.040	11.114	16.000	0.000	16.000
Children's Services	0.036	0.000	0.036	0.069	0.000	0.069
Subtotal ESBT	8.110	3.040	11.150	16.069	0.000	16.069
Subtotal Departments	15.348	6.498	21.846	27.366	0.158	27.524
Capital Programme Man't	2.000	0.000	2.000	0.000	0.000	0.000
Subtotal Centrally Held Budgets	2.000	0.000	2.000	0.000	0.000	0.000
TOTAL SAVINGS	17.348	6.498	23.846	27.366	0.158	27.524

* Savings slipping to 2019/20

1.31 In addition, there are a number of corporate workstreams that are nearing completion that may benefit the Council. These include the already identified Minimum Revenue Provision Review, which will recommend a new way of calculating the cost that should be charged to the Revenue Fund for long term debt (current annual budget of £12m).

1.32 The Capital Programme resource position will be clearer after the Autumn Statement as Government Grants are a significant proportion of the budget. This knowledge will allow the Council to review how it is funding essential capital needs (currently, there is a £6m annual contribution to directly pay for capital budgets that have a relatively short term life, as well as New Homes Bonus being applied to capital)

1.33 An additional annual £1.1m has been included in the MTFP for the Council's contribution to the pension fund. The results of the triennial actuarial valuation are expected in October 2016 and may reduce this increase.

1.34 There remains considerable uncertainty about Government plans and therefore our likely resources for the next year. These plans should, however, ensure that the Council can set a balanced budget and may provide some options for members to consider as plans develop and the total picture becomes clearer.

Risks, Uncertainty and Next Steps

1.35 The unprecedented and sustained savings the council has had to make over a prolonged period means that there are no easy solutions. Members will be aware that we have needed to make savings in areas of early intervention and prevention in order to maintain and support the growth in demand for people with the most critical needs. The approach we have taken is intended to provide the best possible priority outcomes under the current circumstances, but it is not without risk, both in terms of delivery of savings and in terms of increased growth in demand.

1.36 Following the November Accountable Care Organisation business case, the Autumn Statement and other ongoing workstreams, such as the DSG interblock transfer, the MTFP will be updated again. The 3 year £70-90m gap remains our overall assumption.

1.37 We will need to carefully monitor the effects of implementing the savings proposals agreed for 2016/17 and emerging pressures to help shape the proposals for 2017/18 and to ensure that we set realistic but challenging performance and savings targets for services.

1.38 Members will note from the report that there is significant uncertainty regarding many aspects of the MTFP. At this stage the identified “areas of search” have been developed with a planning assumption of yielding additional savings of £6.5m, in addition to the £17.3m set out in the February 2016 RPPR Cabinet report to the Council, totalling £23.8m for 2017/18.

1.38 Cabinet has agreed to ask Chief Officers to continue to work up proposals on the areas of search and come back with final proposals in January for recommendation to County Council, taking into account comments received from Scrutiny Committees, partners and a further update of the MTFP once the results of the Autumn statement, grant settlement, schools’ funding and accountable care are clearer.

1.39 In summary, there are a range of outcomes that could lead to the current budget gap for 2017/18 being reduced or in fact increased.

Staffing implications

1.40 The savings proposals for the next two years could lead to the reduction of 200 jobs. The County Council has established and robust employment protection policies and will continue to try and avoid making compulsory redundancies, wherever possible.

Capital

1.41 In 2015/16 a high level Capital Programme management review was commissioned in recognition that firm targets need to be set to focus and shape the new 5 year Capital Programme 2018-2023 in light of the financial challenges this presented.

1.42 As reported in June the Council had a gross remaining 2013-18 programme of £205.1m, which, after applying scheme specific income of £45.8m, resulted in a net programme to be financed of £159.3m. The core need programme 2018-23 was revised down to £326.6m from the initial estimates of £414.0m. The estimated level of funding against this programme amounted to £234.5m, creating a funding gap of £92.1m.

2013-18 Capital Programme

1.43 As part of quarter 1 monitoring, the programme was updated for a net overspend of £200k relating to the Bexhill Hastings Link Road. It is proposed that this is funded from the contingency, reducing the contingency from £8.7m as reported at State of the County, to £8.5m. Additionally, £11.0m previously profiled in the current programme for Newhaven Port Access Road has slipped into the 2018/23 programme. Furthermore, net nil variations have been made to the programme of £600k. The updated programme 2016-18 is therefore £194.9m gross which, after applying £46.4m scheme specific income, results in a net programme to be financed of £148.5m.

2018-23 Proposed Capital Programme

1.44 Taking into account slippage from the 2013-18 programme for Newhaven Port Access Road, the gross estimated costs for the core need have now been revised to £337.6m. Work continues where possible to drive down costs to achieve value for money and efficiencies. The uncertain financial outlook continues, largely in respect of Government grant funding for the core activity. Of the £234.5m estimate of funding, £142.8m relates to Government grants, of which, only £2.7m (2%) are confirmed.

1.45 The Autumn announcements are likely to give us more detail of the level of capital funding available from diminishing government sources. Members will be updated in a future report. The capital position is as difficult, if not more so than the revenue challenge. It is hoped that a balanced capital budget can be proposed and agreed by members in February 2017.

Member Engagement in RPPR

1.45 All members will continue to be involved in the RPPR in a variety of ways. The Scrutiny Committees have already begun to review the work they have been carrying out over the last year and the implications this has for the Council's service planning and resources. A summary of their views is set out in Appendix 3. Special scrutiny boards will take place in December. As part of their work programmes, the Committees are involved in the major service change programmes such as ESBT and the Libraries commissioning strategy, which form the Council's thinking on the way forward for the future.

1.45 Following the last Members' Forum in July, a series of others have been set up to examine the issues members raised. These are: Accountable Care; roads, infrastructure and drainage; devolution; and the future of local authorities' relationship with schools. There will be an update on the latest overall position on RPPR at each of these briefings.

1.46 The Group Leaders will continue to meet informally regularly to share views and ideas and the Deputy Leader has been meeting with members individually to ensure that all have a the opportunity to understand and participate fully in the choices the Council needs to make.

Lobbying

1.47 Members and officers have been and will continue to lobby for the best interests of the residents of East Sussex directly with the Government, through meetings and briefings with our local MPs, through contact with Government officials and through the various partnerships in which we participate such as SE7, 3SC, CCN and LGA. We have used all these channels to try to ensure that, for example, the implications of the proposed changes to local government finance to the sustainability of services in East Sussex is clear.

Communications and Consultation

1.48 We will carry out consultation on our proposals as appropriate with those affected directly. In addition we will ensure that the public and partners are aware of our plans and the context in which decisions are being taken.

Multi-year Settlement/Offer

1.49 Following publication of the final 2016/17 local government finance settlement, the Secretary of State for Communities and Local Government wrote to all local authorities on 10 March 2016 providing clarification of the requirements for applying to accept the multi-year offer. Acceptance of the offer would provide certainty of funding for those areas set out in the table below, ie the Revenue Support Grant and Business Rate top-up to 2019/20 and Transition Grant for 2017/18, in all but exceptional circumstances; what would be considered an exceptional circumstance has not been set out. Acceptance is entirely optional but the Secretary of State has stated that he could not "...guarantee future levels of funding to those who prefer not to have a four year settlement". A further consultation launched on 15 September, has indicated that other grants may be included in the offer. The letter from the Secretary of State required authorities accepting the offer to publish an "efficiency plan".

	2017/18 £m	2018/19 £m	2019/20 £m
Business Rates Top-Up	58.429	60.153	62.075
Revenue Support Grant	26.727	14.966	3.491
Transition Grant	2.696	-	-
Total	87.852	75.119	65.566

1.50 The offer was made before the recent changes in ministerial responsibilities. It is therefore even harder to identify the full implications of accepting or rejecting this offer. This is particularly pertinent, as the Autumn Statement on the 23 November 2016 is now being seen as an opportunity to reset the public finances, after the target for reaching a budgetary surplus by the end of the Parliament appears to have softened. However, many authorities have indicated that they will accept the multi-year settlement as it does provide some certainty of funding at a time when there is so much uncertainty about local government finances.

1.51 The efficiency plan, set out at Appendix 4, is based on the MTFP agreed by Council in February and updated as part of the State of the County which is reported to Council in July. The plan includes a narrative explaining the Council's RPPR process, its agreed priorities, operating principles and plans for managing within the resources available which were considered in approving the budget, Capital Programme and Council Plan.

1.52 Whilst the acceptance of the 4 year offer is an executive decision, bearing in mind the medium term budgetary implications for the Council, the Cabinet agreed that the view of the Council should be sought on whether to accept the multi-year settlement and on the draft efficiency plan attached at Appendix 4. Should it be decided to accept the offer, the Council should remind the Department of Communities and Local Government (DCLG) of the significant financial pressures around Adult Social Care and Children's Services that need to be addressed and that the reductions in Government Funding cannot be achieved through efficiencies alone, but require difficult cuts in services.

1.53 The County Council is recommended to:

- ☆ (1) express a view on whether to accept the Government's multi year settlement offer and on the draft efficiency plan

11 October 2016

KEITH GLAZIER
(Chair)

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Medium Term Financial Projections					APPENDIX 1	
		16/17	17/18	18/19	19/20	20/21
		Estimate	Estimate	Estimate	Estimate	Estimate
		£million	£million	£million	£million	£million
CORPORATE FUNDING						
Business Rates		(71.400)	(73.493)	(75.823)	(78.233)	(79.798)
Revenue Support Grant		(45.107)	(26.727)	(14.966)	(3.491)	
Council Tax		(242.566)	(255.183)	(269.124)	(283.838)	(297.369)
Council Tax - Adult Social Care Precept		(4.657)	(4.926)	(5.199)	(5.488)	
Transition Grant		(2.704)	(2.696)			
New Homes Bonus		(2.878)	(2.346)	(1.818)	(1.749)	(1.700)
TOTAL CORPORATE FUNDING		(369.312)	(365.371)	(366.930)	(372.799)	(378.867)
PLANNED EXPENDITURE						
Net Service Expenditure		311.234	318.341	325.604	324.677	340.917
Pay Award/Inflation/National Living Wage		11.714	9.772	15.102	11.070	11.654
NI - Abolition of Contracted Out		2.500				
Adult Social Care Growth & Demography		6.086	5.119	5.137	5.170	5.304
Extension of Foster Care to 21		1.700	0.900	0.700		
Waste Contract		0.792				
Dedicated Schools Grant			3.000			
Education Services Grant		0.664	3.420			
Apprenticeship Levy			0.600			
Additional capacity at Residential Children's Homes		0.200				
Childrens Services pressures			1.800	5.500		
Adult Social Care pressures			TBC	TBC	TBC	TBC
Savings		(16.549)	(17.348)	(27.366)		
NET SERVICE EXPENDITURE		318.341	325.604	324.677	340.917	357.875
Treasury Management		27.566	27.566	28.566	29.566	30.566
Funding Capital Programme - base contribution		6.000	6.000	6.000	6.000	6.000
Funding Capital Programme - New Homes Bonus		2.878	2.346	1.818	1.749	1.700
General Contingency		3.390	3.380	3.380	3.430	3.480
Contribution to balances and reserves		4.097	(2.801)	0.648	0.648	0.648
Pensions		6.299	7.429	8.559	9.689	10.819
Levies		0.441	0.450	0.459	0.468	0.477
Contribution to Collection & Hardship (Districts &		0.300	0.300	0.300	0.300	0.300
TOTAL CORPORATE EXPENDITURE		50.971	44.670	49.730	51.850	53.990
TOTAL PLANNED EXPENDITURE		369.312	370.274	374.407	392.767	411.865
DEFICIT/(SURPLUS)			4.903	7.477	19.968	32.998
NOT INCLUDED IN FIGURES ABOVE						
Better Care Fund			(0.286)	(7.814)	(14.902)	(14.902)
Care Act (shown at medium risk for 2020/21)						10.577
(Full range - low risk £2.5m; medium risk £10.6m; high risk £21.3m)						
		16/17	17/18	18/19	19/20	20/21
		Estimate	Estimate	Estimate	Estimate	Estimate
		£million	£million	£million	£million	£million
State of the County						
Collection Fund surplus			(2.000)	(2.000)	(2.000)	
Pay Award/Inflation/National Living Wage			(1.010)	(1.837)	(2.428)	(2.839)
Education Services Grant			(0.980)	(0.980)	(0.980)	(0.980)
General Contingency			0.020	0.020	0.020	
Childrens Services pressures			1.800	7.300	7.300	7.300
Adult Social Care pressures			TBC	TBC	TBC	TBC
Cabinet 11th October 2016			4.903	7.477	19.968	32.998

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Public Health	0	0	0	0	0	0
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** The savings identified on the detailed ESBT Clinical Care Models table are in excess of the amount shown in the table above, as the detailed table shows savings attributable to the whole Partnership.

Adult Social Care (outside ESBT) - current & additional savings			Gross Budget *	Savings	
			2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000
Commissioned Services	Review funding for Carers; AIDS/HIV; Supporting People community based support; Physical Disability Services; Substance Misuse	Impact on individuals using services and their families and carers including potential loss of housing, loss of support for multiple needs i.e. drug and alcohol problems, mental health issues and challenging behaviour. Potential increase in homelessness, increase in anti-social behaviour and impact on community safety. Potential for increased pressure on drug and alcohol services and health services and loss of resource for District and Boroughs. Potential reductions carers support and risk on the ability of carers to continue in their caring role. Increased risk of early mortality or severe ill-health (HIV) and risk of loss of family life for children of people with HIV. Likely increased demand for community care support in future years.	3,018	809	1,274
Management, Staffing and Support Services	Review Training and Development spend; Staffing structures within Strategy, Commissioning, Planning, Performance & Engagement, Contracts and Purchasing Unit and Complaints	Potential impact on staffing levels. Reduction in support services for clients and operational services e.g. longer waiting times for complaints response and resolution; commissioning and decommissioning new services; partnership working; strategic development and integrated planning; contract management and market development; client, carer and public engagement and consultation; performance monitoring and information.	3,184	543	796
Assessment and Care Management	Review and reduce staffing	Impact on staffing levels resulting in longer waiting times from referral to assessment and reduced capacity for assessment, review and safeguarding activity.	4,964	264	364

Adult Social Care (outside ESBT) - current & additional savings			Gross Budget *	Savings	
			2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000
Directly Provided Services	Review of Older People - Day Services; Discretionary East Sussex Support Scheme; Learning Disabilities - Community Support Teams, Supported Employment and Learning Disability Development Fund services	Impact on individuals using these services through reduced access to services with potential negative impact on independent living; potential loss of friendship networks; increased social isolation; reduced learning and employment opportunities; reduction in advocacy support; increased stress for carers; impact people facing temporary financial hardship.	622	235	336
Community Safety	Review funding of Community Safety	Risk to partnership arrangements and service provision including domestic and sexual abuse services. Broader potential impact on vulnerable people in the local communities.	723	208	208
Older People Community Care	Review Older People and Older People Mental Health funding	Impact on the levels of care and support funding available to meet eligible social care needs. Reduced choice for service users in the way care and support is delivered and reduced choice of services provided. Reductions in preventative support will potentially result in individuals eligible care needs increasing more quickly.	16,559	437	587

Adult Social Care (outside ESBT) - current & additional savings			Gross Budget *	Savings	
			2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000
Working Age Adult Community Care Budget	Review Learning Disabilities, Mental Health, Substance Misuse funding	Impact on the levels of care and support funding available to meet eligible social care needs. Reduced choice for service users in the way care and support is delivered and reduced choice of services provided. Reductions in preventative support will potentially result in individuals eligible care needs increasing more quickly.	12,861	283	435
				2,779	4,000

East Sussex Better Together: Areas of Search within the Integrated Strategic Investment Plan (pooled budget)			Gross budget	Savings	
			2016/17	2017/18	2018/19
Scheme description	Description of investment proposal	Key outcomes	£'000	£'000	£'000
Personal Resilience: Embed personal resilience across the whole population; improve outcomes from schools, nurseries, hospitals and workplaces; embed behaviour change as core function of all front line staff; improve staff	Public Health, including: Making Every Ccontact Count, Smoking Cessation, Alcohol Awareness and Obesity/Physical Activity	People will manage their own health and wellbeing; self-care options embedded and support to make lifestyle changes is integrated		2,857	1,900
Community Resilience: Enabling asset-based approaches to be developed and embedded across the system to reduce social isolation, promote healthy ageing, reduce or slow the progression of ill health for people with existing health and care needs and improve wellbeing by growing the protective factors for good health.	Schemes to be developed within Health and Social Care: Commissioners and Providers	Reduction in need and demand for formal health and care services; Reduction in social isolation; The strengths and talents that communities can contribute to improving health outcomes are valued and harnessed, including embedding these in the support planning process		1,811	2,550

East Sussex Better Together: Areas of Search within the Integrated Strategic Investment Plan (pooled budget)			Gross budget	Savings	
			2016/17	2017/18	2018/19
Scheme description	Description of investment proposal	Key outcomes	£'000	£'000	£'000
Integrated Locality Teams: Developing integrated community Health and Social Care teams is a key programme of work to bring together core health and social care professionals to provide greater integration and coordination of care to meets the needs of local people within a community setting.	Developing integrated community Health and Social Care teams is a key programme of work to bring together core health and social care professionals to provide greater integration and coordination of care to meets the needs of local people within a community setting.	Integrated teams with single line management that are aligned to a number of GP Practices, co-located wherever possible alongside agile/remote working, shared IT systems that support risk stratification and case recording, interdisciplinary working, opportunity to develop new and hybrid roles		14,246	8,266
Proactive Care: The proactive care pathway is supported by the use of risk stratification, personalised care planning and access to self management and psychological support.	Including: Technology Enables Care Services (TECS), Falls and Fracture Liaison, Frailty Strategy, Pro-Active Care, Vulnerable Patients and Specific Conditions (incl. Ear, Nose and Throat (ENT), Musculoskeletal disorders (MSK) and Gastroenterolgy)	Enhanced capacity and capability for proactive case finding, assessment and care planning; ability to identify patients, clients and carers before they deteriorate and management of more complex cases, ensuring the most effective use of resources and a more holistic approach to care and support		12,076	18,240
Crisis Response: Ensuring that integrated health and social care services are set up to be able to respond early and in a co-ordinated way to a crisis, reducing the likelihood of it leading to a hospital admission.	Crisis Response	Multidisciplinary response and treatment service in the community with assessment visit within 2 hours. Provide treatments at home, which are not currently available, e.g. IV therapies, and enable patient, client and carers to be supported by intensive support and monitoring packages as appropriate.		2,515	4,145

East Sussex Better Together: Areas of Search within the Integrated Strategic Investment Plan (pooled budget)			Gross budget	Savings	
			2016/17	2017/18	2018/19
Scheme description	Description of investment proposal	Key outcomes	£'000	£'000	£'000
Integrated urgent and emergency care: NHS 111: procurement of an integrated service model of NHS 111 and local clinical triage and assessment service	20% reduction in Type 5 attendances (Type 5 are the least complex A&E attendances)	Design of NHS 111 telephone answering, signposting, self management pathways making best use of technology and life threatening triage process and pathway with 999. Developing a local clinical triage and assessment service to better manage urgent care needs		2,200	4,760
Integrated urgent and emergency care: same day urgent primary care: 24/7 Primary Urgent Care Service accessed via NHS 111 or via own GP	Schemes to be developed within Health and Social Care: Commissioners and Providers	Redesign and procurement of a 24/7 urgent primary care service to include current GP OOH service, 2 walk-in centres and overflow support to in hours practices to bring together into one service model that provides consistent clinical triage and face to face assessment capacity		1,000	1,000
Integrated urgent and emergency care centres: enabling streaming and increased primary and social care assessment capability at front of hospital	Schemes to be developed within Health and Social Care: Commissioners and Providers	Expanded multidisciplinary workforce to better meet presenting conditions. Introduction of non clinical navigators and testing extended scope physio roles. Urgent care pathways at front of hospital		1,750	
Accommodation & Bedded Care Strategy	Schemes to be developed within Accommodation Strategy, including: Integrated Equipment and Adaptations, Step-up/Step-down and Residential & Nursing			4,224	2,459

East Sussex Better Together: Areas of Search within the Integrated Strategic Investment Plan (pooled budget)			Gross budget	Savings	
			2016/17	2017/18	2018/19
Scheme description	Description of investment proposal	Key outcomes	£'000	£'000	£'000
Prescribing: Prescribing Support Scheme to incentivise prescribers to change behaviour; providing additional expertise to support Prescribers in Primary Care; Drug and Alcohol services; implementation of joint formulary; integration of Community Pharmacy Medicines Use reviews in GP process and implementation of shared decision making tools	Including: Medicines Optimisation in Care Homes and Repeat Prescribing	Reduction in inappropriate variability in prescribing of medicines; Evidence-based cost-effective use of medicines across pathways; Improved safety and efficiency of repeat prescribing process; Value for money		5,314	7,899
Elective Care: shared decision-making; cardiology; diabetes	Schemes in development; including Shared Decision Making	patient involvement in decision-making; pathway redesign aimed at prevention and disease management		1,000	
Primary care: supporting changes to primary care working practices; establishing a sustainable workforce; rationalising and improving the estate in primary care; delivery of a GP Five Year Forward View Implementation Plan	A range of Primary Care initiatives: being developed within the Primary Care Strategy	Improvements to primary care workload; encourage new and innovative ways of working; facilitate use of new technologies and better use of estate; service redesign		2,000	

East Sussex Better Together: Areas of Search within the Integrated Strategic Investment Plan (pooled budget)			Gross budget	Savings	
			2016/17	2017/18	2018/19
Scheme description	Description of investment proposal	Key outcomes	£'000	£'000	£'000
Mental health: Provision of alternative sources of mental health care and support; de-stigmatisation of service provision; increase in peer support provision; extension in effective interventions to promote self-care and wellbeing; increase in community provision; prevention of deterioration and hospital admission	Range of Mental Health Service Initiatives	Provision of third sector provided peer-led support; development of crisis response; streamlined rehabilitation pathways; expanding role of third sector and primary care; Dementia Crisis Team; Dementia Shared Care wards		1,867	6,180
Learning Disability: strengthening the support pathway and provision to adults with a Learning Disability and challenging behaviour; improving hospital and primary care liaison; developing a crisis response service to maintain individuals in the community.	Schemes to be developed within Health and Social Care: Commissioners and Providers	Increase in people supported to live in local community settings; reduction in numbers of people in inpatient settings; consolidation of approach to market and fee levels		544	1,174

East Sussex Better Together: Areas of Search within the Integrated Strategic Investment Plan (pooled budget)			Gross budget	Savings	
			2016/17	2017/18	2018/19
Scheme description	Description of investment proposal	Key outcomes	£'000	£'000	£'000
Children's Services: integrated delivery of Early Help services; improving offer for children with disabilities and special educational needs; improving mental health and wellbeing through the Child and Adolescent Mental Health Services (CAMHS) transformation plan	Schemes to be developed within Health and Social Care: Commissioners and Providers	Reduction in number of children requiring services; Reduction in number of Looked After Children; Increase in children able to remain in their local communities with their families; Improved health and wellbeing		183	3,216
Planned Care: To be allocated across schemes above	Including: Musculoskeletal disorders (MSK) Prime Provider, Pathway Redesign, Shared Decision Making, Secondary Prevention			2,977	23,679
			846,133	56,564	85,468

East Sussex share of the pooled budget areas of search:

Adult Social Care	11,114	16,000
Children's Services	36	69
	11,150	16,069

The gross budget of £846m represents the pooled in-scope budgets of the Council and the two partner CCGs. The total savings figures represent the amounts required for the partners to achieve pooled financial balance in 2017/18 and 2018/19 respectively. The County Council's share of the required savings is as shown above.

Business Services / Orbis - current & additional savings			Gross Budget *	Savings	
			2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000
<p>Orbis Business Services partnership will deliver seamless and resilient business services, whilst providing savings to both authorities (East Sussex and Surrey County Councils).</p> <p>Bringing together services will create sufficient scale to drive shared efficiencies, enable us to share skills and knowledge, and invest in technology that could otherwise be prohibitively expensive for each organisation alone. Financial savings are based on management de-layering, process improvement and reduction of duplication.</p> <p>Orbis is expected to grow by bringing on public sector partners, and from the pursuit of income opportunities through the provision of services to public sector clients (on a contractual basis or by means of specific delegation of function). The 'compelling alternative'.</p> <p>The partnership incorporates the following services:</p> <ul style="list-style-type: none"> • Personnel and Training (PAT); • Property and Capital Investment; • ICT; 	<p>The savings proposals per year show the aggregate sum relating to the ESCC one-third share. A two-thirds share is attributable to SCC; however, it is important to remember that the one-third/two-thirds split cannot be disentangled as the proposals reflect the integrated service design.</p> <p>Phased changes to the Senior Management structure. Integrating and reducing, where appropriate, the layers of managerial hierarchy. The phasing allows for capacity retention during the first two years, with all savings expected to be delivered by 18/19.</p> <p>Phased changes to other staff costs that are based on both: existing operational delivery plan; together with (from 17/18 onwards) services that are currently being re-designed through the Orbis 'area for search' programme. These proposals will focus primarily on process improvement and the reduction of duplication of activity.</p> <p>Process Improvement - Making processes more efficient and effective through use of more standardised, streamlined processes. These can often be technology enabled to offer automation or user empowerment through self-service.</p> <p>Removal of duplication - Where activity is common across the two organisations, there is potential benefit through economies of scale and scope to remove</p>	<p>The first year will focus on:</p> <ul style="list-style-type: none"> - stability of service; - embedding new senior management structures; - supporting other departments in the delivery of the change agendas; - planning and implementing the integration of all Orbis services <p>Key factors for delivery of the Orbis Business Plan by the end of 18/19 include:</p> <ul style="list-style-type: none"> - Clarity on level of interrogation of each function; - Recognising the needs of each partner, including agreement to changes in service offer as a result in service design (in line with the Target Operating Model). - Removal of cultural inertia and resistance to 'location based' support i.e. support will be provided by Orbis staff irrespective of whether they are based in Lewes, Kingston or elsewhere. <p>Technology requirements and transitional/programme support to enable changes.</p> <p>Some initial modest growth proposals of currently offered services have been included. These will be dependent on being able to develop a 'marketable' offer through the business plan and a requirement for sufficient commercial skills to deliver new business. At this stage no assumptions of benefits arising from on</p>	21,688	981	1,396

Business Services / Orbis - current & additional savings			Gross Budget *	Savings	
			2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000
<ul style="list-style-type: none"> • Procurement; • Finance (including Internal Audit); and • Business Operations (Shared Services). <p>These services are fully described in the Orbis Business Plan and are provided from ESCC or SCC locations. There are already degrees of integration of each of these activities as Orbis has progressed along the Partnership route.</p>	<p>through economies of scale and scope to remove duplicated effort.</p> <p>Growth - an initial focus on offering specialist financial and internal audit advice (including expanding current offer e.g. to schools and other public sector organisations) and Business Operations services.</p> <p>Non-staff savings will focus on the ICT and Business Operations areas.</p> <p>The savings proposals are shown net of some additional revenue costs arising out of the investment need to improve IT capability to support the delivery of integrated Orbis services.</p>	<p>boarding new public sector partners has been included. Again, that will be a feature of the forward-looking 'compelling alternative' Orbis strategy.</p>			
Orbis Savings	Reconfiguration of services and reduction in staffing for Procurement, Property and Business Operations.	<p>Across Orbis, additional savings are expected to be realised from the Procurement budget that will be part of the wider restructure being undertaken in Autumn/Winter 2016/17 to allow for full year savings from April 2017, as these savings will be considered as part of the wider restructure/consultation there will be no addition consultation required.</p> <p>Additional savings will also be delivered from Business Operations through staff reductions in areas to be identified.</p> <p>Within Property, there will also be a number of capitalised work reduced and stopping specific level of Asset feasibility work. As well as to reshape and reduce Asset Teams. ESCC have stated 30% of the overall total Orbis savings, in line with the current ACR.</p>	7,614	217	

Business Services / Orbis - current & additional savings			Gross Budget *	Savings	
			2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000
ICT Contracts (MOBO)	Review existing ICT contracts to assess opportunities to reduce/share costs across the partnership. Specific areas and impact to be identified but focus will be on overlaps and duplication.	Potential reduction in service levels,	5,895	100	
Property - Cleaning and Courier services (MOBO)	Review existing contracts to assess opportunities to reduce/share costs across the partnership.	Potential reduction in service levels.	2,318	74	
Delivery of agile efficiencies by centralising support budgets	Management of telephony, postage and printing budgets. Business Growth.		1,173	100	
				1,472	1,396

Children's Services - current & additional savings			Gross budget *	Net budget *	Savings	
			2016/17	2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000	£'000
Early Help	Withdraw from the current County Council funded universal open access/drop in activity sessions at children's centres; integration of health visiting and children's centres and streamlining of management; some reduction in years 2 and 3 in targeted one to one support for vulnerable families and young people.	Integration of health visiting, the Family Nurse Partnership Programme and children's centres provides the opportunity to look at how the national Healthy Child Programme 0-5 can be provided locally in the most cost effective way, but savings will mean the loss of some posts and changes in the mix of posts of different kinds. Open access activities are currently funded across the county. Ending these activities will reduce opportunities to build supportive connections between local families, promote positive parenting, support children to be ready for school and identify those families with emerging support needs e.g. low level mental health needs. Reduced opportunities to identify families with emerging support needs and reduced capacity for one to one support may impact on demand reduction for social care. The savings start in 16/17, but are being implemented over the 3 years to 18/19, and with significant management savings in 16/17.	18,928	15,519	577	1,238
Early Help 0-5	Reduction and reshaping of management and support functions.	Staff consultation will be needed.	18,928	15,519	407	
Early Help 5-19	Income generation for youth work activities.		18,928	15,519	240	

Children's Services - current & additional savings			Gross budget *	Net budget *	Savings	
			2016/17	2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000	£'000
Children's Support Services (including Music, Watersports, Duke of Edinburgh (DofE) scheme and Safeguarding quality assurance)	<p>Reduction of management and administrative posts, more Agile working, reducing support to operational managers requiring managers to self-serve. Enhancing digital offer and encouraging channel shift to reduce demand from the public and internal staff, reduction in training budget and income generation. Reviewing policies.</p> <p>Reduction in Safeguarding staffing based on on-going forecasted trend of reductions in Looked After Children (LAC) and Child Protection (CP) plans. Greater</p>	<p>Review of Admissions policies may change the historical catchment areas for some schools but will also help to ensure efficient processing and policies should be clearer for parents.</p> <p>Reduction in support services and more self service has the potential to impact on operational management capacity and increase pressures on some managers and staff.</p> <p>Reduced opportunities for young people from low income families to learn a musical instrument. It is hoped that this can be mitigated by persuading schools to use pupil premium to part-fund music lessons.</p> <p>This is dependent on achieving the reductions in LAC and CP as the capacity of staffing is dependent on the number of meetings required. These changes will reduce our ability to reduce caseloads in line with recommended national levels for Independent Reviewing Officers (IROs) and could lead to poor case planning.</p>	7,698	3,593	262	342

Children's Services - current & additional savings			Gross budget *	Net budget *	Savings	
			2016/17	2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000	£'000
Music Service	Management restructure, fee remission and review of terms and conditions of music teachers.	Staff consultation will be needed.	2,544	0	82	68
Home to School Transport	Review of post 16 discretionary transport and HTST policy, regular review of transport arrangements at pupil level to ensure most cost effective provision.	Regular reviews of transport provision at pupil level to ensure it is the most cost effective option may result in changes in the way children are transported in the year and longer journey times. Reduction in the number of pupils with less complex SEND who will receive travel assistance to get to college and the cessation of post 16 transport assistance for low income families. This is likely to increase the number of NEETs and could impact on the viability of some colleges and some courses.	11,708	11,221	488	566
Home to School Transport	Review of unsafe routes	Review of unsafe routes could impact more on pupils in rural areas with a greater expectation on parents to accompany children to school or nearest bus stop. Savings TBC subject to further work which is currently in progress in CET.			TBC	TBC

Children's Services - current & additional savings			Gross budget *	Net budget *	Savings	
			2016/17	2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000	£'000
Locality Services	Reconfiguration of services and reduction in staffing at both practitioner and management levels and in ongoing support to families.	We will be reconfiguring services to provide social work expertise on the most complex families by effective joint working with the Police through the new Multi-Agency Service Hubs (MASH) arrangement and effective Early Help hub that will redirect families that do not need social work involvement. Reduction in numbers of families who will be assessed and supported by social work teams with early help staff working with families with even more complex needs. The savings start in 16/17, but are being implemented over the 3 years to 18/19.	12,298	11,269	305	85
Troubled Families	Revised Troubled Families strategy to increase Payment by Results (PbR) rates.	PbR is subject to auditing by DCLG and goal posts often change each year.	1,081	0	122	

Children's Services - current & additional savings			Gross budget *	Net budget *	Savings	
			2016/17	2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000	£'000
Specialist Services	Reduction in staffing alongside income generation	Reduction in capacity to undertake specialist assessment and support which could result in a higher number of court ordered external assessments. Reduction could be mitigated by income generation from other funding streams and by accreditation by the Legal Aid Board so that assessment costs can be shared with other parties in legal proceedings. These plans may need to be reconsidered in light of future savings plans for Drugs and Alcohol Team (DAAT). The savings start in 16/17, but are being implemented over the 3 years to 18/19.	4,890	2,103	275	0

Children's Services - current & additional savings			Gross budget *	Net budget *	Savings	
			2016/17	2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000	£'000
Looked after Children (LAC)	Reduction in LAC numbers and a continued focus on keeping children in more cost effective in-house placements. Reduction in staffing levels (including adoption services)	LAC modelling is showing decreasing numbers and costs for LAC. Keeping children in in-house provision rather than agency does result in more placement moves for children because effective matching is more limited, children may have to wait longer and sibling groups may be split. Also, reduction in staffing levels will mean reduced support for complex LAC in vulnerable in house foster placements, and young people at risk of being involved in Child Sexual Exploitation remaining at home. Reducing adoption services specifically follows a reduction in govt grant but also acknowledges decreasing numbers of children coming through for adoption. This may affect the capacity to recruit and approve adopters and provide support for adoptive placements leading to adoption disruption. The savings start in 16/17, but are being implemented over the 3 years to 18/19.	25,106	21,712	773	952

Children's Services - current & additional savings			Gross budget *	Net budget *	Savings	
			2016/17	2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000	£'000
Youth Offending Team (YOT)	Reduction in specialist posts in the YOT	Reconfiguration of services for young people along a 'health hub' model will mitigate some of these reductions. Will reduce the YOT offer to parents to support their young people to stop offending, as well as the ability to reintegrate offenders into education, provide health and lower level mental health support. Achieving these savings will be even more challenging in the light of recently reduced in year grant funding of 10% (£50.6k) from the Youth Justice Board (YJB) and ongoing pressure on the Remand budget (currently £50k).	1,675	539	27	12
Standards and Learning Effectiveness Service (SLES)	Reduction in specialist posts and staff numbers, increase in traded activity and school to school support	Reduction in SLES school improvement provision will reduce capacity to increase the proportion of good and outstanding schools that will provide capacity for school to school improvement support and limit the effectiveness of the LAs monitoring of the performance of all schools. This will impact negatively on pupil outcomes, increase the number of underperforming schools and schools in Ofsted categories of concern. Reduction in the statutory provision of Information, Advice and Guidance (IAG) to vulnerable young people will take the current provision below minimum standards. We will mitigate the impact through the use of online mechanisms for delivering information, advice and guidance to young people. However the impact of limited face to face support and tracking will reduce the	25,650	2,985	100	260

Children's Services - current & additional savings			Gross budget *	Net budget *	Savings	
			2016/17	2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000	£'000
Inclusion, Special Education Needs and Disability (ISEND)	Reduction in staff posts, reduced placement costs and service redesign in Year 3	<p>Education Support, Behaviour and Attendance Service (ESBAS) will work to mitigate the impact on schools by extending the LA offer of traded work. Reduction in the provision of support to schools for improving behaviour and attendance and in early intervention for pupils facing barriers to engagement. Not all of this work is statutory but is key to managing the demand for expensive, statutory and more costly intervention.</p> <p>Reduction in the Short Term Agency Budget and Short Breaks provision will result in additional pressures on families.</p> <p>Reduction in ISEND assessment and planning will lead to delays in provision beyond statutory timescales. We would mitigate this by working to reduce the number of statutory assessments and plans, through building capacity in schools and colleges to support more young people with school/college based plans.</p> <p>The most significant savings have been delayed to Years 2 and 3 in the context of pressures and demands from the current SEN reforms.</p>	45,005	10,102	332	848
ISEND	Review of respite care.	To be determined as part of the review.	45,005	10,102	125	(50)

The CSD savings include the mitigation of current pressures as detailed at 4.7 of the report. The summary below provides further analysis:-

The CSD savings include the mitigation of current pressures as detailed at 4.7 of the report. The summary below provides further analysis:-

	£m
Total 17/18 savings as above	10.0
Of which, to mitigate CSD pressures (per 4.7): temporary	(0.8)
permanent	(0.6)
interblock	(4.0)
Total other 17/18 CSD savings	4.6

Communities, Economy & Transport - current & additional savings			Gross budget *	Savings	
			2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000
Operations and Contract Management					
Waste Operations	Leachate Disposal	More efficient and environmentally sustainable management of closed landfill sites.	672	85	
Waste Disposal	Change to the management of the Corporate Waste Reserve; efficiency improvements, with partners, of the service; and maximising income generation opportunities	The proposed change to the management of the Waste Reserve includes a different approach to managing risk. Moving to a different approach over a four year period reduces the risk provision from around £30m to £13m. If risks occur and have a permanent effect on the revenue budget, there would need to be a matching increase to the base budget, however the proposed approach means that funding could be found if and when required, rather than kept in reserve to a greater extent than appropriate for the medium term. Impacts of efficiency improvements will vary and, where appropriate, the relevant consultation and Member approval will be sought, with the detail of the impact defined at this stage.	28,680	25	
Waste Disposal Service	Review of Current approach during 2017/18	The review will consider options for: demand management; asset management; income generation and the impact of any changes on residents.	28,680		800
Transport Hub	Restructure of Transport Hub teams	There will an impact on staff because of the reduction of staff numbers and a change of role for the staff within the teams in the Transport Hub, subject to staff consultation. There will be minimal impact on service users.	1,344	35	

Communities, Economy & Transport - current & additional savings			Gross budget *	Savings	
			2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000
Rights of Way and Countryside Management	Efficiency savings in the Rights of Way and Countryside sites	Minimal impact, but subject to completion of the strategic commissioning piece of work and staff consultation.	1,335	50	
Grass Cutting	Review of grass cutting policy	Work with borough, district and parish councils the options for reducing the cost of grass cutting.	950	400	
Environment service.	Increasing the coverage of Service Level Agreements with District & Borough Council's re. the provision of environmental advice.	Increased SLA coverage could lead to increased workloads in the Environment team - this may necessitate prioritising work that is in accordance with the SLA's.	337	5	0
Economy					
Planning and Environment Service	Development Control, Transport Development Control and Environment	Review of team structures and income generation opportunities	1,855	40	0

Communities, Economy & Transport - current & additional savings			Gross budget *	Savings	
			2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000
Review fees & charges across the Planning Service.	To charge for pre-application advice on major/significant County matter proposals , and review Ordinary Watercourse Consents fees.	<p>Proponents of major schemes are unlikely to be resistant to making a pre-application charge, although they will expect a certain level of service in return, which they are probably already receiving. Proponents of smaller schemes, particularly waste uses, may be put off from having pre-application dialogue if charges are introduced. Hence, a threshold for schemes we do and do not charge for will need to be introduced. Certain District & Borough Council's may be reluctant to introduce ESCC as a party on their PPA's - we will need to clearly demonstrate the benefits of doing so.</p> <p>Potential that a substantial increase in OWC fees may put off people applying for OWC consent in the first place - this could lead to a greater need for enforcement. However, statutory consultation on major planning applications is assisting in identifying where OWC is required.</p>	1,855	10	25
Communities					

Communities, Economy & Transport - current & additional savings			Gross budget *	Savings	
			2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000
Library and Information Service	Libraries Transformation Programme - internal review of the Library and Information Service	This extensive review of service delivery, the stock fund, opening hours and staffing structure will ensure that the current service is as lean and efficient as possible. Staffing levels and expenditure on the stock fund will be benchmarked against other authorities, and any changes will have a low impact on the majority of our customers. During the review of opening hours, we will use management information about libraries usage to minimise the impact of any potential changes on our customers. Subject to sign off from Cabinet, proposals to change the opening hours of libraries will be publically consulted on in early 2016.	6,444	700	125
Library and Information Service	Libraries Transformation Programme - development and implementation of the Libraries' Strategic Commissioning Strategy	The outcome of the Strategic Commissioning Strategy will potentially affect change in the overall configuration and nature of the library service in East Sussex. The implementation of the Strategy itself will optimise how the Library and Information Service is delivered, responding to current and future need, to achieve the best possible service within available resources. The outcome of the Strategy is dependent on the findings of the needs assessment, however it is estimated that it could achieve further savings during 2018/19.	6,444		750

Communities, Economy & Transport - current & additional savings			Gross budget *	Savings	
			2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000
The Keep	Improved staff utilisation across a range of functions, increased income generation and reduction in sinking fund	An Income Generation Strategy is currently being developed. The Governance Board has approved, in principle, the approach of the sinking fund.	689	4	19
Trading Standards	Continued modernisation of the Trading Standards Service	A current project specific, fixed term contract and pay protection for a number of staff end during March 15/16. In addition, there will be increased income raised through a new partnership with an approved trader scheme.	868	122	
Registration Services	Create an additional surplus of £60,000 in addition to the current target of £215,800 which has been exceed three years running and is likely to be exceeded again in 2016.17	The Registration service have consistently exceed their income target year on year. This is despite the absence of Southover Grange in Lewes as this is being refurbished. This will be completed as our flagship register office in the Spring/Summer of 2017. The move to Hastings Town Hall in 2016.17 has seen an increase in ceremony income and this is expected to increase again once Southover Grange is open. It has been calculated that an additional £60,000 income should be achieveable once Southover Grange is open and Hasting Town Hall continues to increase bookings.	1,262	60	
				1,536	1,719

Governance Services - current & additional savings			Gross budget *	Savings	
			2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000
Communications	Service redesign and some income generation. Staffing restructure; efficiencies; ceasing part of service.	To be assessed as part of a service review. Ceasing support for departments in relation on-line hub where public can respond to consultations. Impact on effectiveness of consultations and added work for departments. Reduced ability to provide Departments with public/audience insight with effect on marketing efficiency.	1,283	130	54
Legal Services	Income generation	Additional income generation from review of pricing and greater scale through partnership working. Restructure will mean less resilience, mitigated through development of Orbis Public Law.	2,128	25	50
Member Services	Efficiencies, staffing restructure	Reduced resilience and ability to ensure continued level of service at times of increased demand or staffing shortages.	541	20	
3rd Sector	Cease corporate support for AiRs (18/19); Reduction in Generic infrastructure or Healthwatch	Reduced support for the VCS.	937		30
Senior Management and Organisational Development	Reduce spend on supporting Council developments, innovation, service improvements, resilience.	Reduced funding of innovation or service infrastructure development. Reduction in ability to ensure appropriate governance/M.O. at time of significant and complex change. Reduction in ability to fund counsel fees resulting in potential additional cost to Depts, particularly Children's Services.	509	50	

Governance Services - current & additional savings			Gross budget *	Savings	
			2016/17	2017/18	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000	£'000
Chief Executives Office	Reduction of across executive support, performance and R&I functions	Less support for Chief Executive and Cabinet. Less capacity for all functions.	952	45	
				270	134

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Appendix 3

Scrutiny Committee comments on RPPR September 2016

Key areas of interest and lines of enquiry raised by the committees – questions, issues

1. Audit, Best Value & Community Services Scrutiny Committee

The Committee noted key areas of interest and future lines of enquiry for the RPPR process including:

Capital Programme. The Committee requested:

- Further information on the funding of the capital programme and information on the impact on the revenue budget.
- Further clarity on the amount of the contributions from the New Homes Bonus and Section 106/Community Infrastructure Levy (CIL) for future years.
- An indication of the sources of *future* funding for the new capital programme and the likely impact on revenue.

Business Services. The Committee requested:

- A breakdown of the savings achieved under Orbis on a service by service basis.
- Further information on the outcomes from the Income Generation Programme.
- An update on the Property Investment Strategy.
- An update on the Apprenticeship Levy funding, including the rate of draw down and the extent to which this can be offset against Human Resources costs.

Community Services. The Committee:

- Has established a Board to examine the Libraries' Transformation Programme.
- Asked for an update on the Registration Service, to include information on costs, fees and other income.

Governance Services. The Committee requested:

- Further information (including gross budget figures) on:
- Orbis Public Law
- Senior Management and Organisation Development,
- Member Services.

Public Health. The Committee asked:

- For clarity about the future ring fencing arrangements of Public Health budgets;
- For assurances about the future management of year on year underspends;

- For further information on the delivery of programmes for Smoking Cessation and Creating Healthy Communities.

2. Adult Social Care and Community Safety Scrutiny Committee

The Committee noted key areas of interest and future lines of enquiry for the RPPR process including:

- The level of confidence that the implementation of an accountable care model, as part of the East Sussex Better Together (ESBT) programme, would be able to deliver the necessary savings for the Adult Social Care Department. This is being scrutinised by the ESBT Joint Scrutiny Board.
- Whether the increased additional pressures on adult social care services will be reduced by focusing on cost avoidance measures e.g. reducing demand through things such as changes to urgent care system.
- The impact of any further reductions to supporting people or community safety services on street communities and homelessness.
- The added complexity of the RPPR process this year due to the joint planning work underway with health partners and the different stages this has reached in the ESBT area and the Connecting 4 You (High Weald Lewes Havens) area.
- The impact that the Sussex and East Surrey Sustainability and Transformation Plan (STP) may have on the Adult Social Care Department.

3. Children's Services Scrutiny Committee

The Committee noted key areas of interest and future lines of enquiry for the RPPR process including:

Revenue Budget

The Committee asked for more detailed information about progress with Children's Services review of all its costs across the department (which it is undertaking in response to a projected overspend for the year of approximately £4million).

Inclusion, Special Educational Needs and Disability (ISEND)

Further clarification was sought regarding the increased costs the ISEND service is experiencing. The Committee were specifically interested in:

- whether more could be done to manage public expectations about the level of special educational needs support available; and
- delays in converting statements to Education, Health and Care Plans (EHCPs) and the additional costs this may incur.

Mental Health and Young People

More detail was requested about the impact of the savings plan on the provision of services relating to Mental Health and Young People. In particular the Committee asked about progress with the integration of Child and Adolescent Mental Health Services (CAMHS) with the local Clinical Commissioning Groups (CCGs).

Children's Centres

Further clarification was requested about the impact of the savings plan on Children's Centres. In particular, the Committee asked for more information about the extent of the integration between Children's and Health Services and whether more could be done to maximize this collaboration.

Troubled Families

More detail was requested about the impact of the savings plan on the delivery of services for Troubled Families.

4. Economy, Transport and Environment Scrutiny Committee

The Committee noted key areas of interest and future lines of enquiry for the RPPR process including:

- The Committee requested a table with all service areas on it, to provide further information on:
 - a narrative of what the service does and the broad scale of the operation.
 - the net budget for the service together with details of revenue costs and income; and
 - the scope for further savings and/or increased income generation.
 - the sources of funding for each of the services
- Asked officers to highlight the areas of the departmental net budget where it would be extremely challenging to make further savings.
- Waste PFI Contract: Committee report in November to consider a possible review of the Waste PFI Contract and the potential to for further income generation and/or savings under the contract.

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APPENDIX 4**EFFICIENCY PLAN 2016/17 TO 2019/20****1. Background**

1.1 The State of the County report was approved at the Council meeting on 12th June 2016. The report is part of the Council's continuing Reconciling Policy, Performance and Resources (RPPR) process, the business and financial planning cycle. It set out the latest position as more detailed planning for 2017/18 is started, the second year of the three year plan agreed by Council in February 2016. The aim of RPPR is to provide an integrated business planning process which engages all Members through Cabinet, Scrutiny Committees and All Members Forums. This covers both capital and revenue.

1.2 The Medium Term Financial Plan (MTFP) has been extended to 2020/21 to match the NHS 3+2 year model in preparation for an integrated budget with the Eastbourne, Hailsham and Seaford Clinical Commissioning Group (CCG) and the Hastings & Rother CCG and East Sussex County Council (ESCC) as part of the work on East Sussex Better Together (ESBT). The first three years of the revised MTFP updates the existing plans for the savings requirement. The further (+2) two years of the five year plan are more indicative and should be viewed as showing a direction of travel for the County Council. The Council Plan will continue to be set on a three year basis. As with last year, more detailed planning will be carried out on the next financial year than the following three, because of the high degree of uncertainty about both the Council's future functions and funding.

1.3 Current plans are predicated on the need to make savings of £70m-£90m during the current three year plan period 2016/17-2018/19. This means that, despite continued commitments to maximise efficiency and income generation, a continued, direct impact on front line services for all areas across the organisation is unavoidable. The Plan therefore contains some elements of budget reductions, as well as efficiencies.

2. RPPR next steps

2.1 Through the RPPR process, proposals will be brought forward for savings across the next two financial years (2017/18 and 2018/19), on the basis of the plan agreed by Council in 2016 to reshape the organisation and deliver the savings required by commissioning services which will deliver the priority outcomes as far as possible, and in partnership with others where this will yield better outcomes for local people. Where the services commissioned are delivered by others, arrangements will be made to ensure that democratic accountability for use of budgets and outcomes is protected.

2.2 Whilst the existing service change, facilitating and income generation programmes identified will help to ensure that the Council delivers its services in the most efficient way possible and that it maximises the use of all the resources available to it, they cannot deliver the scale of savings required during the next two years. The Council will continue to make sure it learns from best practice elsewhere, benchmarks its services for value for money and take efficiency savings where these are available. However, it will be necessary to continue to make savings of a scale that cannot avoid impact on front line services, which will bring increased risk to the Council and to those served.

2.3 The Council has identified its key outcomes against the four priority areas which will help officers bring forward prioritised and targeted savings plans. The facilitating programmes contribute to the commissioning arrangements which will help to deliver a One Council approach to achieving the outcomes identified by Members.

2.4 The priority outcomes and operating principles are being used to shape the work already underway in relation to the elements in the strategic challenge diagram. Chief Officers used the priority outcomes to identify areas of search for savings agreed in October 2015. These are:

- Adult Social Care – integrating work with health to take a single view of health and care requirement;
- Children’s Services – integrated services with partner agencies; ensuring the right people work with the right children, families and settings in the right way for the right amount of time; integrated work with Adult Social Care and NHS; and mobilising communities and other partners to help children, young people and families as part of the community resilience work and increased digitalisation of service access;
- Review the Capital Programme to ensure the right choices are being made between revenue and capital to meet basic need in the county; and
- Commissioning Strategy for community based services, such as libraries.

2.5 Whilst planning has continued on the current savings assumptions over the summer, there remains significant uncertainty in some key areas. For example, the implications of accepting the Government’s four year funding offer, the new arrangements for localisation of business rates are at a very early stage of development by Government and plans in Adult and Children’s Social Care are dependent on integration with health, the full implications of which are being developed and are yet to be considered by Members. Focused work has continued over the summer on a number of aspects of the MTFP and Members will be updated in September. At that point, it is hoped that there will be greater certainty about what level of additional savings will be necessary. More detailed services and savings plans will be considered in October.

3. Council Priority Outcomes

3.1 Last year, Members endorsed the existing priority outcomes, which provide a focus for decisions about spending and savings and direct work across the Council. The outcome that “the Council makes the best use of resources” is a test that will be applied to all activities. The other three priority outcomes are:

- Driving economic growth;
- Keeping vulnerable people safe; and
- Helping people help themselves.

4. Medium Term Financial Plan (MTFP) and Capital Programme

4.1 The MTFP was approved at County Council on 12 July as part of the State of the County report. The latest projections detailed in Figure 1 show a deficit of £5m over the three year MTFP period and £29.5m by 2020/21. This is within the context of a very uncertain financial outlook and in addition to savings of £64m which have already been planned. Therefore, the total savings requirement for the three year MTFP remains close to the £70m to £90m range as previously identified.

4.2 The table below sets out the existing savings plans by department:

Department	2016/17	2017/18	2018/19	Total
		£'000		
Adult Social Care	7,955	10,093	20,000	38,048
Business Services/Orbis	312	981	1,396	2,689
Children's Services (excl. schools)	4,985	3,175	4,972	13,132
Communities, Economy & Transport	3,117	999	894	5,010
Governance Services	180	100	104	384
Subtotal Departments	16,549	15,348	27,366	59,263
Treasury Management	3,000			3,000
Capital Programme Management		2,000		2,000
Subtotal Centrally Held Budgets	3,000	2,000	0	5,000
TOTAL SAVINGS	19,549	17,348	27,366	64,263

Over two thirds of the savings in years two and three are within ASC budgets and are largely reliant on integration with Health.

4.3 The approved capital programme reported at County Council on 12 July as part of the State of the County report is also attached at Figure 1.

5. Meeting the Strategic Challenge

5.1 Each year, the key elements which will help the Council meet the strategic challenges it faces are identified. The key elements over the next 18 months are set out below, together with progress against them.



Cross-Council Facilitating Programmes

5.2 A summary of the progress on the cross-Council facilitating programmes which will help ESCC work most effectively in future years is set out below:

- i) **People Strategy** – the People Strategy is being implemented. The key issues for the Authority in the coming year are the effects of the National Living Wage, the apprenticeship levy and national targets for recruitment of apprentices on finances and workforce. In addition to working with the LGA to avoid a top-down target for apprentice numbers from Government and to exclude schools from these plans, work on devolution will include proposals for freedom to use the levy locally to support the skills needs in the wider economy.
- ii) **Customer Focus** – improvements are being developed to the way in which the Council deals with customers and to the recording of performance so that customers are served well and consistently, whether services are provided internally or externally. Plans are also being developed on a number of digital projects aimed at improving business intelligence and efficiency.
- iii) **Orbis and Orbis Public Law** – these key partnerships with South East Seven Authorities will improve both the efficiency and resilience of key back office services. This will enable services to continue to be provided against a background of diminishing resources.
- iv) **SPACES** – the programme aims to achieve £30m in capital receipts, £10m reduction in revenue costs and a 20% reduction in CO₂ emissions across the public estate in East Sussex. To date, nearly £6m of benefits have been delivered and a further £10m identified for delivery. This includes £525,000 year on year revenue savings and over £1.1m capital receipts for ESCC.

Maximising Control and Independence

5.3 In order to be able to plan effectively for the future and to maximise the resources available to help local people, the Council is working to ensure as much local control and predictability about its resources as possible. This work is supported by the following workstreams:

- i) **Income Generation** – the Council continues to place a high priority on income generation and work continues through the Member and officer group which has both senior officers and Lead Member involvement.
- ii) **Devolution** – the Three Southern Counties (3SC) area has a different economic profile from those which have already signed deals with the Government, as the 3SC area is a net contributor to the economy of the country. A devolution deal which offers the area greater benefit from the income generated within it will help to maintain the growth the UK economy needs and enable the area to have the infrastructure necessary to support that growth and maintain the quality of life of local people. Good progress is being made in building the partnership which will deliver the deal if it is agreed with Government and initial discussions have been held with the Treasury over the Government's appetite to negotiate a deal which has a greater scope and ambition than most which have been signed to date.

Service Change Programmes

5.4 In response to changes in legislation and in preparation for the scale of savings anticipated during the next planning period, a number of service change streams have been developed. It will be through these change streams, supported by the cross-Council facilitating programmes, that services will be reshaped in a way that will help them become sustainable in the future.

Excellence for All

5.5 Excellence for All 2016/17 sets out how the Council, in partnership with all educational providers across the county, will build on the successes of the past two years to create a truly excellent and inclusive education system for the children and young people of East Sussex.

5.6 Since the original Excellence for All was published in 2013, the Council and its partners have moved a long way towards achieving the shared vision that “all children and young people who are educated in East Sussex will attend an establishment that is at least rated “good” by Ofsted...and will make good levels of progress”. Key achievements to date include:

- Outcomes have increased significantly since 2013, with pupils achieving at least in line with national averages on most indicators, and well above on some, such as the percentage of early years children achieving a Good Level of Development;

- There has been a rapid increase in the number of children having access to high quality primary education, with over 80% of primary schools now judged “good” or better by Ofsted;
- The early years, secondary and post-16 sectors continue to perform well in terms of Ofsted outcomes;
- Positive reductions have been secured in fixed term exclusions since 2014; and
- The percentage of 16-18 year olds participating in education, employment or training continues to rise.

5.7 The strategy sets out how, in partnership with all local providers, the Local Authority will build on this success to deliver five key objectives over the next two years:

- Every school, college and setting to be judged at least “good” by Ofsted, and increase the proportion of schools judged to be “outstanding”;
- Performance at all Key Stages to be at least in the second quartile and, in many instances, in the top quartile on all key outcome measures;
- Accelerate progress for all key groups of pupils at all ability levels, with a particular focus on disadvantaged learners and those with Special Educational Needs and Disabilities, in order to close gaps in achievement at all Key Stages;
- Increase attendance and reduce both fixed term and permanent exclusions in line with national averages; and
- Every young person to be able to access high quality employment, further education or training up to the age of 19.

5.8 Whilst there will be little change in the numbers of children in the county, the peak in birth rates in 2010/11 and the changes in distribution of school age children in the area will mean that there are pressures on school places in some areas.

East Sussex Better Together (ESBT)

5.9 ESBT aims to develop a fully integrated health and social care system in East Sussex by 2018, ensuring every person enjoys proactive, joined-up care and support that enables them to live as independently as possible. The programme will help to bridge the funding gap of £135m by 2020 in health and social care in the ESBT area.

5.10 A single planning process is being developed further in the ESBT area which will ensure that decisions about services and finances are taken in a co-ordinated way across the Eastbourne, Hailsham and Seaford CCG and the Hastings & Rother CCG and ESCC and that resources are pooled. This will optimise health and social care outcomes for local people, whilst preserving the sovereignty and accountability of each organisation.

5.11 The position in the area covered by the High Weald Lewes Havens (HWLH) CCG remains the same as last year, where ESCC will work as closely as possible with health colleagues to improve integration. A programme of joint work is in development and this will be reported to Cabinet, however plans in this area are much less developed.

5.12 The different approaches and different stages of development of the joint programmes may lead to a divergence in the health and social care services offered across the county. The ESBT areas may benefit from new, integrated services which meet the growing needs of the older population which may not be immediately available in the HWLH CCG area. The need to make savings across the whole area in order to deliver a balanced budget could further exacerbate the difference across the county.

Highways Contract Re-let

5.13 The new highways contract which started in May 2016 will deliver savings of just over £1m per annum. The contract means the Council is responsible for managing the contract and the asset, but delivery of the contracted outcomes is the responsibility of the contractor.

6. Monitoring

6.1 Progress against performance targets and budgets are reviewed on a quarterly basis by the Cabinet. A risk register is maintained to monitor key corporate risks and the Audit, Best Value and Community Services Scrutiny Committee consider monitoring reports on a regular basis.

6.2 The role of Scrutiny in the RPPR process is vitally important. Each scrutiny committee brings to bear its collective experience of undertaking scrutiny projects and has the opportunity to add its views on where savings should be sought. Ultimately, each scrutiny committee will provide commentary and recommendations to be taken into account by Cabinet and Council before final decisions are taken on the following next year's budget and Council Plan.

7. Conclusion

7.1 This efficiency plan sets out the Council's priority outcomes, the latest approved MTFP and shows how the strategic challenges will be met.

MTFP to be inserted

CAPITAL PROGRAMME 2016-17 - SOC POSITION	Total Budget £'000	Updated Previous £'000		16/17 Updated £'000	17/18 Current £'000	Total Remaining £'000
Adult Social Care						
Older People's Service Improvements (formerly Opportunities)	536	400		136		136
Greenwood, Bexhill-on-Sea	463	424		39		39
Extension to Warwick House	7,331	7,212		119		119
Social Care Information System	4,258	4,127		131		131
LD Service Opportunities	5,107	1,413		3,194	500	3,694
<i>PSS Grant - 94189</i>	(1,900)	(848)		(1,052)		(1,052)
Refurbishment of Facilities to meet Care Quality Commission Standards	374	347		27		27
House Adaptations	3,332	2,579		486	267	753
	21,401 (1,900) 19,501	16,502 (848) 15,654		4,132 (1,052) 3,080	767 767	4,899 (1,052) 3,847
Business Services						
Core Back Office Services	1,470	847		623		623
The Link	2,718	2,649		69		69
SALIX Contract	2,644	2,264		380		380
<i>SALIX Grant - 94106</i>	(2,085)	(1,705)		(380)		(380)
Property Agile Works	9,029	5,790		3,239		3,239
Core Programme - Capital Building Improvements	40,898	22,251		9,048	9,599	18,647
Core Programme - ICT Strategy Implementation	11,039	7,879		2,050	1,110	3,160
	67,798 (2,085) 65,713	41,680 (1,705) 39,975		15,409 (380) 15,029	10,709 10,709	26,118 (380) 25,738
Children's Services						
ASDC 2012/13	497	484		13		13
Mobile Replacement Programme	8,059	7,909		150		150
Family Contact	346	308		38		38
House Adaptations for Disabled Children's Carers Homes	1,255	870		294	91	385
Universal Infant Free School Meals	1,961	1,272		689		689
<i>Free School Meals Grant - 94194</i>	(1,961)	(1,272)		(689)		(689)
Early Years 2yr Old Grant	3,031	2,774		257		257
Schools Delegated Capital	5,828	4,900		928		928
<i>Grant - 94977</i>	(5,828)	(4,900)		(928)		(928)
Core Programme - Schools Basic Need	85,432	54,299		19,998	11,135	31,133
	106,409 (7,789) 98,620	72,816 (6,172) 66,644		22,367 (1,617) 20,750	11,226 11,226	33,593 (1,617) 31,976
Communities, Economy & Transport						
New Archive and Record Office - "The Keep" - Phase 1 & 2	20,207	20,120		87		87
<i>Other Contributions - 94642</i>	(6,958)	(6,948)		(10)		(10)

CAPITAL PROGRAMME 2016-17 - SOC POSITION	Total Budget £'000	Updated Previous £'000		16/17 Updated £'000	17/18 Current £'000	Total Remaining £'000
Rye Library	87	31		56		56
<i>Section 106 - 94327</i>	(35)			(35)		(35)
Hastings Library	8,846	2,603		6,243		6,243
Newhaven Library	1,754	1,650		104		104
Southover Grange (formerly The Maltings)	1,200	156		1,044		1,044
Library Refurbishment	1,983	1,635		348		348
Newhaven Household Waste Recycling Site	2,041	2,037		4		4
<i>DEFRA Waste Infrastructure Grant - 94105</i>	(2,041)	(2,037)		(4)		(4)
Travellers Site Bridges Tan	1,348	1,314		34		34
Broadband	25,600	17,297		8,303		8,303
Bexhill and Hastings Link Road	124,309	116,670		3,957	3,682	7,639
<i>LEP Funding (SELEP)</i>	(1,586)	(1,586)				
BHLR Complementary Measures	1,800	989		766	45	811
Reshaping Uckfield Town Centre	2,500	963		1,537		1,537
<i>Section 106 - 94366</i>	(2,500)	(963)		(1,537)		(1,537)
Exceat Bridge Maintenance	500	33		467		467
Economic Growth & Strategic Infrastructure Programme						
Economic Intervention Fund	7,945	3,034		1,403	3,508	4,911
<i>Recycled Loan Repayments</i>	(700)	(28)		(200)	(472)	(672)
Catalysing Stalled Sites	916			316	600	916
EDS Upgrading Empty Commercial Properties	500			250	250	500
EDS Incubation Units	1,500			500	1,000	1,500
North Bexhill Access Road	16,796	6,410		6,386	4,000	10,386
<i>LEP Funding (SELEP)</i>	(16,600)	(6,410)		(6,190)	(4,000)	(10,190)
Queensway Gateway Road	6,000	1,419		4,581		4,581
<i>LEP Funding (SELEP)</i>	(5,019)	(1,419)		(3,600)		(3,600)
Newhaven Flood Defences	1,500	300		800	400	1,200
<i>LEP Funding (SELEP)</i>	(1,500)	(300)		(800)	(400)	(1,200)
Sovereign Harbour/Site Infrastructure	1,700	530		1,170		1,170
<i>LEP Funding (SELEP)</i>	(1,700)	(530)		(1,170)		(1,170)
Swallow Business Park	1,400	505		895		895
<i>LEP Funding (SELEP)</i>	(795)	(505)		(290)		(290)
Newhaven Port Access Road	23,219	270		5,205	17,744	22,949
<i>LEP Funding</i>	(10,000)				(10,000)	(10,000)
Street Lighting Invest to Save	920	903		17		17
LSTF - ES Coastal Towns	2,467	2,097		370		370
<i>External Contributions - Various</i>	(459)	(180)		(279)		(279)
LSTF - Travel Choices Lewes	1,196	1,194		2		2
Eastbourne and Hastings Light Reduction	3,704	3,695		9		9
Eastern Depot Development	1,586	196		1,390		1,390
Newhaven Swing Bridge	1,548	1,513		35		35
Waste Leachate Programme	250			250		250
<i>DEFRA Waste Performance Grant - 94048</i>	(159)			(159)		(159)
<i>DEFRA Waste Infrastructure Grant - 94105</i>	(26)			(26)		(26)

CAPITAL PROGRAMME 2016-17 - SOC POSITION	Total Budget £'000	Updated Previous £'000		16/17 Updated £'000	17/18 Current £'000	Total Remaining £'000
Integrated Transport - LTP plus Externally Funded						
Hastings and Bexhill Junction Walking & Cycling Package	250				250	250
Eastbourne/South Wealden Walking & Cycling Package	2,100			750	1,350	2,100
<i>LEP Funding (SELEP)</i>	<i>(1,850)</i>	<i>(600)</i>		<i>(750)</i>	<i>(500)</i>	<i>(1,250)</i>
<i>Developer and Other Contributions - Various</i>	<i>(250)</i>				<i>(250)</i>	<i>(250)</i>
Hastings and Bexhill Junction Improvement Package	1,893				1,893	1,893
<i>LEP Funding (SELEP)</i>	<i>(1,500)</i>				<i>(1,500)</i>	<i>(1,500)</i>
Hailsham/Polegate/Eastbourne Sustainable Transport Corridor	2,350				2,350	2,350
<i>LEP Funding (SELEP)</i>	<i>(2,100)</i>				<i>(2,100)</i>	<i>(2,100)</i>
<i>Developer and Other Contributions - Various</i>	<i>(250)</i>				<i>(250)</i>	<i>(250)</i>
Other Integrated Transport Schemes	46,177	37,465		5,605	3,107	8,712
<i>Developer and Other Contributions - Various</i>	<i>(19,883)</i>	<i>(15,426)</i>		<i>(2,507)</i>	<i>(1,950)</i>	<i>(4,457)</i>
Speed Management	2,948	2,826		122		122
Terminus Road Improvements	6,250	470		5,275	505	5,780
<i>External Contributions - Various</i>	<i>(750)</i>			<i>(750)</i>		<i>(750)</i>
<i>LEP Funding (SELEP)</i>	<i>(3,000)</i>			<i>(2,495)</i>	<i>(505)</i>	<i>(3,000)</i>
Core Programme - Highways Structural Maintenance	103,038	66,483		18,538	18,017	36,555
Core Programme - Bridge Assessment Strengthening	16,860	14,546		1,134	1,180	2,314
Core Programme - Street Lighting - Life Expired Equipment	7,902	6,152		867	883	1,750
Core Programme - Rights of Way Surface Repairs and Bridge Replace	4,617	3,752		437	428	865
	459,707	319,258		79,257	61,192	140,449
	<i>(79,661)</i>	<i>(36,932)</i>		<i>(20,802)</i>	<i>(21,927)</i>	<i>(42,729)</i>
	380,046	282,326		58,455	39,265	97,720
Governance						
Case Management System/Committee Management System	115	83		32		32
ICT For Members	42			42		42
	157	83		74		74
	157	83		74		74
Total Gross	655,472	450,339		121,239	83,894	205,133
Scheme Specific Resource	(91,435)	(45,657)		(23,851)	(21,927)	(45,778)
Total Net	564,037	404,682		97,388	61,967	159,355

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