



**AUDIT, BEST VALUE AND COMMUNITY SERVICES SCRUTINY COMMITTEE**

**WEDNESDAY, 27 SEPTEMBER 2017**

**10.00 am COMMITTEE ROOM, COUNTY HALL, LEWES**

MEMBERSHIP - Councillor Colin Swansborough (Chair)  
Councillors John Barnes (Vice Chair), Matthew Beaver, Philip Daniel,  
Gerard Fox, Peter Pragnell and Andy Smith

**A G E N D A**

- 1 Minutes of the meeting held on 14 July 2017 (*Pages 3 - 10*)
- 2 Apologies for absence
- 3 Disclosures of interests  
Disclosures by all members present of personal interests in matters on the agenda, the nature of any interest and whether the member regards the interest as prejudicial under the terms of the Code of Conduct.
- 4 Urgent items  
Notification of items which the Chair considers to be urgent and proposes to take at the appropriate part of the agenda. Any members who wish to raise urgent items are asked, wherever possible, to notify the Chair before the start of the meeting. In so doing, they must state the special circumstances which they consider justify the matter being considered urgent.

**Audit Items**

- 5 Internal Audit 2017/18 Progress Report - Quarter 1 (*Pages 11 - 26*)  
Report by the Chief Internal Auditor.
- 6 Cyber Security and Information Governance update (*Pages 27 - 56*)  
Report by the Chief Information Officer to provide further information on the Council's arrangements to protect the Council from cyber-attack.
- 7 Strategic Risk Monitoring 2017/18 - Quarter 1 (*Pages 57 - 62*)  
Report by the Chief Operating Officer.

**Scrutiny Items**

- 8 Reconciling Policy, Performance and Resources (RPPR) for 2018/19 (*Pages 63 - 142*)  
Report by the Chief Executive.
- 9 Procurement Update (*Pages 143 - 144*)  
A presentation on the Procurement Service by Ross Duguid, Acting Assistant Director, Procurement and Commissioning.
- 10 Scrutiny committee future work programme (*Pages 145 - 150*)

11 Forward Plan (*Pages 151 - 160*)

The Forward Plan for the period to 31 December 2017. The Committee is asked to make comments or request further information.

12 Any other items previously notified under agenda item 4

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19 September 2017

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# Agenda Item 1

## AUDIT, BEST VALUE AND COMMUNITY SERVICES SCRUTINY COMMITTEE

MINUTES of a meeting of the Audit, Best Value and Community Services Scrutiny Committee held at Committee Room, County Hall, Lewes on 14 July 2017.

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PRESENT Councillors Colin Swansborough (Chair) John Barnes (Vice Chair), Matthew Beaver, Philip Daniel, Gerard Fox, Peter Pragnell and Andy Smith

LEAD MEMBERS Councillor David Elkin, Lead Member for Resources

ALSO PRESENT Becky Shaw, Chief Executive  
Kevin Foster, Chief Operating Officer  
Philip Baker, Assistant Chief Executive  
Ian Gutsell, Chief Finance Officer  
Ola Owalabi, Head of Accounts  
Russell Banks, Chief Internal Auditor  
Nigel Chilcott, Senior Audit Manager  
Sarah Mainwaring, Head of HR and Organisational Development  
John Stebbings, Chief Property Officer  
Nick Skelton, Assistant Director Communities

KPMG Joanne Lees, Director  
James Seegar, Senior Manager

### 1 MINUTES OF THE MEETING HELD ON 14 MARCH 2017

1.1 The Committee RESOLVED to approve as a correct record the minutes of the meeting held on the 14 March 2017.

### 2 APOLOGIES FOR ABSENCE

2.1 There were no apologies for absence.

### 3 DISCLOSURES OF INTERESTS

3.1 There were no disclosures of interests.

### 4 URGENT ITEMS

4.1 There were no urgent items.

### 5 REVIEW OF THE KPMG REPORT TO THOSE CHARGED WITH GOVERNANCE AND STATEMENT OF ACCOUNTS FOR 2016/17

5.1 The Chief Finance Officer introduced the report to those charged with governance, together with the Statement of Accounts, and the representatives from KPMG. He confirmed that the report, and any comments from the Committee would be referred to the Governance Committee.

5.2 Jo Lees, KPMG Director, outlined the effective audit assisted by good working papers produced on schedule, and she thanked the Finance team for their cooperation. She outlined three key areas: the Triennial valuation of the Pension Scheme, the Minimum Revenue Provision and accounting for ownership of local authority maintained schools. She confirmed that there was nothing within those areas that she needed to bring to the Committee's attention. She also set out an adjusted audit difference of £2.7m connected with assets depreciation charges.

5.3 The Committee discussed accounting for schools, and expressed frustration that the ownership issue is still unresolved in respect of 21 schools (one having obtained Academy status). Jo Lees confirmed that the relevant guidance is that until such time as the Diocese can prove title to the schools in question, the cautious approach is to retain them in the Authority's accounts.

5.4 In respect of the Minimum Revenue Provision, the Head of Accounts and Pensions set out that the payments had been re-profiled, in line with advice from an independent Treasury Management adviser and the CLG guidance.

5.5 The Committee RESOLVED to (1) note the report and its appendices;

(2) confirm that there are no concerns arising from the Independent Auditor's (KPMG) Report that need to be brought to the attention of the Governance Committee; and

(3) congratulate staff on their efforts in ensuring an effective audit.

## 6 REVIEW OF THE KPMG REPORT TO THOSE CHARGED WITH GOVERNANCE AND THE PENSION FUND ANNUAL REPORT FOR 2016/17

6.1 The Chief Finance Officer introduced the KPMG report to those charged with governance, together with the Pension Fund Annual Report for 2016/17.

6.2 Jo Lees, KPMG Director, outlined that there were no significant risks, other than the mandatory ones of management override of control and fraudulent revenue recognition

6.3 The Committee enquired as to the risk posed by the Guaranteed Minimum Pensions (GMPs) Reconciliation. The Head of Accounts and Pensions acknowledged that it may be a risk going forward, but it did not affect the accounts for 2016/17 under discussion.

6.4 The Committee RESOLVED to (1) note the report; and

(2) confirm that there are no concerns arising from the Independent Auditor's (KPMG) Report that need to be brought to the attention of the Pension Committee.

## 7 INTERNAL AUDIT SERVICE: ANNUAL REPORT AND OPINION 2016/17 (INCLUDING QUARTER 4)

7.1 The Chief Internal Auditor introduced the report which provided an overview of the work of the Internal Audit Service over 2016/17, and results of the audits undertaken in Quarter 4. He

confirmed that he was able to give the Committee 'reasonable assurance' of the effectiveness of the Council's control environment.

7.2 The Senior Audit Manager highlighted that there were no audits below 'partial assurance' other than in schools, and pointed out an error in Appendix 2, in that the Pension Fund has assets of £2,344M against liabilities of £2,885M, representing a funding level of 81.2%.

7.3 The Committee discussed the development of the schools' audit programme, from a risk-based approach to a randomised selection by an external partner (Mazars) leading to follow up by the Internal Audit team if necessary. The programme of training for Headteachers, bursars and business managers was highlighted, and its effectiveness assessed.

7.4 The Committee highlighted concerns regarding paragraph 5.4 of Appendix 1, and the follow up on the Compliance with Standing Orders and Direct Payments audits. The Chief Operating Officer set out that the issues had been subject to detailed follow up with the relevant managers, and that the process of ensuring compliance with the original findings had led to further issues being identified, which were also being addressed.

7.5 The Committee RESOLVED to (1) note the report;

(2) confirm that there are no significant control issues that should be included in the Council's annual governance statement for 2016/17; and

(3) confirm that the Council's system for internal audit has proved effective during 2016/17.

## 8 STRATEGIC RISK MONITORING - QUARTER 4

8.1 The Chief Executive introduced the report. The Committee noted that Cyber Attack had been added to the register, and been rated Red owing to the potential scale of the impact of the risk.

8.2 The Committee discussed a number issues including:

- The timing of adding Cyber Attack to the register;
- General emergency responses to disasters, in the light of Grenfell Tower; and
- School funding, and in particular the effectiveness of lobbying on behalf of small rural schools.

### Cyber Attack

8.3 The Chief Executive set out that while Cyber Attack has always been under consideration, recent targeting of government organisations such as the NHS, and the scale of those attacks, had led to its elevation to a strategic risk.

8.4 The Chief Operating Officer reassured the Committee of the Council's efforts to mitigate the risk, including maintaining up to date software, an investment in off-site back up and data retrieval, and the development of a corporate data centre resilience review. Partly this has been driven by closer integration with Health colleagues, through East Sussex Better Together and Connecting 4 You, and the need for each partner to have confidence in the IT systems of the other.

8.5 The Committee expressed the view that staff training, especially in identifying, and the correct responses to, ransomware and other malware was a key component of the mitigation of the risk of cyber attack.

## Emergency Planning

8.6 The Chief Executive confirmed that the Strategic Risk Register under discussion was the register of those risks that, due to their nature, the severity of the potential harm or the nature of the control measures, Chief Officers consider to be strategic. They sit on top of departmental risk registers, and as such not all of the activities undertaken by the County Council that could be considered risky, appear on the Strategic Risk Register.

8.7 The Chief Executive used the example of the Emergency Planning team which is well-rehearsed and practised to responding to disasters. She also highlighted the multi-agency work that the Council engages in, including the pan-Sussex Resilience Forum.

8.8 The Committee RESOLVED to (1) note the current strategic risks and the risk controls/responses being proposed and implemented by Chief Officers;

(2) note that officers would review Risk 7 (Schools) in the light of the funding situation, and the effect on the Council's models and future funding; and

(3) request further consideration of the new Cyber Attack risk by the Audit, Best Value and Community Services Scrutiny Committee.

## 9 ASSESSMENT OF THE CORPORATE GOVERNANCE FRAMEWORK AND ANNUAL GOVERNANCE STATEMENT FOR 2016/17

9.1 The Assistant Chief Executive in his role as Monitoring Officer introduced the report.

9.2 The Committee discussed the Table at Appendix 1, and suggested that further policies and processes could be added to column 8, in terms of their relation to the transparency of the organisation. The Assistant Chief Executive agreed to review the Table and amend it where necessary.

9.3 The Committee RESOLVED to (1) note the report; and

(2) confirm that, subject to the issue raised in minute 9.2, there were no changes to the report that the Committee wished to recommend to the Governance Committee.

## 10 ORBIS PARTNERSHIP UPDATE

10.1 The Chief Operating Officer introduced the report and presentation which set out the background and aims of the Orbis partnership, with the impacts and implications of Brighton & Hove City Council (BHCC) joining as the third and final Founding Partner. He reiterated that Orbis is a branding identity, providing a single service to three sovereign partners, each of which contribute and benefit in pre-determined shares, the formula determined by the Inter Authority Agreement.

10.2 In response to a question regarding the formula, the Chief Operating Officer confirmed that BHCC joining the Partnership had had a material effect, and would change the ratio of contributions and benefits. The Chief Internal Auditor confirmed that his service had provided substantial assurance on the arrangements.

10.3 The Committee discussed the optimum size of the Partnership. The Chief Operating Officer highlighted that should any other authorities wish to join there would have to be a review of the governance structure underpinning the partnership. There has been an expansion of the

customers using Orbis, and the benefits are returned to the Founding Partners as reduced contributions, according to the formula.

10.4 The Committee RESOLVED to (1) note the report; and

(2) agree to receive a report at the November 2017 meeting regarding the developing Orbis Business Plan.

## 11 APPRENTICESHIP LEVY

11.1 The Head of Human Resources and Organisational Development (HR&OD) introduced the report, which provided an update to the March 2017 report. The Committee was informed of the aspirations of the Levy to be workforce, not target, led, and the development of an approach to 'grow our own' to address skills shortages and 'hard to recruit' areas.

11.2 The Head of HR&OD tabled an addendum, which set out the values of the training packages that ESCC can draw down, but highlighted that the higher value packages, to assist the training of, for example, teachers and social workers, were still being developed. The Council is looking to roll over some of the Levy funds to future years, to access these packages, hopefully in 2019, but the Head of HR&OD confirmed that the Government would recoup any Levy funds that remained unspent after two years.

11.3 The Committee discussed the appropriateness of the name "Apprenticeship Levy". It was confirmed that what was being developed was an in-work training scheme, to assist both entry-level jobs and career progression, up to and including leadership and management training. It was confirmed that the core corporate levy costs have been provided for through the RPPR process, but that schools posed more of a risk, as the levy costs must be passed on to them in accordance with DfE guidance. The Head of HR&OD reported on the innovative ways schools are collaborating and pooling their share of the Levy, to achieve the best outcomes.

11.4 The Committee RESOLVED to note the progress made implementing the Apprenticeship Levy and the proposed focus of work for the next 18 months.

## 12 DEVELOPMENT OF A PROPERTY INVESTMENT STRATEGY FOR EAST SUSSEX COUNTY COUNCIL

12.1 The Chief Property Officer introduced the report and presentation.

12.2 The Committee discussed a variety of issues, which are summarised below.

### Balanced portfolio

12.3 The Committee queried the means by which a balanced portfolio would be achieved, and asked about the assumptions on risk and reward underpinning the report. The Chief Property Officer responded that a range of options would be considered, from existing assets providing a proven rental income stream, to development sites. He confirmed that the market for low risk opportunities was tightening, which may restrict the choices available to ESCC as other authorities explore investment strategies.

12.4 The Chief Property Officer set out that the Strategy was predicated on the basis of providing an income stream, and not on capital growth. The Committee remarked that the property market is subject to cycles, and that, in particular, the commercial sector is volatile.

The Committee requested clarity on the criteria for stress testing any investment opportunity, and the effect of the Council entering the market.

12.5 The Chief Operating Officer reiterated that the Strategy was being developed to provide a mechanism by which the Council could derive income to support services, should the Council want to pursue this.

12.6 The Chief Property Officer clarified that development of the details was the next piece of work by the Orbis partnership. This would include stress tests, checking assets for patterns of liquidation of tenant firms, empty units and void periods. Other criteria looked at would be location, a systematic check of the property and how it fits into the overall portfolio. He set out that advice would be sought throughout the life of the asset, with regular check-ups.

#### Supporting priorities

12.7 The Committee expressed support for investing in development that also supported the Council's corporate priorities, and cited development of health-related facilities as an example. The Committee also supported investment to support driving sustainable economic growth. The Chief Operating Officer set out that discussions had been taking place with Health bodies, but that these had initially proved unfruitful.

12.8 Councillor Smith provided the example of Aylesbury Vale District Council as holding assets unconnected with corporate priorities. The Chief Operating Officer set out that the East Sussex property economy is not sufficiently developed to support a Strategy based solely within the County, presenting a high risk and low return.

12.9 The Committee remarked on the need for clear communications on any strategy, to avoid a situation like the Icelandic banking crisis which affected individual local authorities' finances. The Committee felt that investment outside of the county may be harder to justify to the electorate, whereas a clear link to priorities would mitigate that concern.

#### Borrowing and effect on ESCC Finances

12.10 The Chief Property Officer set out that the majority of the investment strategy would be financed by borrowing, principally from the Public Works Loans Board, as the Council does not have a large asset base. The Chief Finance Officer confirmed that repayments would be at a fixed rate, repaying interest and the principal sum, in accordance with the agreed Treasury Management Strategy.

12.11 Councillor Barnes reported that Rother District Council was investing in a Churches and Charities Trust, returning 4%. The Chief Operating Officer confirmed that the County Council was permitted to borrow money to purchase assets, but not to support speculative investment.

12.12 The Committee requested clarity on the level of exposure the Strategy envisaged. The Chief Property Officer set out that the proposal was a 1-2% return on a fund of £150m. It was confirmed that the proposal was not to meet the Council's funding requirement, but to provide additional income without detracting from core services.

12.13 The Committee expressed concern about the potential exposure to contingent liabilities should the property market behave in a way detrimental to the Council's interests, and the appropriate methods for accounting for such risks.

#### Governance

12.14 The Committee requested details of the standards of due diligence that would be undertaken, and who would be accountable. The Chief Property Officer highlighted the different



approaches required by the different statutory underpinning of any acquisitions. All investment decisions would be subject to approval of the business case by the Chief Finance Officer, in his role as Section 151 Officer, that the investment represented prudential borrowing. He would be assisted in this by advice from Internal Audit in reviewing the governance process and the Treasury Management team.

12.15 The Chief Operating Officer remarked that the current Treasury Management Strategy could be reviewed, including attitudes to the current priority order of Security, Liquidity and Return.

12.16 The Chief Operating Officer confirmed that the Committee's discussion was part of the process of developing the Strategy, which would be for the Executive to decide to implement or not. Further input would be sought from external advisors and further exploration would be welcomed. He recognised that the Committee supported in-County investment where it assisted the Council's priorities, and the reservations of the Committee on borrowing for investment, and the effect of any such borrowing on the Council's finances.

12.17 The Committee RESOLVED to recommend that further work should be undertaken in developing a more detailed strategy, with particular reference to funding sources and the development of clear criteria for effective due diligence, and the effect of borrowing on the balance sheet.

## 13 SCRUTINY COMMITTEE FUTURE WORK PROGRAMME

13.1 The Committee considered the Work Programme.

### Libraries Review Board

13.2 The Committee discussed the work of the Libraries Review Board. The Assistant Director Communities highlighted the Interim report produced by the previous iteration of the Board, and set out the expected schedule of meetings in July, August and September. The procedure by which the Committee could contribute to the development of the Strategic Commissioning Strategy was explained.

### Other Work Programme items

13.3 The Chair invited the Committee to suggest scrutiny topics, and an away day was suggested.

13.4 The Committee RESOLVED to (1) reconvene the Libraries Review Board consisting of Councillors Swansborough, Barnes and Pragnell together with Councillor Stogdon of the Economy Transport and Environment Scrutiny Committee; and

(2) agree that the Board, on behalf of the Committee, would provide comments directly to the Cabinet when the draft Strategic Commissioning Strategy is proposed for consultation in the Autumn.

## 14 FORWARD PLAN

14.1 Councillor Barnes requested that, in respect of the Lead Member for Transport and Environment decision on Parking Standards in September, proper consideration be given to the distinction between rural and urban settings.

14.2 The Committee noted the Forward Plan.

15 ANY OTHER ITEMS PREVIOUSLY NOTIFIED UNDER AGENDA ITEM 4

15.1 There were none.

The meeting ended at 1.05 pm.

Councillor Colin Swansborough (Chair)

Report to: **Audit, Best Value and Community Services Scrutiny Committee**

Date: **27 September 2017**

By: **Chief Operating Officer**

Title of report: **Internal Audit Progress Report – Quarter 1 (01/04/17 – 30/06/17)**

Purpose of report: **To provide Members with a summary of the key audit findings, progress on delivery of the audit plan and the performance of the internal audit service during Quarter 1.**

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## RECOMMENDATIONS

- 1. Members are recommended to consider and agree any action that should be taken in response to the issues raised in any of the audits carried out during Quarter 1;**
  - 2. Identify any new or emerging risks for consideration for inclusion in the internal audit plan.**
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### 1. Background

1.1 This progress report covers work completed between 1 April 2017 and 30 June 2017.

### 2. Supporting Information

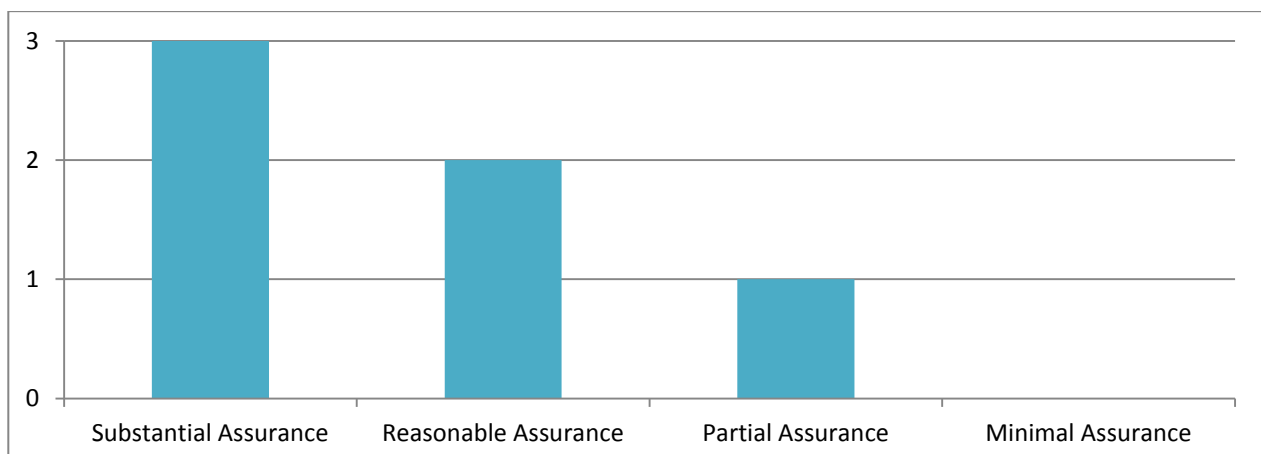
2.1 The current annual plan for internal audit is contained within the Internal Audit Strategy and Annual Plan 2017-18. This was prepared after consulting Chief Officers and senior managers and was endorsed by Audit, Best Value and Community Services Scrutiny Committee on 14 March 2017.

### 3. Conclusion and Reasons for Recommendation

3.1 Key audit findings from final reports issued during Quarter 1 are summarised in Appendix 1.

3.2 During quarter 1, we moved from using a range of five audit opinions (full, substantial, partial, minimal and no assurance) to a revised range of four (substantial, reasonable, partial and minimal assurance). This change is applicable to the whole of Orbis Internal Audit and will provide consistency across the three authorities of East Sussex, Brighton and Surrey.

3.3 Overall, of the 2 audits completed and issued in the quarter using the previous range of opinions, both reviews received 'substantial assurance'. For the 6 audits completed using the revised range of opinions, 3 received 'substantial assurance', 2 received 'reasonable assurance' and 1 'received partial assurance', as follows:



3.4 The partial assurance opinion relates to the contract management audit of the managed service provider for temporary agency workers. We will complete a follow-up review in this area later this year. Further detail on this is included in Appendix 1.

3.5 When forming an opinion on the Council's overall control environment and in addition to the audit opinions issued, it is also necessary to consider the level of risk associated with each area under review. **Taking into account these considerations, the Orbis Chief Internal Auditor continues to be able to provide reasonable assurance that the Council has in place an effective framework of governance, risk management and internal control.**

3.6 The overall conclusion has been drawn based on all audit work completed in the year to date and takes into account the management response to audit findings and the level of progress in subsequent implementation. This is something which will continue to be monitored and reported on by Internal Audit throughout the year.

3.7 Formal follow up reviews continue to be carried out for all audits where 'minimal' assurance opinions have been given and for all higher risk areas receiving 'partial' assurance. A schedule of all audits where future follow up reviews are planned is provided at the end of Appendix 1, which will continue to be updated on an ongoing basis. In addition, arrangements are in place to monitor implementation of all individual high risk recommendations. At the time of writing this report, one high risk recommendation due, relating to the 'Highways Lessons Learned' exercise completed in 2016/17, remained outstanding beyond the agreed implementation date (Appendix 2). A revised implementation date for this has been agreed and this will be monitored to confirm it is actioned accordingly.

3.8 Members will recall that flexibility was built into the audit plan to allow resources to be directed to any new and emerging risks. We continue to liaise with departments to identify these but would also welcome input from the Committee. Details of those reviews added and removed from the plan so far this year are set out at the end of Appendix 1.

3.9 Progress against an updated set of performance targets (focussing on a range of areas relating to our service) can be found in Appendix 3. All targets have been assessed as on target (green).

KEVIN FOSTER  
Chief Operating Officer

Contact Officers: Russell Banks, Orbis Chief Internal Auditor Tel No. 01273 481447  
Nigel Chilcott, Senior Audit Manager Tel No. 01273 481992

BACKGROUND DOCUMENTS: Internal Audit Strategy and Annual Plan 2017-18

## Summary of Key Audit Findings

As referred to in 3.2 of the report, we moved from a range of five opinions to a choice of four during quarter 1. This has resulted in a combination of the two sets of opinions being used during the quarter. We have therefore summarised our work in two sections – those incorporating the previous range of opinions and those with the revised range.

### Audits Completed Using Previous Range Of Opinions

#### **Microsite Management Follow-Up**

Microsites are Council owned or managed websites, with some having links from the main corporate website and others being independent. One of the key benefits of microsites is the ability to have additional functions and aesthetics which the current corporate website is not able to provide. However, development of separate microsites can be costly and resource intensive and the sites themselves are harder to maintain and may not necessarily comply with security standards, increasing the risk of unauthorised access and modification.

Microsites within ESCC are not managed by a central function. Control is devolved to individual business units who are responsible for adhering to agreed standards. The Information Technology and Digital Services (IT&D) division, together with the Communications Team, are responsible for ensuring the standards are upheld through checking business cases and risk assessment of support procedures, technologies, continuity and other critical elements.

Due to the control issues highlighted in our previous audit of this area and the audit opinion of minimal assurance, we have completed a follow-up review. Our previous work found a lack of formal governance arrangements and clear policy/procedure in relation to the development and maintenance of microsites within the Council, with the risk that microsites are implemented that do not comply with security standards or legislation, are not subject to robust change control procedures and are not fit-for-purpose. This could in turn result in inefficiencies, unauthorised access, data modification/theft and non-compliance with legislation (including the Data Protection Act), with ensuing reputational damage and possible litigation.

In completing our follow-up work, we found a significant improvement in control in this area, resulting in a revised opinion of **substantial assurance**.

Improvements in control had been made in the following areas:

- There is now strategic clarity concerning the use of microsites within the Council;
- Governance of microsites has improved significantly and includes a defined approval process for new sites;
- 'ESCC Microsite Standards' have been developed and published on the Council's intranet;
- Business units are required to complete 'request' and 'risk' templates for new sites prior to consideration for approval;
- Roles and responsibilities for ownership, accountability, management and monitoring of microsites have been defined;
- A retrospective risk assessment and gap analysis of existing microsites is taking place, and;
- A register of all microsites is now maintained.

The majority of agreed actions had been fully implemented, with the remainder being partially implemented. Only a small number of opportunities for further improvement remained and appropriate actions to address these were agreed with management.

## **LAS/Controcc**

The LAS system is the Council's records management and authorisation system for client (adult) social care needs. The system was introduced in December 2015 to replace the Council's Carefirst system.

The ContrOCC system is the Council's contracts and budget management system for adult social care clients. It is used to make payments to care providers and to collect contributions from clients towards the cost of their care. An automated interface allows LAS and ContrOCC to share key information.

Between April and December 2016, average net monthly payments to providers were £11.1m. In the same period, the average net monthly billings were £915,000.

The key areas reviewed as part of this audit were:

- System access, security and administration;
- The accuracy and approval of care packages within LAS and Controcc;
- Financial assessments;
- Payment arrangements;
- Client contributions;
- Interface and reconciliation controls, and;
- Reporting mechanisms for decision-making and error identification.

Overall, based on the audit work carried out as part of this review, we were able to provide an opinion of **substantial assurance** over the controls in place. In particular, we found that approved care packages in LAS are accurately reflected within Controcc, providers are paid correctly for services provided and access to both LAS and Controcc is secure and strictly controlled.

Some opportunities for improvement were, however, identified, including the need to:

- Formally agree an approach or policy over the waiving of client contributions for periods where backlogs in financial assessments have occurred as a result of Council-caused delays;
- Report on the financial implications of any backlogs in financial assessments to ensure transparency and to assist decision-making;
- Ensure care plans are only approved by LAS users in accordance with the agreed Scheme of Delegation;
- Comply with the provider overpayments process to ensure any overpayments are recovered promptly, and;
- Undertake formal testing of the Business Continuity/Disaster Recovery plan.

Appropriate action to address all of the findings of this audit was agreed with management within a formal action plan.

## **Audits Completed Using New Range of Opinions**

### **Contract Management – Managed Service Provider for Temporary Agency Workers**

Adecco UK Limited is a managed service provider for temporary agency workers who provide staff from their own network of specialist agencies. They support hiring managers in sourcing candidates from other agencies by managing the relationship on East Sussex County Council's (ESCC) behalf and are responsible for ensuring that all workers supplied meet ESCC's needs and legal requirements, such as pre-employment checks and compliance with safeguarding measures. A four-year contract, commencing November 2015, is in place between ESCC and Adecco UK Limited.

The main purpose of this audit was to evaluate the adequacy and effectiveness of the management of the Adecco contract, as well as ensuring that services delivered are in accordance with the contract, that all payments are valid and accurate and that all contractual changes are adequately controlled.

In undertaking this work, whilst areas of good practice were identified, we found a number of opportunities for improvement in control. We were therefore only able to provide an opinion of **partial assurance**.

Areas for improvement included the need to ensure:

- Checks on the accuracy of Adecco's invoices are completed before they are paid in order to reduce the risk of payments being made for services not received, and/ or duplicate payments;
- All agreed key performance indicators (KPI), as per the contract, are included in performance monitoring reports and that appropriate and prompt action is taken where KPI's are not met;
- Off-contract spend is properly managed to help ensure value for money is achieved;
- Risks associated with the contract are identified and managed;
- Business continuity plans are in place, and;
- Routine checks are undertaken to ensure that Adecco is financially sound and has the appropriate levels of insurance in place, as required under the terms of the contract.

Actions to address the above issues were agreed with management as part of a formal action plan. It is our understanding that, in a number of cases, immediate action was implemented in response to the weaknesses identified. A follow-up review to confirm the progress made will be undertaken later this year.

### **Contract Management – Integrated Community Equipment Service**

The integrated Community Equipment Services contract provides equipment such as bath lifts, hand rails and walking frames to assist with daily living. It is available for service users living independently and also those living in residential accommodation.

The contract for integrated community equipment services commenced in September 2016 and is for four-and-a-half years, ending in March 2021, with a provision for an extension of up to 24 months. The previous contract was also with Millbrook. It commenced in September 2011 and ended in September 2015, with an extension bridging the gap.

£20.6m has been spent with Millbrook since September 2011 with demand projected to rise over the next 10 years based on changing demographics and shifts in strategy for Health & Social Care delivery.

The scope of the audit was to ensure that:

- Governance arrangements are sufficiently robust to manage the contract effectively;
- Performance management ensures that the requirements of the contract are delivered in accordance with the contract specification and reimbursement is sought from the contractor for any failures;
- Procedures are in place to ensure that all payments are made correctly in accordance with contract terms. Payments are made in accordance with ESCC Financial Regulations and only for goods, works or services actually delivered;
- Change control processes ensure all requests for any amendments to the contract specification and/or requests for ad-hoc additional works/services are properly assessed, authorised and documented, and;
- A proportionate contingency plan/business continuity plan is in place in the event of a failure by the contractor and/or service provider.

In providing an opinion of **reasonable assurance**, we found a number of areas of good practice. However, some opportunities for improvement were identified, including ensuring that:

- The contract with Millbrook has been appropriately agreed and signed to ensure the Council is able to enforce the terms and conditions within it;
- Targets for agreed key performance indicators (KPI's) are properly established;
- Data used in the calculation of KPI's is complete and able to be validated;
- The process to record goods receipting and verify invoices is strengthened to reduce the risk of overpayment;
- Further guidance is established to manage off-contract expenditure on equipment to ensure the best use of the contract is made and value-for-money achieved, and;
- Generic user access to the electronic ordering system is prohibited to ensure adequate audit trails exist.

The findings from our review were reported to management and a number of actions were agreed to mitigate the risks identified.

### **Atrium – Works Delivery Module**

In 2013, a business case was submitted for the procurement of a new property asset management system (PAMS) as the system then in use was no longer considered to be fit for purpose. The option selected was the procurement of an integrated PAMS through the South-East 7 partnership and the Atrium system was subsequently procured. This system has separate modules to control orders and payments for planned and reactive maintenance, capital works, rental income and expenditure, and disposals and acquisitions.

To date, our work on Atrium has focussed on the implementation of the Works Delivery Module (the first module to be introduced); providing assurance on whether risks associated with key aspects of the implementation were properly managed. The key areas included:

- Data quality and migration;
- New Business Processes;
- System Access;
- System Recovery;
- System Testing.



Our work in this area culminated in a report for the Board's go-live decision that summarised our activity and provided a commentary on issues that could impact their decision. These included the need to ensure that:

- Password complexity controls are in place;
- Penetration testing of the live system is undertaken prior to go-live;
- The use of generic user accounts within the system are prevented;
- Adequate back-up and restore capabilities are in place and have been tested;
- All user acceptance testing has been successfully completed and that any test fails have been properly investigated, resolved and retested, where appropriate;
- The interface mechanism between Atrium and SAP (the Council's financial system) is secure in order to prevent unauthorised amendments to payment data, and;
- All business risks and issues have been identified and appropriate actions have been implemented to mitigate the risks to an acceptable level.

In reporting to the Board, we concluded that, provided the above issues were resolved prior to go-live, then there would be no reason not to proceed with the proposed implementation.

### **Management of Staff Transfers and Leavers Follow-Up**

Previous audits have been completed in this area to establish whether the processes for managing staff transfers and leavers are efficient and effective and to assess the adequacy of controls for removing access to network folders, systems, Council buildings and assets once an employee has left, or transferred to a different part of the organisation. Due to the weaknesses identified, only partial assurance audit opinions have been previously given, mainly as a result of ineffective and inefficient arrangements for controlling access to Council network folders and IT systems. This resulted in security risks for the organisation, with the potential for confidential data being vulnerable to unauthorised access after employees had left or transferred into new roles.

Given the previous opinions of partial assurance, we have now completed a further follow-up review; the main purpose of which was to assess the extent to which the outstanding agreed actions from the previous report had been implemented.

In undertaking this work, we found that significant progress and improvement had been made in addressing the remaining issues. We were therefore able to provide an improved audit opinion of **substantial assurance** as a result, with only a small number of relatively minor issues remaining and appropriate action being taken by management to resolve these prior to the conclusion of the audit.

### **Public Health: Sexual Health Open Access**

Public health is about helping people to stay healthy, and protecting them from threats to their well-being. The council must exercise a number of health service functions, as set out in section 2B of the NHS Act 2006 (as amended) and the Local Authorities Regulations.

The national integrated sexual health service model aims to improve the sexual health of the local population by providing easy access to services through Open Access or "one stop shops" where the majority of sexual health and contraceptive needs can be met in one place, usually by one health professional, in services with extended opening hours and accessible locations.

There are two strands to Open Access – that provided by hospitals within the ESCC boundary, and that involving attendances and treatments provided to ESCC residents at Out of Area hospitals/clinics.

The contract with East Sussex Healthcare NHS Trust (ESHT) for the provision of sexual health services totals around £4million per annum. Out of Area spend on sexual health treatments is around £400k per annum.

The key risks associated with sexual health open access include:

- Inaccurate, incorrect or fraudulent claims for payment submitted by NHS providers which may result in overpayments being made and financial loss to the council;
- Disputes over invoice amounts are not promptly investigated or resolved which may skew financial forecasts and have an adverse variance on the reported budget position during the year, and;
- Overall poor budget monitoring and forecasting of spend which means that the true impact of demand for this service is not promptly or properly reported.

The objectives of this review were therefore to ensure that:

- Effective governance arrangements ensure that payments are made at agreed rates, within agreed timescales and only in respect of East Sussex residents who have been provided with sexual health services, and;
- Robust budget management is in place.

Our work in this area found that controls in relation to these objectives were in place and operating effectively and we were therefore able to provide an opinion of **substantial assurance**.

A small number of opportunities to strengthen control were identified, including the introduction of procedure notes for the invoice validation process and the need to ensure invoice retention is in-line with information governance best practice. Actions in relation to these were agreed with management.

### **Unaccompanied Asylum Seeking Children**

Local Authorities in England and Wales have a duty under Sections 17 and 20 of the Children Act 1989 to provide support to Unaccompanied Asylum Seeking Children (UASC). An UASC is defined as an individual who is under 18, has arrived in the UK without a responsible adult, is not being cared for by an adult who by law or custom has responsibility to do so, or is separated from both parents and has applied for asylum in the United Kingdom in his/her own right. All children in the care of the Council who satisfy these criteria should be included in an application for funding unless they fall into one or more of the exclusion categories set by the Home Office (i.e. children who have the nationality of an EEA State, children who marry or form a civil partnership or children of a UASC).

As at the time of our work, the Council was providing support for 23 UASC clients. The Council receives funding of £114 or £91 per day for each UASC client under 16 and 16 & 17 years old respectively. For UASC legacy clients who arrived in East Sussex before 1st of July 2016, the funding rate is £95 per day for under 16s and £71 for 16 & 17 year olds. However, a funding gap exists due to the fact that the majority of UASC are accommodated in foster care agency placements that cost over £115 per day which is more than the maximum funding payable by the Home Office.

The number of USAC clients in the care of the Council is rising as a result of the national transfer scheme which began on 1st of July 2016 where a child arriving in one local authority area (i.e. Kent) already under strain caring for UASC may be transferred to another council with capacity. The Government has set maximum level of UASC for each local authority, the total number of UASC should account for a maximum of 0.07% of the total child population in an area. In East Sussex, this currently amounts to a maximum of 72 UASC. Whilst there is no obligation on the Council to take part in the scheme, ESCC has decided that it will. It is essential that the Council receives all eligible funding whilst managing its costs in order to minimise the impact and financial loss of the UASC funding gap and rising number of UASC clients.

The scope of the audit was to evaluate and test controls that ensure:

- Claims (submitted to the Home Office) for UASC support are timely, accurate and complete;
- The Council can substantiate the eligibility of UASC support and associated expenditure, and;
- Planned income and expenditure is adhered to as far as possible, and appropriate corrective action is taken where actual differs from budget plan.

Overall, we were able to provide an audit opinion of **substantial assurance** in this area, with controls found to be in place and operating effectively. Only one minor issue was identified and appropriate action to address this was agreed with management.

### **Troubled Families**

The Troubled Families (TF2) programme has been running in East Sussex since January 2015 and is an extension of the original TF1 scheme that commenced in 2012/13. The programme is intended to support families who experience problems in certain areas, with funding for the local authority received from the Department for Communities and Local Government (DCLG), based on the level of engagement and evidence of appropriate progress and improvement.

The Department of Communities and Local Government (DCLG) require Internal Audit to verify a proportion (10%) of claims prior to a grant submission by the Local Authority for the TF2 programme. We therefore reviewed 16 of the 159 families included in the April/June 2017 grant.

In completing this work, we found that valid 'payment by results' (PBR) claims had been made and outcome plans had been achieved and evidenced. All of the families in the sample of claims reviewed had firstly met the criteria to be eligible for the TF2 programme and had either achieved significant and sustained progress and/or had moved from out of work benefits into continuous employment. We therefore concluded that the conditions attached to the TF2 grant determination programme had been complied with.

### **Sustainable Drainage Systems (SuDS)**

Sustainable Drainage Systems (SuDS) i.e. green roofs, soakaways, ponds, wetlands, shallow ditches or swales etc. are one way of managing flood risk associated with new developments because they can reduce the impact of a development on the environment by replicating the natural process of surface water management.

As a result of the changes to the National Planning Policy Framework, as well as the Town and Country Planning (Development Management Procedure) (England) Order in April 2015, the Lead Local Flood Authority (East Sussex County Council) became the statutory consultee to the planning process on the management of surface water. All planning authorities in East Sussex must therefore consult the Council on the appropriateness of surface water drainage systems within all major development proposals. The Council carries out a technical assessment of the proposed drainage systems design and must respond to the planning authorities within three weeks (21 days) of consultation being submitted, or such other period as may be agreed between the Council and the consultant. The Council's response is to issue advice and the planning authorities are not under any statutory obligation to accept the Council's position on SuDS designs.

The Council received 292 consultations during the financial year 2016/17 which is an increase of 71% on the 171 consultations received in 2015/16.

The scope of the audit was to evaluate and test controls that ensure:

- Relevant Members and Council officers have adequate knowledge and understanding of the Council's new statutory role as Lead Local Flood Authority in relation to SuDS;
- The Council fulfils its statutory role and responsibilities as Lead Local Flood Authority in relation to SuDS, including responding to consultations in a timely manner.

In providing an opinion of **reasonable assurance**, some opportunities to improve controls were identified, including ensuring that:

- consultation requests are responded to within the legally prescribed timescales;
- all relevant staff are appropriately trained in respect of the Council's statutory role in respect of SuDS, and;
- responses to consultation requests for minor developments on behalf of the Council are only provided by officers who have the delegated authority as per the Scheme of Delegation within the Communities, Economy and Transport department.

All issues identified were discussed with management who have committed to ensuring appropriate action is taken in respect of these.

### **School Audits**

No school audits have been undertaken in the first quarter of the financial year. However, 23 school audits (20 Primary, 2 Secondary, 1 Special) and 5 follow-up visits are planned across the remainder of 2017/18. These have been determined through a risk assessment of factors, including the date of the last audit, Schools Financial Value Standard (SFVS) returns and input from the Schools Risk Review Group.

We have continued to provide advice, guidance and training to all schools to improve the level of financial control and scrutiny from Governors. This has included attending the Governor Local Area Forum with colleagues from Finance to provide an update on Schools Finance and other key topics. These sessions were aimed at further embedding the role of the Governing Body into school financial arrangements. We have also attended Bursar and Business Manager Forums to provide technical updates.

With our Orbis partners, we have also issued school information bulletins, providing guidance for Governors. These have recently been themed around Governance, Budget Setting & Financial Planning and Purchasing.

Specific and themed reviews of school activity, including audits of Academy Transition Arrangements, Preparation for the Schools Funding Formula, School Registration Arrangements and Education Improvement Partnerships are currently being undertaken and will be reported on in our quarter 2 progress report.

### **Investigations**

During quarter 1, we received a number of referrals in relation to possible fraud and other concerns which required preliminary investigation by internal audit. These included investigation into:

- An allegation of disability benefit fraud, where no evidence of fraud was identified;
- An allegation that a school had not undertaken fire drills in accordance with Council Policy and expectations. Our enquiries found that the school had not conducted any fire drills in the academic year. Following discussions with the Council Fire Safety Officer and the Health and Safety team, arrangements were made with the school to undertake the necessary drills in the remaining period. In addition, we were able to obtain assurance that reasonable controls are in place to ensure schools that buy into the corporate service have suitable fire safety arrangements in place. We are also working with Health and Safety to remind all schools who do not buy into the service of their responsibilities in this area;
- An allegation into misuse of a blue badge and mobility car combined with concerns of neglect and falsification of an individual's care needs were investigated. Our investigation found no evidence of any fraud against the Council. We passed information in relation to the use of the mobility car and the falsification of the individuals care needs to Motability and Department for Works and Pensions respectively. The concern of neglect was escalated to the ESCC Safeguarding Service for further investigation, who also found no evidence to support the allegation;
- We reviewed the Council's working arrangements with two external contractors in response to specific allegations received in relation to potential overcharging. Our enquiries found the allegations were unfounded and controls were operating to manage the associated risks.

A number of other investigations are currently in progress, including the coordination of the responses to the matches received from the National Fraud Initiative (NFI) bi-annual exercise that matches electronic data within and between public and private sector bodies to prevent and detect fraud. We will report on these once they are completed and the cases closed.

### **Additional Audit Reviews**

Through discussions with management, the following reviews have been added to the audit plan during the course of the year on the basis of risk (see paragraph 3.8 of the report):

- Atrium – Works Delivery Module
- Schools Funding Formula Preparation
- SEND Budget Management
- Broadband – Annual Return to BDUK
- Proactive Counter Fraud Work – Grant Payments
- Payment Fraud Risk Review
- ASC Payment and Income Processes

Currently, no scheduled audits have been removed from the audit plan.

**Audit Areas Scheduled for Future Follow Up**

<b>Audit Area</b>	<b>Original Audit Opinion</b>	<b>Date of Planned Follow Up</b>
Compliance with Procurement Standing Orders	Partial	2017-18 or 2018-19
Corporate Contract Management	Partial	2017-18 or 2018-19
Contract Management – Adecco	Partial	2017-18 or 2018-19
Property Pre Contract Checks	Partial	2017/18
Schools Federations and Partnerships	Partial	2017/18
Information and ICT E-Safety Controls in Schools	Partial	2017/18
Peacehaven Community School	Minimal	2017/18
Langney Primary School	Minimal	2017/18
Staplecross Methodist Primary School	Minimal	2017/18
Harbour Primary and Nursery School	Minimal	2017/18
St Mary the Virgin CE Primary School	Minimal	2017/18

## **Appendix 2**

### **High Risk Recommendations Overdue**

#### **Highways Lessons Learned**

Following the award of the new Highways contract with effect from May 2016, issues were identified relating to the delayed admission of the new contractor to the East Sussex Pension Fund; principally the absence of a bond to provide protection against future redundancy risks.

In completing a 'lessons learned' exercise, a number of actions were identified to prevent future repetition. One of these, agreed with management in Finance, related to the development of policy/guidance that covers roles and responsibilities for risk sharing in major procurement activities that involve the TUPE transfer of staff.

At the time of this report, the above action was overdue. However, we have obtained a commitment from Finance that guidance will be in place by the end of December 2017.

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## Internal Audit Performance Indicators

Aspect of Service	Orbis IA Performance Indicator	Target	RAG Score	Actual Performance
Quality	Annual Audit Plan agreed by Audit Committee	By end April	<b>G</b>	Approved by Audit Committee on 14 March 2017
	Annual Audit Report and Opinion	By end July	<b>G</b>	2016/17 report approved by Audit Committee on 14 July 2017
	Customer Satisfaction Levels	90% satisfied	<b>G</b>	100% satisfied
Productivity and Process Efficiency	Audit Plan – completion to draft report stage	90%	<b>G</b>	22.5% completed to draft report stage by end Q1 (against a Q1 target of 22.5%)
Compliance with Professional Standards	Public Sector Internal Audit Standards	Conforms	<b>G</b>	Based on last self-assessment, with external assessment due by the end of 2017/18
	Relevant legislation such as the Police and Criminal Evidence Act, Criminal Procedures and Investigations Act	Conforms	<b>G</b>	No evidence of non-compliance identified
Outcome and degree of influence	Implementation of management actions agreed in response to audit findings	95% for high priority agreed actions	<b>G</b>	97.4%
Our staff	Professionally Qualified/Accredited	80%	<b>G</b>	80% <sup>1</sup>

<sup>1</sup> Includes 3 part-qualified staff and those working towards completing their professional examinations

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**Report to:** Audit, Best Value and Community Services (ABVCS) Scrutiny Committee

**Date of meeting:** 27 September 2017

**By:** Orbis Chief Information Officer

**Title:** Cyber Security and Information Governance - Keeping East Sussex County Council (ESCC) Safe

**Purpose:** An Information Governance overview explaining how IT & Digital Division protect business services and keep our users safe

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## RECOMMENDATIONS

**1) Note the strategies and controls in place to maintain the security and integrity of the corporate infrastructure and plans to adapt it to continuously meet future needs.**

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### 1 Background

1.1 Between March 2014 and April 2017<sup>1</sup> 111 UK councils experienced 256 ransomware incidents, such is the risk posed by cybercrime to government today. Despite stating that no data was stolen and no ransoms were paid, the climate is such that local government must adopt robust solutions to mitigate the risk of information getting into the wrong hands and disruption to business services before *and* after impact. To give an idea of local scale, in a typical month, the council receives and rejects 4.8 million potentially malicious email messages, 77% of all malware is installed via email. The threat of cyber crime is on the up, driven by career criminals that are highly skilled, innovative and will stop at nothing to target organisations that hold people's private information. The risk is very real and the IT & Digital Team are alert to the threat, using a combination of information governance and policy, robust risk assessment and technical controls to protect business services from disruption and keep our users safe.

### 2 What are the Risks?

#### 2.1 Data Breach:

With changes in the General Data Protection Regulations (GDPR) coming into force on 25 May 2018, fines from the Information Commissioner (ICO) for a data breach will increase. Under the new legislation, fines currently at a maximum £500,000 will become €20million euro or 4% of turnover. For ESCC, this equates to circa £30million. To maintain perspective though, the ICO states that 'issuing fines has always been and will continue to be, a last resort.' In 2016/17 out of 17,300 cases, only 16 resulted in fines for the organisations concerned.

#### 2.2 Cyber Attack:

The National Cyber Security Centre (NCSC) has highlighted the substantial risk to British web infrastructure with elevated levels of Cyber Crime being reported against all areas of government. Cyber-attacks often include multi vector attacks featuring internet based, social engineering and targeted exploits against hardware, software and personnel. The remote nature of the internet makes this an international issue and an inevitable organisational risk.

### 3. Our Strategic Response

3.1 In a recent survey, the top three concerns cited by organisations around a potential cyber-attack are: loss of sensitive data; financial repercussions and; the expected impact on service delivery. Our component based IT Strategy recognises these challenges and specifically seeks to respond to this volatile landscape by supplying services that are continuously relevant, accessible, operate at optimal performance and most importantly

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<sup>1</sup> <https://inews.co.uk/essentials/news/uk/cyber-crime-britains-public-records-hacked-400-times-last-three-years/>

address these risks and add value. Ongoing work in two specific strategy areas is particularly pertinent.

3.2 Our **Information Management Strategy** recognises that information is critical to every part of our business; it underpins our ability to drive sustainable growth, keep vulnerable people safe from harm, build resilience for individuals and families to live independently and make the best use of our resources. Increasingly our services are provided with greater openness and in collaboration with a range of partners from all sectors. The effective and efficient provision of these services depends on information passing between organisations in a timely and secure manner. Sharing our knowledge and information to maximise its value is about understanding and managing information risks and striking a balance in transparency whilst ensuring adequate protection is in place. Holding respect for the origins and ownership of our information is at the core of our decisions, so that the public can maintain trust and confidence in the way our business operates.

3.3 The strategy adopted adds value by ensuring compliance with the rigorous standards of the Public Service Network (PSN) and the Information Governance Toolkit which provides the Council with the means of sharing information and digital services across the public sector and our health partners.

3.4 Our people centric **Security & Identity Management Strategy** recognises that a successful cyber-attack can shut down operations - not just for a few hours, but rather for multiple days and weeks. The collateral damage, such as information leaks, reputational damage and so on, can continue for much longer. Added to that, backup systems, applications and data may also be infected and therefore, of little usable value during response and recovery operations in the short term - they may need to be cleansed before they can be used for recovery. This takes time and skilled resources.

3.5 We recognise that security is an enabler of sharing, so this strategy is about trust; letting the right people, get to the right information, when they need it with the least hassle. Systems need to know who to let in and who to block in order to protect our valuable business assets. Getting it right is very much a shared responsibility; whilst IT can create those conditions using technical controls and importantly, remove them when no longer required, only managers in the services know what information individuals are entitled to see. Good security is achieved in partnership and is at its most effective when user awareness contributes equally to the balance of controls.

## 4. Security Controls

4.1 Since being resilient is closely allied to being secure, a number of principles of resilience for business risk and security are inbuilt into IT & Digital processes. Resilience is about being able to absorb the impact of incidents and bounce back rapidly. To help inform decisions that impact security, these principles are routinely applied to service design:

- **Check box compliance is not enough**, we actively support a shift to risk based decision making. Risk based thinking allows cybersecurity investment to be targeted where the business decides the greatest risk resides.
- **We focus on supporting business outcomes** alongside protecting the infrastructure. Using our relationships to fully engage the business in security decisions, understand IT dependencies and impacts on service delivery and citizen welfare to add value to decision making and help facilitate risk based outcomes.
- **Information cannot all be controlled** but understanding its flow is vital. In a digital workplace, we do not own all of the infrastructure anymore and increasingly information is stored in places belonging to third parties. This involves an organisational shift in the way we approach protecting our assets.
- **Accept the limits of technology**, adopting a people-centric approach to support a digital workforce. This is all about increasing awareness to change behaviours. Emphasising individual trust and accountability and de-emphasising restrictive, preventive security controls.
- **Investing in detection and response technology**. Automation enabling us to react faster to a compromised IT environment.

## 5. Delivering the Strategy

5.1 IT & Digital Strategy translates into a number of initiatives currently underway that contribute to the security of the organisation (*explained in more detail the accompanying presentation in appendix 1*):

- Enhancing user awareness – with 77% of all malware installed via email, users to be given learning experiences of *phishing* at point of use in a safe and secure environment;
- Implementing SIEM – A new Security Information and Event Management system is due to come online in Quarter 4 (Enhanced logging and analysis of potential issues or threats within the network);
- Policy Notification Software – Mandatory training and notifications of critical statutory changes pushed to users desktops to ensure awareness;
- GDPR training and workshops to cascade vital skills and information to those affected by new Data Protection laws.
- Move of ESCC servers to the Orbis Primary Data Centre for resilience (ISO27001 certified Tier 3 environment)
- Development of “Security Advocates”. Trained staff that can cascade and share cyber security insights and highlight potential issues into the workforce.

## 6. Assurance

6.1 IT & Digital have had a number of recent audits that give assurance to processes and practices in place that support information governance and security. The below Audit Reports have all returned an opinion of **Substantial Assurance** evidencing that there are robust and tested principles in place.

- Cyber Security
- Network Starters, Transfers & Leavers
- Storage Area Network Audit
- Microsite Management Report
- Social Media
- Information Governance (in 2015)

## 7. Continuing to Protect the Digital Workplace

7.1 Through our IT Strategy, the IT & Digital Team continue to protect users and corporate assets by ensuring that the Council remains alert to threats and compliant with national security standards. Retaining corporate compliance with government / partner accreditations will remain a priority to protect business information and allow the Council to share securely with its partners. This though is in the context of a national shortage of cyber trained staff and shrinking budgets, reducing the capacity of operational staff to respond and recover from cyber incidents in the future.

7.2 Mindful of developing technology, the risks will increase without investment in automation, intelligence and detection tools. The Internet of Things (IoT) is *increasing* the landscape to defend, making the security job harder everyday. The IoT will have a massive impact with identity management expanding to be about *things* as well as people. Multiples of inanimate objects producing an explosion of data is not without significant challenge. Health is regularly cited as an area in which IoT could have tremendous benefit, similarly sensors in other areas such as flood defence and smart metering could change services radically. IoT must get privacy and security right or risk an erosion of trust and reputational damage. Information governance, Security and Identity Management are key enablers in this sphere.

**MATT SCOTT**

**Orbis Chief Information Officer**

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BACKGROUND DOCUMENTS

None.

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A large version of the 'orbis' logo is centered on the page. The 'o' is the same multi-colored circle, and the letters 'r', 'b', 'i', and 's' are in a bold, green, lowercase sans-serif font. The 'i' has a blue dot. The logo is set against a background of three overlapping, semi-transparent, curved bands in shades of light green, light blue, and light purple.

the compelling alternative





# What is Cyber Security?



## Definition used:

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Protection of information systems (hardware, software and associated infrastructure), the data on them and the services they provide, from **unauthorised access, harm or misuse**.

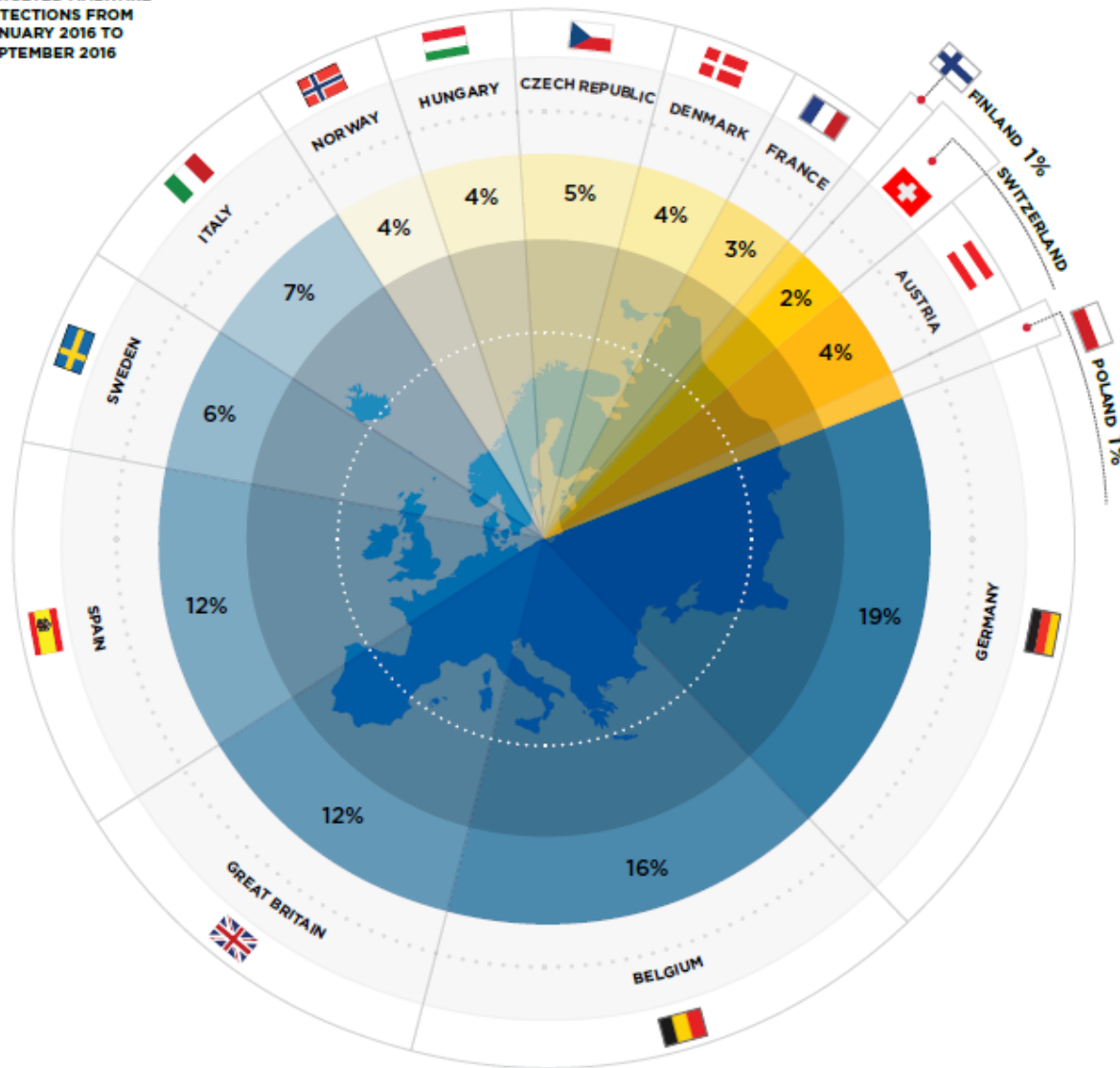
This includes harm caused intentionally by the operator of the system, or accidentally, as a result of failing to follow security procedures.

# Scale of threat



Targeted Malware infections across Europe

TARGETED MALWARE  
DETECTIONS FROM  
JANUARY 2016 TO  
SEPTEMBER 2016



# Scale of threat



## RANSOMWARE EVOLUTION THREE MOST TARGETED INDUSTRIES IN EUROPE



FINANCIAL SERVICES

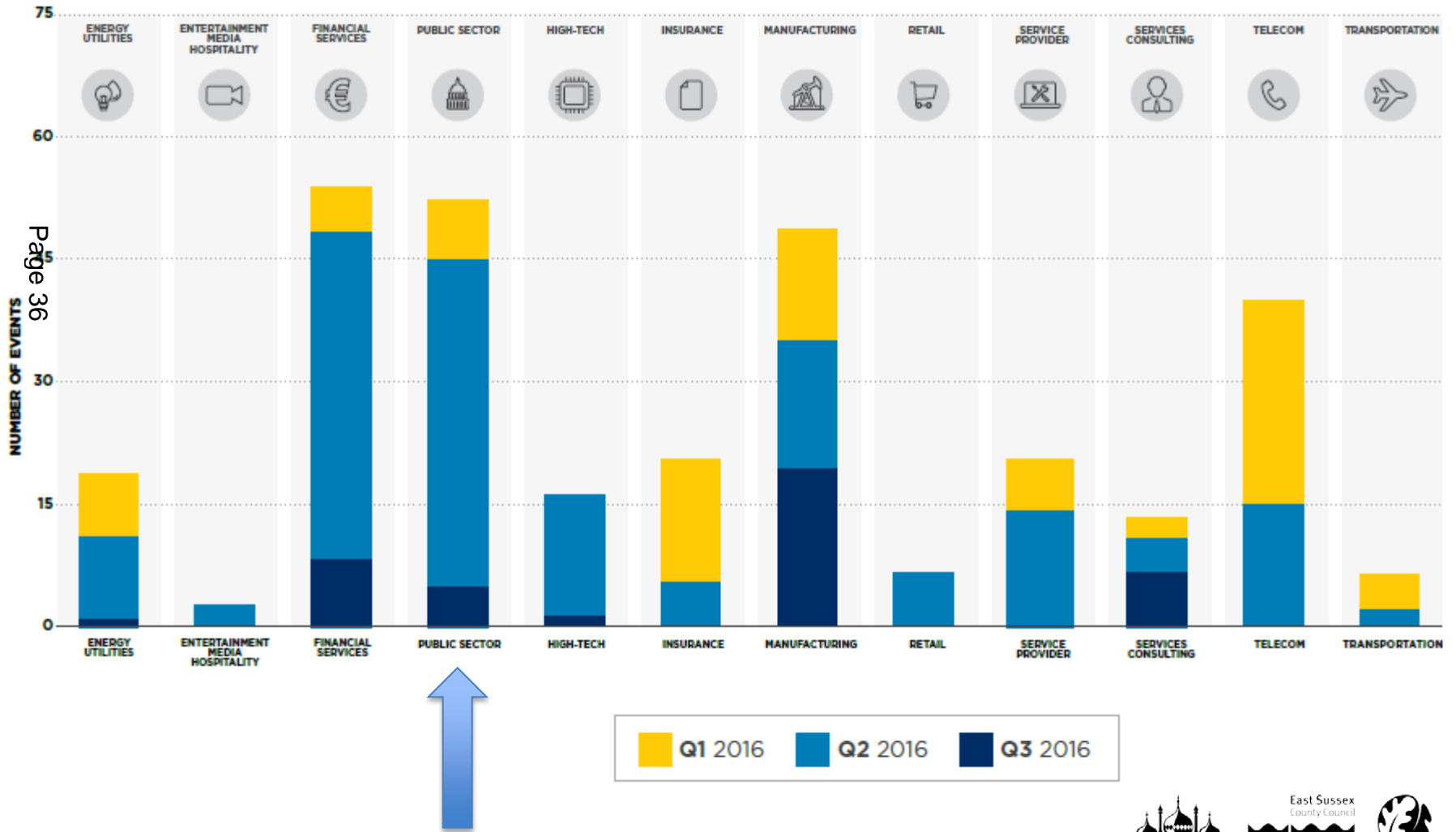


MANUFACTURING



PUBLIC SECTOR

# Scale of Threat

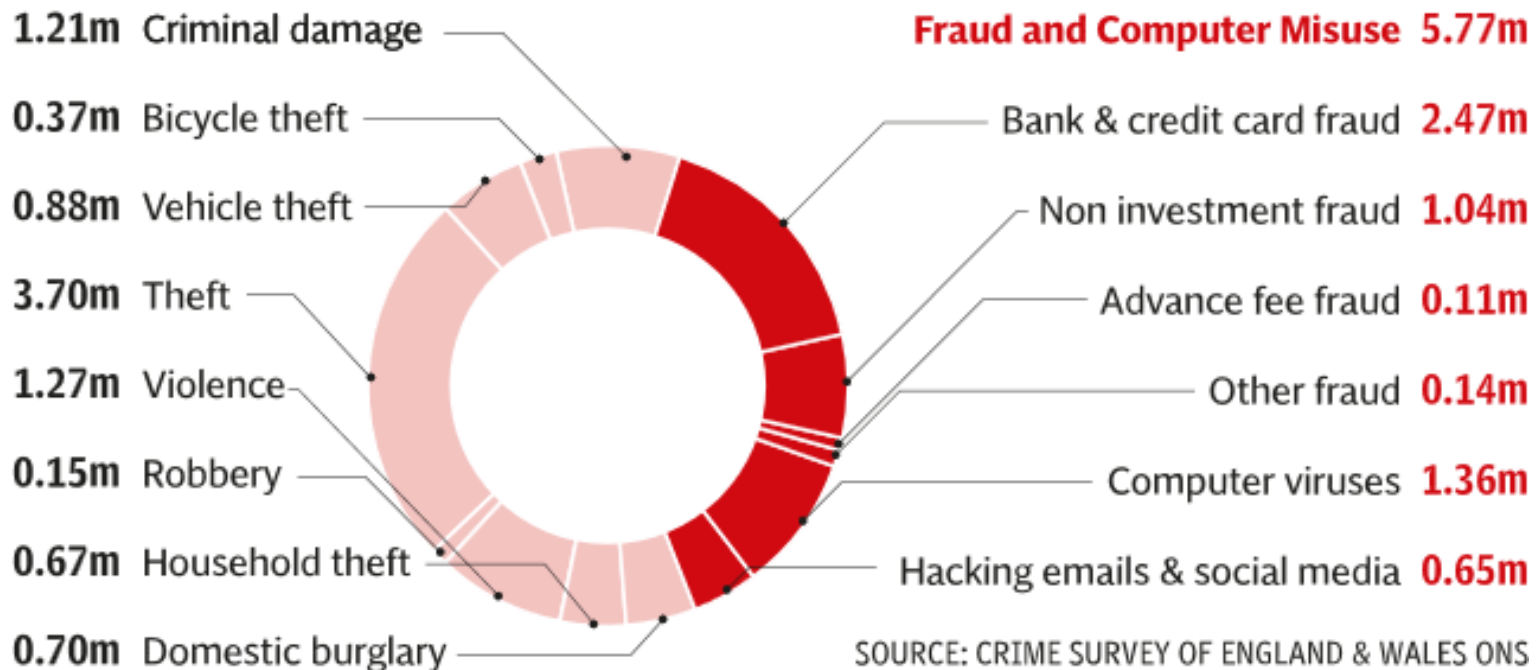


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# Rise of Cyber Crime in the UK



## Fraud & cyber-offences shown as a proportion of overall crime



# Why attack Local Government ?



- **Financial Gain**

Medical and personal Information for resale  
Fraudulent activity (fake invoices, bank details)  
Intelligence gathering for future attacks  
Ransom of information



- **Politically Motivated Attackers**

Anger at closing services, digging roads on green belt, perceived injustice, personal political attacks, political activists, face of authority and bureaucracy, disgruntled employees

- **Script Kiddies**

Easily available toolsets used by low skill attackers looking for easy targets

# Global Cybercrime Stats

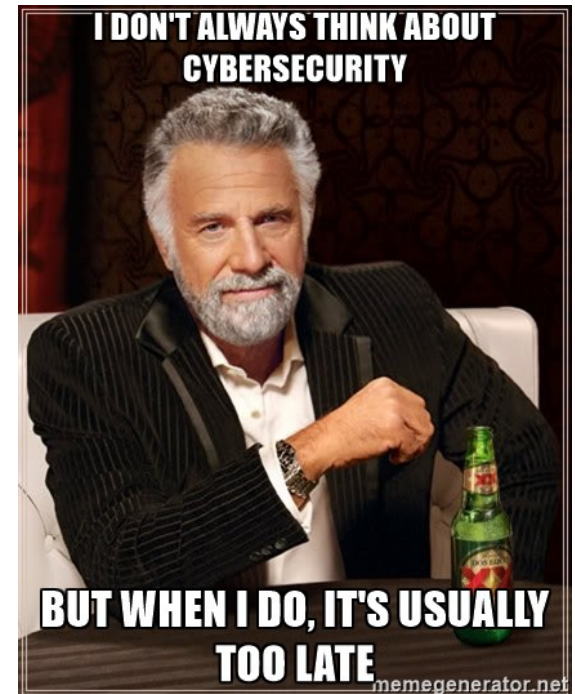


## Cyber crime damage costs to hit \$6 trillion annually by 2021.

It all begins and ends with cyber crime. Without it, there's nothing to cyber-defend. The cybersecurity community and major media have largely concurred on the prediction that [cyber crime damages will cost the world \\$6 trillion annually by 2021](#), up from [\\$3 trillion](#) just a year ago.

## Cybersecurity spending to exceed \$1 trillion from 2017 to 2021.

The rising tide of cyber crime has pushed cybersecurity spending on products and services to more than [\\$80 billion in 2016](#), according to Gartner. It's not clear if that includes an accounting of IoT device protection and total consumer spending on security. [Global spending on cybersecurity products and services are predicted to exceed \\$1 trillion over the next five years](#), from 2017 to 2021.



# Global Cybercrime Stats cont.



**Cyber Attacks on people to increase to 4 billion people by 2020.**

As the world goes digital, [humans have moved ahead of machines as the top target for cyber criminals](#). Microsoft estimates that by 2020 [4 billion people will be online](#)—twice the number that are online now. **The hackers smell blood now, not silicon.**

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**Global ransomware damage costs are predicted to exceed \$5 billion in 2017.**

That's up from \$325 million in 2015—a **15X increase in two years**, and expected to worsen. Ransomware attacks on **healthcare organisations**—the No. 1 cyber-attacked industry—will quadruple by 2020.

What does it all mean? Last year, Ginni Rometty, IBM's chairman, president and CEO, said, "[Cyber crime is the greatest threat to every company in the world.](#)"



# Statistics



## Email Security on Global level



205 Billion email sent every day

39% attachments contain malicious files

34% of links embedded in email are malicious

77% of all malware is installed via email.

# Statistics



## Email Security at East Sussex (1 Month)



Received 5.5 million messages

Rejected 4.8 million messages (poor reputation)

Rejected 20k as SPAM

Rejected 55 with direct Virus attached

11.5k needed additional checks

Clean Messages received 670,000

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# Statistics (Example of incident)



In 2015 a single virus evaded 3 different anti virus checks, a global reputation filter and a single user opened the malware attachment that arrived via email.

In 10 minutes 20,000 files were encrypted.

IT and Digital fully restored all the lost files within the hour and contained the outbreak

The Operations and Information Security team lost a day's work with ongoing checks and due diligence. The user's team lost ½ days work.

In Information Security the good guys have to be right every time.

The bad guys just need to be right just once!

# What are we doing to stop attacks?



## What does good security look like?

- Page 44
- Risk Management of systems and services
  - Information Governance
  - Technical Security

# What are we doing to stop attacks?



## Risk Management



Has been subject to internal and external auditing, awarded Substantial Assurance

Risk management is embedded in every stage of information handling development and procurement.

i.e. New and existing software and hardware, cloud services and web technologies are risk assessed as part of the procurement

Managed by staff that hold international accredited security credentials.

# What are we doing to stop attacks?



## Information Governance

Essential role to ensure that only needed information is retained, processed legally and is shared only with authorised individuals.

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Independently accredited by NHS N3

Lead by GDPR Certified Practitioner

Accredited by Orbis Internal Audit and Mazars



# What are we doing to stop attacks?



## Technical Security

Government accredited security standard on our infrastructure (PSN)

NHS certified network connections (HSCN)

ISO 27001 certified (and award winning) Orbis Primary Data Centre at Redhill

Meet PCI standards on Card payments

Security is embedded in every level of provision.

Our technical defences are attacked several times a year by friendly (white hat) hackers looking for flaws and vulnerabilities. (Penetration Testing)

This helps keep our infrastructure resilient and safe.

Page 47

# What are we doing to stop attacks?

## Threat Sharing

Page 48  
Founder members of the South East Cyber Cluster  
Members of the Sussex and Surrey NHS Cyber Security Group  
Work with Cabinet Office, Ministry of Justice, NHS, Department of Work and Pensions, National Cyber Security Centre.

Employ 2 CISSP (Certified Information Systems Security Professionals)

Only 5,000 in the UK





# Challenges

There is a world wide shortage of cyber security trained staff, Central Government advises “growing your own”.

World wide security budgets are going up to meet the escalating threat to all Organisations. Local Government funding cuts threaten to undermine security standards , weaken public trust in local government and open up substantial losses through fines and civil action.

Cuts on Operational IT staff reduce the capacity for incident handling and could threaten the detection, response and resolution time of cyber incidents.

# What's coming?

Enhanced user awareness training – users to be Phished and given learning experiences at point of use in a safe and secure environment

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SIEM – A new Security Information and Event Management system is due come online Q4 (Enhanced logging and analysis of potential issues or threats within the network)

Policy Notification Software – Mandatory training and notifications of critical statutory changes pushed to users desktops.

# What's coming?

GDPR training and workshops to cascade vital skills and information to those affected by new Data Protection laws.

Move of ESCC servers to the Orbis Primary Data Centre (ISO27001 certified Tier 3 environment)

Development of “Security Advocates”. Trained staff that can cascade and share cyber security insights and highlight potential issues.

# What happens when it goes wrong?



## Nottinghamshire County Council

31 August 2017, Monetary penalties, Local government

A council has been fined £70,000 by the Information Commissioner's Office for lea...

## London Borough of Islington

17 August 2017, Monetary penalties, Local government

Islington Council failed to keep up to 89,000 people's information secure on its par...

## Cheshire West and Chester Council

10 August 2017, Undertakings, Local government

An Undertaking to comply with the seventh data protection principle has been sign...

## Medway Council

13 June 2017, Enforcement notices, Local government

Medway Council has been issued with an enforcement notice by the Information C...

## Gloucester City Council

12 June 2017, Monetary penalties, Local government

The Information Commissioner's Office has fined Gloucester City Council £100,000 ...

# What happens when it goes wrong?



**BBC** Sign in News Sport Weather iPlayer TV Ra

## NEWS

Home UK World Business Politics Tech Science Health Education Enterta

England | Regions | Lincolnshire

## Lincolnshire County Council hit by £1m malware demand

🕒 29 January 2016 | Lincolnshire



**! ALL YOUR PERSONAL FILES HAS BEEN ENCRYPTED !**

All your data (photos, documents, databases, etc) have been encrypted with a private and unique key generated for this computer. This means that you will not be able to access your files anymore until they are decrypted. The private key is stored in our servers and the only way to receive your key to decrypt your files is making a payment.

The payment has to be done in Bitcoins to a unique address that we generated for you. Bitcoins are a virtual currency to make online payments. If you don't know how to get Bitcoins, you can click the button "How to buy Bitcoins" below and follow the instructions.

**You only have 4 days to submit the payment:** When the provided time ends, the payment will increase to 1 Bitcoins (\$350 approx.). Also, if you don't pay in 7 days, your unique key will be destroyed and you won't be able to recover your files anymore.

**Payment raise**  
3 days, 23:55:31

**Final destruction**  
6 days, 23:55:31

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# What happens when it goes wrong?



## WannaCry

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**theshadowbrokers**  
@shadowbrokerss  
theshadowbrokers.bit  
Joined August 2016

# Surrey – Major Hacker apprehended



A British man accused of being behind a cyberattack on two of the UK's biggest banks has been extradited from Germany to face charges.

Daniel Kaye, 29, of Egham, **Surrey**, is facing nine charges under the Computer Misuse Act, two charges of blackmail and one of possession of criminal property. He's accused of using the [Mirai botnet](#) to launch DDoS attacks on Lloyds, Halifax and Bank of Scotland over two days in January this year.

He's alleged to have asked Lloyds for a ransom of £75,000-worth of Bitcoin, which was not paid. Kaye is also charged with endangering human welfare with an alleged attack against Liberia's biggest ISP, Lonestar MTN.

[The UK's National Crime Agency said](#): "The investigation leading to these charges was complex and crossed borders. Our cybercrime officers have analysed reams of data on the way. Cybercrime is not victimless and we are determined to bring suspects before the courts."

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Report to: **Audit, Best Value and Community Services Scrutiny Committee**

Date: **27 September 2017**

By: **Chief Operating Officer**

Title of report: **Strategic Risk Monitoring**

Purpose of report: **To update the Committee on current strategic risks faced by the Council, their status and risk controls / responses.**

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**RECOMMENDATION: The Committee is recommended to note the current strategic risks and the risk controls / responses being proposed and implemented by Chief Officers.**

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## **1. Background**

1.1 Sound risk management policy and practice should be firmly embedded within the culture of the Council, providing a proportionate and effective mechanism for the identification, assessment and, where appropriate, management of risk. This is especially important in the current climate where there remains considerable uncertainty about the future.

1.2 Robust risk management helps to improve internal control and support better decision-making, through a good understanding of individual risks and an overall risk profile that exists at a particular time. To be truly effective, risk management arrangements should be simple and should complement, rather than duplicate, other management activities.

## **2. Supporting Information**

2.1 The Council's Strategic Risk Register, which is attached as Appendix 1, is formally reviewed by Departmental Management Team's (DMT's) and Corporate Management Team (CMT) on a quarterly basis. Members should note that this version of the Strategic Risk Register, which relates to Quarter 1 of 2017 / 2018, was reviewed by CMT on 30 August 2017 and was presented to Cabinet on 19 September 2017. The following paragraphs summarise the changes made since the risk register was last presented to Audit, Best Value and Community Services Scrutiny Committee on 14 July 2017.

2.2 Risk 11 (Apprenticeship levy) and Risk 12 (Cyber attack) have been updated and also have updated risk control responses.

2.3 Risk 1 (Roads), Risk 4 (Health), Risk 5 (Reconciling Policy, Performance & Resources), Risk 6 (Local Economic Growth), Risk 9 (Workforce) and Risk 10 (Recruitment) all have updated risk control responses. No existing risks have been removed and all risk scores remain unchanged.

2.4 We will continue to explore opportunities to further strengthen the Council's risk management arrangements and for mitigating our key strategic risks. It is however, important to recognise that in some cases there is an inherent risk exposure over which the Council has only limited opportunity to mitigate or control.

### **3. Risk Improvement Activity**

3.1 Regular reviews of risk registers continue to be carried out in conjunction with departmental risk coordinators and risk owning managers to ensure that relevant risks are identified and risk controls / responses are effective. As part of this, a series of 'one to one' meetings was undertaken in July and August 2017, where additional advice, guidance and challenge was provided to departmental risk co-ordinators in order to further develop and strengthen the management of risk. Additional support was provided to the Adult Social Care Department, where a new risk coordinator has recently been appointed.

3.2 As part of the Orbis shared service arrangement, risk management support is being provided to Surrey County Council (SCC), while the Risk Manager at SCC is seconded to a different service.

3.3 Risk register reviews are also undertaken to support appropriate internal audits and consequently a risk register review of the Highways Contract has recently been undertaken and ongoing support will be provided to further develop the relevant risk register.

3.4 In conjunction with the Council's main insurance provider, Zurich Municipal, support will be provided for a proposed Schools Crisis Management workshop to test preparedness in relation to an emergency incident.

**KEVIN FOSTER**  
**Chief Operating Officer**

Contact Officers: Rawdon Philips, Risk & Insurance Manager, Tel: 01273 481593  
Russell Banks, Orbis Chief Internal Auditor, Tel: 01273 481447

Local Member: All

Background documents :  
None

Strategic Risk Register - Q1 2017/18			
Ref	Strategic Risks	Risk Control / Response	RAG
12	<p><b>CYBER ATTACK</b> The National Cyber Security Centre (NCSC) has highlighted the substantial risk to British web infrastructure with elevated levels of Cyber Crime being reported against all areas of government.</p> <p>Cyber-attacks often include multi vector attacks featuring internet based, social engineering and targeted exploits against hardware, software and personnel. The remote nature of the internet makes this an international issue and an inevitable risk. Examples of the impact of a Cyber Attack include:</p> <ul style="list-style-type: none"> <li>• Financial fraud related to phishing of executives and finance staff;</li> <li>• Loss of Personally Identifiable Information and subsequent fines from Information Commissioner's Office (Currently up to £500k rising to 4% of global revenue when General Data Protection Regulation comes into effect May 2018);</li> <li>• Total loss of access to systems that could lead to threat to life.</li> </ul>	<p>Most attacks leverage software flaws and gaps in boundary defences. Keeping software up to date with regular patching regimes; continually monitoring evolving threats and re-evaluating the ability of our toolset to provide adequate defence.</p> <p>Expanding Security Information and Event Management (SIEM) system capabilities to leverage latest standards of automation, detection and prevention.</p> <p>Education of key staff – Ongoing education of key staff to enable cascading of skills in detection and remediation. Creation of Security Champions to promote a visible approachable business based security team.</p> <p>Ongoing discussion and communication with the Info Sec industry to find the most suitable tools and systems to secure our infrastructure.</p> <p>Expand E-Learning and policy delivery mechanisms to cover Cyber threat, educating staff around the techniques and methods used by active threats.</p>	R
4	<p><b>HEALTH</b> Failure to secure maximum value from partnership working with the NHS. If not achieved, there will be impact on social care, public health and health outcomes and increased social care cost pressures. This would add pressures on the Council's budget and/or risks to other Council objectives.</p>	<p>Implementation of East Sussex Better Together Programme by ESCC and Hastings and Rother CCG and Eastbourne, Hailsham and Seaford CCGs to transform health and social care in the county and deliver the Better Care Fund plan to improve outcomes for East Sussex residents, with robust governance arrangements reporting to County Council and Health and Wellbeing Board. Programme will develop the plan for a clinically and financially sustainable health and social care system in East Sussex. There will also be targeted use of the Better Care Fund to better integrate health and social care and contribute to whole system transformation. In High Weald Lewes Havens the Connecting 4 You Programme has now been established to improve health and social care outcomes for residents. The Programme will have implications for management capacity and for the Medium Term Financial Plan. The RPPR process will be used to manage this risk and associated implications.</p> <p>We are testing this Alliance arrangement this year while we plan the best organisational structure. There are a number of 'legal vehicles' or ways that our organisations could be structured in the future that will help ESBT to achieve its aim, to fully integrate our health and social care system. On 22nd June a panel of representatives of each of the Alliance organisations, key stakeholders and subject matter experts, appraised the different options. The panel's aim was to develop a recommendation for future organisational structure. Each of the options was discussed and scored based on a set of criteria. This options appraisal indicated that a stronger Alliance arrangement, which we could establish by April 2018 – moving towards full integration in the longer term, would deliver the best opportunity for tackling this year's challenge and future sustainability. The recommendation will now be put forward to the governing body of each ESBT Alliance organisation in July.</p>	R
7	<p><b>SCHOOLS</b> Failure to manage the expected significant reduction in resources for school improvement from 2017/18 and the potential impacts of changing government policy on education, leading to reduced outcomes for children, poor Ofsted reports and reputational damage.</p>	<ul style="list-style-type: none"> <li>•Develop and implement a transition plan so the Standards and Learning Effectiveness Service and schools are prepared for the changes to funding and education policy. This includes:</li> <li>-Implementing a service restructure to remove direct delivery of school improvement and further develop commissioning model of school improvement</li> <li>-Continue to build relationships with academies and sponsors, including the Diocese of Chichester, ensure a dialogue about school performance, including data sharing.</li> <li>•Continue to work with academies and maintained schools through the Education Improvement Partnerships to develop system leadership, school to school support and to broker partnerships.</li> <li>• Continue to broker support to academies to address any performance concerns and investigate the feasibility of trading some LA school improvement services with all schools on a full cost recovery basis.</li> <li>•Where academies do not appear to be accessing appropriate support, bring this to the attention of the DfE, who may exercise their intervention powers.</li> <li>•Continue to build a relationship with the Regional Schools Commissioner to ensure the work of the RSC and the LA do not duplicate and that schools have the support they need.</li> </ul>	R
1	<p><b>ROADS</b> Wet winter weather, over recent years has caused significant damage to many of the county's roads, adding to the backlog of maintenance in the County Council's Asset Plan, and increasing the risk to the Council's ability to stem the rate of deterioration and maintain road condition.</p>	<p>The additional capital maintenance funding approved by Cabinet in recent years has enabled us to stabilise the rate of deterioration in the carriageway network and improve the condition of our principle road network. However a large backlog of maintenance still exists and is addressed on a priority basis.</p> <p>The County Council's asset management approach to highway maintenance is maintaining the overall condition of roads, despite recent winter weather. However, severe winter weather continues to be a significant risk with the potential to have significant impact on the highway network. The recently approved five year capital programme for carriageways 2018/19 to 2022/23, and the six year additional capital programme for drainage and footways 2017/18 to 2022/23 provides the ability to continue to improve condition and build resilience into the network for future winter events.</p>	A
5	<p><b>RECONCILING POLICY, PERFORMANCE &amp; RESOURCE</b> Failure to plan and implement a strategic corporate response to resource reductions, demographic change, and regional economic challenges in order to ensure continued delivery of services to the local community.</p>	<p>We employ a robust Reconciling Policy, Performance and Resources (RPPR) process for business planning. We have adopted a commissioning approach which means evaluating need and considering all methods of service delivery, which includes working with partner organisations to deliver services. The Council Plan sets out targets for a 'One Council' approach to deliver our priorities and is monitored quarterly. The plans take account of known risks and pressures, including demographic changes, to design mechanisms to deliver the Council's priorities. The Queens Speech in June did not contain a Local Government Finance Bill and did not give any indication of additional funding for local authorities. A consultation on proposals for the future of social care was confirmed, but with no indication of when any new provisions might be introduced. It is prudent therefore to continue to plan on the basis of current assumptions.</p>	A

Ref	Strategic Risks	Risk Control / Response	RAG
8	<p><b>CAPITAL PROGRAMME</b> As a result of current austerity, the capital programme has been produced to support basic need only and as a result of this there is no resource for other investment that may benefit the County e.g. that may generate economic growth. Additionally there is a risk, due to the complexity of formulas and factors that impact upon them, that the estimated Government Grants, which fund part of the programme, are significantly reduced. There continues to be a high level of annual slippage.</p>	<p>As a result of the high level Capital Programme Management Review delivery of the programme is much more robust. Governance arrangements have been reviewed and developed in support of this. This includes the Education Sub Board which in part focuses on future need for schools places and will focus on better forecasting of DfE grant. Regular scrutiny, by the Capital and Strategic asset board, of programme and project profiles (both in year and across the life of the programme) have also been timetabled. The Board also proactively supports the seeking of other sources of capital funding, including Local Growth Fund and European grants.</p>	A
9	<p><b>WORKFORCE</b> Stress and mental health are currently the top two reasons for sickness absence across the Council, potentially leading to reduced staff wellbeing, reduced service resilience, inability to deliver efficient service and / or reputational issues.</p>	<p>Since 2014/15 ESCC have continued to see a significant reduction in days lost due to mental health and stress related absence. We have confirmed our commitment to the mental health 'Time for Change' pledge with a number of dedicated activities and have successfully been awarded funding from two sources in order to assist with our 16/17 and 17/18 wellbeing strategy.</p> <p>We have been awarded a grant of £10k from the LGA to develop an online mindfulness programme to support staff to be resilient at work. The evaluation is due to be completed in the autumn and will include data and recommendations for the future. More generally, a joint venture with Public Health offering ESCC staff work based health checks launched on 19 June 2017. The aim is to improve the health and wellbeing of adults aged 40-74 years through the promotion of earlier awareness, assessment, and management.</p> <p>A 'wellness tool' was introduced in September 2016 designed to enable employees and managers to discuss any wellbeing concerns at the earliest possible stage. Managers have reported an increase in preventative conversations with meaningful plans put in place to support employee's mental health.</p> <p>An automated process is in place to ensure that all managers with employees absent due to mental health or stress are contacted by the first and tenth day of absence. The email provides guidance for managers on the resources available to support staff. On 12 June 2017 the Return to Work form was also revised and improved and now provides tailored questions for specific conditions, including stress and mental health absence.</p>	A
10	<p><b>RECRUITMENT</b> Inability to attract high calibre candidates, leading to limited recruitment choices and therefore lack of the expertise, capacity, leadership and/or innovation required to deliver services and service transformation.</p>	<p>Work with departments is underway to understand key areas of recruitment difficulty. Strategies to address this will include refreshing and publicising more clearly the benefits of working in the public sector and ESCC in particular, as well as understanding the different markets we are competing in and our position within them. To support this, different talent attraction approaches will be developed, including use of apprentices and interns as part of our broader workforce mix; the development of appropriate recruitment and retention benefits packages; and broader employee benefits arrangements, such as promotion of flexible working options etc.</p>	A
6	<p><b>LOCAL ECONOMIC GROWTH</b> Failure to deliver local economic growth, and failure to maximise opportunities afforded by Government proposal to allocate Local Growth Funding to South East Local Enterprise Partnership, creating adverse reputational and financial impacts.</p>	<p>All projects that secured capital funding from the South East England Local Enterprise Partnership (SELEP) have now been completed or construction is underway. SELEP submitted its formal submission for a 3rd round of Local Growth Funding to Government in July 2016 and East Sussex successfully secured £13.2m for two projects: £5m towards the transformation project at Devonshire Park, Eastbourne; and £8.2m towards a number of strategic infrastructure investments, creating the opening for new business parks across the county in Hastings/Bexhill, Eastbourne and South Wealden through Seachange Sussex.</p> <p>We have also been working with Coast 2 Capital LEP following a call in December 2016 for projects that can start spending in Q4 2016/17 using underspend. We successfully bid with a private developer for £1.6m for Newhaven Eastside South, which will create new business workspace. Lewes DC was successful with a further £3.5m on two projects: for Springman House (Lewes), providing a new medical centre and housing; and investment into Railway Quay (Newhaven).</p> <p>Work has continued on developing partner bids across the SELEP despite uncertainty about EU funding availability in the current programme. Bids to augment the Business East Sussex service were secured for the South East Business Boost (SEBB) project until June 2019, providing a £1.1m injection to further enhance business support services for the growth of local companies, alongside a SEBB's small grants programme worth approximately £850k to East Sussex. The Lets Do Business Group (LDBG) won the contract, which will start in July 2017. A further bid termed South East Invest was secured in February 2017 and awarded £1.38m to May 2020 to enhance our delivery of inward investment services. Procurement was undertaken and LDBG, which has been running the current Locate East Sussex inward investment service, won the contract which started in May 2017.</p> <p>There will not be any subsequent rounds of Local Growth Funding but we are engaging with Government to help shape any replacement. This is likely to take the form of a Prosperity Fund – which seeks to combine LGF and an equivalent for EU funding – and as a consequence we continue to develop pipeline projects for subsequent funding programmes, including the devolution of skills and infrastructure funding to the 3 Southern Counties; the Government's Industrial Strategy; and the emerging Sub-National Transport Board, to influence the investment programmes of Highways England and Network Rail.</p>	A
2	<p><b>ORDINARY RESIDENCE</b> Risk from other areas placing clients in receipt of social care services in East Sussex, and transferring to ESCC the commissioning, care management and funding responsibility for the individual as a result of a successful Ordinary Residence claim.</p>	<p>Dedicated Ordinary Residence Panel set up. The Panel discusses and agrees strategic and legal responses to Ordinary Residence claims from and to other Local Authorities, and directs reporting content. Panel members contact other Local Authorities directly where appropriate, and instruct Legal Services representation (including Counsel, and applications for Secretary of State determination) on behalf of ESCC.</p> <p>Continued awareness raising for ASC operational staff (and particularly Social Care Direct) in line with published guidance on Ordinary Residence, resulting in earlier case referrals to Ordinary Residence team. Guidance for frontline staff was written and issued followed by panel members visiting all ASC Operational teams to deliver presentation and Q&amp;A. OR Inbox established to provide advice to staff and monitor all known incoming/outgoing OR queries and claims.</p> <p>Regular information gathering and reporting to DMT on all Ordinary Residence case referrals and financial projections.</p>	A

Ref	Strategic Risks	Risk Control / Response	RAG
11	<p><b>APPRENTICESHIP LEVY</b>                      The Government introduced the Apprenticeship Levy on 6 April 2017. The levy requires all employers operating in the UK, with a pay bill over £3 million each year, to invest in apprenticeships.</p> <p>This creates a potential financial risk for the Council. A Levy contribution of approximately £550,000 will be deducted from the General Fund staffing budget, and £464,000 will be deducted from the (maintained) Schools delegated staffing budgets; but there is no certainty about how much of this will be returned to the budget in 2017-18 in the form of apprenticeship training vouchers.</p>	<p>As part of the RPP&amp;R process, the core Corporate Levy costs have been accounted for, thereby removing the risk to the budget.</p> <p>The financial risk remains for Schools and as part of the mitigation, focussed work with Schools will be undertaken to support them in seeking to maximise their return on the Levy. In particular:</p> <ul style="list-style-type: none"> <li>• Targeted communication and engagement with Schools to both raise the profile of the levy with them and the opportunities it presents;</li> <li>• Consideration of flexible financial arrangements such as carry forward of the levy into Year 2 and 'pooling' arrangements for any unspent levy;</li> <li>• A central procurement approach to save officer time in selecting approved training providers, and</li> <li>• A central approach to workforce mapping avoiding the need for each school to have to do this separately</li> </ul>	G

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Report to: **Audit, Best Value and Community Services (ABVCS) Scrutiny Committee**

Date: **27 September 2017**

By: **Chief Executive**

Title of report: **Reconciling Policy, Performance and Resources (RPPR)**

Purpose of report: **To provide an overview of the Council's business and financial planning process (Reconciling Policy, Performance and Resources) and the Committee's ongoing role in this process.**

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## **RECOMMENDATIONS:**

**The Scrutiny Committee is recommended to:**

**(1) agree key areas of interest/lines of enquiry for scrutiny and to ensure these are reflected in the Committee's future work programme;**

**(2) establish a scrutiny review board to consider the developing portfolio plans and savings proposals as they emerge in December and to submit scrutiny's final comments on them to Cabinet in January 2018.**

---

## **1. Background**

1.1 The *State of the County* report was agreed by Cabinet on 27 June 2017. The report is an important annual milestone in the Council's ongoing business and financial planning process known as *Reconciling Policy, Performance and Resources* (RPPR). It updated the national and local policy, financial and performance context and provides the background for the development of the updated business and financial plans that will eventually be agreed by the County Council early in 2018. It is available at [State of the County](#).

1.2 Chief Officers are continuing to develop plans for activity and finances including savings of £21.9m (6% of the net revenue budget) in 2018/19, in line with the allocations agreed by Council in February. Consideration is also being given to high level savings proposals for the further £33m savings required across the subsequent two years, 2019/20 and 2020/21.

1.3 The proposals for activity and resources will need to be considered in the context of the prolonged period over which savings have been required across all services and the demand for services continued which to grow due to demographic change, particularly for older people.

1.4 In developing plans for saving and spending Chief Officers will continue to have regard to the Council's four priority areas:

- Driving sustainable economic growth
- Keeping vulnerable people safe
- Helping people help themselves
- Making best use of resources

and its operating principles:

- One Council
- Commissioning
- Partnership

## **2. Scrutiny engagement in RPPR**

2.1 Scrutiny's contribution to the RPPR process is vitally important and is threaded through all scrutiny work. Each scrutiny committee, through its regular work programme and specific scrutiny projects, has the opportunity to review the services within its remit on an ongoing basis to identify

opportunities for improved performance, efficiency or alternative delivery options. Committees also gain an insight, through all their work, into relative priorities within portfolios, taking into account the Council's overall priority outcomes.

2.2 The insight and evidence gathered through this ongoing work is drawn together and enhanced in specific RPPR sessions which will, ultimately, enable each scrutiny committee to provide commentary and recommendations to be taken into account by Cabinet and Council before a final decision is taken on the updated budget and business plan early in 2018.

2.3 The **September 2017 scrutiny committees** have a particular focus on reviewing current portfolio plans, budget information and existing savings plans to ensure a full understanding of the current context and future pressures.

2.4 The following attachments are provided to support the committee in these tasks:

- **Appendix 1** contains extracts from the Financial Budget Summary 2017/18 for the areas within the remit of this committee to provide the 'big budget picture' (both revenue and capital), including East Sussex Better Together; the full document is at [Financial Budget Summary](#).
- **Appendix 2** contains the **current portfolio plan(s)** for the functions within the committee's remit.
- **Appendix 3** sets out the initial **savings proposals** for 2018/19 across the relevant service areas including East Sussex Better Together agreed by Council in February 2017.

2.5 Based on this information, and Members' wider accumulated knowledge and evidence, the Committee is invited to identify any key areas of interest or lines of enquiry which it will pursue through subsequent RPPR sessions and/or its wider work programme (recommendation 1). It will be helpful to clarify how existing items on the committee's work programme will inform the ongoing RPPR process, and to identify any necessary additions or changes to the work programme arising from this discussion. This includes any additional information or reports required for the November meeting.

2.6 Finally, the scrutiny committee is asked to agree the membership of its RPPR scrutiny review board which will then consider the developing portfolio plans and savings proposals in more detail as they emerge (recommendation 2).

2.7 The **November 2017 scrutiny committees** can explore the more detailed refined savings proposals which will have been considered by Cabinet in October and consider any additional information which was requested in September. Further additions or refinements to the Committee's ongoing work programme can be considered

2.8 The **RPPR scrutiny review boards** meet in December 2017 to agree detailed comments and any recommendations on the emerging portfolio plans and savings proposals to be put to Cabinet on behalf of their parent scrutiny committees. The Chairs of all the scrutiny committees are invited to attend all the scrutiny review boards.

2.9 The **March 2018 scrutiny committees** review the process and their input into the RPPR process and receive feedback on how scrutiny input has been reflected in final plans. Any issues arising can be reflected in the future committee work programme.

2.10 Running alongside this process, whole-Council Member forums will ensure that Members can keep an overview of the emerging picture across all service areas including the impacts of national announcements on our plans. Chief Officers will also provide any briefings required by group spokespersons to assist them in contributing to the RPPR process and future savings and spending plans.

**BECKY SHAW**  
**Chief Executive**

Contact Officer: Martin Jenks, Senior Democratic Services Officer  
Email: [martin.jenks@eastsussex.gov.uk](mailto:martin.jenks@eastsussex.gov.uk) Telephone: 01273 481327

Local Member: All

Background Documents: None  
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# Revenue Budgets - Business Services / Orbis

2016/17 Rebased Net Budget	Employees	Premises	Transport	Supplies & Services	Transfers & Third Party Payments	Financing & Transfers to Reserves	Total Expenditure	Government Grants	Other Grants & Contributions	Fees, Charges & Receipts	Planned use of Reserves	Total Income	Internal Recharges (exp & inc)	Net Service Expenditure
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
157 Business Operations	-	-	-	142	-	-	142	-	-	-	-	-	15	157
875 Finance	119	618	185	1,678	20	-	2,620	-	-	(4)	-	(4)	(1,733)	883
452 ICT Services	-	-	-	5,286	-	-	5,286	-	(1,397)	91	-	(1,306)	(3,522)	458
(386) Management & Support	-	-	-	(116)	-	-	(116)	-	-	-	-	-	(288)	(404)
(79) Personnel & Training	89	-	4	196	-	-	289	-	-	-	(87)	(87)	(282)	(80)
(83) Procurement	-	-	-	-	-	-	-	-	-	(36)	-	(36)	4	(32)
4,592 Property	339	10,598	-	11,292	1,914	5	24,148	(1,759)	(127)	(8,213)	(728)	(10,827)	(8,717)	4,604
- Orbis Transformation	143	-	-	683	-	-	826	-	(233)	-	(603)	(836)	9	(1)
16,073 Contribution to Orbis Partnership	-	-	-	15,399	-	-	15,399	-	-	-	-	-	-	15,399
<b>21,601 Total</b>	<b>690</b>	<b>11,216</b>	<b>189</b>	<b>34,560</b>	<b>1,934</b>	<b>5</b>	<b>48,594</b>	<b>(1,759)</b>	<b>(1,757)</b>	<b>(8,162)</b>	<b>(1,418)</b>	<b>(13,096)</b>	<b>(14,514)</b>	<b>20,984</b>

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Main changes between years	£'000
<b>Net expenditure budget 2016/17</b>	<b>21,601</b>
Growth	50
Inflation	638
Savings	(1,472)
Pay Award	196
Transfers between Departments	(29)
<b>Departmental Estimate 2017/18</b>	<b>20,984</b>

Appendix 1

# Revenue Budgets - Communities, Economy & Transport

2016/17 Rebased Net Budget	Employees	Premises	Transport	Supplies & Services	Transfers & Third Party Payments	Financing & Transfers to Reserves	Total Expenditure	Government Grants	Other Grants & Contributions	Fees, Charges & Receipts	Planned use of Reserves	Total Income	Internal Recharges (exp & inc)	Net Service Expenditure
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Community Services</b>														
(200) Registration	1,138	66	25	51	-	-	1,280	-	(10)	(1,506)	-	(1,516)	5	(231)
733 Road Safety	829	1	26	157	-	-	1,013	(101)	(34)	(75)	-	(210)	(62)	741
751 Trading Standards	637	-	9	138	-	-	784	-	(20)	(97)	(44)	(161)	13	636
67 Travellers Sites	184	55	3	111	-	-	353	-	(94)	(101)	(97)	(292)	7	68
159 Emergency Planning	228	-	3	10	-	-	241	-	(84)	-	-	(84)	4	161
<b>1,510 Subtotal</b>	<b>3,016</b>	<b>122</b>	<b>66</b>	<b>467</b>	-	-	<b>3,671</b>	<b>(101)</b>	<b>(242)</b>	<b>(1,779)</b>	<b>(141)</b>	<b>(2,263)</b>	<b>(33)</b>	<b>1,375</b>
<b>Customer &amp; Library Services</b>														
5,249 Libraries	2,996	1,341	64	1,019	-	3	5,423	-	(168)	(458)	(99)	(725)	(115)	4,583
753 Archives & Record	651	508	1	795	-	-	1,955	-	(1,107)	(98)	-	(1,205)	6	756
154 Customer Care	181	-	1	37	-	-	219	-	-	-	(25)	(25)	1	195
<b>6,156 Subtotal</b>	<b>3,828</b>	<b>1,849</b>	<b>66</b>	<b>1,851</b>	-	<b>3</b>	<b>7,597</b>	-	<b>(1,275)</b>	<b>(556)</b>	<b>(124)</b>	<b>(1,955)</b>	<b>(108)</b>	<b>5,534</b>
<b>Transport &amp; Operational Services</b>														
8,987 Passenger Services	-	-	-	10,099	-	-	10,099	(426)	(231)	(31)	(26)	(714)	(216)	9,169
- Home to School and ASC	137	-	10,517	977	-	-	11,631	(17)	-	(132)	-	(149)	(11,482)	-
(908) Parking	660	-	7	2,323	90	2,259	5,339	-	(229)	(4,349)	(1,681)	(6,259)	18	(902)
25,807 Waste Disposal	311	328	8	39,320	3,164	-	43,131	(2,996)	(12,305)	(1,064)	-	(16,365)	4	26,770
734 Rights of Way/Countryside Management	909	124	26	265	3	-	1,327	-	(96)	(389)	-	(485)	(152)	690
260 Other Transport & Operational Services	819	5	1,038	222	-	75	2,159	-	-	(60)	(155)	(215)	(1,678)	266
<b>34,880 Subtotal</b>	<b>2,836</b>	<b>457</b>	<b>11,596</b>	<b>53,206</b>	<b>3,257</b>	<b>2,334</b>	<b>73,686</b>	<b>(3,439)</b>	<b>(12,861)</b>	<b>(6,025)</b>	<b>(1,862)</b>	<b>(24,187)</b>	<b>(13,506)</b>	<b>35,993</b>

# Revenue Budgets - Communities, Economy & Transport

2016/17 Rebased Net Budget	Employees	Premises	Transport	Supplies & Services	Transfers & Third Party Payments	Financing & Transfers to Reserves	Total Expenditure	Government Grants	Other Grants & Contributions	Fees, Charges & Receipts	Planned use of Reserves	Total Income	Internal Recharges (exp & inc)	Net Service Expenditure
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Highways</b>														
2,958	Contract Management	1,443	-	7	580	-	-	2,030	-	-	-	-	11	2,041
8,907	Contract Costs (fixed contract)	-	-	-	10,629	-	-	10,629	(846)	-	-	(846)	-	9,783
788	Non Contract Works	-	55	-	1,573	250	-	1,878	-	(85)	-	(85)	-	1,793
108	Structures (electricity and swing bridge opening)	-	20	-	11	-	-	31	-	-	-	-	-	31
1,627	Street lighting and signals (electricity)	-	1,432	-	6	-	-	1,438	-	-	-	-	-	1,438
537	Other Highways (depreciation and capital repayment)	-	-	-	-	850	-	850	-	-	-	-	-	850
4,925	<b>Subtotal</b>	<b>1,443</b>	<b>1,507</b>	<b>7</b>	<b>12,799</b>	<b>250</b>	<b>850</b>	<b>16,856</b>	<b>(846)</b>	<b>(85)</b>	<b>-</b>	<b>(931)</b>	<b>11</b>	<b>15,936</b>
<b>Planning &amp; Environment</b>														
286	Environment	271	70	4	105	68	-	518	-	-	(202)	(43)	3	276
510	Planning	1,355	-	21	496	-	-	1,872	(42)	(25)	(904)	(179)	(135)	587
22	High Weald	294	24	5	174	-	-	497	(265)	(248)	(5)	-	42	21
818	<b>Subtotal</b>	<b>1,920</b>	<b>94</b>	<b>30</b>	<b>775</b>	<b>68</b>	<b>-</b>	<b>2,887</b>	<b>(307)</b>	<b>(273)</b>	<b>(1,111)</b>	<b>(222)</b>	<b>(90)</b>	<b>884</b>
683	<b>Economic Development Skills and Growth</b>	1,691	39	21	1,013	1,604	-	4,368	(997)	(635)	(243)	(270)	(363)	1,860
1,846	<b>Management &amp; Support</b>	1,599	4	15	468	-	-	2,086	-	-	-	-	(284)	1,802
60,818	<b>Total</b>	<b>16,333</b>	<b>4,072</b>	<b>11,801</b>	<b>70,579</b>	<b>5,179</b>	<b>3,187</b>	<b>111,151</b>	<b>(5,690)</b>	<b>(15,371)</b>	<b>(9,714)</b>	<b>(2,619)</b>	<b>(33,394)</b>	<b>63,384</b>

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Main changes between years	£'000
<b>Net expenditure budget 2016/17</b>	<b>60,818</b>
Growth	2,769
Inflation	1,297
Savings	(1,136)
Pay Award	202
Transfers between Departments	(566)
<b>Departmental Estimate 2017/18</b>	<b>63,384</b>

# Revenue Budgets - Governance Services

2016/17 Rebased Net Budget	Employees	Premises	Transport	Supplies & Services	Transfers & Third Party Payments	Financing & Transfers to Reserves	Total Expenditure	Government Grants	Other Grants & Contributions	Fees, Charges & Receipts	Planned use of Reserves	Total Income	Internal Recharges (exp & inc)	Net Service Expenditure	
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>2,668</b>	<b>Corporate Governance</b>	<b>1,548</b>	<b>1</b>	<b>48</b>	<b>985</b>	<b>408</b>	<b>-</b>	<b>2,990</b>	<b>-</b>	<b>(27)</b>	<b>(3)</b>	<b>(359)</b>	<b>(389)</b>	<b>18</b>	<b>2,619</b>
	<b>Corporate Support</b>														
1,138	Communications	1,038	-	3	126	-	-	1,167	-	(46)	(32)	-	(78)	(77)	1,012
1,699	Legal	1,771	-	14	145	-	-	1,930	-	(136)	(125)	-	(261)	23	1,692
<b>2,837</b>	<b>Subtotal</b>	<b>2,809</b>	<b>-</b>	<b>17</b>	<b>271</b>	<b>-</b>	<b>-</b>	<b>3,097</b>	<b>-</b>	<b>(182)</b>	<b>(157)</b>	<b>-</b>	<b>(339)</b>	<b>(54)</b>	<b>2,704</b>
	<b>Community Services</b>														
912	Coroners	189	340	4	389	-	-	922	-	(9)	-	-	(9)	1	914
573	Third Sector	67	-	1	560	309	-	937	(295)	(69)	-	-	(364)	1	574
<b>1,485</b>	<b>Subtotal</b>	<b>256</b>	<b>340</b>	<b>5</b>	<b>949</b>	<b>309</b>	<b>-</b>	<b>1,859</b>	<b>(295)</b>	<b>(78)</b>	<b>-</b>	<b>-</b>	<b>(373)</b>	<b>2</b>	<b>1,488</b>
<b>509</b>	<b>Senior Management &amp; Organisational</b>	<b>133</b>	<b>-</b>	<b>2</b>	<b>317</b>	<b>-</b>	<b>-</b>	<b>452</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17</b>	<b>469</b>
<b>7,499</b>	<b>Total</b>	<b>4,746</b>	<b>341</b>	<b>72</b>	<b>2,522</b>	<b>717</b>	<b>-</b>	<b>8,398</b>	<b>(295)</b>	<b>(287)</b>	<b>(160)</b>	<b>(359)</b>	<b>(1,101)</b>	<b>(17)</b>	<b>7,280</b>

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Main changes between years	£'000
<b>Net expenditure budget 2016/17</b>	<b>7,499</b>
Growth	-
Inflation	-
Savings	(270)
Pay Award	51
Transfers between Departments	-
<b>Departmental Estimate 2017/18</b>	<b>7,280</b>

# Revenue Budgets - Public Health

2016/17 Rebased Net Budget	Employees	Premises	Transport	Supplies & Services	Transfers & Third Party Payments	Financing & Transfers to Reserves	Total Expenditure	Government Grants	Other Grants & Contributions	Fees, Charges & Receipts	Planned use of Reserves	Total Income	Internal Recharges (exp & inc)	Net Service Expenditure	
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
3,558		-	-	32	3,526	-	<b>3,558</b>	-	-	-	-	-	-	<b>3,558</b>	
6,101		-	-	-	6,101	-	<b>6,101</b>	-	-	-	-	-	-	<b>6,101</b>	
4,160		-	-	28	4,083	-	<b>4,111</b>	-	-	-	-	-	50	<b>4,161</b>	
8,769		-	-	-	8,769	-	<b>8,769</b>	-	-	-	-	-	-	<b>8,769</b>	
930		-	-	-	930	-	<b>930</b>	-	-	-	-	-	-	<b>930</b>	
(23,518)	Other programmes and Non-contracted Services	2,195	-	15	93	3,750	-	<b>6,053</b>	(27,990)	-	-	(1,926)	(29,916)	344	<b>(23,519)</b>
-	<b>Total</b>	<b>2,195</b>	<b>-</b>	<b>15</b>	<b>153</b>	<b>27,159</b>	<b>-</b>	<b>29,522</b>	<b>(27,990)</b>	<b>-</b>	<b>-</b>	<b>(1,926)</b>	<b>(29,916)</b>	<b>394</b>	<b>-</b>
	ESBT included above comprises:	1,515	-	10	105	18,739	-	<b>20,369</b>	(19,313)	-	-	(1,329)	(20,642)	273	-

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Main changes between years	£'000
<b>Rebased Net Budget 2016/17</b>	-
Growth	-
Inflation	-
Savings	-
Pay Award	-
Transfers between Departments	-
<b>Departmental Estimate 2017/18</b>	-

# Revenue Budgets - East Sussex Better Together

2016/17 Rebased Net Budget	Employees	Premises	Transport	Supplies & Services	Transfers & Third Party Payments	Financing & Transfers to Reserves	Total Expenditure	Government Grants	Other Grants & Contributions	Fees, Charges & Receipts	Planned use of Reserves	Total Income	Internal Recharges (exp & inc)	Net Service Expenditure
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Adult Social Care</b>														
- Physical Support, Sensory Support and Support for Memory & Cognition	8,229	400	346	1,012	81,951	-	<b>91,938</b>	(502)	(10,911)	(21,403)	-	<b>(32,816)</b>	(284)	<b>58,838</b>
- Learning Disability Support	5,043	196	82	192	38,239	4	<b>43,756</b>	(130)	(1,000)	(3,443)	-	<b>(4,573)</b>	9	<b>39,192</b>
- Mental Health Support	-	2	-	1	7,541	-	<b>7,544</b>	(29)	(1,310)	(996)	(200)	<b>(2,535)</b>	-	<b>5,009</b>
- Substance Misuse Support	-	-	-	-	487	-	<b>487</b>	-	(106)	-	-	<b>(106)</b>	-	<b>381</b>
- Other Adult Services Total	613	4	9	1,132	1,758	-	<b>3,516</b>	-	(1,753)	-	(4)	<b>(1,757)</b>	61	<b>1,820</b>
- Equipment & Assistive Technology	40	-	-	1,884	2,862	-	<b>4,786</b>	-	(2,254)	(435)	-	<b>(2,689)</b>	-	<b>2,097</b>
- Supporting People	115	9	3	5	5,077	-	<b>5,209</b>	-	-	-	-	-	443	<b>5,652</b>
- Safer Communities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Assessment & Care Management	19,152	52	320	376	589	-	<b>20,489</b>	(42)	(1,240)	(206)	-	<b>(1,488)</b>	123	<b>19,124</b>
- Management & Support	4,329	229	38	2,177	95	-	<b>6,868</b>	-	(328)	(83)	-	<b>(411)</b>	148	<b>6,605</b>
- Investment from East Sussex Better Together	-	-	-	-	-	-	-	-	(9,227)	-	-	<b>(9,227)</b>	-	<b>(9,227)</b>
- Adult Social Care Support Grant and Improved Better care Fund (to be allocated)	-	-	-	-	2,220	-	<b>2,220</b>	(2,220)	-	-	-	<b>(2,220)</b>	-	-
<b>- Total Adult Social Care</b>	<b>37,521</b>	<b>892</b>	<b>798</b>	<b>6,779</b>	<b>140,819</b>	<b>4</b>	<b>186,813</b>	<b>(2,923)</b>	<b>(28,129)</b>	<b>(26,566)</b>	<b>(204)</b>	<b>(57,822)</b>	<b>500</b>	<b>129,491</b>

# Revenue Budgets - East Sussex Better Together

2016/17 Rebased Net Budget	Employees	Premises	Transport	Supplies & Services	Transfers & Third Party Payments	Financing & Transfers to Reserves	Total Expenditure	Government Grants	Other Grants & Contributions	Fees, Charges & Receipts	Planned use of Reserves	Total Income	Internal Recharges (exp & inc)	Net Service Expenditure
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Children's Services</b>														
- Early Help & Social Care - Policy Support &	100	-	2	137	576	-	815	(156)	(23)	-	-	(179)	172	808
- ISEND	1,654	50	32	702	2,857	-	5,295	-	-	-	-	-	(849)	4,444
- Admissions & Transport	-	-	-	-	-	-	-	-	-	-	-	-	120	120
- Management & Support	209	-	2	27	9	-	247	-	(11)	(4)	-	(15)	(57)	177
<b>- Total Children's Services</b>	<b>1,963</b>	<b>50</b>	<b>36</b>	<b>866</b>	<b>3,442</b>	<b>-</b>	<b>6,357</b>	<b>(156)</b>	<b>(34)</b>	<b>(4)</b>	<b>-</b>	<b>(194)</b>	<b>(614)</b>	<b>5,549</b>
<b>Public Health</b>														
- Health Improvement Services	-	-	-	22	2,433	-	2,455	-	-	-	-	-	-	2,455
- Drug & Alcohol Services	-	-	-	-	4,210	-	4,210	-	-	-	-	-	-	4,210
- Sexual Health Services	-	-	-	19	2,817	-	2,836	-	-	-	-	-	35	2,871
- Health Visiting and School Nursing	-	-	-	-	6,049	-	6,049	-	-	-	-	-	-	6,049
- NHS Health Checks	-	-	-	-	642	-	642	-	-	-	-	-	-	642
- Other programmes and Non-	1,515	-	10	64	2,588	-	4,177	(19,313)	-	-	(1,329)	(20,642)	238	(16,227)
<b>- Total Public Health</b>	<b>1,515</b>	<b>-</b>	<b>10</b>	<b>105</b>	<b>18,739</b>	<b>-</b>	<b>20,369</b>	<b>(19,313)</b>	<b>-</b>	<b>-</b>	<b>(1,329)</b>	<b>(20,642)</b>	<b>273</b>	<b>-</b>
<b>- Total East Sussex Better Together</b>	<b>40,999</b>	<b>942</b>	<b>844</b>	<b>7,750</b>	<b>163,000</b>	<b>4</b>	<b>213,539</b>	<b>(22,392)</b>	<b>(28,163)</b>	<b>(26,570)</b>	<b>(1,533)</b>	<b>(78,658)</b>	<b>159</b>	<b>135,040</b>

# Capital programme - Business Services

Business Services	Total Budget	Total Previous Years Spend	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Remaining Budget Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Core Back Office Services	1,460	837	9	614						623
The Link	2,718	2,649	69							69
SALIX Contract	4,032	1,552	380	350	350	350	350	350	350	2,480
Property Agile Works	9,031	5,792	3,239							3,239
<b>Core Programme - Capital Building Improvements</b>	<b>87,015</b>	<b>26,484</b>	<b>9,048</b>	<b>9,599</b>	<b>8,752</b>	<b>9,591</b>	<b>7,360</b>	<b>8,056</b>	<b>8,125</b>	<b>60,531</b>
<b>Core Programme - ICT Strategy Implementation</b>	<b>27,389</b>	<b>9,391</b>	<b>1,550</b>	<b>1,610</b>	<b>3,700</b>	<b>3,983</b>	<b>2,300</b>	<b>2,305</b>	<b>2,550</b>	<b>17,998</b>
<b>Gross Expenditure</b>	<b>131,645</b>	<b>46,705</b>	<b>14,295</b>	<b>12,173</b>	<b>12,802</b>	<b>13,924</b>	<b>10,010</b>	<b>10,711</b>	<b>11,025</b>	<b>84,940</b>
<b>Scheme Specific Income</b>	<b>(3,762)</b>	<b>(1,282)</b>	<b>(380)</b>	<b>(350)</b>	<b>(350)</b>	<b>(350)</b>	<b>(350)</b>	<b>(350)</b>	<b>(350)</b>	<b>(2,480)</b>
<b>Net Expenditure</b>	<b>127,883</b>	<b>45,423</b>	<b>13,915</b>	<b>11,823</b>	<b>12,452</b>	<b>13,574</b>	<b>9,660</b>	<b>10,361</b>	<b>10,675</b>	<b>82,460</b>



# Capital programme - Communities, Economy & Transport

Communities, Economy & Transport	Total Budget	Total Previous Years Spend	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Remaining Budget Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
New Archive and Record Office - "The Keep"	20,178	20,091	45	28	14					87
Rye Library	964	908	56							56
Hastings Library	8,739	2,603	3,530	2,295	311					6,136
Newhaven Library	1,713	1,651	62							62
Southover Grange (formerly The Maltings)	1,307	156	1,000	151						1,151
Library Refurbishment	1,532	1,032	500							500
Newhaven Household Waste Recycling Site	2,037	2,036	1							1
Travellers Site Bridies Tan	1,347	1,313	34							34
Broadband	25,600	17,297	375	7,928						8,303
Bexhill & Hastings Link Road	124,309	116,670	3,885	996	609	490	1,659			7,639
BHLR Complementary Measures	1,851	1,040	130	681						811
Exceat Bridge Maintenance	500	33	30	437						467
Reshaping Uckfield Town Centre	2,500	963	1,537							1,537

# Capital programme - Communities, Economy & Transport

Communities, Economy & Transport	Total Budget	Total Previous Years Spend	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Remaining Budget Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Economic Growth & Strategic Infrastructure Programme										
Economic Intervention Fund	7,902	1,911	1,686	1,114	1,279	1,267	645			5,991
Catalysing Stalled Sites	916		116	600	200					916
EDS Upgrading Empty Commercial Property	500		53	447						500
EDS Incubation Units	1,500			875	625					1,500
North Bexhill Access Road	16,600	6,410	6,192	3,998						10,190
Queensway Gateway Road	6,000	1,419	3,000	1,581						4,581
Newhaven Flood Defences	1,500	300	800	400						1,200
Sovereign Harbour/Site Infrastructure	1,700	530	1,170							1,170
Swallow Business Park	1,400	505	895							895
A22/A27 Junction Improvement Package	4,500					2,500	2,000			4,500
LGF Business Case Development	196		196							196
Newhaven Port Access Road	23,271	322	582	11,341	10,618	408				22,949
Street Lighting Invest to Save	737	720	17							17
LSTF - Coastal Towns/RTPI	2,405	2,028	277	100						377
LSTF - Travel Choices Lewes	1,178	1,176	2							2
Eastbourne and Hastings Light Reduction	3,706	3,697	9							9

# Capital programme - Communities, Economy & Transport

Communities, Economy & Transport	Total Budget	Total Previous Years Spend	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Remaining Budget Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Eastern Depot Development	1,586	196	200	1,190						1,390
Newhaven Swing Bridge	1,533	1,498	35							35
Waste Leachate Programme	250		11	239						250
Integrated Transport - LTP plus Externally Funded										
Hastings & Bexhill Movement & Access Package	12,643			2,143	3,500	3,500	3,500			12,643
Eastbourne Town Centre Movement & Access Package	3,000					1,000	2,000			3,000
Eastbourne/South Wealden Walking & Cycling Package	9,450	600	400	1,700	1,750	2,500	2,500			8,850
Hailsham/Polegate/Eastbourne Sustainable Transport Corridor	2,350		250	2,100						2,350
Other Integrated Transport Schemes	37,288	13,605	5,981	3,107	2,919	2,919	2,919	2,919	2,919	23,683
Speed Management	2,948	2,826	122							122
Newhaven S106	474	384	90							90
Pebsham S106	432	424	8							8
Terminus Road Improvements	6,250	470	695	5,085						5,780

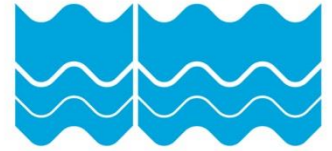
# Capital programme - Communities, Economy & Transport

Communities, Economy & Transport	Total Budget	Total Previous Years Spend	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Remaining Budget Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Core Programme</b> - Highways Structural Maintenance	226,546	98,741	18,538	18,017	18,250	18,250	18,250	18,250	18,250	127,805
<b>Core Programme</b> - Bridge Assessment Strengthening	13,310	4,996	1,134	1,180	1,200	1,200	1,200	1,200	1,200	8,314
<b>Core Programme</b> - Street Lighting - Life Expired Equipment	10,133	3,983	867	883	880	880	880	880	880	6,150
<b>Core Programme</b> - Rights of Way Surface Repairs and Bridge Replacement Programme	4,883	1,868	465	400	430	430	430	430	430	3,015
<b>Gross Expenditure</b>	<b>599,664</b>	<b>314,402</b>	<b>54,976</b>	<b>69,016</b>	<b>42,585</b>	<b>35,344</b>	<b>35,983</b>	<b>23,679</b>	<b>23,679</b>	<b>285,262</b>
<b>Scheme Specific Income</b>	<b>(109,685)</b>	<b>(40,825)</b>	<b>(20,406)</b>	<b>(22,704)</b>	<b>(5,250)</b>	<b>(9,935)</b>	<b>(10,565)</b>			<b>(68,860)</b>
<b>Net Expenditure</b>	<b>489,979</b>	<b>273,577</b>	<b>34,570</b>	<b>46,312</b>	<b>37,335</b>	<b>25,409</b>	<b>25,418</b>	<b>23,679</b>	<b>23,679</b>	<b>216,402</b>

# Capital programme - Governance

Governance	Total Budget	Total Previous Years Spend	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Remaining Budget Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Case Management System/Committee Management System	86	83	3							3
ICT for Members	42			42						42
<b>Gross Expenditure</b>	<b>128</b>	<b>83</b>	<b>3</b>	<b>42</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>45</b>
<b>Scheme Specific Income</b>										
<b>Net Expenditure</b>	<b>128</b>	<b>83</b>	<b>3</b>	<b>42</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>45</b>

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# Strategic Management and Economic Development

## Portfolio Plan 2017/18 – 2019/20

July 2017

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## Our Priorities and Operating Principles

### Our Priorities

The Council has set four priority outcomes:

- ❖ Driving economic growth;
- ❖ Keeping vulnerable people safe;
- ❖ Helping people help themselves; and
- ❖ Making best use of resources.

### Operating Principles

The Council has agreed three operating principles:

- ❖ **Strategic commissioning:** using an evidence-based approach to assess and meet the needs of local people in the most effective way. We will specify and deliver appropriate services to secure the best outcomes and value for money for residents.
- ❖ **One Council:** working as a single organisation both through the processes we use, and how we work. We will work in a well connected way across Council teams so we harness all our energy and resources towards achieving our priorities and remove duplication. We will judge our success against outcomes for the whole population and the organisation (and whole local public sector) not against the interests of a particular group, team or department.
- ❖ **Strong partnerships:** recognising we are one part of a wider system, we will work effectively with partners across East Sussex and the region as well as with the wider public sector to ensure we learn from others, secure best value for money and maximise impact for our residents.



# Portfolio Policy

## Policy Overview by Lead Members

1.1 Recent years have been very challenging for the Council. Since 2010 we have met that challenge, saving around £95m while improving services and delivering infrastructure projects that bring long term benefits to the county. However the challenge is only increasing as the financial restrictions and demographic pressures driving demand for services amongst an aging population continue to grow. The financial resources we have to meet these pressures continue to be limited and we will need to save a further £9.1m in 2017/18, with further savings also needed in 2018/19 and 2019/20.

1.2 Confronted with these challenges we have responded with strong leadership and a clear focus on our priorities and what the Council can, and can't, do. We have strengthened our planning processes to ensure we work as One Council, and make the best use of the resources we have and achieve our goals for the county. We will continue to focus on our four overarching priority outcomes: driving economic growth; keeping vulnerable people safe; helping people help themselves; and making best use of resources.

1.3 Our three operating principles ensure that we take an evidence based approach to meet the needs of local people, work together to be as efficient and effective as possible, and work in partnership to deliver added value for money and improved outcomes for the people of East Sussex. We have continued to work with our health partners in the county to integrate health services to provide sustainable high quality services to all communities in East Sussex. Together with all the councils in Surrey and West Sussex, the East Sussex Fire and Rescue Service (ESFRS), Local Enterprise Partnerships (LEPs) and other partners, we formed the Three Southern Counties (3SC) and have submitted a devolution bid to central Government. Our devolution bid is focussed on infrastructure, skills, and housing as these are the sectors with the most potential to bring local benefit. We have also been working on the creation of a Sub-national Transport Body with the SE7 authorities, and Southampton, Portsmouth, the Isle of Wight, and Berkshire which will help us to secure the infrastructure we need to support the county's housing and economic development needs.

1.4 We will continue to work to create a strong economy in East Sussex. This will help our communities to be more resilient and our businesses to be competitive and sustainable. Greater prosperity will improve the quality of life for all residents of the county. East Sussex is a great place to live, work and visit and is an excellent business location. We will focus our efforts on the business sectors with the most potential to drive economic growth and build on the county's current economic strengths. We aim to give all children the opportunity to go to a good or outstanding school and to progress into further education, training or employment. We are working to increase employment and productivity rates in the county.

1.5 Supporting people to improve and protect their health and wellbeing, and that of others, is important to build personal and community resilience and reduce the demand on the health and social care system. Public health services help achieve this by providing evidence of need and effectiveness and by implementing initiatives which reduce health inequalities.



**Councillor Keith Glazier**  
**Lead Member for Strategic Management and Economic Development**



**Councillor Rupert Simmons**  
**Lead Member for Economy**

## Delivering the Priority Outcomes

### Driving economic growth

2.1 The Council is committed to improving the prosperity of the county by creating the right conditions for growth. The Growth Hub service, Business East Sussex (BES), which offers local businesses free support and advice, has been extended until the end of 2017/18. Locate East Sussex, our inward investment service for businesses looking to move into the county or expand, will continue work in 2017/18. Our second contract with BT to roll out faster, more reliable broadband to some of the hardest to reach parts of the county is continuing. Economic growth will benefit the residents of East Sussex, but will also provide the Council with more resources.

2.2 Significant investment has been made into the infrastructure of the county; the biggest infrastructure project of recent years was the construction of the Bexhill Hastings Link Road (Combe Valley Way) which opened to traffic in December 2015. Development is now taking place on land opened up by the road, with new offices open and occupied. Funding worth over £83.7m has been agreed for infrastructure projects in East Sussex as part of the Growth Deals with the South East Local Enterprise Partnership (SELEP) and the Coast 2 Capital (C2C) LEP. These deals will see important road building schemes in Newhaven, Bexhill and Hastings over the coming years. Improved rail infrastructure in the county would be a significant boost to East Sussex and work has continued to investigate options to speed up services to Bexhill, Hastings and Rye, and implement improvements on the Uckfield line. These projects were identified as priorities in our Railway Strategy, developed in conjunction with all of our Strategic Partners. Work is progressing on developing options for delivery of high speed services to Bexhill, Hastings and Rye, and we are hopeful these options may be brought forward for delivery in Network Rail's Control Period 6 (2019-2024). Improvements to the Uckfield line have been completed with platforms extended to accommodate 10 carriage trains and 130 extra parking spaces created at Uckfield station.

2.3 A strong and vibrant economy means a better quality of life for people in East Sussex and will help our communities to become more self-sufficient and better able to support themselves. This is particularly the case with promoting employability and skills, which benefits both employers and residents. Our Employability and Skills Strategy guides our approach by ensuring that our leadership, commissioning, recruitment and training activities promote a higher skilled workforce. We will continue to facilitate Skills East Sussex, our county wide Employment and Skills Partnership Board, driving key changes to the provision of relevant curriculum and careers advice to meet the skills needs of our nine priority economic sectors.

2.4 East Sussex enjoys a rich and varied heritage and local culture that provides employment for a significant number of people and attracts many visitors. We aim to expand and promote cultural tourism to raise the profile of East Sussex and attract more visitors and businesses to the county.

### Helping people help themselves

2.5 Public Health aims to protect and improve people's health and wellbeing and to reduce health inequalities. Focusing on prevention, early intervention and helping people to help themselves support people to stay well and independent. Public Health works closely with other Council services, Public Health England, NHS England, Clinical Commissioning Groups (CCG), and NHS providers, to deliver the best outcomes for local people through our East Sussex Better Together (ESBT) programme which covers the Hasting and Rother CCG and Eastbourne, Hailsham and Seaford CCG areas; and the developing Connecting for You (C4Y) Programme which covers the High Weald Lewes Havens CCG area.

## **Making best use of our resources**

2.6 Strategic Management and Economic Development provides the leadership for the Reconciling Policy, Performance and Resources (RPPR) process that guides the Council in setting priorities and allocating resources. It determines what we are trying to achieve for each priority outcome and sets the targets in the Council Plan that drive our ambitions forward. Our decisions are taken within the democratic framework of the Council's Constitution. Democratic Services and scrutiny help ensure that Members are well informed and fully engaged in the process of developing policy and decision making across all priorities.

# Corporate Governance and Support

## Forward Plan

### Strategic Leadership

3.1 The Council's focus during 2017/18 will be on delivering our four priority outcomes while continuing to make the necessary savings to our budget and meeting the strategic challenges presented in our State of the County report of June 2016. Since then the Council has agreed to accept the Government's multi-year funding offer. This will provide some certainty about funding over the coming years, although we are still expecting to make £9.1m worth of savings in 2017/18 as well as further savings in 2018/19 and 2019/20. These financial restrictions mean the ambitious targets we set ourselves are very challenging, but we aim to achieve 80–90% of Council Plan targets and to continue to deliver for local people. We will assess the progress we make against our Council Plan Targets, Revenue Budget, Capital Programme and Risks; and remain, first and foremost, open and accountable to local people.

3.2 In May 2017 there were elections to East Sussex County Council. Following a review of East Sussex county electoral divisions, 50 Councillors were elected.

### Strategic Context

3.3 The Council faces ongoing challenges as financial restrictions are coupled with increasing demand for services driven by demographic and legislative changes. The key elements that will help the Council meet the strategic challenges are set out below.

## Meeting the Challenge



### Cross-Council Facilitating Programmes

3.4 The cross-Council facilitating programmes which will help the Council work most effectively in future years are 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 Local Government Association 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 consistently well, whether services are provided internally or externally. Plans are also being developed for a number of digital projects aimed at improving business intelligence and efficiency.
- iii) **Orbis and Orbis Public Law** – these key partnerships 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, a £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, including £525,000 year on year revenue savings and over £1.1m capital receipts, with a further £10m identified for delivery.

### Maximising Control and Resources

3.5 In order to be able to plan effectively 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 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.
- iii) **Sub-national Transport Body** – The Cities and Local Government Devolution Act 2016 created the opportunity for regional areas to create a Sub-national Transport Body which would be better placed to prioritise investment and leverage support from all tiers of local government, Local Enterprise Partnerships, Highways England and National Rail. Work has begun to create a body encompassing the whole of the South East from Kent to Hampshire and up into Berkshire. East Sussex is leading on the development of the proposals with support from the Local Transport authorities within the geography, and approval from all authorities has been granted.

iv) **Lobbying** – Members and officers 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, County Councils Network (CCN) and Local Government Association (LGA). We will use 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.

### Service Change Programmes

3.6 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. These are set out in the relevant Lead Members' portfolio plans.

### **Member services**

#### Elections

3.7 Elections were held in May 2017 in all County Council Divisions. Following a review by the Boundary Commission in 2015/16 there are now 50 county councillors, an increase from 49 previously, and each County Electoral Division is represented by a single councillor.

3.8 Working with the LGA and the Communications Team, we created a '*Be a councillor in East Sussex*' website to promote and explain the role of county councillors and the electoral process. We produced a video featuring several of our councillors talking about their experience in the role and presented it at an open evening in October 2016. The event, which was attended by 30 people, provided an opportunity for anyone interested to find out more about what being a councillor entails. We continued to promote voter registration and voting throughout the spring of 2017.

3.9 The first phase of the new Members induction is complete. The aim has been ensure that Members, particularly those who are new to the Council, are best placed to undertake their roles from the start. Induction session topics have included: the structure of the Council and decision making; dealing with casework; using technology; Reconciling Policy, Performance and Resources (RPPR) and budget setting. To support the induction we have also produced a new Members' Intranet 'home page' with links to the key information that Members need; and have created two animated training videos focussing on RPPR and decision making. Training is now underway in relation to specific regulatory functions such as planning.

3.10 All councillors have been offered new IT equipment and a 'fast-track' helpline to enable them to be effective in their role. The technology also supports the Council's drive towards 'paper-light' working. A Members' ICT reference group has helped to determine the best device for the role and will continue to oversee the evolving 'digital' programme.

#### Supporting officers

3.10 We have continued to promote an understanding of the political environment amongst our workforce. We will continue to raise staff awareness of the Council's decision making process through inductions and the 'Working in a political environment' training course.

### **Communications**

3.11 Communications will support the Council's four priority outcomes by:

- keeping residents informed of news and services that affect them;
- initiating and supporting digital transformation to make better use of resources;
- supporting services in redesigning and presenting their public offer; and

- enhancing the reputation of the Council, especially in the county it serves.

3.12 We have continued to move towards a fully digital communications service, which allows us to speak to residents and partners in leaner and easier ways which are more targeted and efficient. We will continue to constantly improve our skills to make better use of digital techniques and technologies.

3.13 We will run public campaigns, on behalf of the Council's services, and in support of our priorities. This will include campaigns to: recruit more adopters and foster carers; recruit more social workers and teachers; keep people safe on the roads; improve public health; and encourage reading amongst children.

3.14 We will use a range of channels, including digital, social and, where effective, traditional media, to keep people informed of Council services.

### Performance data and targets

Performance Measures CP = Council Plan	2015/16 Outturn	2016/17 Target	2016/17 Outturn	2017/18 Target	2018/19 Target	2019/20 Target
Council Plan targets met that are available for reporting at year end	74%	80% – 90%	61%	80% – 90%	80% – 90%	80% – 90%
Ensure RPPR delivers a One Council approach and strong, transparent processes	RRPR process implemented	Develop RPPR process	Achieved	Implement RPPR process	Implement RPPR process	Implement RPPR process
Improve support to Members in their various roles	Members' ICT project established with training workshops underway	Agree a Members' ICT strategy and a Member induction programme before County elections in May 2017	Members' ICT strategy and Member induction programme agreed before County elections	Implement an effective induction programme for the new Council and ensure Members are equipped to fulfil their role	Ensure Members are equipped to fulfil their role and keep their overall training and support needs under review	Ensure Members are equipped to fulfil their role and keep their overall training and support needs under review
Percentage of residents informed or very informed about County Council services and benefits	57%	65%	63%	67%	70%	To be set 2018/19
Percentage of residents satisfied or very satisfied with the way the County Council runs local services	50%	50%	58%	50%	53%	55%

Revenue Budget £000			
Revenue Breakdown	2015/16	2016/17	2017/18
Gross Budget (A)	3,986	3,929	4,121
Government Grants (B)	-	-	-
Fees and Charges (C)	(45)	(30)	(35)
Other Income* (D)	(97)	(94)	(456)
Net Budget (A-B-C-D)	3,844	3,805	3,630

Capital Programme £000						
Project	Description	Total for Scheme	Previous Years	2017/18	2018/19	2019/20
ICT for Members	Replacement of laptops & equipment	Gross & Net*	42	-	42	-

\*Fully funded by ESCC.

# Economy

## Forward Plan

### Economic Growth

4.1 The Council is committed to supporting and improving the local economy by creating the right conditions for growth. A growing and prosperous economy will improve the quality of life for residents and help make our communities more resilient. To help drive economic growth we've developed a number of strategies and investment plans that will support businesses, promote the development of skills, and address infrastructure problems across the county. Our plans are set out in the East Sussex Growth Strategy 2014-2020 which details the focus for future actions, and the Implementation Plan which provides detail on projects and activities to deliver the strategy.

4.2 The Growth Strategy will feed into the South East Local Enterprise Partnership's (SELEP) refreshed Strategic Economic Plan (SEP) which will be produced by September 2017. The refreshed SELEP SEP will provide the current strategic context and response to the Government's emerging new policies and strategies on Brexit and the Industrial Strategy, while articulating the strengths across the SELEP area to drive forward economic growth in response to these challenges and opportunities. Accompanying the refreshed SELEP SEP will be a SELEP Infrastructure and Investment Strategy by September 2017, which will contain more information on the future priority projects needed within East Sussex to meet our infrastructure, housing and economic growth needs. Together the strategies will convey the level of investment required and prioritise our efforts to ensure economic growth.

4.3 Initial construction to extend the Newhaven Port Access Road from the roundabout to the harbour mouth will start in 2018/19, subject to securing the funding from Government, with the total project costing £23m. £18m will also be spent improving the flood defences in the town; which has the capacity to unlock 167,000sqm of workspace creating 6,000 jobs. Both of these measures will boost the economy of Newhaven and will contribute to the new Enterprise Zone status, which will run for 25 years starting on 1 April 2017, to support economic growth.

4.4 A new contract to run the Business East Sussex (BES) CORE Growth Hub service has been awarded to the Lets Do Business Group (LDBG). This contract will run until the end of March 2018 and provides a one stop shop for all business support service needs, please see [www.businesseastsussex.org.uk/](http://www.businesseastsussex.org.uk/) for more information. The LoCASE European Union (EU) European Regional Development Fund (ERDF) project has been awarded funding, the Council is a partner in the project which helps businesses tackle and adapt to climate change.

4.5 The South East Business Boost (SEBB) project to extend and enhance business support services across the SELEP area, including East Sussex, has been successfully awarded funding. The Invitation to Tender has now been launched and the new contract will start in July 2017. The contract will run for three years, worth over £1m of investment.

4.6 We will continue to work with our SELEP and Coast to Capital LEP partners to deliver the Government's Local Growth Fund (LGF) which aims to boost business productivity in the region. Team East Sussex (TES), our locally federated board to SELEP, will continue work to create new jobs, homes, and commercial spaces in the county and to access central Government and European funding where opportunities arise. As a part of SELEP we will also continue to lobby the Government on a number of shared strategic priorities such as skills and housing.

4.7 In January 2017 the Government announced £13.2m of LGF money had been allocated to two projects in East Sussex as part of the third Growth Deal. The East Sussex Strategic



Growth Project will deliver much needed, high quality office space in strategic growth locations across the county. There is also a contribution towards the transformative redevelopment of the Devonshire Park Quarter in Eastbourne.

4.8 Since 2014/15 we have agreed three Local Growth Deals with Government, as part of the SELEP and in partnership with C2C, which have allocated over £83.7m towards local projects to boost the economy. Since then the LGF has delivered over £23m of investment to boost the infrastructure of the county. Details of specific projects funded using the £83.7m allocation can be found in the Infrastructure section below.

4.9 We will have access to the SELEP Recycled Growing Places Fund to support further investment which addresses the priorities within the SELEP Strategic Economic Plan. The deadline for strategic outline business case submissions is 29 September 2017. We are working with Team East Sussex and other partners to develop eligible projects for submission.

4.10 The Catalysing Stalled Sites (CaSS) fund provides money to unlock stalled commercial and residential building opportunities in the county. Hundreds of thousands of pounds has so far been provided by the fund to drive economic development in the county.

4.11 East Sussex Invest (ESI) 4 was our programme of grants and loans to provide East Sussex businesses with funding, and support job creation. ESI 4 was funded from the Council's capital programme and recycled funds from ESI 3/Regional Growth Fund 4 loans. The programme is run in partnership with Locate East Sussex (LES) and between April and December 2016 approved funding to 41 businesses who will create 130 jobs and safeguard a further 40 jobs. ESI 5 was launched in April 2017 with around £1.2m to be invested in local businesses with targets to create or protect 95 jobs.

4.12 Further grants and loans are also available to business through LES; our inward investment service for the county. LES provides businesses who are interested in moving into the area, expanding or accessing funding for growth with all the information they need in one place. In 2016/17 35 businesses either committed to or relocated to the county with the support of LES.

4.13 In partnership with Essex County Council we successfully bid for ERDF funding to expand and enhance the LES service. As a result, the LES budget has doubled over the next three years to £420,000 per year. The contract to run the new expanded and enhanced service went out to tender and was awarded to the LDBG starting on 1 May 2017.

## **Employment and Skills**

4.14 A new Corporate Employability and Skills Strategy has been approved and runs from September 2016 – March 2018. The strategy has three workstreams and each of these include key activities:

Workstream one: Boosting local employment and skills through strategic procurement:

- From April 2017, contracts issued by the Council that are of a value of £100,000 or more will include an Orbis Social Value Measurement Charter that contains employment and skills deliverables. An example of employment and skills delivery through a procurement process includes the Costain CH2M Highways contract, where the company has committed to employ 10 civil engineering apprentices each year, as well as offering work experience, careers advice interventions in schools and financial support towards local skills initiatives.

Workstream two: Supporting employability through internal training and recruitment:

- The Council operates an Apprenticeship Programme and aims to recruit 60 apprentices per year. We also run work readiness programmes, which aim to provide up to 80 young

people per year with the basic skills needed for the workplace. We currently have 65 apprentices employed in the Council and our schools, and have a retention rate of over 90%.

- From April 2017 the Council will pay the Apprenticeship Levy and the government is intending to set statutory apprenticeship targets for the Council. Further information on the Apprenticeship Levy can be found in the Resources Portfolio Plan.

Workstream three: Improving skills and employability through partner and business engagement:

- We are coordinating Skills East Sussex (SES), the local county wide Employment and Skills Board, to bring education providers and employers together to address local growth issues that pertain to skills. Five economic priority sector focused task groups are meeting to address skills gaps and needs in the health and social care, land-based industries, construction, engineering and advanced manufacturing, and the creative and digital sectors, with new task groups due over the next year.
- SES has secured money from the Careers and Enterprise company for two projects:
  - the Enterprise Adviser Network which matches 40 secondary schools and colleges with an employer to improve the quality and relevance of careers advice within the school; and
  - Progress, which delivers a range of initiatives aimed at helping young people become work ready and provides them with opportunities to engage with employers in all of our key sectors. Initiatives include 'STEAMfest' (Science, Technology, Engineering, Arts and Mathematics) which will take place in 2017 aiming to attract 1,000 young people to explore science, technology, engineering, mathematics and the impact of creative thinking on these; and Open Doors, which will enable over 300 young people to visit employers premises to gain an insight into their industry.
- We are working with our schools to improve the quality of careers advice and guidance, creating an employability passport for young people and ensuring that schools have the Investors in Careers quality standard.
- Our libraries in Eastbourne and Hastings, as well as five rural locations, are offering Information Advice and Guidance as well as access to online courses to gain ICT skills through Learndirect and Learn My Way courses.

## **Broadband**

4.15 Faster and more reliable broadband will improve access to services, jobs and education, and is a key driver of economic growth in the county. Phase 1 of the project was completed on budget, on time and ahead of the contracted target. The Council's second phase of infrastructure improvements to extend superfast coverage to an additional 5,000 premises has now started, with an extra 2,508 premises' connected by the end of 2016/17. The take up of superfast services at January 2017 was 38% against a national benchmark of 20%. By the end of 2017, the end of phase 2, superfast coverage is projected to be around 96% of the county. In November 2016 the Council's Cabinet approved the procurement of a third contract to reach the remaining 4% of premises in the county and connect them to superfast broadband, procurement of the contract is expected to take place in 2017/18.

## **Infrastructure**

4.16 The infrastructure of East Sussex has both strengths and weaknesses. The county is relatively close to both London and Gatwick and has direct links to mainland Europe via Newhaven port, but suffers from slow road and train times. New economic and housing developments can be constrained by limited transport links, so many of our major

infrastructure projects involve 'unlocking' land to enable further economic growth to take place.

4.17 Our most significant infrastructure project of recent years has been the Bexhill Hastings Link Road (BHLR) which opened in December 2015. The road is projected to generate over £1 billion of investment over the next 25 years, with the creation of up to 2,000 new homes and 56,500sqm of business space. The first phase of business space creation has already begun with the first building on the Bexhill Enterprise Park fully let to Park Holidays UK.

4.18 Construction of both the North Bexhill Access Road and the Queensway Gateway Road projects, which are being led by Sea Change Sussex, has begun. These roads will complement the BHLR and open up further land for housing and business space.

4.19 Our plans to construct a new Port Access Road and improve flood defences in Newhaven are progressing. The Port Access Road is a £23m project, partly funded by the Council's capital programme and partly by LGF monies. The business case for the road will be submitted to the Department for Transport (DfT) for approval in 2017/18 with initial construction of the road scheduled to begin in 2018/19 and be completed in 2019/20.

4.20 The Newhaven flood defence scheme is an £18m project funded by the LGF and the Environment Agency. The scheme has the capacity to unlock over 167,000sqm of workspace creating 6,000 jobs. The Environment Agency contractor began construction in January 2017 and completion of the works is currently scheduled for autumn 2019.

4.21 The SELEP and C2C growth deals committed £83.7m to transport and infrastructure projects in East Sussex up to 2021. These projects include:

A21/A259 Bexhill/Hastings growth corridor:

- Queensway Gateway Road (delivered by Sea Change Sussex)
- North Bexhill Access Road (delivered by Sea Change Sussex)
- Hastings and Bexhill walking and cycling package
- Hastings and Bexhill junction capacity improvements
- East Sussex Strategic Growth Project (Phase 1, delivered by Sea Change Sussex)
- Coastal Communities Housing Intervention Project (delivered by Hastings Borough Council)

A22/A27 Eastbourne/South Wealden growth corridor:

- A22/A27 junction improvements
- Hailsham – Polegate – Eastbourne Movement and Access corridor package
- Eastbourne and South Wealden walking and cycling package
- Eastbourne town centre access and improvement package
- Strategic Employment site infrastructure package - Sovereign Harbour (delivered by Sea Change Sussex)
- East Sussex Strategic Growth Project (Phases 2&3, delivered by Sea Change Sussex)
- Devonshire Park Quarter Redevelopment (Delivered by Eastbourne Borough Council)

Newhaven Clean Tech and Maritime Growth Corridor:

- Newhaven Port Access Road
- Newhaven Flood Defences

Two projects have been completed:

- Strategic Employment site infrastructure package – North Bexhill, North Queensway and Sovereign Harbour (delivered by Sea Change Sussex)
- Swallow Business Park, Hailsham – site infrastructure (delivered by Westcott Leach)

4.22 As well as large infrastructure projects we are also implementing a number of small and medium sized schemes which will improve accessibility, traffic movement and road safety. These schemes make up the Local Transport Capital Programme, which is guided by our Local Transport Plan 2011 – 2026. We are now in our second implementation plan which covers 2016/17 – 2020/21. Schemes planned for 2017/18 include:

- Eastbourne cycle routes – the Sovereign Harbour to town centre cycle route; Willingdon Drove cycle route; District General Hospital to town centre cycle route
- Hailsham – Polegate – Eastbourne Movement and Access Corridor (first phases)
- Hastings Alexandra Park cycle route
- Bexhill – Marina Court Avenue pedestrian improvements
- A259 Bus Corridor – Glyne Gap to Filsham Road bus priority measures

4.23 In October 2016 the DfT published consultation plans for £75m of small scale improvements to junctions and cyclist and pedestrian facilities on the A27 between Lewes and Polegate. The A27 Reference Group, which brings together the local MPs, local authority leaders, and the business community believe a more comprehensive solution is required when the significant housing development in Hailsham and Polegate are taken into account and are lobbying on this basis.

4.24 Work is progressing on a £6m scheme of pedestrian improvements to Terminus Road in Eastbourne to support the development of the Arndale Centre. Phase one of works, around the station, has been completed with the remaining phases scheduled to begin construction in 2017/18. The work will improve the pedestrian environment, with new street furniture and new cycle lanes to improve safety.

4.25 Work has been completed on a major £3m scheme of improvements to Uckfield town centre. Work included widening and upgrading the pavement, new street lights and upgraded traffic signals. The works will ensure that the town centre is able to cope with the increased population expected housing developments will bring. Designs for a further phase of works, focussed on the bus station, will be drawn up in 2017/18 with construction potentially starting in late 2017/18 or 2018/19.

4.26 Work began on a £2.9m Hailsham town centre scheme in summer 2016 to deal with increased traffic and ensure it remains an attractive place to live, shop and work. The works include changes to the road layout, the number of parking spaces, widening of footpaths and installation of new street lights. Work is due to finish in summer 2017.

4.27 A project to deal with traffic problems in Alfriston caused by a bottleneck in the High Street has been proposed. The suggested solution would see a 20mph speed limit introduced and ‘smart’ traffic lights installed, as well as the pavement being widened to benefit pedestrians.

4.28 The Council’s Rail Strategy identified two key corridors for investment to support the growth of the East Sussex economy; high speed services to Bexhill, Hastings and Rye; and improvements to the Uckfield (to London) corridor. As part of the Kent Route Study, published for consultation in Autumn 2016, Network Rail have identified various options to deliver high speed rail services on that corridor, which would potentially serve Bexhill, Hastings and Rye, and whilst electrification is an option, it is very expensive and the timescales for delivery would be very long. Therefore Network Rail is also developing proposals that could be delivered incrementally and negate the need to electrify the line, including changes at Ashford International Station to enable trains to get across from the High Speed 1 line to the Marshlink. The outcomes will be used in Network Rail’s negotiations with Government on the schemes that should be brought forward for delivery in their Control Period 6 (2019-2024) as well as influence the Southeastern franchise specification which is due for renewal in 2018. Significant progress has been made on the Uckfield (to London)

corridor, with the extension of platforms at stations on the line to accommodate 10 carriage trains and the opening of a new station car park adjacent to Uckfield station resulting in 130 new car parking spaces. We still await the DfT's publication of the independent consultancy report on rail capacity between London and the south coast which reconsiders the case for the re-introduction of the Lewes – Uckfield link.

4.29 On 25 October 2016 the Government announced support for a new third runway at Heathrow Airport. The Council supported the expansion of Gatwick as it would have provided a huge economic boost to East Sussex as well as offering the best runway capacity solution for the south east and the UK as a whole. Whilst the decision has been made to expand Heathrow if this proves problematic to deliver we will be advocating that Gatwick ensures it remains ready to present its case if the decision is reconsidered in future, and we will continue to support the airport in its long-term aim of building a new runway.

4.30 We are working with Gatwick to promote the employment and skills opportunities that the airport potentially provides for East Sussex residents through SES and TES. We are also working with Gatwick to promote the use of East Sussex businesses within their supply chain for both on and off airport related activities.

4.31 We have worked with our French counterparts to support the important ferry link between Newhaven and Dieppe. Both freight and passenger numbers have been increasing in recent years proving the viability of the route. The flood defence work and extension of The Port Access Road mentioned above will help the Port to deliver its plan to unlock development sites and create new jobs.

## **Culture**

4.32 The Cultural Education Challenge (CEC), launched by Arts Council England in October 2015, is a call for the arts, heritage and education sectors to work together to offer consistent and high quality, arts and cultural education for all children and young people. The CEC asks cultural organisations, educational institutions, local authorities, businesses and other strategic partners to come together to drive a joined-up cultural offer locally, to share resources and bring about a more coherent, and visible delivery of cultural education. Culture East Sussex (CES) has become an Arts Council England Cultural Education Partnership (one of 50 partnerships nationally). This is in response to two local drivers:

- the range of significant challenges facing children and young people in East Sussex (such as mental and physical health issues, low educational attainment, living in care, lack of work-readiness skills etc.); and
- the need for a STEAM-based education to foster innovation, risk taking, problem solving, empathy and other work-readiness skills.

Two sub-groups have been formed:

- Health and Wellbeing (bringing together the Hastings and Rother Arts and Education Network (HRAEN), De La Warr Pavilion (DLWP) and other health and cultural partners); and
- Skills (combining with the Skills East Sussex Creative and Digital).

4.33 The Creative Industries are central to the Government's ambition to deliver private sector jobs growth. The South East Creative Economy Network (SECEN: a sub-group of SELEP co-chaired by the Council) has collated data on the current state of the Creative Industries in the SELEP region. Between 2010 and 2015 local entrepreneurs added 3,500 creative businesses to the business base, growing the sector by 30% to reach 15,000 businesses. Between 2009 and 2014 they added around 9,850 jobs to the labour market (25% employment growth). Both growth rates are more than twice the average for the area's business and employment performance overall.

4.34 Businesses in the sector often have common challenges such as a lack of 'grow on' space for successful businesses to expand into. A number of potential development sites are being explored to create a suite of creative incubation hubs to potentially be run by a new community interest company (CIC), these will offer 'grow on' space for creative businesses.

4.35 The creative sector is mainly made up of micro businesses with a very high level of freelance workers. Tailored business support to meet the needs of micro businesses could drive employment growth in the sector. SECEN has applied for ERDF funding to support a Creative Industries support programme aligned with the Growth Hub. The programme is called South East Creative, Cultural, Arts and Digital Sector (SECCADS) and would provide in the region of £530k funding to East Sussex.

4.36 Eastbourne has a number of distinctive cultural and visitor economy initiatives currently underway in the Devonshire Park, Meads and Sovereign Wards. Together with Eastbourne Borough Council we are seeking to commission a Creative Innovation Strategy to ensure that these various developments deliver the maximum possible value. We are aiming to raise the profile of Eastbourne's cultural offer and ambitions for growth. Viewing the different initiatives together as a whole will help to increase their impact by identifying the opportunities they share.

4.37 CES commissioned Tourism South East (TSE) to undertake a stocktake of existing visitor data which demonstrated that tourism is worth £1.42 billion in East Sussex and supports 30,000 jobs. The report produced by TSE highlighted a number of overarching recommendations which have been adopted by Culture East Sussex, subject to funding being secured. We are aiming to implement a number of these recommendations in 2017/18. A Cultural Destinations round 2 bid has been approved, the offer of £500,000 for a SELEP-wide project is subject to the success of a Discover England Bid Round 2 which has been submitted (outcome expected July 2017). SELEP has pledged £150,000 over the three year life of the project. If the remaining matched funding is secured it will enable the development of a Culture Coasting Geocaching Trail which will see an artist creating geocaches to form a digital treasure trail, bookable tours and artist Air B'nB.

4.38 In partnership with Eastbourne Borough Council, Wealden District Council and South Downs National Park we will be developing new promotional materials for the "Chalk Coast" marketing campaign in 2017/18, to promote the heritage coast as a tourist destination.

## Performance data and targets

Performance Measures CP = Council Plan	2015/16 Outturn	2016/17 Target	2016/17 Outturn	2017/18 Target	2018/19 Target	2019/20 Target
Deliver Culture East Sussex agreed actions to grow Cultural Tourism <b>CP</b>	Tourism South East commissioned to undertake county-wide visitor data stock take	Continue to grow Coastal Cultural Trail	<b>Coastal Cultural Trail grown</b>	Deliver Tourism South East report recommendations (subject to funding being secured)	Deliver Tourism South East report recommendations (subject to funding being secured)	Deliver Tourism South East report recommendations (subject to funding being secured)
Agree Employer led skills development programme for SELEP South East Creative Economy Network Sub Group <i>[tbc depending on availability of funding]</i>	Employer led skills development programme agreed and continuing to apply for funding sources	Secure investment to deliver action plan	<b>ERDF bid result expected May 2017. If unsuccessful alternative plans are being considered as this remains a priority area for the delivery of the Cultural Strategy vision</b>	Deliver action plan (subject to funding being secured)	Deliver action plan (subject to funding being secured)	Deliver action plan (subject to funding being secured)
Establish the East Sussex Growth Hub as the new 'one stop shop' for business support in the county <b>CP</b>	BES website and service established	Additional funding secured and the Growth Hub - Business East Sussex service extended and enhanced	<b>South East Business Boost project awarded European Regional Development Funding for extended service</b>	South East Business Boost (SEBB) enhanced Growth Hub service contract procured and delivery commenced	To be set 2017/18	To be set 2018/19
Support businesses to create or protect jobs via East Sussex Invest 5 <b>CP</b>	£809k of funding provided to 33 businesses creating or protecting 150 jobs	Support 55 businesses create or protect 86 jobs as per contracts	<b>41 businesses awarded funding (predicted to create 130 jobs)</b>	Support businesses to create or protect 95 jobs as per contracts	Support businesses to create or protect 95 jobs as per contracts	Support businesses to create or protect 95 jobs as per contracts
Increase inward investment (jobs) <b>CP</b>	New measure 2017/18	New measure 2017/18	<b>New measure 2017/18</b>	Assist businesses to create 14 jobs	Assist businesses to create 40 jobs	Assist businesses to create 40 jobs
Increase inward investment (businesses)	13 business committed or relocated to East Sussex	12 businesses committed to or relocated to East Sussex (NB year runs May - May 2017/18)	<b>15 companies supported to locate in East Sussex (either as start-up or as relocation from outside county). 20 companies supported to relocate within the county</b>	30 businesses committed to or relocated to East Sussex. (contract started May 2017 for 3 years)	30 businesses committed to or relocated to East Sussex.	30 businesses committed to or relocated to East Sussex.

Performance Measures CP = Council Plan	2015/16 Outturn	2016/17 Target	2016/17 Outturn	2017/18 Target	2018/19 Target	2019/20 Target
Deliver the new Employability and Skills Strategy: East Sussex business sector skills evidence base developed CP	First tranche of priority sectors identified	Deliver sector specific campaigns through Skills East Sussex	<b>Sector specific campaigns delivered</b>	Support six sector task groups. Develop a career pathways infographic for three sectors. Recruit 40 Industry champions from Businesses in priority sectors to support and promote sector skills in schools, FE and HEIs	Support two additional sector task groups. Career pathways infographic to cover six sectors. Recruit 15 Industry champions	Support one additional sector task group. Career pathways infographic to cover nine sectors. Recruit 15 industry champions
Number of additional premises with improved broadband speeds (5,000 by end of 2017/18) CP	66,453	1,835	<b>2,508</b>	3,440 (5,000 by 2017/18)	To be set 2017/18	To be set 2018/19
Report progress on the level of broadband improvement in the Intervention Area CP	Of the 66,453 premises, 82% able to receive speeds of 24 mbps or above	Report progress on the level of broadband improvement in the Intervention Area	<b>82% of the Contract 1 intervention area able to receive speeds of 24mbps or above</b>	Report progress on the level of broadband improvement in the Intervention Area	To be set 2017/18	To be set 2018/19
Take up of broadband services in the Intervention Area	27.8%	Report Take up of broadband services in the Intervention Area	<b>As at end January 2017 take up was 38% against target benchmark for all projects of 20%</b>	Report Take up of broadband services in the Intervention Area	To be set 2017/18	To be set 2018/19
Bexhill to Hastings Link Road CP	Road constructed and open for use December 2015	Complete all additional works	<b>All additional works completed. Minor snagging work continues. Contract completion is expected in June 2017</b>	Produce 1 Year After Report	No target set road complete	No target set road complete
Deliver major transport infrastructure – Queensway Gateway Road CP	Enabling works commenced	Secure funding via the Local Enterprise Partnership	<b>Land remediation &amp; stabilisation almost complete. Contract discussions taking place re piling and construction of embankment</b>	Construction commenced	Construction Complete	Monitor Impact
Deliver major transport infrastructure – Newhaven Port Access Road CP	The Business Case has been delayed due to difficulties in agreeing its scope with DfT	Construction commenced	<b>Main construction programmed to start in Q4 2017/18</b>	Complete detailed design, and tender for construction work. Submit business case to DfT for funding approval	Commence construction	Construction complete and Monitor Impact



Performance Measures CP = Council Plan	2015/16 Outturn	2016/17 Target	2016/17 Outturn	2017/18 Target	2018/19 Target	2019/20 Target
Deliver major transport infrastructure – North Bexhill Access Road	Planning application approved February 2016. Land acquisition and ecological works have begun	Secure funding via the Local Enterprise Partnership	Phase 1a (BHLR to Buckolt Lane) of the construction is now complete with a temporary surface. A June date has been set for the initial enquiry <b>Compulsory Purchase Order process to secure the remaining land required for Phase 3. Planning permission discussions have taken place regarding the change of design from a bridge over the Combe Haven to a large culvert</b>	Complete construction and monitor impact	Monitor Impact	No target set road complete
Complete key local transport scheme improvements in growth priority areas (Hastings/Bexhill, South Wealden / Eastbourne and Newhaven)	Construction of Hastings Old Town completed in Q4. Detailed Design work on Bexhill A259 Bus Lanes complete but implementation will be delayed until 2016-17	(i) Hailsham /Eastbourne Sustainable Transport Corridor – Phase 1	<b>Further design and modelling work has meant that the consultation on the proposals for the Hailsham - Polegate - Eastbourne Sustainable Transport Corridor has been delayed until Q3 2017/18. Construction of Phase 1 is programmed to commence in late 2017/18 and complete in 2018/19</b>	Horseley Cycle Route Phase 3; Hailsham – Polegate – Eastbourne Sustainable Transport Corridor Phase 1	Uckfield Phase 3 (Bus Station); Hailsham – Polegate – Eastbourne STC Phase 1; Bexhill and Hastings Cycle Package Phase 1 Newhaven Ring Road; Willingdon Drove Cycle Route.	Hailsham – Polegate – Eastbourne STC Phase 3; Bexhill and Hastings Cycle Package Phase 2
Deliver pedestrian improvements in Terminus Road (Eastbourne) using 'Shared Space' concepts to coincide with opening of the new Arndale Centre CP	Contract prepared ready for tender process to commence in spring 2016	Continue Construction	<b>Construction now programmed to start January 2018</b>	Commence construction	Complete construction	Monitor impact

Revenue Budget £000			
Revenue Breakdown	2015/16	2016/17	2017/18
Gross Budget (A)	2,507	1,967	3,905
Government Grants (B)	(1,287)	(637)	(997)
Fees & Charges (C)	(587)	(375)	(243)
Other Income (D)	(165)	(257)	(905)
Net Budget (A-B-C-D)	468	698	1,760

Capital Programme £000							
Project	Description		Total for Scheme	Previous Years	2017/18	2018/19	2019/20
Bexhill and Hastings Link Road	Construction of a major road to link Bexhill and Hastings	Gross	124,309	120,555	996	609	490**
		Net	118,994	115,240	996	609	490**
Newhaven Port Access Road	Phase 2 of the development of the port access road in Newhaven	Gross	23,271	904	11,341	10,618	408
		Net	13,271	904	1,341	10,618	408
Broadband	To make high speed broadband available across the county	Gross	25,600	17,672	7,928	-	-
		Net	14,960	7,032	7,928	-	-
Terminus Road Improvements	Provision of shared space and improvements to Eastbourne shopping centre	Gross	6,250	1,165	5,085	-	-
		Net	2,500	470	2,030	-	-
BHLR Complementary Measures	To resolve access and other issues following the construction of the Bexhill to Hastings link road	Gross	1,851	1,170	681	-	-
		Net	1,815	1,134	681	-	-
Integrated Transport - LTP plus Externally Funded	Programme of works to improve the integration of road and other transport links	Gross	64,731	20,836	9,050	8,169	9,919**
		Net	28,924	11,579	2,750	2,919	2,919**
Economic Growth & Strategic Infrastructure Programme	To enable significant economic growth across the county that will unlock strategic infrastructure sites improving connectivity, business growth, homes and jobs.	Gross	42,714	25,183	9,015	2,104	3,767**
		Net	14,003	5,044	5,943	2,104	832**
LSTF - ES Coastal Towns	Provision of sustainable transport options	Gross	2,405	2,305	100	-	-
		Net	1,931	1,931	-	-	-

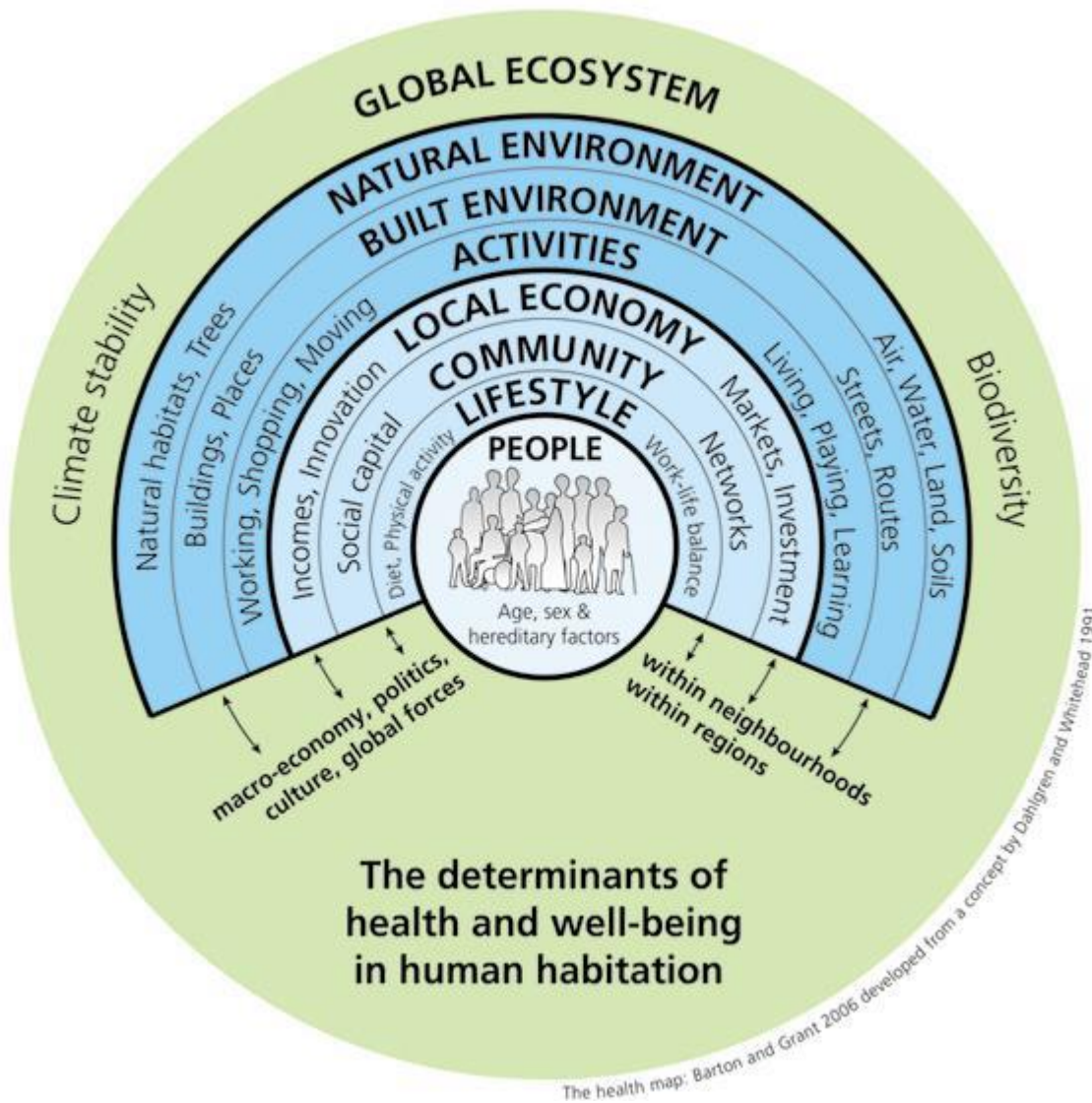
\*Fully funded by ESFC. \*\* Project extends beyond 2019/20.

# Public Health

## Forward Plan

5.1 Health is determined by a complex interaction between individual characteristics, lifestyle and the physical, social and economic environment. These determinants of health can be grouped into layers of influence (Figure 1). The different layers of influence do not operate in isolation, but interact in complex relationships. Some are fixed and little can be done to change them, whilst others are amenable to change.

**Figure 1: The main determinants of health**

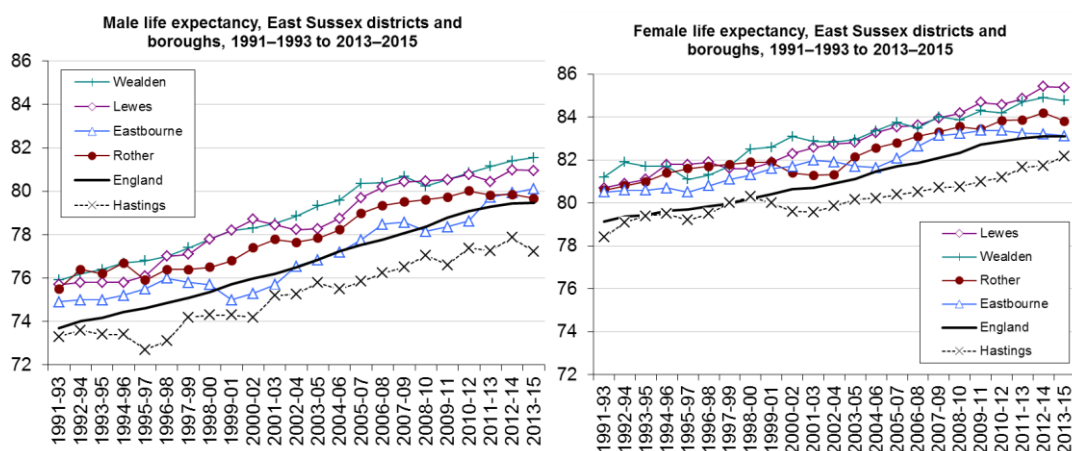


5.2 East Sussex has significant strengths and performs better than the national average for many indicators in the Public Health Outcomes Framework ([www.eastsussexjsna.org.uk](http://www.eastsussexjsna.org.uk)). Our residents generally enjoy a high quality of life and a better life expectancy than the national average but there are differences and inequalities within and between different parts of the county.

5.3 The gap between the districts and boroughs with the highest and lowest male life expectancy has increased from 3.5 years to 4.3 years between 2012/14 and 2013/15 (the most recent data available). Over the same period the gap in female life expectancy has decreased from 3.7 years to 3.2 years. Life expectancy increased for males in Eastbourne and Wealden whilst it reduced in Hastings, Lewes and Rother. For females, life expectancy

increased in Hastings but reduced in all other areas (Figure 2). Life expectancy in Hastings remains significantly lower than England for both males and females.

**Figure 2: Male and Female life expectancy, East Sussex District and boroughs, 1991–1993 to 2013–2015**



Source: Office for National Statistics, Nov 2016

5.4 Within the county, and all the districts and boroughs, there is a gap in life expectancy between the most and least deprived areas (Table 1). In East Sussex the gap in life expectancy between the most and least deprived areas is 7.3 years for males and 6.7 years for females. Compared to previous periods these figures represent a reduction in the life expectancy gap for males (by 0.9 years) and an increase in the gap for females (by 1 year). In Hastings average life expectancy of people living in the most deprived areas is lower than elsewhere in the county resulting in larger life expectancy gaps between the most and least deprived for both sexes.

**Table 1: Gap in life expectancy within districts and boroughs**

Local Authority	East Sussex	East-bourne	Hastings	Lewes	Rother	Wealden
Gap in life expectancy for males (years)	7.3	6.1	10.2	5.3	6.9	3.6
Gap in life expectancy for females (years)	6.7	4.1	8.7	3.9	7.4	4.4

Source: Indicator 0.2iii from [www.phoutcomes.info](http://www.phoutcomes.info) using data for 2012-14

5.5 The role of Public Health is to promote, protect and improve health and wellbeing, and reduce health inequalities. To do that it provides and commissions a number of statutory services, some of which are known as mandated services because the manner of delivery is set nationally. Other services commissioned by public health are conditions of the Public Health Grant or services based on the needs of people locally and support the Council's statutory responsibility for the improvement and protection of the health of people in East Sussex.

Statutory Public Health Services:

- Health Protection assurance of the East Sussex wide system and leadership of the Council function that relates to planning for and responding to emergencies involving a risk to the public's health
- Public Health Specialist Advice Service to Clinical Commissioning Groups (CCGs)
- Comprehensive Sexual Health Services
- National Child Measurement Programme (commissioned by Children's Services)
- NHS Health Checks

- Oral Health
- Production of a pharmaceutical needs assessment on behalf of the Health and Wellbeing Board
- Production and publication of the Director of Public Health Annual Report
- The Joint Strategic Needs & Assets Assessment Programme
- Public Health response as a responsible authority under the Licensing Act 2003

Services which are a condition of the Public Health Grant:

- Alcohol and drug misuse services (commissioned by Adult Social Care and Health) and prevention services
- Healthy Child Programme 0-19 years with some mandated elements for children 0-5 years

Below are examples of public health services which support the local authority statutory duty to improve and protect health as well as the local ambition to support prevention and early intervention to enable people to stay healthy:

- Tobacco control and smoking cessation services
- Interventions to tackle overweight and obesity
- Interventions to increase levels of physical activity
- Accidental injury prevention
- Public mental health services
- Behavioural and lifestyle campaigns – cancer and long term conditions
- Local initiatives to reduce excess deaths as a result of seasonal mortality
- Workplace health
- Local initiatives to tackle social exclusion

5.6 Looking forward, we know that as demand for both health and social care services continues to increase and financial challenges remain, we need to ensure a focus on prevention and early intervention. To achieve this, and better meet the needs of our communities, we must change the way we organise services in East Sussex.

5.7 The Council received a Public Health Grant allocation of £28.697m in 2016/17 a reduction of £2.339m from 2015/16. This reduction in funding was met from the use of unallocated resources plus efficiencies within a number of commissioned services, at no detriment to overall service delivery. The indicative allocation for 2017/18 is £27.990m, a further reduction of £707,000; Public Health will continue to commission services within this reduced financial envelope.

5.8 The Public Health Grant is protected until the end of 2017/18 however we are anticipating further cuts to funding in 2018/19 and 2019/20. Following the removal of the ring-fence the Council will still have to deliver the statutory and mandatory services listed and described above, and improve the public health outcomes in the national Public Health Outcomes Framework.

5.9 Government will consult on options to fully fund local authorities' public health spending from their retained business rates receipts, as part of the move towards 100% business rate retention from 2020. Given the planned removal of the ring-fence, there is a national review of arrangements in place to look at the future operation of the local public health system, the potential impact on public health outcomes, the assurance mechanisms in place, and the role of Public Health England in the system.

5.10 Public health is about far more than the services funded through the grant. The transfer to local government provides the opportunity to join up public health with decisions on other local services such as housing and economic regeneration in the interests of improving the health of the local population.

5.11 At a time of major transformation in East Sussex, developing an asset based approach to improving health and wellbeing presents a key opportunity. It involves mobilising the skills and knowledge of individuals and the connections and resources within communities and organisations to improve health and wellbeing, rather than focusing on problems and deficits. The approach aims to empower individuals and communities, enabling them to rely less on public services.

5.12 Empowering and supporting communities and individuals to develop and strengthen resilience have been the themes of the last three annual reports of the Director of Public Health (DPH). The DPH Annual Report for 2016/17, Wellbeing and Resilience in East Sussex, is the third in the series that focuses on resilience and highlights the importance of the association between wellbeing and resilience. It reiterates the message for people and communities to help themselves and identifies areas within East Sussex with greater resilience and wellbeing to aid sharing of learning between communities and to support delivery of improved health and wellbeing outcomes for the population. The recommendations from this report will be taken forward through the East Sussex Better Together (ESBT) and Connecting for You (C4Y) work programmes.

### **Delivering on key Public Health priorities from April 2017**

5.13 Public Health has a particular focus on achieving the ambitions set out in the ESBT health and social care transformation programme and the developing C4Y programme in the west of the county. This includes leading on plans to transform the way in which prevention is embedded across the whole health and care system and in the work of wider partners.

5.14 To deliver against this ambition the East Sussex Community and Personal Resilience workstream, led by Public Health, brings together partners from across health, social care, the voluntary and community sector, and wider, such as the East Sussex Fire and Rescue Service. The partners are collectively transforming the way we all work with communities to improve health outcomes by utilising asset based approaches and by supporting people to take action to reduce their own risk of developing health problems through making healthy choices the easiest choices.

### Community Resilience

5.15 A two phased approach to the development and delivery of the community resilience programme has been agreed. Phase 1, focussed on developing the at scale and pace model for East Sussex, is now complete; and Phase 2, which focuses on implementing the model, is in progress.

5.16 As part of Phase 2, multi-agency delivery groups are taking forward the three key priorities areas for community resilience identified through the engagement process:

- communicating and collaborating;
- resourcing; and
- involved communities (volunteering).

5.17 The key deliverables include:

- increasing informal volunteering opportunities and activity, and aligning support to enable this;
- co-ordinating external funding bids aligned to programme priorities;
- changing support planning processes to enable community activity and clients own support networks to be recognised;
- developing the whole of the workforce to embed asset based approaches to create a paradigm shift in the way in which we value and utilise community support and clients own strengths and talents;
- using every opportunity, e.g. through the whole range of services that the statutory sector procures, to strengthen communities using social value approaches; and

- including cross-cutting themes of workforce development and evaluation as standing items on each of the delivery group's plans.

5.18 A series of population postal surveys have been commissioned to establish a baseline and to identify changes in population features associated with community resilience. Results of the first survey are included in the DPH Annual Report 2016/17 and provide important insights into changes in community features associated with resilience.

5.19 As part of the East Sussex model, eight new Locality Link Workers and a coordinator have recently been appointed and will be aiming to create new ways of working between integrated Locality Teams/Communities of Practice and local communities, and to increase the amount of community activity available to people in communities, including those using health and social care services.

5.20 Two key service areas are developing and testing asset based approaches to primary and secondary/tertiary prevention by supporting people in local communities.

Chances4Change (C4C) East Sussex supports local people to set up and get involved in a wide range of community led activity that promotes or improves health and wellbeing. C4C is working with NEF Consulting to evaluate the C4C approach and identify best practice in supporting people to be involved in their communities. Good Neighbours schemes have been developed, and now recruit and co-ordinate volunteers from local communities to undertake simple tasks for people in their street or local area, such as popping in for a chat, helping out with practical tasks like shopping or gardening, or generally lending a hand.

### Personal resilience

5.21 The personal resilience workstream focusses on bringing together partners who have a role in shaping the system which influences and informs individuals' abilities to lead healthy lifestyles. The aim of the workstream is to make the healthy choice the easiest choice and thus enable people to make the small changes which can have a big impact on health outcomes.

5.22 The workstream focuses on four themes:

- workforce (what individuals can do in the course of their everyday role, and the skills they need to do this);
- environment/setting (shaping the places that impact on health);
- services and support (the help that people can get to make changes); and
- communications/behaviour change (ensuring that we communicate effectively with individuals to influence and inform change).

5.23 The personal resilience workstream seeks to:

- enable people to make positive choices;
- reduce barriers to primary prevention and self-care;
- match the level of intervention with the level of need for the best possible outcome (least possible intervention);
- make best use of existing services and resources to make prevention everyone's business; and
- ensure interventions are underpinned by an assessment of what's most likely to work.

5.24 The personal resilience workstream also incorporates, as sub-groups, two existing workstreams which focus on primary prevention - the Tobacco Partnership and the Healthy Weight Partnership. In addition a number of new short life working groups have been established. These include East Sussex Healthcare NHS Trust (ESHT) Health Improvement meeting, Workplace Health Group and Healthy Living Pharmacy Group.

5.25 The priority areas for the personal resilience workstream are:

- Embedding prevention across the workforce through rolling out Making Every Contact Count (MECC) behaviour change skills training and approach across the health, care and wider workforce. By the end of 2017/18 over 1,500 people will have been trained in MECC.
- Re-commissioning services which support people to make changes to their lifestyle to improve their health (such as stopping smoking, increasing physical activity or losing weight) as an Integrated Lifestyle Service to reduce the barriers people face when having to engage with separate services for each lifestyle area.
- Enabling all eligible health and care staff to receive their NHS Health Check vascular risk assessment and personalised advice on how to stay healthy as part of a system wide staff health and wellbeing workplace programme by ESHT, Sussex Partnership Foundation Trust, Sussex Community NHS Foundation Trust and the Council.
- Enhancing the workplace as a setting for health improvement across all sectors through the development of a workplace health award scheme in partnership with all District and Borough Councils in East Sussex.
- Transforming young people's settings to embed health improvement with a particular focus on obesity. Specifically through supporting 183 schools and colleges to develop school health improvement plans and the provision of grants to take action to address the priorities in their plan, and working to support Early Years settings to improve healthy eating and physical activity provision for children in their care. This includes supporting Hastings and Rother CCG and Eastbourne, Hailsham and Seaford CCG to roll out a programme of grants to nurseries in their areas.
- Developing pharmacies as settings for health improvement advice, information and support through a Healthy Living Pharmacy initiative being rolled out across the county.
- Improving support for people who need help to make lifestyle changes through the provision of an Integrated lifestyle service which is able to address a number of lifestyle behaviours such as smoking, alcohol intake, healthy eating and physical activity in a single service.

#### Tobacco control Partnership

5.26 A multi-agency partnership led by Public Health is taking forward actions to address the health harms of tobacco. The partnership identified three key strands of tobacco control:

- helping smokers to stop smoking;
- protecting families and communities from exposure to second-hand smoke; and
- preventing people from starting smoking and cross-cutting actions.

#### Healthy Weight partnership

5.27 The East Sussex Healthy Weight Partnership oversees and co-ordinates actions to increase physical activity, support healthy eating and address obesity. The multi-agency partnership has developed a work plan which aligns its strategic priorities with the four priority focus areas of the Personal Resilience workstream: workforce, services and support, environment, communications and behaviour change.

#### Substance misuse

5.28 Substance misuse treatment services are commissioned by the Strategic Commissioning Manager in the Adult Social Care and Health Joint Commissioning Team.

5.29 Priorities for drug services are:

- changing the emphasis from bedded care and residential rehab to community detox and peer support for people in recovery;
- supporting people in recovery to build positive social networks;
- working to remove barriers into treatment for under-represented groups; and



- ensuring that the client journey is person centred.

5.30 The East Sussex Community Safety Partnership Resources and Performance Group is the multi-agency partnership that addresses drug and alcohol issues in East Sussex.

5.31 Structures and processes for alcohol partnership work across East Sussex have been reviewed. Following an externally facilitated event in April 2016 partners agreed that, as well as continuing their day-to-day work on alcohol, they would focus on four priority actions in 2016/17 where working together could add value:

- developing local policies to prevent or reduce alcohol use by young people;
- developing community-based interventions through community engagement and by establishing community partnerships in high risk areas;
- organising targeted social marketing campaigns for safer drinking and behaviour change for increasing and high risk drinkers; and
- promoting responsible sales and targeting problem premises e.g. through licensing and trading standards.

5.32 The priorities support the alcohol strategy's goal of reducing alcohol-related harm in East Sussex. Each priority area has a working group which meets at least quarterly.

5.33 The Alcohol Partnership will be participating in the Association of Directors of Public Health sector-led improvement programme focusing on alcohol. Public Health England (PHE) has developed a tool (CLear) which provides a framework for strategic review and analysis of local structures and delivery, focusing on local outcomes and priorities. This will be completed by the Partnership over the next few months and used to develop priorities in 2017/18.

#### Public Mental Health

5.34 Mental health promotion activities include:

- campaigns to reduce the stigma associated with mental health problems;
- activity to improve the physical health of people with diagnosed mental health problems;
- parenting support which will contribute to promoting good mental health in children and young people;
- whole school approaches which can promote and develop resilience in young people through the school grants programme;
- skilling up frontline workers to promote good mental health;
- programmes which support and enable people to get involved in their communities; and
- support and encouragement to employers to promote good mental health in their workplaces.

5.35 The multi-agency East Sussex Suicide Prevention Group and the Beachy Head Risk Management Group co-ordinate suicide prevention work across the county. An East Sussex suicide prevention plan is in place which is reviewed and refreshed each year. It focuses on the six key areas in the national strategy to:

- reduce the risk of suicide in key high-risk groups;
- tailor approaches to improve mental health in specific groups;
- reduce access to the means of suicide;
- provide better information and support to those bereaved or affected by suicide;
- support the media in delivering sensitive approaches to suicide and suicidal behaviour; and
- support research, data collection and monitoring.

#### NHS Health Checks

5.36 NHS Health Checks aim to help prevent heart disease, stroke, diabetes, kidney disease and certain types of dementia. Everyone between the ages of 40 and 74, who has not

already been diagnosed with one of these conditions or have certain risk factors, will be invited (once every five years) to have a check to assess their risk of heart disease, stroke, kidney disease and diabetes and will be given support and advice to help them reduce or manage that risk. East Sussex is on course to achieve its target of 20% of eligible people being offered a check each year (to ensure that 100% of the eligible population have been offered a check by 2017/18 in line with national targets) and at least 50% of those offered a check taking it up each year.

5.37 Following work to increase coverage across the county all GP practices are now signed up to offer NHS Health Checks to their patients. To improve the patient experience and increase uptake of the check most practices now offer the Health Check in a single appointment rather than two visits.

5.38 There are also plans to deliver NHS Health Checks in the community to ensure that those individuals who are not registered with a GP, or do not access primary care services, are still able to benefit from the service.

#### Promoting the health of children and young people

5.39 A range of support and services to enable schools and early years settings to contribute to improving the health of children and young people has been commissioned, this includes:

- a Personal, Social and Health Education (PSHE) support programme for schools;
- advice and training for nurseries, child minders and children's centres on healthy eating and physical activity - Healthy Active Little Ones (HALO);
- a child accident prevention home safety advice and equipment service in collaboration with East Sussex Fire and Rescue Service; and
- specialist public health advice to a range of partner organisations and within the Council to support public health outcomes for children and young people.

5.40 Building on the work with schools an ambitious project to transform health and wellbeing outcomes for children and young people in East Sussex has been launched. The school grants programme will enable educational settings to make significant progress to improve health and wellbeing outcomes and educational attainment – with a focus on reducing childhood obesity and using a primary prevention and whole-school approach. Following a successful pilot with 10 schools in the county, 183 schools and colleges in East Sussex have each received a £10,000 health improvement grant to develop a school health profile, complete a whole-school health improvement review, identify priorities, and deliver a health improvement action plan. Schools are being supported in developing and delivering their plans by a dedicated team within the School Health Service (SHS).

5.41 Transforming outcomes for children and young people, with a particular focus on halting the rise in childhood obesity, led to Hastings and Rother CCG and Eastbourne, Hailsham and Seaford CCG funding a programme of grants to nurseries. Working with Public Health, and building upon the success of HALO, the CCG funded programme seeks to change the way that children's early years settings promote health and address childhood obesity in both CCG areas. Established as part of the Personal and Community Resilience Workstream, it will enable all private/maintained nurseries within these CCG areas to apply for a £5,000 Nursery Grant. This grant can be used to fund evidenced-based activities to reduce the risk of obesity. A dedicated team of Healthy Eating/Physical Activity (HEPA) co-ordinators has been made available to support nurseries in undertaking the activities associated with the grant and to provide information on evidence based approaches for enhancing healthy eating and physical activity provision within nursery settings. Implementation and evaluation will continue in 2017/18.

5.42 The Healthy Child Programme (HCP) is a national public health programme, based on evidence of best practice to achieve good health and development outcomes for all children aged 0-18. Health Visitors work with children aged 0-5 years and the SHS works with school

age children (5-18 years). The programme is funded from the Public Health Grant but commissioned by Children's Services in the Council. In 2015/16 Health Visiting Services were recommissioned by Children's Services and from 1 April 2016 have been integrated into a joint management structure with the Council's 0-5 Early Help and Children's Centre Staff. Further transformational work is planned in 2017/18.

### Oral health

5.43 Since April 2013, local authorities have been responsible for improving the oral health of their communities and commissioning dental public health services, specifically oral health surveys and oral health promotion.

5.44 In July 2016, Public Health published an Oral Health Needs Assessment for East Sussex. Work with stakeholders is underway to develop an Oral Health Improvement Strategy to deliver oral health promotion across East Sussex with the aim of improving the oral health of children as well as vulnerable adults.

### Sexual Health

5.45 We have commissioned a fully integrated specialist sexual health and HIV service for our residents where family planning and genitourinary medicine (GUM) are provided together as one service. The specialist service is open access so people can be tested and treated for sexually transmitted infections quickly and confidentially without always needing to make an appointment. This encourages people to access testing and treatment, and alongside partner notification enables infections to be diagnosed rapidly, reducing the risk of onward infection. We have a new website ([www.eastsussexsexualhealth.co.uk](http://www.eastsussexsexualhealth.co.uk)) that helps to direct people to the most appropriate service for their need. This includes promoting web-based testing which means that people can self-test at home for a range of sexually transmitted infections.

5.46 Chlamydia is the most prevalent sexually transmitted infection in England. Due to the national drive to work towards a higher diagnosis rate, the local chlamydia screening programme continues to work proactively to increase the number of positive diagnoses made. The more positive diagnoses made and prompt treatment given, the better the long-term health gains both for individuals and the health and social care community. A comprehensive action plan has been developed and the actions agreed with service providers to increase the rate of positive tests. We are undertaking a social marketing project in rural Rother and Wealden to find out what would encourage young men to test for chlamydia, as our rates are particularly low in this group.

5.47 Expanded HIV testing is being introduced as a pilot in Eastbourne. People accessing the Medical Assessment Unit at Eastbourne District General Hospital and new GP registrants in Eastbourne will be offered an HIV test, this will help to identify people who have HIV but are unaware of it.

### Public health campaigns

5.48 An annual calendar of public health campaigns is developed and delivered each year. Campaigns cover a range of public health priority areas including smoking cessation, alcohol, physical activity, sexual health and staying well in winter/fuel poverty.

5.49 Public Health also amplifies national Public Health England campaigns locally, and examples include the 'Be Clear on Cancer' campaign. These campaigns aim to improve early diagnosis of cancer by raising public awareness of signs and symptoms of cancer, and to encourage people to see their GP without delay.

### Public health capacity development

5.50 Developing partners' ability to deliver health improvement interventions as part of their routine work is a key role of Public Health. Supporting people to have the skills and confidence to provide brief opportunistic health improvement advice and information through

Making Every Contact Count (MECC) approaches is the central strand of workforce development for health improvement. MECC approaches will be enhanced through the addition of an asset based component to MECC (as appropriate) to emphasise the importance of community activities and support in improving health, alongside the role of formal health improvement services. Following initial at scale role out, delivering MECC training will be incorporated into the role of the Integrated Lifestyle Service provider alongside additional topic based workforce development training where enhanced skills are required to support key programme outcomes.

### **Key re-commissioned/commissioned services for delivery from April 2017**

#### Integrated lifestyle services

5.51 Lifestyle services, commissioned as individual services in 2014, have been reviewed and an Integrated Lifestyle Service which includes specialist smoking cessation, one-to-one behaviour change support (delivered by Health Trainers), community NHS Health Checks and weight management support for adults will be developed. This will probably take the form of a single point of access or hub offering access to tailored advice, personal health plans and onward referral. It is expected that a contract for an integrated service will be in place from August 2017.

#### Public Health Local Agreement Services

5.52 We commission a range of services, under Public Health Local Service Agreements (PHLSAs), from GP Practices and Community Pharmacies. These services include NHS Health Checks, Smoking Cessation, Long Acting Reversible Contraception (LARC), Sexually Transmitted Infection Testing and Substance Misuse Services. These services are reviewed and recommissioned each year.

#### Dental Epidemiology services

5.53 Robust intelligence about local oral health is needed to commission effective preventative programmes. PHE organises the national Dental Epidemiology Programme which provides lower tier local authority information on the oral health of the population through a bi-annual survey of five years old, with other population groups covered in alternate years. The local authority is responsible for commissioning local fieldwork and the results of local oral health surveys are included in the single data list for datasets that local government must submit to central government each year.

5.54 Historically dental epidemiology (and oral health promotion) in East Sussex has been provided by the Community Dental Service of East Sussex Healthcare NHS Trust. That contract ends in July 2017. At the same time Public Health will commission a new dental epidemiology service from August 2017.

5.55 Public Health will also be commissioning an oral health promotion service from August 2017 to support oral health improvement of children and young people, vulnerable adults living in the community and people living in care homes.

#### Healthy Living Pharmacy

5.56 As part of the wider focus on developing healthy promoting settings in East Sussex a Healthy Living Pharmacy (HLP) programme will be developed and implemented during 2017/18. Community pharmacies are an integral part of our communities and they are well placed to offer services that improve the public's health. The HLP framework is a tiered commissioning framework aimed at achieving consistent delivery of a broad range of high quality services through community pharmacies to meet local need, improve the health and wellbeing of the local population and help reduce health inequalities.

## Voluntary sector services

5.57 A range of health improvement services that develop and use social capital have previously been commissioned through the East Sussex Commissioning Grants Prospectus (CGP) and these services are funded until September 2017. Many projects funded in this way are based on co-production approaches enabling voluntary organisations to benefit from technical support from the specialist health improvement team to refine their health improvement projects. Outcome areas included in the Prospectus are:

- supporting people to lead healthier lifestyles, e.g. Health Walks, Healthy Living Clubs for older people and child accident prevention have been funded;
- developing and embedding ways of working with communities that enable local people to participate in improving their own and their community's health, e.g. Village Agents, Neighbourhood Champions and Healthy Lifestyle Volunteers have been funded; and
- increasing the knowledge, skills and ability of staff and volunteers to raise health improvement issues with their clients or community, e.g. a MECC behaviour change training programme for voluntary and community sector staff and volunteers has been funded.

5.58 Contracts for services currently commissioned through the CGP end in September 2017. Commissioning plans for public health outcomes currently delivered through the CGP will be developed alongside those for cross council services funded through the CGP.

## Performance data and targets

Performance Measures CP = Council Plan measure	2015/16 Outturn	2016/17 Target	2016/17 Outturn	2017/18 Target	2018/19 Target	2019/20 Target
<b>Commissioning integrated lifestyle service (CP)</b>	New measure 2017/18	New measure 2017/18	<b>New measure 2017/18</b>	Commission service Establish baseline	To be set 2017/18	To be set 2017/18
<b>Recommission children's weight management then develop indicators</b>	New measure 2017/18	New measure 2017/18	<b>New measure 2017/18</b>	Commission service Establish baseline	To be set 2017/18	To be set 2017/18
<b>NHS Health Checks (CP)</b> Cumulative percentage of the eligible population who have received an NHS health check since 13/14 (5 year rolling average)	33%	40%	<b>42%</b>	50%	50%	50%
<b>Infection Control in Care Homes</b> Percentage of care homes with identified infection control champion	New measure 2017/18	New measure 2017/18	<b>New measure 2017/18</b>	60%	75%	Programme ends 2018/19
<b>Healthy Living Pharmacy</b> Percentage of pharmacies signed up to local healthy living pharmacy programme	New measure 2017/18	New measure 2017/18	<b>New measure 2017/18</b>	30%	90%	To be set 2018/19
<b>Nursery Grant Programme</b> Number of nurseries engaging in grant programme producing a plan to tackle obesity	New measure 2017/18	New measure 2017/18	<b>New measure 2017/18</b>	120	Programme ends 2017/18	Programme ends 2017/18
<b>Access to Genito-Urinary Medicine (GUM) clinics</b> % of first attendances at a GUM service who were offered an appointment within two days	99.9%	98%	<b>99.8%</b>	98%	98%	98%
<b>Access to Genito-Urinary Medicine (GUM) clinics (CP)</b> % of first attendances seen within 2 working days	96.9%	95%	<b>96.6%</b>	95%	95%	95%
<b>Chlamydia rates</b> Rate of positive tests for Chlamydia in young people aged 16 to 25 years per 100,000 population	1,616	2,300	<b>TBC June 2017</b>	2,300	2,300	2,300
<b>Public Health campaigns</b> Support and amplify six campaigns to improve the health of the local population	New measure 2016/17	6	<b>TBC June 2017</b>	6	6	6

Performance Measures CP = Council Plan measure	2015/16 Outturn	2016/17 Target	2016/17 Outturn	2017/18 Target	2018/19 Target	2019/20 Target
<b>Making Every Contact Count (MECC) (CP):</b> increase the number of health and social care staff and voluntary sector organisations trained to deliver brief interventions and advice to promote, encourage and help people make healthier choices.	New measure 2016/17	Develop target and methodology	TBC Q1 2017/18	1,200	1,200	1,200

Revenue Budget £000			
Revenue Breakdown	2015/16	2016/17	2017/18
Gross Budget (A)	25,861	30,207	29,916
Government Grants (B)	(25,861)	(28,697)	(27,990)
Fees & Charges (C)	-	-	-
Other Income (D)	-	(1,510)	(1,926)
Net Budget (A-B-C-D)	0	0	0

Capital Programme £000						
Project	Description	Total for Scheme	Previous Years	2017/18	2018/19	2019/20
Project name	No Projects	Gross	-	-	-	-
		Net	-	-	-	-

## Net Revenue Budget Summary

Net Revenue Budget £000			
Service Area	2015/16	2016/17	2017/18
Corporate Governance & Support	3,844	3,805	3,630
Economy	468	698	1,760
Public Health	-	-	-
<b>TOTAL</b>	<b>4,312</b>	<b>4,503</b>	<b>5,390</b>

# Resources

## Portfolio Plan 2017/18 – 2019/20

July 2017

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## Our Priorities and Operating Principles

### Our Priorities

The Council has set four priority outcomes:

- ❖ Driving economic growth;
- ❖ Keeping vulnerable people safe;
- ❖ Helping people help themselves; and
- ❖ Making best use of resources.

### Operating Principles

The Council has agreed three operating principles:

- ❖ **Strategic commissioning:** using an evidence-based approach to assess and meet the needs of local people in the most effective way. We will specify and deliver appropriate services to secure the best outcomes and value for money for residents.
- ❖ **One Council:** working as a single organisation both through the processes we use, and how we work. We will work in a well-connected way across Council teams so we harness all our energy and resources towards achieving our priorities and remove duplication. We will judge our success against outcomes for the whole population and the organisation (and whole local public sector) not against the interests of a particular group, team or department.
- ❖ **Strong partnerships:** recognising we are one part of a wider system, we will work effectively with partners across East Sussex and the region as well as with the wider public sector to ensure we learn from others, secure best value for money and maximise impact for our residents.



# Portfolio Policy

## Policy Overview by Lead Member

1.1 The Resources Portfolio covers the professional support services that enable all Council services to plan, manage and deliver their services to residents. Through the Orbis and Orbis Public Law partnerships, we provide strategic leadership, professional support and advice for:

- business operations;
- finance;
- human resources and organisational development;
- IT and digital;
- procurement;
- property and capital investment; and
- legal services.

1.2 Focus is directed to both 'day to day' operating activity and on facilitating the important Council-wide change programmes which will be vital to achieving the Council's priority outcomes.

1.3 Nationally and locally there is a high level of change to the way that public sector services are delivered and the level of funding available to local authorities. Based on information currently available, the Council will need to make further savings of £9.1m in 2017/18 (this is on top of £95m already achieved since 2010, and further savings will be needed in 2018/19 and 2019/20). In this context, the Resources Portfolio has a responsibility to provide cost-effective back office functions to ensure maximum resources are directed to front-line services, whilst delivering robust and sustainable services to enable other Portfolios to make the changes and savings required.

1.4 We plan to provide our services in innovative ways ensuring they are customer focused while meeting the financial challenge. The Business Services Department was launched in September 2013 following the consolidation of the resources functions from across the Council to develop consistent and efficient best practice within back office services. Between 2013/14 and 2015/16, the Business Services Department has delivered nearly £7m of savings. In 2015, Cabinet agreed for us to expand and embed our partnership working with Surrey County Council (SCC) for all Business Services through the Orbis partnership. As set out in the Orbis Business Plan (agreed by Cabinet in October 2015), we plan to achieve savings (of £2.6m for ESCC by 2018/19) that would not have been possible without the partnership and benefit from improved operational resilience from the greater range of skills that exist across both councils. In addition to the planned savings Orbis delivered a further £0.9m of ESCC savings in 2016/17, these were mainly early delivery of 2017/18 efficiencies. Through Orbis, we will also explore opportunities to expand the partnership and to increase commercial leverage as the compelling alternative public sector provider. The decision for Brighton and Hove City Council (BHCC) to join the Orbis partnership was made by Cabinet in December 2016. This approach is aligned with the Council's Operating Principles.



**Lead Member: Councillor David Elkin**

## Delivering the Priority Outcomes

### Driving economic growth

2.1 A number of activities are planned to ensure that we use our influence to drive economic growth across the county, including:

- We are committed to using our spend on goods, works and services to deliver greater social value to the county's communities. We aim to deliver social value by considering economic, social and environmental well-being in relation to our procurement processes, stakeholder engagement and contract implementation across the supply chain. We aim to increase our spend with local suppliers and apply a financial value to the economic, social, environmental and innovation benefits delivered to local communities through our procurement processes.
- A new five year capital programme (for the period from April 2018 to March 2023) was approved by the Council in 2017. The current programme includes schemes that help deliver the Council's priorities, with particular focus on economic development.
- Our expertise in human resources and organisational development will support the Council's Employability and Skills Strategy.
- We will develop a Property Investment Strategy to generate a revenue income in addition to enhancing local economic and social activities through a clear and targeted investment approach.

### Making best use of resources

2.2 We have an important role to play in making the best use of resources, both in terms of reducing the cost of operation through the Orbis model to provide cost-effective services and enabling other Portfolios to make the changes and savings required:

- Partnership working will enable both the Council and our partner organisations to make best use of resources. Our services will be delivered through the Orbis partnership and we will continue to focus on other key partnerships, such as SPACES (Strategic Property Asset Collaboration in East Sussex), 3SC (3 Southern Counties) Devolution and the East Sussex Strategic Partnership where this provides the best way of meeting the Council's priorities.
- We will work with Members to explore and implement opportunities for income generation (for example, a Property Investment Strategy), which along with savings will help meet the financial challenge facing the Council.
- We will offer Procurement support by developing longer term commercial and category strategies for our spend and working with colleagues across the Council to embed a high-quality and consistent approach to contract management and supplier and market development, to ensure value for money.
- We will also focus on reducing the cost and improving the customer journey in our end to end purchasing process.
- Our most important resource is our employees, so our People Strategy has been developed to help achieve the changes required with an emphasis on supporting and developing our managers and staff to enable them to respond to the changing and challenging environment in which the Council is operating. Our wellbeing programme aims to support reductions in sickness absence.
- In support of the Council's wider cost saving and partnership agendas, facilities and IT services continue to be enhanced and optimised. We will continue to review our processes and systems to bring benefits and efficiencies.

## Resources

### Forward Plan

3.1 We will provide our services in innovative ways to provide customer focused services to communities and reduce the cost of operation to contribute to meeting the financial challenge facing the Council. We will support the Council's important change programmes such as East Sussex Better Together, and work with colleagues to respond appropriately to any national changes, which will be vital to achieving the Council's priority outcomes. We will both utilise agile capabilities in the way we work, and support the Council as a whole to adopt mobile and flexible working practices. Our forward plan for the next three years is set out below.

### Orbis

3.2 As set out in the Policy Overview, all Business Services will be provided through the Orbis partnership with SCC and BHCC. Services included in the partnership are:

- business operations;
- finance;
- human resources and organisational development;
- IT and digital;
- procurement; and
- property and capital investment.

3.3 Through our expertise, innovation and passion, we will deliver value to customers and residents. The partnership is built on the successful collaboration between East Sussex and Surrey County Councils, established through a joint procurement function in 2012, and the provision of shared transactional services since April 2013.

3.4 Following a period of collaboration, BHCC's Policy, Resources and Growth Committee agreed recommendations to join the Orbis Partnership in October 2016. This is a positive endorsement of the Partnership and is aligned with our ambition to grow, and the decision to extend the partnership to include BHCC was made by Cabinet in December 2016. Orbis and BHCC will work together to develop the approach to integration with the Partnership.

3.5 Orbis will provide seamless and resilient business services, whilst achieving savings for the partnered authorities, which will be used to sustain services for the residents of East Sussex, Surrey and Brighton and Hove. 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. The integration will provide the three councils with a flexible business services resource with the public service ethos and expertise we need to respond to local priorities.

3.6 On 15 April 2015, the Orbis partnership was officially launched, including the new Orbis Leadership Team (managing Business Services functions at ESCC and SCC). The first meeting of the Orbis Joint Committee took place in June 2015. The Orbis Business Plan was co-created by a number of key stakeholders (including Cabinet and Scrutiny Members, Orbis Staff, customers and Trade Unions). The Personnel and Training (now Human Resources and Organisational Development) service was selected as a 'pathfinder' pilot for an integrated service to undertake a detailed, early redesign and become the 'proof of concept' that the integrated services are effective; the outcomes of the pilot are contained in the business plan and regular updates on progress of integration are reported to the Orbis Joint Committee and the Audit, Best Value and Community Services Scrutiny Committee.

3.7 There are clear financial benefits to be delivered from integrating services across Orbis. Initially these will be delivered from management de-layering and removal of duplication, as services integrate, but longer term we will see greater benefits from detailed process improvement and technology enablement. Proposals developed within the business plan indicate that ongoing savings of £8.3m per year for Orbis (£2.4m for ESCC) can be delivered by 2018/19.

3.8 Further opportunities for growth are expected as the partnership expands its external customer base and generates additional income. Areas for growth include:

- New customers such as other local authorities and health and social care organisations; and
- Selling readily marketable ‘transactional’ services, such as payroll and pensions administration.

3.9 Alongside this, we have been developing our strategy for selling services to schools and academies in the context of the continually evolving educational landscape. Our services have an excellent reputation for representing value for money and offering a great customer experience. We are in a strong position in terms of expertise in this particular market sector and our emerging strategy is consequently one of growth, aligned with the broader Orbis aspirations.

3.10 In addition to the financial benefits expected from the partnership, there are non-financial benefits that Orbis will aim to achieve over the next three years, these include:

- Improved client management and customer experience through process reengineering and better use of technology;
- Better insight for decision making and investment due to improved systems and information management;
- Increased staff motivation and attraction of top talent through Orbis-wide people engagement and development work; and
- Incremental growth by attracting additional partners and customers and adding additional services to the Orbis offering.

3.11 Orbis will seek opportunities to develop and share its expertise, both internally and externally, to maximise the opportunity for growth and development. Previous examples include nominations for awards; and the launch of the staff development programme. In autumn 2016, we participated in a Shared Services Summit with two public sector partnerships (OneSource and LGSS). We will continue to develop these relationships and identify areas where the three shared service providers can collaborate and provide leadership in local government business and shared service.

## **Business Operations**

3.12 During 2015 the majority of the high volume transactional operations within Business Services were moved into a new service called ‘Business Operations’, a jointly managed service within Orbis. Business Operations is organised into three divisions:

- Operations - covering Human Resources transactions, Procurement transactions and Finance transactions;
- Continuous Improvement - responsible for process and technology improvement projects; and
- Commercial Growth - a team with responsibility for seeking, implementing and maintaining commercial client opportunities.

3.13 The aim of Business Operations is to provide efficiencies of scale through better use of technology, processes and excellent people practices. We measure our efficiencies in relation to lower unit costs, increased operational quality and higher customer satisfaction.

We plan to expand Business Operations further by attracting new organisational clients through the commercial function. To date the service undertakes work for over 500 organisations which produces an income for the Councils, including contracts with a number of London Boroughs.

3.14 The service has ambitious cost savings targets and has plans in place to reduce its net budget by around 35% in the three years starting 2016/17. This will be achieved through a combination of increased income and reduced unit costs.

3.15 We will also be working with BHCC to develop a central team for corresponding 'transactional' services under the remit of Business Operations.

3.16 Each year we aim to reduce the 'value of debt over 5 months' so it is below the previous years outturn. The continuous improvement approach to continually re-engineering systems and processes within Accounts Receivable is a priority. We work closely with our Adult Social Care and Health (ASCH) colleagues to review ASCH debt cases to ensure the most appropriate steps are taken to recover debt promptly and in accordance with the Care Act.

## **Finance**

3.17 The Finance service enables the Council to manage and optimise their financial resources, through stewardship, strategic insight, assurance, analysis and financial management. With no respite expected from the challenging financial environment faced by local government since 2010, the role of Finance in supporting the Council to make best use of our resources to protect and develop vital services will be as critical as ever. In addition to providing strategic advice on the Council's financial position and supporting managers to effectively manage budgets across the organisation, we have targets to achieve an unqualified external audit of accounts and manage the levels of debt raised. We also aim to handle insurance claims within legal timeframes and enable more than 95% of high risk internal audit recommendations to be addressed by management within timescales.

3.18 The Orbis Finance service will implement an integration plan to optimise its service impact and efficiency between 2017/18 and 2019/20. During 2016/17, integration has begun with the appointment of a single Finance Director and collaboration between the Internal Audit teams. Key outcomes will be to focus on supporting strategic decision-making and spend less time on routine and transactional functions, and to implement common technology tools to enable standardisation and automation, and work together to optimise the use of service systems. In early 2017/18, Finance was the first Orbis service to develop an integrated service management structure with our third partner (BHCC), and will be key for Orbis in testing the Partnership's design.

3.19 We will continue to provide insight and analysis to support the Council's medium-term financial planning and wider RPPR process. In 2017/18 we will need to make savings of £9.1m. This is on top of £95m already achieved since 2010, and further savings will be needed in 2018/19 and 2019/20. Specific issues requiring financial analysis and planning include the proposed introduction of full business rate retention. We are working with partners to consistently lobby Government on these proposals and are providing appropriate input and information into the consultations.

3.20 The Council's role is increasingly to assess and meet the needs of local people in the most effective way, to specify and work with a range of providers and partners to deliver services that secure the best outcomes and value for money for residents. Much of the Council's spending is already made through external parties in areas such as highways, waste and residential care, so we will use commercial skills in order to support this.

3.21 Finance will continue to play a leading role, working with partners, to devise a compelling case for infrastructure investment in East Sussex as part of Three Southern

Counties (3SC) devolution plans and South East Local Enterprise Partnership (SELEP) growth fund bids. We will support the implementation of the new capital programme for 2018-2023, prioritising scarce resources according to need and working creatively to secure additional resources. In the context of national changes, the implementation of the National Funding Formula for schools, and the ongoing conversion of schools to academies, will require significant input by Finance to ensure positive outcomes for our local schools.

3.22 Over the period to 2020 the Council's plans to integrate health and social care with local health partners represent an exciting opportunity to improve health and care outcomes and make the best use of limited funding. The plans require new financial ways of working, systems and controls as well as specialist input such as on tax issues.

3.23 Additionally, the Council is a member of the ACCESS (A Collection of Central, Eastern and Southern Shires) Pensions Pool, formed in response to the Government's investment reform criteria. A priority will be to work with others to secure savings from lower investment management costs and more effective management of investment assets, while protecting the Council's position as a well-managed Pensions Fund.

### **Human Resources and Organisational Development**

3.24 Our People Strategy has been developed to help achieve the changes required over the next three to five years. The People Strategy is developed around the four themes of Leadership and Management; Performance Development and Reward; Employee Engagement and Recognition; and Employee Health, Wellbeing and Inclusion. The emphasis is on supporting and developing our managers and staff to enable them to respond to the changing and challenging environment in which the Council is operating.

3.25 A new Learning Management System was launched in January 2016. The focus during 2016/17 was on the development and implementation of a revised appraisal process and Leadership and Management Capability Framework. The revised appraisal process – 'Maximising Performance' – was launched in April 2016 and has received very positive feedback. The process has been further refined based on this feedback and a survey undertaken in September 2016 and further communications have been undertaken in the first quarter of 2017/18 to raise awareness and increase usage of the new process. A further survey to confirm uptake is planned for September 2017. The Leadership and Management Capability Framework has been developed through extensive consultation and collaboration across the Council and will be launched in September 2017. The Framework sets out the expected management and leadership capabilities in support of the Council's strategic priorities and operating principles. These will facilitate the collation of objective evidence based feedback on performance and behaviour, which will help define development conversations.

3.26 We have a wellbeing programme in place, which includes a number of initiatives and activities to support reductions in sickness absence and the achievement of the Council Plan target of 9.24 or below working days lost per full time equivalent employee due to sickness absence in non-school services. The 2016/17 outturn was 8.73 days lost per FTE employee, which represents a decrease of 4% since the previous year. Initiatives to maintain and improve on this outturn include:

- launch of a refreshed Attendance Management Policy and accompanying training;
- a revised Stress Action Plan and Policy;
- more detailed levels of reporting in relation to musculoskeletal absence to better identify the reasons for absence;
- the implementation of a Wellbeing Action Plan (developed from a Cross Council Wellbeing Forum);
- development of a training video for managers on return to work conversations; and

- work to further develop our on-line mindfulness programme following the award of a £10k grant from the LGA.

3.27 Following the implementation of the new National Living Wage in April 2016, work has commenced on modelling the impact of the expected future increases on our pay and grading arrangements. Initial discussions with the trade unions have taken place and will continue as the models are developed and costed.

3.28 In common with all public sector organisations the Council is now paying the Apprenticeship Levy. The Council has determined a workforce based approach to the Levy and in support of this a strategy and action plan is being developed.

## **IT & Digital**

3.29 The Council's IT Strategy has been redesigned as a framework so it can be kept constantly relevant and fit for the future. It comprises a set of component parts, designed to work together to respond to the unparalleled level of changing business needs recognising an unrelenting drive for cost reduction. It will deliver cost effective, resilient and highly available IT & Digital capabilities that improve efficiency, enhance service outcomes and provide the IT capability for effective partnership working. This approach builds on the renovation and successful modernisation of the IT core that has taken place. Our vision is simply to give people the tools they need to work confidently and efficiently to achieve more together. We measure the availability of IT infrastructure to support and enable the business to function, with a target to maintain over 90% availability over the next three years. We aim for the percentage of staff satisfied that the IT tools provided are the right ones to do their job to continue to meet 85% or above during 2017/18.

3.30 As elements of the strategy develop at different paces, an ongoing focus will remain on people centric Information Governance. Allowing the right people to get to the right information, when they need it with the least hassle is fundamental to successful partnership working. Our compliance with the Public Services Network and the Information Governance Toolkit endorses our organisational practices and empowers the Council to safely share information with health and other partners.

3.31 During 2016/17, IT & Digital made significant strides in joining up technologies across the Orbis partnership and this experience has served us well enabling similar connectivity to be achieved with health partners. Already Orbis colleagues and increasingly more health partners can connect seamlessly to their organisation's network when working remotely from partner locations. Enabling people to work flexibly and intuitively will remain a priority through to 2018/19 as services fully integrate across the geography of the Orbis partnership and as we engage with colleagues in social care and health to support the emerging model for Accountable Care.

## **Procurement**

3.32 We will implement our Orbis service design to create a more flexible organisational structure for the overall service. The new design will focus on:

- promoting a deeper and stronger focus on longer term commercial and category planning - to identify opportunities to deliver savings;
- supplier and market development, along with contract management - to ensure that we are driving the performance of our contracts and the wider supply base;
- high quality and efficient sourcing - focussed on delivering value and quality services for our residents; and
- Team members will work together in a matrix style structure, underpinned by stronger project and programme management, to provide services more efficiently.

3.33 Our Sourcing Solutions team will work to consolidate lower value, transactional buying into one place. Business Operations and Procurement will continue to work closely together to deliver the detailed design for Purchasing and Sourcing, which will include a focus on 'tail end' spend and the customer journey.

3.34 We will use the Council spend to deliver greater Social Value in the county. We will implement a Orbis Social Value Measurement Charter, which will enable us to provide an open, fair and transparent method for evaluating Social Value proposals submitted by bidders during the tender process and apply a financial value to their commitments on how they will contribute to the Council's social value priorities (economic, social and environmental well-being), should they be successful in being awarded a contract. These priorities include developing a strong and competitive local economy, supporting the health, wellbeing and independence of our residents and protecting and preserving our natural resources (baseline for new target to be established 2017/18). We continue to increase our spend with local suppliers to support local economic growth (target of at least 50% by 2017/18).

### **Property**

3.35 The Council is developing a Property Investment Strategy, to generate a revenue income in addition to enhancing local economic and social activities through a clear and targeted investment approach. Engagement with Member and officer stakeholder groups has been key to shaping the direction of the strategy. A key focus is to ensure that the delivery mechanism that will be required to implement the strategy is viable, and the Orbis partnership has helped shape a sustainable delivery mechanism.

3.36 The Children's Services forecasting model, as detailed in the Education Commissioning Plan, continues to predict an increase in pupil numbers albeit with the demand for school places now largely moving through to the secondary school phase, following successful, timely and on-budget delivery of primary school places across a range of towns in the county through the current capital programme. We will continue to work with Children's Services to meet the Council's statutory obligation to ensure there are sufficient high quality school places across the county. This will mean delivering projects to provide places largely in Secondary and Special Schools across the 2018 – 2023 capital programme. In the immediate term this means completing delivery of the current Primary School 'Basic Need' capital programme 2014/15 – 2017/18 comprising £68m spend across 20 schools. Successful delivery of the programme requires productive collaborations to be established with maintained schools and Academy Trusts.

3.37 We are working with partners within the South East (Surrey, Hampshire, Eastbourne and Reading Councils) in the development of a common Property Asset Management System (PAMS). PAMS allows us to capture consistent information on one system and manage the estate more efficiently by measuring our property performance against comparable organisations. It also links our estates, maintenance and capital and revenue works functions in one place, allowing us to make better use of our property resources. We are working to reduce cost of occupancy of corporate buildings per sq. metre, with targets to reduce this by 2% each year (up to 2018/19). Furthermore, we will reduce the amount of CO2 arising from Council operations through projects such as improvements to lighting, air conditioning and controls of boilers and heating systems; upgrading insulation; and replacement of windows. In 2017/18, we are aiming for a 3% reduction on the 2016/17 outturn.

3.38 The Strategic Property Asset Collaboration in East Sussex (SPACES) partnership includes public sector and voluntary bodies in East Sussex and Brighton & Hove. The SPACES vision is to improve sharing of the property estate between partners and to work together to maintain and enhance services to our communities, save property costs, and to release capital receipts. Projects being considered include land and building swaps, joint



capital investments into new builds that can benefit from shared resources in ongoing operations, and joint strategies for storage and archiving. Overall, 48 projects have been delivered. Benefits for the Council from the beginning of the programme include reducing revenue expenditure by £526,549 and anticipated cost avoidance of £152,950 as well as £300,000 capital receipts. We track and map the available properties across East Sussex and consider where partners might relocate and co-locate services to best serve the public.

## **Legal Services**

3.39 Legal Services works to support departments to achieve the Council's priority outcomes. We also aim to make the best use of resources by working in partnership with others to drive efficiencies and ensure the Council acts properly to avoid legal challenge.

3.40 Legal Services plays an important role in keeping vulnerable adults and children safe. This includes pursuing Care Proceedings to ensure children are protected, making applications to the Court of Protection in relation to mentally incapacitated adults and advising Trading Standards in respect of rogue traders and scam mail. Recent years have seen significant increases in the numbers of both Care Proceedings and vulnerable adult proceedings; despite the increased workload we have continued to meet the Government's 26 week duration target for Care proceedings.

3.41 On 4 April 2016 we launched Orbis Public Law (OPL) with the Legal Services teams of BHCC, West Sussex County Council (WSSCC) and SCC. This ambitious partnership offers each organisation a greater array of skills and experience through a larger and more diverse workforce; it also offers staff greater professional development opportunities by working with a wider range of specialists across the partnership.

3.42 During our first year we have created a Project Board that meets regularly to ensure development of the joint service and established a staff forum group in each office that gives feedback to the Project Board. We also set up a commercial law pathfinder project that has established common working practices across the partnership in the areas of property and contracts and procurement legal work. This has included the creation of common instruction forms and work to create common templates, which will be completed this year, to help reduce duplication and time spent drafting documents and ensure best practice. An advocacy project was set up which has reviewed court representation in child law proceedings. The outcome of the project is that we set up a joint team of four additional advocates who will be available to attend Court for any of the OPL partners. This will reduce the need for external barristers and produce a net saving. Recruitment to these posts is underway.

3.43 We are standardising practice management across the partnership to facilitate joint working. Three of the partners now have the same case management system and the fourth partner is installing this system shortly. We have already aligned the processes necessary to support both the commercial pathfinder and advocacy projects and the alignment of processes will continue in other areas of work. We are working to produce single office practice manual with common systems for OPL.

3.44 We have used our increased buying power to negotiate more favourable terms for external expenditure including barristers' fees, legal training and legal research materials.

## Performance data and targets

Performance Measures CP = Council Plan HWS = Health & Wellbeing Strategy	2015/16 Outturn	2016/17 Target	2016/17 Outturn	2017/18 Target	2018/19 Target	2019/20 Target
Unqualified external audit of accounts	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved
The percentage of high risk internal audit recommendations addressed by management	96.43%	95%	100%	96%	96%	96%
Final revenue outturn within tolerances of budget allocation	0.9% underspend (£3.3m)	-1% overspend/+4% underspend	£8.084m underspend (2.19% of £369,312m net budget)	-1% overspend/+4% underspend	-1% overspend/+4% underspend	-1% overspend/+4% underspend
Value of unsecured debt over 5 months	£2.190m	≤ 2015/16 outturn	£2.276m	≤ 2016/17 outturn	≤ 2017/18 outturn	≤ 2018/19 outturn
Percentage of insurance claims handled (to first decision stage) within legal time frames	99.3%	90%	99.4%	90%	90%	90%
Percentage of staff satisfied that the IT tools provided are the right ones to do their job	79%	80%	87%	85%	To be set in 2017/18	To be set in 2018/19
Availability of IT infrastructure to support and enable the business to function	99%	99%	99.8%	99%	99%	99%
Retain and exceed compliance with Government Information Governance standards; to protect and enable the organisation to access its business information more flexibly and to share it securely with its partners (minimum standard 70%)	75%	≥ 72%	75%	75%	75%	To be set in 2018/19
Number of working days lost per FTE (Full Time Equivalent) employee due to sickness absence in schools	6.67	6.17	6.47	6.17	6.17	6.17
Number of working days lost per FTE (Full Time Equivalent) employee due to sickness absence in non-school services CP	9.09	9.24	8.73	9.24	9.24	9.24
The proportion of Return to Work Interviews conducted within 7 days of employee returning to work	75.8%	90%	86.3%	90%	90%	90%
Develop a strategy and action plan supporting the implementation of the Apprenticeship Levy within the Council CP	New target 2017/18	New target 2017/18	New target 2017/18	Finalise the Strategy and action plan	To be set 2017/18	To be set 2017/18
The percentage of Council procurement spend with local suppliers CP	46%	48%	50.05%	≥ 50%	≥ 50%	To be set in 2017/18
Economic, social and environmental value committed through contracts, as a percentage of our spend with suppliers CP	New target 2017/18	New target 2017/18	New target 2017/18	Charter agreed and Baseline to be established	To be set 2017/18	To be set 2018/19
Organisational-wide savings achieved through procurement, contract and supplier management activities.	£6.9m	£6.5m	£6m	£3.4m	To be set in 2017/18	To be set in 2018/19
Develop an asset investment strategy based on a balanced portfolio approach CP	Timeline reviewed and revised completion date set for September 2016	Asset investment strategy developed and approved	Work on Strategy continues. Presentation of a report to Cabinet deferred pending further stakeholder engagement to shape strategy	Development and approval of Asset Investment Strategy and implementation plan	To be set in 2017/18	To be set in 2017/18

<b>Performance Measures</b> CP = Council Plan HWS = Health & Wellbeing Strategy	<b>2015/16</b> <b>Outturn</b>	<b>2016/17</b> <b>Target</b>	<b>2016/17</b> <b>Outturn</b>	<b>2017/18</b> <b>Target</b>	<b>2018/19</b> <b>Target</b>	<b>2019/20</b> <b>Target</b>
Cost of occupancy of corporate buildings per sq. metre <b>CP</b>	A baseline has been established £150 / sq. metre	£147 / sq. metre (2% reduction on 2015/16 baseline)	<b>£146 / sq. metre</b>	£143 / sq. metre	2% reduction on 2017/18 costs	To be set in 2018/19
Reduce the amount of CO <sub>2</sub> arising from County Council operations	5.7% reduction on 2014/15	3% reduction on 2015/16	<b>0.4%</b>	3% reduction on 2016/17	3% reduction on 2017/18	3% reduction on 2018/19
Fully implement the new Atrium Property Asset Management System (PAMS)	R	All required statutory maintenance managed on Atrium	<b>Implementation phase of PAMS works module has started, which will enable Statutory Servicing to be monitored using system in 2017/18</b>	All required statutory maintenance managed on Atrium	All Statutory maintenance completed within target dates	N/a

<b>Revenue Budget £000</b>			
<b>Revenue Breakdown</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
<b>Gross Budget (A)</b>	38,950	38,418	38,499
<b>Government Grants (B)</b>	(1,759)	(1,759)	(1,759)
<b>Fees and Charges (C)</b>	(9,961)	(10,632)	(9,980)
<b>Other Income (D)</b>	(4,924)	(2,216)	(3,613)
<b>Net Budget (A-B-C-D)</b>	22,306	23,811	23,147

The 2017/18 plans are as at 17.02.17, at which time the final Local Government settlement has not yet been announced.

<b>Capital Programme £000</b>							
<b>Project</b>	<b>Description</b>	<b>Total for Scheme</b>	<b>Previous Years</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	
<b>Core Programme - Capital Building Improvements</b>	Investment to improve and develop the Council's buildings	<b>Gross &amp; Net*</b>	87,015	35,532	9,599	8,752	9,591**
<b>Core Programme - ICT Strategy Implementation</b>	Investment in information systems and technology	<b>Gross &amp; Net*</b>	27,389	10,941	1,610	3,700	3,983**
<b>Core Back Office Services</b>	Procurement of core back office systems	<b>Gross &amp; Net*</b>	1,460	846	614	-	-
<b>SALIX Contract</b>	Funding in energy efficient projects to be repaid from energy savings	<b>Gross</b>	4,032	1,932	350	350	350**
		<b>Net</b>	270	270	-	-	-

\*Fully funded by ESCC. \*\* Project extends beyond 2019/20.



# Community Services

## Portfolio Plan 2017/18 – 2019/20

July 2017

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## Our Priorities and Operating Principles

### Our Priorities

The Council has set four priority outcomes:

- ❖ Driving economic growth;
- ❖ Keeping vulnerable people safe;
- ❖ Helping people help themselves; and
- ❖ Making best use of resources.

### Operating Principles

The Council has agreed three operating principles:

- ❖ **Strategic commissioning:** using an evidence-based approach to assess and meet the needs of local people in the most effective way. We will specify and deliver appropriate services to secure the best outcomes and value for money for residents.
- ❖ **One Council:** working as a single organisation both through the processes we use, and how we work. We will work in a well connected way across Council teams so we harness all our energy and resources towards achieving our priorities and remove duplication. We will judge our success against outcomes for the whole population and the organisation (and whole local public sector) not against the interests of a particular group, team or department.
- ❖ **Strong partnerships:** recognising we are one part of a wider system, we will work effectively with partners across East Sussex and the region as well as with the wider public sector to ensure we learn from others, secure best value for money and maximise impact for our residents.

### Policy Overview by Lead Member

1.1 The Community Services Portfolio Plan encompasses a range of services which are important to many of the communities within East Sussex, such as libraries, road safety, register offices, support for the voluntary and community sector, and trading standards. Each of these services enriches and empowers local people and makes a contribution to the quality of life in the county. They are often located at the heart of local communities, allowing them to engage with the public and gain an understanding of their needs and aspirations, while also keeping vulnerable people safe.

1.2 The financial pressures currently affecting the whole of the public sector continue to be a significant challenge for Community Services. Since 2010 the Council has saved around £95m from our budget while continuing to provide excellent services to the public. However the financial challenge continues and we have identified the need to make savings of £9.1m in 2017/18, with further savings needed in 2018/19 and 2019/20. These pressures make our work with the local community, the voluntary sector and other partners even more vital as we seek to maximise our use of resources in a way that is financially sustainable and encourages people to help themselves as much as possible.

1.3 East Sussex has a mix of urban and rural communities and an aging population. Rurality and age can make it difficult for people to access services in person. The internet provides new ways for people to contact us and access services remotely; our libraries provide courses to help people use the internet, helping to make online services more accessible.

1.4 Changes to our services, due to the changing demographic nature of the population and the financial savings the Council is required to make, are inevitable. However these changes also present us with an opportunity to improve our services and increase the contribution they make to delivering the Council's four priority outcomes.



**Councillor Chris Dowling**

**Lead Member for Community Services**

## Delivering the Priority Outcomes

2.1 The services in the Community Services Portfolio play a major role in delivering the priority outcomes. This section summarises how actions in this portfolio plan contribute towards achieving these outcomes.

### **Driving economic growth**

2.2 We have continued to invest to modernise and improve register office buildings. These investments will help to both lower running costs and attract people wishing to get married or form a civil partnership to the county, which generates income for the Council as well as benefitting the local economy.

2.3 Trading Standards supports businesses across the county, advising, inspecting, sampling and training to ensure that businesses comply with the law and that consumers are protected. In 2017/18 Trading Standards will start charging for business advice, offering bespoke training courses, on-line training and dedicated chargeable advice to businesses that need it.

2.4 We provide free computers and Wi-Fi as well as a range of online training courses, advice and activities in our libraries, helping people develop their skills and find new training, volunteering or job opportunities to support economic growth in the county. Our Learndirect training courses have helped local people achieve over 3,600 qualifications in Maths, English and ICT in the past 10 years. In 2016 we invested £500,000 in an upgrade to all of the People's Network computers and completed the roll out of Wi-Fi to all of our library buildings.

### **Keeping vulnerable people safe**

2.5 Trading Standards play a key role in helping people help themselves and keeping vulnerable people safe. The Rapid Action Team (RAT) responds to requests for help by intervening to protect consumers from rogue traders and disrupting criminal activity on the doorstep of vulnerable residents. The National Trading Standards Scams Team, which is hosted by the Council, is at the forefront of the fight against mass marketing fraud.

2.6 The Gypsy & Traveller Team provide accommodation for this vulnerable group at five permanent sites across the county. Working in partnership with Sussex Police, and District and Borough Councils the team help gypsy & traveller families access appropriate education and health checks.

### **Helping people help themselves**

2.7 One of our key focuses is our work to improve road safety, we can't tackle this issue on our own so we work with partners, such as the Sussex Safer Roads Partnership (SSRP), to encourage responsible behaviour by drivers, motorcyclists, pedestrians and all road users and help communities to tackle any road safety issues. Working with the SSRP the road safety team helps residents to report anti-social driving and access schemes such as community speed watch.

2.8 The Keep, our state of the art archive facility, offers educational activities that promote an interest in local history, and helps people to find the information they need (e.g. for business or personal use). Our libraries offer a diverse range of services as part of the 'universal offers'; health, reading, learning, digital and information, as well as access to further sources of information, help and support via our People's Network computers.

2.9 Our Emergency Planning Team supports communities during a crisis, like flooding. They work across the county with partner agencies such as District and Borough Councils and blue light services to coordinate a joint response to emergencies and build community resilience.

## **Making best use of our resources**

2.10 We have launched a transformation programme for our libraries, aimed at ensuring our library service is modern and affordable, meets the needs of local people within available resources, and aims to save £2m from running costs. Over the past 18 months we have put in place measures which will deliver £1.25m of these savings by 2018/19. We aim to identify the remaining £750,000 of savings through a Strategic Commissioning Strategy for the Library and Information Service (see 3.1 below).

2.11 We are working towards providing more of our services online, such as publishing our responses to Freedom of Information requests on the internet. These changes should reduce the need for telephone and face to face communication, helping us to maximise our efficiency and make the best use of resources.



### Forward Plan

#### Library Service

3.1 Work has begun to produce a draft Strategic Commissioning Strategy (SCS) for our Library and Information Service. This is part of our Libraries Transformation Programme. The Strategy will identify the needs that the population of the county have for library services now and in the future, and will identify proposed priority outcomes that the Strategy should deliver, taking into account the resources that the Council has available. It will set out the future nature and configuration of the library service that is required to deliver those outcomes. We aim to complete the needs assessment and other technical appendices and seek approval of the draft Strategy from the Council's Cabinet in September 2017. We will then consult the public on the draft proposals in autumn 2017, before seeking Cabinet approval for the final Strategy towards the end of 2017/18.

3.2 Work is progressing well on a £8.44m project to modernise Hastings Library. This is a major project which will provide a light, spacious and welcoming new library service for the town with an increased number of computers for the public and Wi-Fi throughout the building, whilst retaining and enhancing all of the beautiful and architecturally interesting features of this Grade II listed Victorian building. The work will also see the Children's Library, which is currently based at another location, incorporated into the main library. During the refurbishment works both libraries are based at the current Children's Library in Robertson Passage. The works started in February 2016 with the library scheduled to reopen in 2017/18.

3.3 In 2013 The Society of Chief Librarians established universal offers in health, reading, learning, digital and information. We provide a digital offer which includes trained staff who can help customers to use computers and access digital information. As part of our reading offer we again offered a Summer Reading Challenge during 2016 to encourage young people to read. Over 8,500 children took part, with nearly 6,000 of those managing to complete the challenge. We will offer another reading challenge in summer 2017. Books on prescription are offered as part of our health offer; these self-help books cover a range of common mental health conditions such as anxiety and depression. People can choose a book themselves or alternatively a GP or other practitioner can prescribe a book for them.

3.4 In partnership with a variety of organisations, including Learndirect, we offer a range of learning opportunities in our libraries. Included in this are a range of online supported courses in Literacy, Numeracy and IT that can lead to formal qualifications. The courses are one way the Library and Information Service helps to contribute to the local economy by helping people learn new skills which makes them more employable. The courses are proven to help people into employment, with 30% of our unemployed learners who took a course in 2016/17 finding a job. There are a range of supplementary services including support for basic IT, careers information and online job seeking tools that help support customers.

3.5 The internet is a crucial means of accessing information and training online which can help people to improve their skills, increase their job prospects and complete essential transactions online. It is also a key way that people can access information, support and services that supports our priorities to improve health and well-being and help people help themselves. We will continue to provide internet sessions on library computers, which for some people is their only means of accessing the web.

#### Customer Services

3.6 We recognise that, at a time when public services are being cut back, customer expectations more widely are rising, particularly as technology has enabled organisations to

provide a richer customer experience than before and enabled customers to share their own experiences much more widely. The Council understands that the professionalism and attitude of our staff, the timeliness and quality of the services we provide, and keeping people informed are key priorities for council tax payers and service users. We cannot now afford to provide all of the services, advice and support we provided in the past, and we will not in future be able to do everything we do now. However, we are absolutely committed that the services we do provide will be delivered to an excellent standard, and like all organisations we believe we can do even better.

3.7 We think that it is important we clearly set out our customer values and our standards of service to council tax payers and service users, so that our staff, our contractors and partners, and most importantly, our customers, know what level of service we should provide, whether that service is delivered directly by us or by someone else on our behalf. We will, therefore, adopt a new corporate Customer Promise in 2017 following engagement with staff, Members and customers. This will include a new set of customer values and customer service standards.

3.8 In order to improve the quality and consistency of the customer experience further we are developing a series of proposals which will help us get more feedback directly from customers. We will use this feedback to help us identify ways to redesign services so that we make better use of our resources.

3.9 Recent years have seen an increase in the number of requests for information under the Data Protection, Environmental Information Regulation (EIR) and Freedom of Information (FOI) Acts. To try and manage demand we have begun a project to publish our FOI and EIR responses online so the public can see the information which has previously been released, which should reduce duplication. This service should be operational in 2017/18.

## **Archives**

3.10 The Keep provides a state of the art archive facility to residents, with both a traditional and full electronic catalogue with an online search facility. We provide educational activities for all ages and use our collections to promote learning and engagement, participating in projects with schools and the community to bring people closer to their historical archives. In 2017/18 we will be exploring ways of increasing access to the archive's resources by making them available online, including the possibility of entering into a contract with a commercial online provider.

3.11 As part of our work to commemorate the centenary of the start of World War One (WW1) and the part played by the people of East Sussex, we created a website, ([www.eastsussexww1.org.uk](http://www.eastsussexww1.org.uk)), which includes stories, pictures and links to archived information stored in The Keep. We have so far laid three commemorative paving stones which act as a permanent memorial to the local men who were awarded the Victoria Cross during WW1. The ceremonies to unveil the stones were coordinated in partnership with local Town and District Councils and were all a great success. The final ceremony will take place in Hastings in 2018.

3.12 We have also published digitised copies of a number of Sussex newspapers, from 1914 – 1916, online. The newspapers offer residents a glimpse into the past of how the war was perceived and reported at home, monthly publication will continue until the end of 2018.

## **Voluntary and Community Sector**

3.13 We have reviewed our Voluntary and Community Sector (VCS) infrastructure service which has resulted in a shared understanding of what is currently provided through commissioned VCS infrastructure services and the expectations about the level of communication, engagement and participation this provides. The review has also identified the key strengths and challenges in current provision, an understanding of the future demand, and what this could mean for VCS delivery and support locally. During 2017 work will take place to shape the service in line with the transformation agenda and the requirements of voluntary and community organisations.

3.14 The Healthwatch East Sussex and Independent Health Complaints Advocacy services, which were due to expire on 31 March 2017, have been recommissioned to ensure the services continue and develop.

### **Registration Services**

3.15 Countywide, the Registration Service is targeted to bring in around £1.6m worth of income; the bulk of this is derived from performing marriage ceremonies, taking notices of marriage, the licencing of Approved Marriage Premises, the provision of Citizenship Ceremonies and the production and re-production of statutory copy certificates, such as birth certificates. The service is also continually exploring new income streams from peripheral services, including non-statutory ceremonies, such as renewals of vows, baby naming, civil funerals and private citizenship ceremonies, alongside a host of office based non-statutory services such as passport checking, change of name deeds, solicitor referrals and paid-for in-house advertising. We are also aiming to increase the income the service generates with new measures such as offering a brochure of wedding services to couples booking ceremonies and providing baby photography within the waiting rooms. The recently refurbished Hastings Town Hall has seen a significant increase in bookings; while Southover Grange in Lewes, which reopened in April 2017 for the whole range of services and ceremonies, has already proved tremendously popular with couples, with 44 weddings booked within the first five hours of opening.

3.16 We also provide a comprehensive offering for the registration of births, still-births and deaths at no cost to the customer. The service is also tasked with taking notices of marriage from couples who live in the county and sharing data with the Clinical Commissioning Groups, the Office of National Statistics and the District & Borough Councils.

3.17 In 2014 the Council acquired Southover Grange, a Grade II\* listed 16<sup>th</sup> century manor house in Lewes, in a building swap with Lewes District Council. Part of the building had previously been used for marriage ceremonies and registration services, but the layout and facilities of the building restricted access for people with limited mobility making it unfit for purpose. A £1.5m scheme of improvement was devised to make the necessary changes for ceremonies and services to return there. Work started in May 2016 and completed in April 2017. The building is now open as Lewes Register Office complete with two stunning ceremony rooms, a magnificent grand hall and a VIP Lounge. A lift has been installed as part of the refurbishment, making the first floor fully accessible. The building also has interview rooms for the registration of births and deaths.

### **Road Safety**

3.18 Collisions on the roads can have a terrible human cost and our primary focus is to help save lives and reduce collisions. We are aiming to create a safer environment for all road users, reduce collisions and life changing injuries and minimise the chances of fatalities. We work in partnership with other organisations as part of the Sussex Safer Roads Partnership (SSRP) and also with other bodies such as the Police and Crime Commissioner. The key

element of improving road safety will be to increase the level of responsible behaviour from all road users.

3.19 Analysis has shown that nationally human error is a contributory factor in between 90%-95% of KSIs. Although the causation factors behind this figure are wide and varied, in East Sussex over the three years 2012 to 2014, nine of the ten most frequent contributory factors in collisions that resulted in a KSI were directly related to road user behaviour, such as failing to look properly or being careless. In 2015/16 the Council secured funding to address public health priorities in East Sussex, identified through the Public Health Outcome Framework Indicators, which includes the KSI rate. The KSI rate was identified as a potential area for one-off investment as rates in East Sussex have been higher than the England average for many years.

3.20 £1m of funding was allocated to the East Sussex Road Safety Programme, which will focus on the provision of additional road safety interventions to target identified high risk groups and roads. The programme will seek to:

- undertake further analysis of the location and causation factors for KSIs across East Sussex;
- undertake further analysis into the effectiveness and reach of existing interventions to address road safety; and
- work to address the particularly high rates of KSI among the following priority groups:
  - Non-motorised users (NMUs – pedestrians, pedal cyclists and mobility scooter users)
  - 16 to 24 year olds
  - Powered two wheelers (PTWs)
  - Occupational (where one of those involved in the collision was considered to be using the road as part of their occupation)
  - Speed (where some form of speed element was considered to be present in the causation of the collisions)
  - And an emerging risk group for the SSRP – elderly drivers.

3.21 The project manager for the programme has begun to develop, with input from partners, road safety groups and local community safety partnerships, a range of behavioural change initiatives which will educate road users to try and reduce the number of KSI on the roads; these initiatives will begin to be implemented in 2017/18.

3.22 Provisional data shows the total number of KSIs on our roads in the period January to December 2016 was 383, with 25 being fatalities. Of these, 52 (three fatalities) occurred on the Trunk Road network, which is the responsibility of Highways England. This is a 9% increase in the number of KSI compared to 2015, and a 14% increase in fatalities. Compared to the 2005-2009 average the 2016 totals are a 1% increase in the number of KSI but a 24% reduction in the number of fatalities. The national validated crash data released by the DfT in June 2016 is being analysed by the Sussex Safer Roads Partnership to identify any local issues and to compare these to regional and national trends. This analysis will identify any trends amongst specific groups which can then be targeted as part of our work with the Local Road Safety Partnerships.

3.23 The provisional total number of casualties on our roads in the period January to December 2016 was 1,884. This compares to the 2015 total of 2,064 casualties, an 8.7% reduction. The number of casualties of all severity occurring on our roads is 28.5% less than the baseline average of 2,636 casualties for the 2005 - 2009 monitoring period. Further in depth analysis of DfT nationally validated data will identify if any particular groups are identified as causing concern.

## Trading Standards

3.24 Our Trading Standards Service has an important role to play in promoting a safe and fair trading environment and in protecting the residents of East Sussex, particularly the vulnerable. The service supports economic growth by targeting rogue traders who inhibit legitimate businesses, and by engaging with local businesses to guide them through the regulatory framework.

3.25 Our Rapid Action Team plays a key role in keeping vulnerable people safe by intervening to disrupt rogue trading. They also work proactively in hotspots of doorstep crime to advise and protect residents from scams such as shoddy or overpriced gardening, renovations and building works to their homes. The team's intervention can often save vulnerable residents thousands of pounds which they otherwise may have lost to unscrupulous or unreliable traders.

3.26 Trading Standards also investigates food fraud, safety cases, illicit tobacco and counterfeit alcohol. We also run a programme of inspection and sampling from businesses, farms and manufacturers in East Sussex to ensure food, products and animal feed are safe.

3.27 The Council's Trading Standards Department hosts the National Trading Standards Scams Team (NTSST), which protects victims from scam mail and financial abuse. Mass Marketing Scams, which are often targeted specifically at vulnerable or disadvantaged consumers, cause approximately £5-10 billion of detriment to UK consumers. It is estimated that for every £1 of funding received, the team save consumers £56.

3.28 The NTSST have launched a new national initiative called Friends Against Scams (FAS) which is designed to change people's perceptions of scams and scam victims. Consumers can attend a face-to-face awareness session or complete the online learning and learn more about scams and scam victims. In 2016 FAS won a Counter Fraud Government Award for Excellence in Fraud Awareness, being recognised for the potential the initiative will have on a local, regional and national level. The team continue to work to expand the number of partners of the initiative. NatWest Bank PLC, which is the first financial institution involved, have begun to roll out a bespoke training package to their staff and have already prevented one customer from being defrauded. Other existing partners include Bournemouth University, the Chartered Trading Standards Institute, the charity Think Jessica, and the Consumer Empowerment Alliance.

3.29 The NTSST has developed a FAS guide with suggested ways that local authorities can implement the initiative into their work and with their communities. They are also working alongside two local authorities, East Sussex County Council and the Isle of Wight Council, to launch Against Scams Partnerships (ASPs). ASPs bring key partners in a local area together to develop and deliver an action plan on how to tackle scams in their local areas. In the long term the NTSST are aiming to develop these partnerships across the country.

3.30 The Scams Team have secured a further £500,000 grant from the Department for Culture Media and Sport to fund call blockers, which help prevent fraudsters making contact with vulnerable people. Truecall were contracted to provide the call blockers and the first stage of distribution is now underway, focussing on providing them to people living with dementia, via their local authority.

## **External Funding**

3.31 Our External Funding Team plays an important role in helping voluntary and community organisations identify and apply for funding from a wide range of external sources. We will work with the voluntary sector to help organisations identify sources of funding, quality check their draft applications, provide training on bid writing and share best practice.

3.32 Given the considerable pressure local government funding is under we will be seeking new and diverse ways of funding services that matter most to local residents. One way to do this is to increase the amount of income that we get from external sources. We will support staff in optimising resources by making them more aware of the support and funding opportunities available. We plan to deliver more training and offer more targeted support to maximise the take up of funding opportunities.

## Performance data and targets

Performance Measures CP = Council Plan	2015/16 Outturn	2016/17 Target	2016/17 Outturn	2017/18 Target	2018/19 Target	2019/20 Target
Modernise Hastings Library	The Registration Service has relocated to Hastings Town Hall and preparatory works on Hastings Library have commenced	Construction works completed	<b>Construction completion delayed</b>	Complete installation of new fixtures, fittings and stock.	No target set after 2016/17	No target set after 2016/17
Develop and implement a Strategic Commissioning Strategy for the Libraries Service	Needs assessment has begun, including survey of 2,000 library users	Undertake work on the needs assessment and technical appendices, which will inform the draft Strategic Commissioning Strategy	<b>Production of the technical appendices to support development of the draft Strategic Commissioning Strategy continues</b>	Complete the needs assessment and technical appendices. Produce and consult on Strategic Commissioning Strategy, amend as required	Implement Strategic Commissioning Strategy	To be set 2018/19
In partnership with Learndirect and other funding organisations provide online learning (including skills for life and ICT courses) in libraries CP (subject to contract)	376 courses completed	250 courses completed (subject to contractual review, Q2 2016/17)	<b>363</b>	250 courses complete (subject to contractual review, Q2 2017/18)	To be set 2017/18	To be set 2018/19
Number of sessions on library computers (the People's Network)	317,977 sessions	300,000 sessions	<b>281,704</b>	230,000 sessions	To be set 2017/18	To be set 2018/19
Publish responses to Freedom of Information (FOI) requests on our website	An investigation into identifying and procuring case management software is underway	Publish FOI responses on website	<b>FOI responses not published online</b>	Complete procurement installation and user-testing of new software solution	No target set after 2017/18	No target set after 2017/18
Comply with the Information Commissioner's Office (ICO) standard of ≥ 90% of Freedom of Information (FOI) and Environment Information Regulations (EIR) responses within timescale.	93%	≥ 85%	<b>97.6%</b>	≥ 90%	To be set 2017/18	To be set 2018/19
Number of customer orders for original material at The Keep	14,576	14,000 orders	<b>13,352</b>	14,000 orders	14,000 orders	To be set 2018/19
Number of onsite service users at The Keep	6,332	6,500 users	<b>6,462</b>	6,000 users	To be set 2017/18	To be set 2018/19
Number of visits to The Keep website	84,738 user visits, 575,870 page views	85,000 user visits; 580,000 page views	<b>88,214 users, 562,357 page views</b>	85,000 user visits; 580,000 page views	85,000 user visits; 580,000 page views	To be set 2018/19
Attendance at activities which enable education, research and lifelong learning, both at The Keep and off site	4,747	Attendance of at least 4,000	<b>4,300</b>	Attendance of at least 4,000	Attendance of at least 4,000	To be set 2018/19
The number of Weddings and Civil Partnerships where one or both are residents of East Sussex	1,555	Sustain 2015/16 level	<b>1,607</b>	Sustain 2016/17 level	To be set pending 2017/18 outturn	To be set pending 2018/19 outturn
The number of Weddings and Civil Partnerships where neither are residents of East Sussex	878	Sustain 2015/16 level	<b>835</b>	Sustain 2016/17 level	To be set pending 2017/18 outturn	To be set pending 2018/19 outturn

Performance Measures CP = Council Plan	2015/16 Outturn	2016/17 Target	2016/17 Outturn	2017/18 Target	2018/19 Target	2019/20 Target
Measures and targets for the reduction of killed or seriously injured (KSI) road casualties subject to the development and implementation of specific behaviour change projects to be delivered within the East Sussex Road Safety Programme CP	348	Fewer than 289 KSI casualties	383	Establish measure(s) and targets for implementation in 2018 calendar year onwards	To be set following 2017/18 review (2018 calendar year)	To be set following 2017/18 review (2019 calendar year)
Measures and targets for the reduction of all road casualties subject to the development and implementation of specific behaviour change projects to be delivered within the East Sussex Road Safety Programme	2,062	Fewer than 1,605 casualties	1,884	Establish measure(s) and targets for implementation in 2018 calendar year onwards	To be set following 2017/18 review (2018 calendar year)	To be set following 2017/18 review (2019 calendar year)
The number of businesses and professionals receiving advice and support through training workshops and bespoke advice CP	477	210	599	380	150	To be set 2018/19
The number of positive interventions for vulnerable people who have become the target of rogue trading or financial abuse CP	NA	80	114	80	To be set 2017/18	To be set 2018/19

Revenue Budget £000			
Revenue Breakdown	2015/16	2016/17	2017/18
Gross Budget (A)	14,868	14,472	13,553
Government Grants (B)	(418)	(422)	(397)
Fees & Charges (C)	(2,704)	(2,486)	(2,405)
Other Income (D)	(1,895)	(1,843)	(1,859)
Net Budget (A-B-C-D)	9,851	9,721	8,892

Capital Programme £000							
Project	Description	Total for Scheme	Previous Years	2017/18	2018/19	2019/20	
New Archive and Record Office - "The Keep" - Phase 1 & 2	Build New Archive Building	Gross	20,178	20,136	28	14	-
		Net	13,229	13,187	28	14	-
Hastings Library	Expansion and refurbishment of Hastings Library	Gross & Net*	8,739	6,133	2,295	311	-
Southover Grange (formerly The Maltings)	Refurbishment of Southover Grange for Registration Service	Gross & Net*	1,307	1,156	151	-	-

\*Fully funded by ESCC. \*\* Project extends beyond 2019/20.



Business Services / Orbis - current & additional savings			Gross Budget *	Savings
			2016/17	2018/19
Service description	Description of savings proposal	Impact assessment	£'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"> <li>• Personnel and Training (PAT);</li> <li>• Property and Capital Investment;</li> <li>• ICT;</li> <li>• Procurement;</li> <li>• Finance (including Internal Audit); and</li> </ul>	<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 duplicated effort.</p>	<p>The first year will focus on:</p> <ul style="list-style-type: none"> <li>- stability of service;</li> <li>- embedding new senior management structures;</li> <li>- supporting other departments in the delivery of the change agendas;</li> <li>- planning and implementing the integration of all Orbis services</li> </ul> <p>Key factors for delivery of the Orbis Business Plan by the end of 18/19 include:</p> <ul style="list-style-type: none"> <li>- Clarity on level of interrogation of each function;</li> <li>- 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).</li> <li>- 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.</li> </ul> <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 boarding new public sector partners has been included. Again, that will be a feature of the forward-looking 'compelling alternative' Orbis strategy.</p>	21,688	1,396

Business Services / Orbis - current & additional savings			Gross Budget *	Savings
			2016/17	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000
<ul style="list-style-type: none"> <li>Business Operations (Shared Services).</li> </ul> <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>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>			
				<b>1,396</b>

\* The gross budgets shown reflect the areas against which savings have been proposed.

Communities, Economy & Transport - current & additional savings			Gross budget *	Savings
			2016/17	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000
<b>Operations and Contract Management</b>				
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
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
<b>Economy</b>				
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 &amp; 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	25

Communities, Economy & Transport - current & additional savings			Gross budget *	Savings
			2016/17	2018/19
Service description	Description of savings proposal	Impact assessment	£'000	£'000
<b>Communities</b>				
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 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	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
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	19
				<b>2,119</b>

\* The budgets shown reflect the areas against which savings have been proposed.

Governance Services - 2017/18 and 2018/19 savings			Gross budget *	Savings
			2016/17	2018/19
Service description	Description of savings proposal	Impact assessment	£'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	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	50
3rd Sector	Cease corporate support for AiRs (18/19); Reduction in Generic infrastructure or Healthwatch	Reduced support for the VCS.	937	30
				<b>134</b>

\* The budgets shown reflect the areas against which savings have been proposed.

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Report to: **Audit, Best Value and Community Services Scrutiny Committee**  
Date: **27 September 2017**  
By: **Chief Operating Officer**  
Title of report: **Procurement update**  
Purpose of report: **An overview of the key themes that will be included in the presentation to be delivered by the Procurement Service at the ABVCSC on 27 September**

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## **RECOMMENDATIONS**

**On listening to the presentation the Committee is recommended:**

- 1. To note the scope of procurement's activities and the change programme it has been through to deliver increased value in the future; and**
  - 2. To consider the degree of scrutiny the Committee wishes to exercise in the future**
- 

As part of the transformation programme for Orbis, the Procurement Service has been through significant change over the past year and as a result it now has an increased focus in a number of areas. It, therefore, feels timely that the Service provides an overview to the Committee of its current purpose, scope and structure and for the Committee to consider how it wishes to monitor the procurement activities in the future. More specifically the presentation to be delivered to the Committee will cover the following areas:

### **1. The Procurement Landscape**

1.1 An overview of annual spend with our supply base by category of expenditure across ESCC. An overview of our contracts

### **2. Purpose**

2.1 The role that procurement plays within ESCC and more widely across Orbis

2.2 The varying types of value it can deliver (and how this is measured)

### **3. Organisation**

3.1 A summary of how the Service is structured and why. In particular, an explanation of the rationale for the service redesign that Procurement has undertaken in the past year

3.2 The governance that exists to ensure that expenditure is effectively controlled

3.3 The supporting technologies that are in place within the department

### **4. Opportunities and Challenges**

4.1 The key next steps in the development of the Service

4.2 The risks and issues that may affect this

Kevin Foster  
**CHIEF OPERATING OFFICER**

Contact Officer: Ross Duguid  
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# Audit, Best Value and Community Services (ABVCS) Scrutiny Committee



## Future work at a glance

Updated: September 2017

This list is updated after each meeting of the scrutiny committee  
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<b>Items that appear regularly at committee</b>	
Internal Audit Progress Reports	Summary of quarterly key audit findings, highlighting significant control issues and reporting on delivery of the audit plan and internal audit services' performance against performance indicators.
Strategic risk monitoring log	The latest version of the County Council's strategic risk register.
The Council's <b>Forward Plan</b>	<p>The latest version of the Council's <b>Forward Plan</b> is included on each scrutiny committee agenda. The Forward Plan lists all the key County Council decisions that are to be taken within the next few months together with contact information to find out more. It is updated monthly.</p> <p>The purpose of doing this is to help committee Members identify important issues for more detailed scrutiny <i>before</i> key decisions are taken. This has proved to be significantly more effective than challenging a decision once it has been taken. As a last resort, the <b>call-in</b> procedure is available if scrutiny Members think a Cabinet or Lead Member decision has been taken incorrectly.</p> <p>Requests for further information about individual items on the Forward Plan should be addressed to the listed contact. Possible scrutiny issues should be raised with the scrutiny team or committee Chairman, ideally before a scrutiny committee meeting.</p>
Committee work programme	This provides an opportunity for the committee to review the scrutiny work programme for future meetings and to highlight any additional issues they wish to add to the programme.

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<b>Future committee agenda items</b>		<b>Presenting officer</b>
<b>29 November 2017</b>		
Internal Audit Progress Report	Internal Audit Progress report – Quarter 2, 2017/18 (01/07/17 – 30/09/17)	Nigel Chilcott, Senior Audit Manager/Russell Banks, Chief Internal Auditor
Strategic Risk Monitoring	Strategic risk monitoring report – Quarter 2, 2017/18 (01/07/17 – 30/09/17)	Rawdon Phillips, Risk & Insurance Manager/Russell Banks, Chief Internal Auditor
Annual Audit Letter	To consider the Annual Audit letter and fee update from the External Auditor	Ian Gutsell, Chief Finance Officer / Ola Owolabi, Head of Accounts and Pensions
Treasury Management	To consider a report on the review of Treasury Management performance for 2016/17 and for outturn for the first six months of 2017/18, including the economic factors affecting performance, the Prudential Indicators and compliance with the limits set within the Treasury Management Strategy.	Ian Gutsell, Chief Finance Officer / Ola Owolabi, Head of Accounts and Pensions
Orbis Business Plan	To consider a report on the revised Orbis Business Plan.	Kevin Foster Chief Operating Officer
Annual update on usage of Agency Staff	Annual update on the usage of agency staff at East Sussex County Council and progress on establishing the bank of casual staff.	Sarah Mainwaring, Head of HR and Org Development
Reconciling Policy, Performance and Resources (RPPR)	RPPR 2018/19. The Committee will consider additional information requested at September meeting.	Scrutiny / Senior Officers

<b>Future committee agenda items</b>		<b>Presenting officer</b>
<b>22 March 2018</b>		
Internal Audit Progress Report	Internal Audit Progress report – Quarter 3, 2017/18 (01/10/17 – 31/12/17)	Nigel Chilcott, Senior Audit Manager/Russell Banks, Chief Internal Auditor
Internal Audit Strategy and Plan	Consideration of the Internal Audit Strategy and Plan for 2018/19	Russell Banks, Chief Internal Auditor
Strategic Risk Monitoring	Strategic risk monitoring report – Quarter 3, 2017/18 (01/10/17 – 31/12/17)	Rawdon Phillips, Risk & Insurance Manager /Russell Banks, Chief Internal Auditor
External Audit Plan 2017/18	This report sets out in detail the work to be carried out by the Council's External Auditors.	Ian Gutsell, Chief Finance Officer & External Auditors/ Ola Owolabi, Head of Accounts and Pensions
External Audit Report on Grants Claim Certification 2016/17	External auditors are required to certify certain grant claims; this is an annual report summarising that grant work and highlights the key issues arising.	Ian Gutsell, Chief Finance Officer & External Auditors/ Ola Owolabi, Head of Accounts and Pensions
External Audit Plan for East Sussex Pension Fund 2017/18	To consider and comment upon the External Audit Plan for the East Sussex Pension Fund for 2017/18.	Ian Gutsell, Chief Finance Officer & External Auditors/ Ola Owolabi, Head of Accounts and Pensions
Reconciling Policy, Performance and Resources (RPPR)	To provide the Committee with an opportunity to review its input into the RPPR process and receive feedback on how scrutiny input has been reflected in final plans. Any issues arising can be reflected in the future committee work programme.	Scrutiny / Chief Executive

Current scrutiny reviews and other work underway	Date available
<p><b>Libraries' Transformation Programme.</b>            The Scrutiny Committee has formed a Review Board which is acting as a Reference Group in the development of the Libraries Strategic Commissioning Strategy (SCS), which looks at the future provision of library services in East Sussex. The Review Board will submit comments on the draft SCS to Cabinet in September, and will be undertaking further work on the Strategy proposals.</p>	<p><b>September 2017.</b></p>

Potential future scrutiny work (Proposals and ideas for future scrutiny topics appear here)
<p>Page 148</p>

Background / information reports circulated to the Committee (Items in this list are circulated to Members by email and appear on committee agendas only when proposed for scrutiny by committee members)	Date to be circulated

<p><b>Enquiries:</b> Democratic Services            Author: Simon Bailey, Democratic Services Officer            Telephone: 01273 481935            Email: <a href="mailto:simon.bailey@eastsussex.gov.uk">simon.bailey@eastsussex.gov.uk</a></p>	<p><b>Version number:</b> v.51</p>
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## EAST SUSSEX COUNTY COUNCIL'S FORWARD PLAN

The Leader of the County Council is required to publish a forward plan setting out matters which the Leader believes will be the subject of a key decision by the Cabinet or individual Cabinet member in the period covered by the Plan (the subsequent four months). The Council's Constitution states that a key decision is one that involves

- (a) expenditure which is, or the making of savings which are, significant having regard to the expenditure of the County Council's budget, namely above £500,000 per annum; or
- (b) is significant in terms of its effects on communities living or working in an area comprising two or more electoral divisions.

As a matter of good practice, the Council's Forward Plan includes other items in addition to key decisions that are to be considered by the Cabinet/individual members. This additional information is provided to inform local residents of all matters to be considered, with the exception of issues which are dealt with under the urgency provisions.

For each decision included on the Plan the following information is provided:

- Page 151 -
- the name of the individual or body that is to make the decision and the date of the meeting
  - the title of the report and decision to be considered
  - groups that will be consulted prior to the decision being taken
  - a list of other appropriate documents
  - the name and telephone number of the contact officer for each item.

The Plan is updated and published every month on the Council's website two weeks before the start of the period to be covered.

Meetings of the Cabinet/individual members are open to the public (with the exception of discussion regarding reports which contain exempt/confidential information). Copies of agenda and reports for meetings are available on the website in advance of meetings. For further details on the time of meetings and general information about the Plan please contact Andy Cottell at County Hall, St Anne's Crescent, Lewes, BN7 1UE, or telephone 01273 481955 or send an e-mail to [andy.cottell@eastsussex.gov.uk](mailto:andy.cottell@eastsussex.gov.uk).

For further detailed information regarding specific issues to be considered by the Cabinet/individual member please contact the named contact officer for the item concerned.

EAST SUSSEX COUNTY COUNCIL  
 County Hall, St Anne's Crescent, Lewes, BN7 1UE

For copies of reports or other documents please contact the officer listed on the Plan or phone 01273 335274.

**FORWARD PLAN – EXECUTIVE DECISIONS (including Key Decisions) –1 September 2017 TO 31 December 2017**

Additional notices in relation to Key Decisions and/or private decisions are available on the [Council's website](#).

Cabinet membership:

Councillor Keith Glazier - Lead Member for Strategic Management and Economic Development

Councillor David Elkin – Lead Member for Resources

Councillor Bill Bentley – Lead Member for Communities and Safety

Councillor Rupert Simmons – Lead Member for Economy

Councillor Nick Bennett – Lead Member for Transport and Environment

Councillor Carl Maynard – Lead Member for Adult Social Care and Health

Councillor Sylvia Tidy – Lead Member for Children and Families

Councillor Bob Standley – Lead Member for Education and Inclusion, Special Educational Needs and Disability

Date for Decision	Decision Taker	Decision/Key Issue	Decision to be taken wholly or partly in private (P) or Key Decision (KD)	Consultation	List of Documents to be submitted to decision maker	Contact Officer
19 Sep 2017	Cabinet	Authorised banking arrangements To agree revisions to the list of authorised signatures			Report, other documents may also be submitted	Ian Gutsell 01273 481399
19 Sep 2017	Cabinet	Council Monitoring: Quarter 1 2017/18 To consider the Council Monitoring report for the first quarter of the financial year 2017/18.			Report, other documents may also be submitted	Jane Mackney 01273 482146
19 Sep 2017	Cabinet	Draft Libraries Strategic Commissioning Strategy			Report, other documents may	Matthew Wragg 01273 335165



		To consider the draft Libraries Strategic Commissioning Strategy (SCS), and to agree that the draft Strategy is publically consulted on for a twelve week period.	<b>KD</b>		also be submitted	
19 Sep 2017	Cabinet	Final decision on the proposed closure of Rodmell CE School To consider the final decision on the proposed closure of Rodmell School	<b>KD</b>	Local Members	Report, other documents may also be submitted	Gary Langford 01273 48758
25 Sep 2017	Lead Member for Transport and Environment	East Sussex County Council (Eastbourne 108A, 108B and 108C) Cycle Track Order 2017 To seek authority to seal the Order to convert the existing public footpath alongside Horsey Sewer, to cycle track pursuant to Section 3 of the Cycle Tracks Act 1984.		Local Members	Report, other documents may also be submitted	Andrew Keer 01273 336682
25 Sep 2017	Lead Member for Transport and Environment	Petition in relation to the Traffic Calming at Brisbane Quay, Eastbourne  To consider the response to the petition calling for a review of the traffic calming at 10 Brisbane Quay, Sovereign Harbour North, Eastbourne.		Lead Petitioner  Local Members	Report, other documents may also be submitted	Dale Poore 01273 481916
25 Sep 2017	Lead Member for Transport and Environment	To consider a Petition to carry out new and joint traffic evaluation studies on the A259 South Coast Road between Newhaven and Brighton Marina		Lead Petitioner  Local Members	Report, other documents may also be submitted	Jonathan Wheeler 01273 482212
26 Sep 2017	Lead Member for	Approval to publish notices in relation to a		Parents	Report, other	Jane Spice

	Education and Inclusion, Special Educational Needs and Disability	proposal to enlarge Polegate School	<b>KD</b>	School Staff Key Stakeholders The Local Community	documents may also be submitted	01323 747425
26 Sep 2017	Lead Member for Education and Inclusion, Special Educational Needs and Disability	Final decision on a proposal to lower the age range at Sandown Primary School  To consider the final decision on a proposal to lower the age range at Sandown Primary School		Staff Parents Key stakeholders The Local Community	Report, other documents may also be submitted	Jane Spice 01323 747425
27 Sep 2017	Lead Member for Communities and Safety	Business Advice & Support Partnership (BAASP)  To endorse entering into a partnership with 4 other local authorities in order to offer a single branded business advice service and to endorse the reduction of the fee for chargeable business advice to ensure fees are uniform across the partnership			Report, other documents may also be submitted	Richard Stawson 01323 466804
27 Sep 2017	Lead Member for Communities and Safety	Petition concerning Ashgate Road, Eastbourne  To consider a petition calling for a one way system, 20mph speed limit and additional parking provisions in Ashgate Road, Eastbourne		Lead Petitioner Local Members	Report, other documents may also be submitted	Victoria Bartholomew 01424 724284

27 Sep 2017	Lead Member for Communities and Safety	<p>Provision of an on-street advisory disabled parking bay in Manor End, Uckfield</p> <p>To consider an objection received to the provision of an on-street advisory disabled parking bay.</p>		Local Members	Report, other documents may also be submitted	Paul Ward 01273 482294
27 Sep 2017	Lead Member for Communities and Safety	<p>Registration Service Income Generation</p> <p>For the Lead Member to note the breadth of income generation schemes currently being progressed within the Registration Service and consider proposals to:</p> <p>1) refer customers who are getting married to an approved Will writer, in return for a referral fee (predicated on the fact that marriage annuls all former wills).</p> <p>2) refer customers to an approved insurance broker to organise Ceremony insurance for them in return for a fee from the insurance broker.</p> <p>3) hold funeral services and wakes at Southover Grange.</p> <p>4) offer a fee reduction of up to 25% for non-statutory optional ceremonies if they are booked at the same time as the customer transacting other business with the service.</p>			Report, other documents may also be submitted	Steve Quayle 01273 337148
10 Oct 2017	Cabinet	To consider a report regarding the Forest Row Recreation Ground	<b>KD</b>	Local Members	Report, other documents may also be submitted	Ralph Smart 01273 336999

10 Oct 2017	Cabinet	Reconciling Policy, Performance and Resources (RPPR) 2018/19  To consider a service narrative and financial plan update.			Report, other documents may also be submitted	Jane Mackney 01273 482146
10 Oct 2017	Cabinet	Whole Life Disability Service  To consider proposals to develop Whole Life Disability plans and to agree the next phase of development	<b>KD</b>		Report, other documents may also be submitted	Kerry Madden 01273 481615
16 Oct 2017 Page 156	Lead Member for Transport and Environment	Highway Policy Review  A review of the highway service policies has been carried out to ensure that they comply with:  <ul style="list-style-type: none"> <li>• Current national legislation, guidance and best practice;</li> <li>• Corporate priorities and the local transport policy; and</li> <li>• The current Highways and Infrastructure Services Contract.</li> </ul> The proposed changes are presented to the Lead Member for approval.			Report, other documents may also be submitted	
16 Oct 2017	Lead Member for Transport and Environment	ESCC parking standards at residential developments 2017 update		Local Members	Report, other documents may also be submitted	Alex Jack 01273 482563

		To seek approval for updated parking standards which can then be used to advise local planning authorities and developers of the likely parking demand required at developments.				
16 Oct 2017	Lead Member for Transport and Environment	ESCC Safety Audit Policy for developments  To seek approval for a policy for developers to ensure that the highway safety aspects of a development scheme have been properly and independently considered.			Report, other documents may also be submitted	Mark Weston 01273 482242
16 Oct 2017 Page 157	Lead Member for Transport and Environment	Traffic calming scheme in Ghyll Road, Heathfield  To consider the results of a local consultation exercise and recommendation on whether the scheme should progress to detailed design and construction.	<b>KD</b>	Local Members	Report, other documents may also be submitted	Chris Tree 01273 482247
17 Oct 2017	Lead Member for Resources	Former Pells School playing fields, Lewes  To seek approval to declare the site surplus to operational requirements		Local Members	Report, other documents may also be submitted	Kate Nicholson 01273 336487
30 Oct 2017	Lead Member for Education and Inclusion, Special Educational Needs and Disability	Admission Arrangements 2019/20  To seek approval to consult on proposed Admission Arrangements for 2019/20	<b>KD</b>		Report, other documents may also be submitted	Jo Miles 01273 481911
30 Oct 2017	Lead Member for Education and	Enlargement of Willingdon Community School		Local Members	Report, other documents may	Gary Langford 01273 481758

	Inclusion, Special Educational Needs and Disability	Approval to publish notices in relation to a proposal to enlarge Willingdon Community School from 1 Sept 2020			also be submitted	
20 Nov 2017	Lead Member for Education and Inclusion, Special Educational Needs and Disability	Education Commissioning Plan 2017-2021 To seek approval for the publication of the Education Commissioning Plan 2017-2021	<b>KD</b>		Report, other documents may also be submitted	Gary Langford 01273 481758
23 Nov 2017	Lead Member for Adult Social Care and Health	Older People's Day Opportunities Strategy To consider a New Model of delivering "Day Care Services" for Older People in the context of broader transformational programmes	<b>KD</b>		Report, other documents may also be submitted	Deb Cole 01273 336889
29 Nov 2017	Lead Member for Communities and Safety	Road Safety Policies Update To consider and approve the revised road safety policy documents			Report, other documents may also be submitted	Claire Scriven 01424 726347
11 Dec 2017	Lead Member for Education and Inclusion, Special Educational Needs and Disability	Final decision on proposed enlargement of Polegate School To consider the final decision on proposed enlargement of Polegate School	<b>KD</b>	Parents of children at Polegate School Key stakeholders The Local Community Local Members	Report, other documents may also be submitted	Gary Langford 01273 481758

12 Dec 2017	Cabinet	Annual Audit Letter 2016/17  To consider the Annual Audit letter and fee update from the External Auditor.	<b>KD</b>		Report, other documents may also be submitted	Ola Owolabi 01273 482017
12 Dec 2017	Cabinet	Council Monitoring: Quarter 2 2017/18  The consider a Reconciling Policy, Performance and Resources (RPPR) update and the Council Monitoring report for Quarter 2, 2017/18.			Report, other documents may also be submitted	Jane Mackney 01273 482146
12 Dec 2017  Page 159	Cabinet	Treasury Management Annual Report 2016/17 and mid year report 2017/18  To consider a report on the review of Treasury Management performance for 2016/17 and for outturn for the first six months of 2017/18, including the economic factors affecting performance, the Prudential Indicators and compliance with the limits set within the Treasury Management Strategy.	<b>KD</b>		Report, other documents may also be submitted	Ola Owolabi 01273 482017

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