

Council Monitoring Corporate Summary – Q2 2016/17

Council Plan performance targets

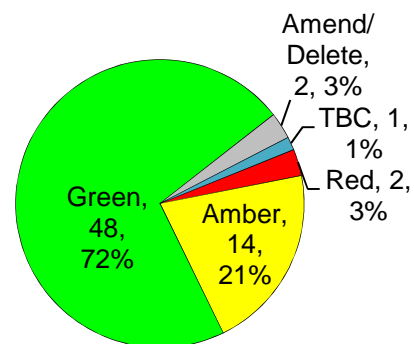
Priority	Red	Amber	Green	Amend / Delete (AD)	TBC
Driving economic growth	0	7	24	1	0
Keeping vulnerable people safe	0	2	10	0	0
Helping people help themselves	2	3	13	1	1
Making best use of resources	0	2	1	0	0
Total	2	14	48	2	1

Q2 2016/17

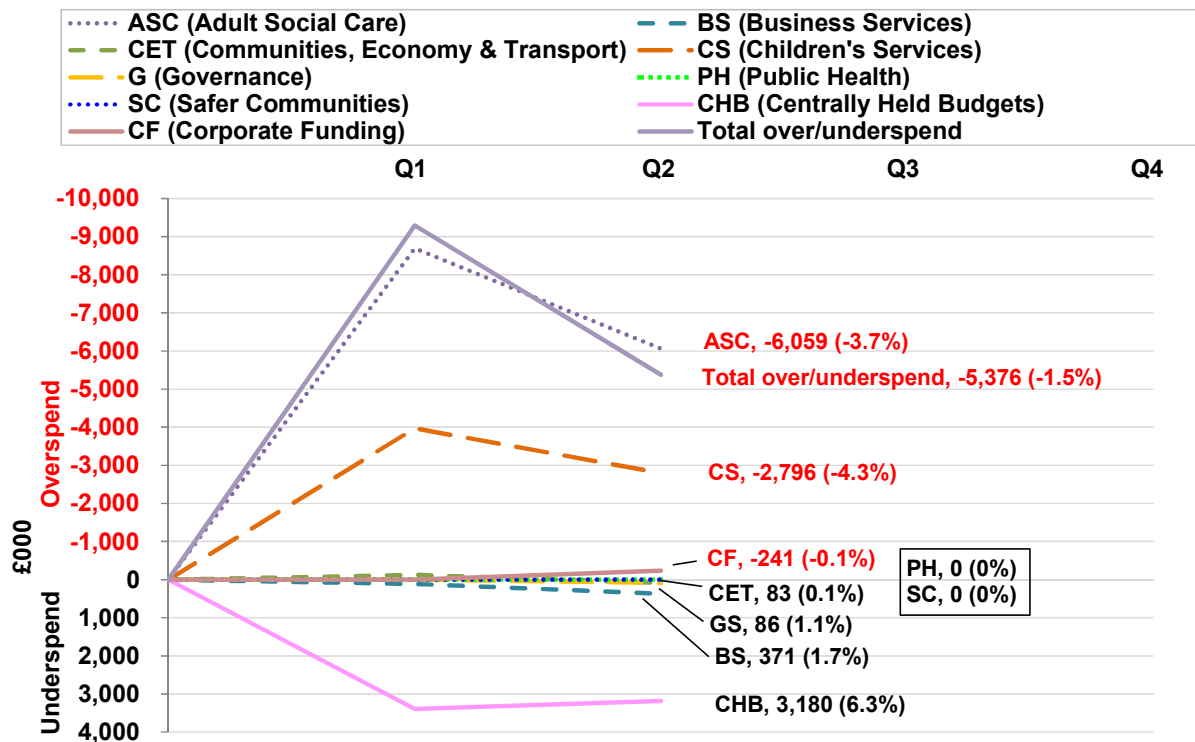
Q2 2016/17

There are 67 individual measures in the Council Plan.

- Appendix 2 ASC – 1 red, 2 amber, 1 amend, 1 to be confirmed
- Appendix 3 BSD – 3 amber
- Appendix 4 CSD – 6 amber
- Appendix 5 CET – 1 red, 3 amber, 1 amend

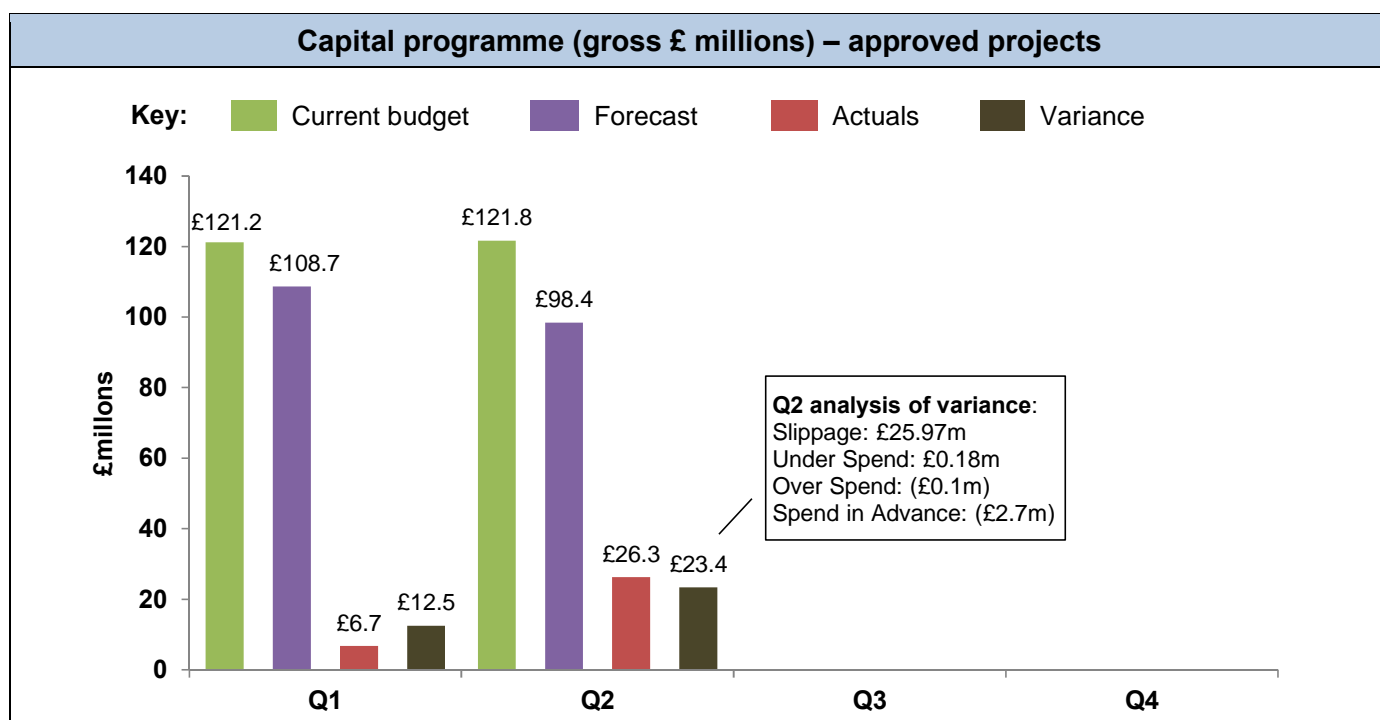


Revenue budget outturn (net £000)



Revenue budget summary (£000)									
	Planned (£000)			Q2 2016/17 (£000)					
				Projected outturn			(Over) / under spend		
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
Service Expenditure									
ASC	231,352	(68,166)	163,186	237,790	(68,545)	169,245	(6,438)	379	(6,059)
Safer Communities	723	(337)	386	1,197	(811)	386	(474)	474	-
Public Health	33,998	(33,998)	-	33,859	(33,859)	-	139	(139)	-
BSD	49,236	(26,999)	22,237	48,699	(26,833)	21,866	537	(166)	371
CSD	330,326	(265,721)	64,605	332,799	(265,398)	67,401	(2,473)	(323)	(2,796)
CET	106,903	(46,085)	60,818	107,353	(46,618)	60,735	(450)	533	83
GS	8,505	(1,006)	7,499	8,441	(1,028)	7,413	64	22	86
Total Service Spend	761,043	(442,312)	318,731	770,138	(443,092)	327,046	(9,095)	780	(8,315)
Centrally Held Budgets									
Treasury Management	27,566	-	27,566	27,566	-	27,566	-	-	-
Funding Cap Prog.	8,878	-	8,878	8,878	-	8,878	-	-	-
General Contingency	3,390	-	3,390	-	-	-	3,390	-	3,390
Pensions	6,299	-	6,299	6,299	-	6,299	-	-	-
Contrib. to Reserves	3,765	-	3,765	3,765	-	3,765	-	-	-
Corporate Grants	-	(58)	(58)	-	(58)	(58)	-	-	-
Education Services Grant	-	-	-	-	200	200	-	(200)	(200)
Levies	441	-	441	446	-	446	(5)	-	(5)
Other	300	-	300	305	-	305	(5)	-	(5)
Total Centrally Held	50,639	(58)	50,581	47,259	(58)	47,201	3,380	(200)	3,180
Total	811,682	(442,370)	369,312	817,397	(442,950)	374,447	(5,715)	580	(5,135)
Corporate Funding									
Business Rates	-	(71,400)	(71,400)	-	(71,168)	(71,168)	-	(232)	(232)
Revenue Support Grant	-	(45,107)	(45,107)	-	(45,107)	(45,107)	-	-	-
Council Tax	-	(247,223)	(247,223)	-	(247,213)	(247,213)	-	(10)	(10)
New Homes Bonus	-	(2,878)	(2,878)	-	(2,879)	(2,879)	-	1	1
Transition Grant	-	(2,704)	(2,704)	-	(2,704)	(2,704)	-	-	-
Total Corporate Funding	0	(369,312)	(369,312)	0	(369,071)	(369,071)	0	(241)	(241)
Total	811,682	(811,862)	0	817,397	(812,021)	5,376	(5,715)	339	(5,376)

Revenue savings summary 2016/17 £000				
Department	2016/17 (£'000) – Q2 Forecast			
	Target	Achieved	Slipped	Unachieved
ASC	7,955	3,898	4,057	-
BSD	312	312	-	-
CS	4,985	4,542	276	167
CET	3,117	3,117	-	-
GS	180	180	-	-
Centrally Held	3,000	3,000	-	-
Total Savings	19,549	15,049	4,333	167
ASC	-	-	-	-
BSD	-	-	-	-
CS	-	-	-	-
CET	-	-	-	-
GS	-	-	-	-
Centrally Held	-	-	-	-
Permanent Variations	0	0	0	0
Total Permanent Savings & Variations	19,549	15,049	4,333	167
ASC	-	431	(431)	-
BSD	-	-	-	-
CS	-	-	-	-
CET	-	-	-	-
GS	-	-	-	-
Centrally Held	-	-	-	-
Temporary Variations	0	0	0	0
Total Savings with Variations	19,549	15,480	3,902	167



Capital programme summary (£000)									
Approved project	Total project – all years*		2016/17 (£000)						
			In year monitor Q2				Analysis of variation		
	Budget	Projected	Budget	Actual to date	Projected 2016/17	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance
ASC	22,208	22,208	4,132	1,141	3,298	834	-	834	-
BSD	67,798	67,798	15,409	3,697	14,645	764	-	764	-
CS	66,670	65,670	22,514	10,663	20,800	1,714	-	1,825	(111)
CET	460,333	460,228	79,633	10,765	59,640	19,993	45	22,509	(2,561)
GS	157	128	74	3	3	71	29	42	-
Total	617,166	617,092	121,762	26,269	98,386	23,376	74	25,974	(2,672)
Scheme Specific Income			24,374	6,626	23,764	610			
Capital Reserves			-	-	-	-			
Section 106			-	-	-	-			
Non Specific Grants			35,083	17,525	35,083	-			
Capital Receipts			6,268	-	6,268	-			
Revenue Contributions			10,723	2,118	9,087	1,636			
Borrowing			45,314	-	24,184	21,130			
Total			121,762	26,269	98,386	23,376			

*This includes current budget for all finite current projects plus 5 years of rolling programmes.

Centrally held budgets
<p>The Treasury Management (TM) Strategy, which provides the framework for managing the Council's borrowing requirement, continues to reflect a policy of ensuring minimum risk whilst aiming to deliver secure realistic investment income on the Council's cash balances. Investment rates available in the market have been lower during the quarter following the Bank of England base rate cut on the 4th August to 0.25%. The average level of funds available for investment purposes during the quarter was £292m. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the Capital Programme. The total amount received in short term interest for the three months to 30 September 2016 was £479k at an average rate of 0.65%.</p> <p>At 30 September 2016, the majority of the Council's external debt was held as long term loans (£275.4m), and no</p>

cost effective opportunities have arisen in the twelve months to restructure the existing debt portfolio. On September 30th the Council repaid £2.6m which had reached its maturity date a further £2m is due to be repaid on the 31st December 2016. The Accounts & Pensions team have set up a recording process for trigger rate monitoring and work to an agreed protocol for potential future borrowing activity to fund the current capital programme.

The Council's budgeted cost of external interest, relating to both long and short-term borrowing for the year is £16.2m.

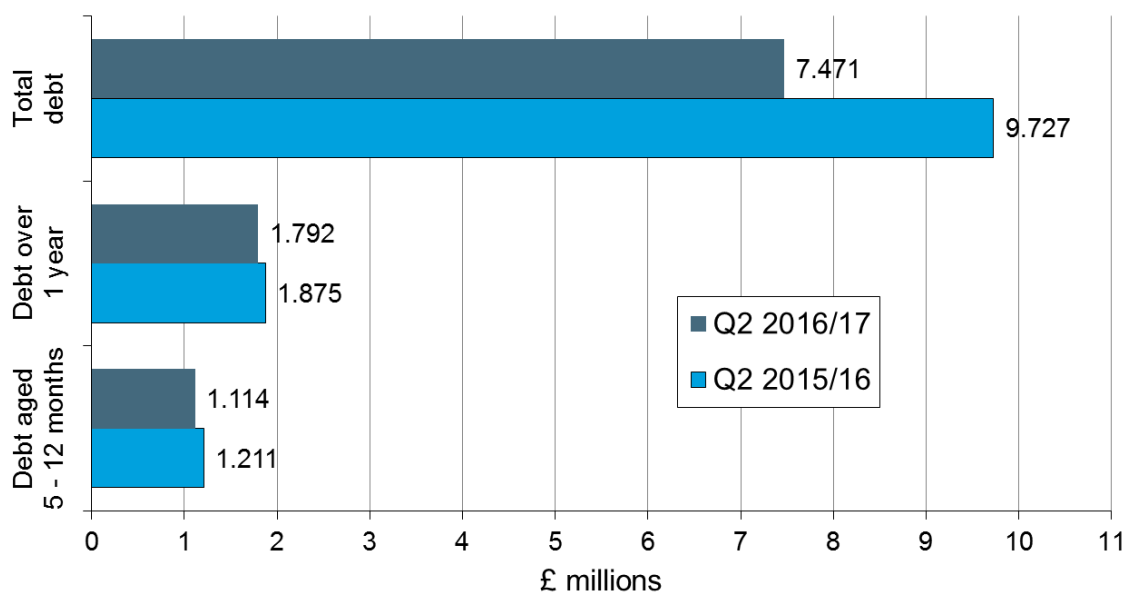
Centrally held budgets include a general contingency of £3.4m. This will be held to offset the projected service overspend of £10.0m. Following the review of Minimum Revenue Provision Policy and the treasury management budgets there will be a reduced charge to revenue in 2016/17. Normal practice is to transfer any net treasury management underspend to the capital programme to reduce borrowing, but this could be used to mitigate a net overspending on the General Fund if required.

General balances

The General Fund balance was £10.0m as at 31 March 2016. General balances are held to manage risk and allow the Council to manage unforeseen financial circumstances without the need to make immediate savings.

Schools balances as at 31 March 2016 were £14.9m.

Outstanding debt analysis (£ millions)



The value of debt over 5 months at Quarter 2 has increased to £2.906m when compared to the 2015/16 outturn of £2.190m. The majority of this is due to CCG debt of £521k moving into the 5 months to 12 months age category. CCG outstanding debt is monitored on a monthly basis by Service Finance colleagues directly with the CCG. Age Debt continues to be a high priority focus area with a continuous improvement approach to continually re-engineer systems and processes. Regular ASC debt case review meetings ensure that the most appropriate steps are taken to recover debt promptly in consideration of the residents' circumstances and in accordance with the Care Act.

Adult Social Care and Health – Q2 2016/17

Summary of progress on Council Priorities, issues arising, and achievements

Summary of successes and achievements – Between April and September 2016, 100% (4,697) of working age adults and older people supported by Adult Social Care received self-directed support. 98.4% of new clients who received short-term services to increase their independence made no further request for support. 891 adults with a learning disability were in settled accommodation, an increase from 869 in 2015/16. 879 referrals were made to the Memory Assessment Service. 843 new referrals were supported by STEPS this included 462 supported with Housing Support, 333, supported with Navigator Service and 48, supported through the gateway service. Work on ESBT is progressing well and Cabinet considered proposals for the next steps towards developing an integrated care model and initial proposals for the transitional year in 2016/17 at its meeting on 15 November.

NHS Health checks – Since April 2013 over 117,000 eligible patients have been offered an NHS Health Check in East Sussex with more than half of those offered taking up the opportunity. As the programme moves into its fourth year almost seven in ten have been offered their health check (against a target of 65%). East Sussex also continues to lead the way in ensuring that people take up their NHS Health Check with over one third (35.1%) of all adults aged 40-74 in East Sussex who don't already have a cardiovascular disease having had an NHS Health Check, compared with around a quarter (25.5%) on average across the South East and 29.8% nationally.

National Diabetes Prevention Programme – We are pleased to be involved in the first wave of Healthier You, the new national diabetes prevention programme. Now, people in East Sussex at greatest risk of developing Type 2 diabetes are set to benefit from increased help to avoid the disease. Healthier You is being rolled out nationally and is the first evidence-based Type 2 diabetes prevention programme to be provided on this scale. The programme will support people to make changes to their lifestyle - maintaining a healthy weight and being more active – to reduce their risk. The programme will begin working with local people in October.

Chlamydia Screening – This measure is reported a quarter in arrears. Both the number of people aged 15-25 tested for Chlamydia and the number of positive tests for Chlamydia in this age group has shown a sharp increase in Q1 of 2016/17. This is the highest quarterly rate of positive tests recorded since 2012 when monitoring of this target began and is very encouraging in terms of us meeting the overall target for the year. For us to meet the 2016/17 target, a rate of 2,300 positive tests for chlamydia per 100,000 people aged 15-24 years is required. In Q1 we achieved a rate of 2,125 positive tests per 100,000 15-24 year olds, which is close to the rate that we consistently need to meet across the remainder of the financial year in order to meet the target. This increase in positivity indicates that we are screening the right people.

Direct Payments – at 30th September 2016, 34.3% of adults and older people were receiving Direct Payments (1,613 people). Previous investigation into the overall Direct Payment process showed that support provided to some Direct Payment clients at the set up stage could be improved. These improvements are currently being outlined and finalised. Having seen a decrease in performance from 35.6% in March 2016 to 34.8% in April 2016, the decrease in Direct payments has now levelled off and has remained at 34.4% in the last two months.

Despite performance decreasing from 42% in 2014/15 to 35.6% in 2015/16 we are still in the top performing authorities nationally (28th highest out of 152). It should also be noted that sustainability of performance in relation to Direct Payments appears to be an issue experienced by many local authorities. 51 out of 152 authorities saw a drop in their Direct Payment performance between 2014/15 and 2015/16.

Several areas were examined to look at potential options for short term potential performance improvements however, detailed investigation of these areas has shown that: a) these would be highly resource intensive, b) would further complicate the process, impacting on the sustainability of people staying on Direct Payments, c) are unlikely to be sustainable over longer periods of time and d) would not have delivered significant benefit or improved outcomes to clients.

Longer term performance improvements are being implemented, such as offering additional support to clients and practitioners at the point that the Direct Payment is being set-up. The added responsibility of becoming an employer has been identified as a barrier to clients who employ Personal Assistants (PAs) and a new service provided by one of the Direct Payment support services is being used as a way of reducing this barrier. Further improvements will be implemented, the effects of which will be realised in 2017/18.

Support with Confidence – The current membership of Support With Confidence has reduced to 144. A total of 5 members have been approved since July however seven existing members have also resigned from the scheme in this quarter. The five new members are all Personal Assistants. We currently have 95 applications on the ledger of which 79 are PAs. We anticipate that that the number of approvals will increase in Q3.

Carers – Since the implementation of the new client database, LAS, a number of issues have arisen that mean that the number of carers assessed or reviewed during the year we cannot be monitored, benchmarked or reported

confidently (**ref i**). These issues are unlikely to be resolved until the system is upgraded in early 2017 it is proposed that this measure is deleted for the 2016/17 and replaced it with the "Number of carers supported through short-term crisis intervention". Target for year = 675 carers. Current performance against this proposed target for April to June 2016 is 248.

Smoking Cessation – This measure is reported a quarter in arrears. In order to hit their annual target, we would expect the specialist stop smoking service to have achieved at least 420 individuals to have achieved a 4-week quit by the end of Q1. However, performance was significantly lower with just 282 individuals achieving that outcome. As a result of this continued underperformance and ongoing data issues, although a recovery plan is in place a formal contract query notice has now been raised with the provider. (67% of target (420) achieved).

Safer Communities – The Strategic Assessment of Community Safety 2016 is being finalised. The document this year focuses on the risk and harm associated with those areas identified as current threats to vulnerable adults, vulnerable young people and the wider community in the field of community safety in East Sussex. It incorporates information gathered from those individuals who attended the Safer People, Safer Places event in May alongside relevant data and expert knowledge from lead officers.

Future priorities and workstreams were finalised at the partnership Resources and Performance meeting in October.

Serious Organised Crime – The Scams Working Group continues to meet and recently discussed service mapping across the county. This outlined which agencies are working together and the group discussed possible gaps/ areas to be developed, particularly within the voluntary and community sector.

Domestic Abuse – We're introducing a network of champions to bring together practitioners from a range of specialist agencies. The champions will act as a point of contact and be 'in-house' specialists within their service. The champion's network will be supported by the Safer East Sussex Team and will complement any existing domestic abuse and sexual violence champions locally.

Substance Misuse – As part of the development of the Recovery Community in East Sussex, a fund was made available for innovative work. In total, eight projects were funded and will run for two years. The projects will be supported by the Safer East Sussex Team Community Development Officer as they are rolled out in different areas of the county. The Community Development Officer will support with promotion, referrals and partnership working between all projects which benefit the recovery community.

Revenue Budget Summary

Adult Social Care – There is a projected overspend of £6.059m (**ref vii**), comprising overspends of £4.854m in the Independent Sector (**ref v**) and £1.205m within Directly Provided Services and Assessment and Care Management (**ref vi**); compared to an overspend position of £8.693m projected at Q1. The total net budget of £163.186m incorporates savings totalling £7.95m, of which £4.057m is projected to slip to 2017/18 due to overspend and delays in delivering specific service developments and change.

Independent Sector: Pressures continue with a 17% increase in the number of packages presented to panels and a 5% increase in the average cost of these packages of care compared to 2015/16. This has directly impacted on the ability to deliver the £3m savings in Community Based services (**ref ii**), primarily within Physical Support, Sensory Support and Support for Memory Cognition. Learning Disability Support has, in recent months, become responsible for two unplanned high-cost clients, in addition to increasing costs through service activity.

Directly Provided Services and Assessment and Care Management: Pressures reflect the slippage and re-phasing of service savings, £626,000 made up of £160,000 within the Commissioning Grants Prospectus (**ref iii**) and £466,000 for All Other Savings (**ref iv**), to 2017/18 and staffing pressures, as teams work to meet activity levels.

The pressure continues to be monitored and is included within the development of the East Sussex Better Together Strategic Investment Plan (Eastbourne, Hailsham & Seaford CCG and Hastings and Rother CCG), which sets out how pooled health and social care budgets will be spent (£846.133m in 2016/17). The Strategic Investment Plan identifies a range of schemes which will mitigate increasing demands on services and will be reflected in budgets through the Reconciling Policy Performance and Resources process.

Within the High Weald Lewes Havens area we continue to work with the CCG to align our plans as per previous years.

Extract from minutes of the ESBT Programme Board on 9 Nov 2016:

"Finance Update: John O'Sullivan presented the above item and recommended that the Board note the update. John O'Sullivan reported that the strategic investment plan position was being presented as a whole system position and that the supporting papers provide the next step financial view of whole system current performance in year.

John O'Sullivan reported that previously a commissioner surplus of £8.7m was reported to Board members. The ESHT planned deficit of £31.3m is now included which therefore results in a planned whole system deficit of £22.6m. Year-end positions have been included and from a Local Authority (LA) position there is a net deficit of £8.4m.

John O'Sullivan reported that, in relation to the Better Care Fund (BCF), there is a forecast contingency of £1.3m available however this is to be used to manage risks elsewhere in the system."

Public Health – The Public Health (PH) budget at £28.747m comprises the PH grant allocation of £28.697m and £50,000 addition Public Health England income for drug/ alcohol prevention carried forward from 2015/16. At 30 September 2016 there is a projected overspend of £1m, which will be funded from reserves. In addition to the PH Grant, £4.112m has been allocated from reserves to meet the costs of a number of one-off projects.

Public Health Reserves: At 30 September 2016, projected Public Health reserves stood at £10.173m comprising projects (£6.905m), health protection (£1.200m) and underspend (£2.068m) reserves.

Capital Programme Summary – The Capital Programme has projected expenditure of £3.298m against an approved programme of £4.132m resulting in slippage of £834,000 due to: specific scheme delays as a result of construction issues (**ref viii and x**) (£415,000), projects will complete in early 2017/18, and a lower level of calls on demand led schemes in House Adaptations (**ref xiii**) (£419,000). The underspend on Greenwood (**ref ix**) (£33,000), Warwick House (**ref xi**) (£34,000) and House Adaptations (**ref xiii**) (£3,000) will be used to cover the overspend in Sidley (**ref xii**) (£70,000).

Performance exceptions (Q1 – Red and Amber RAG rated targets, and amendments Q2-4 – RAG status changed to Red, Amber, Green, and amendments)								
Performance measure	Outturn 15/16	Target 16/17	16/17 RAG				Q2 16/17 outturn	Note ref
			Q1	Q2	Q3	Q4		
Priority - Helping people help themselves								
Amendment requested from: Number of carers known to Adult Social Care (those assessed, reviewed and/or receiving a service during the year) To: Number of carers supported through short-term crisis intervention	7626	Amendment requested from: >7,626 To: 675	G	AD			248	i

Savings exceptions (Projected - Red = will not be delivered but may be mitigated; Amber = on track to deliver but not in the year (& may be mitigated); Green = on track to deliver in the year)					
Service description	2016/17 (£'000) – Q2 Forecast				Note ref
	Target	Achieved	Slipped	Unachieved	
Savings					
Community Based Services: Review and focus on services to meet personal care needs, in line with personal budgets	3,000	-	3,000	-	ii
Commissioning Grants Prospectus	1,317	1,157	160	-	iii
Supporting People	2,158	1,727	431	-	
All Other Savings	1,480	1,014	466	-	iv
Total Savings	7,955	3,898	4,057	0	
Variations to Planned Savings					
None	-	-	-	-	
Permanent Variations	0	0	0	0	
Total Permanent Savings & Variations	7,955	3,898	4,057	0	
Supporting People Reserve	-	431	(431)	-	
Temporary Variations	0	431	(431)	0	
Total Savings with Variations	7,955	4,329	3,626	0	

Revenue budget										
Divisions	Planned (£000)			Q2 2016/17 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Adult Social Care:										
Physical Support, Sensory Support and Support for Memory & Cognition	89,771	(38,533)	51,238	93,148	(38,625)	54,523	(3,377)	92	(3,285)	
Learning Disability Support	45,077	(4,002)	41,075	45,820	(4,132)	41,688	(743)	130	(613)	
Mental Health Support	7,120	(1,158)	5,962	7,886	(968)	6,918	(766)	(190)	(956)	
Subtotal Independent Sector	141,968	(43,693)	98,275	146,854	(43,725)	103,129	(4,886)	32	(4,854)	v
Physical Support, Sensory Support and Support for Memory & Cognition	16,651	(5,746)	10,905	16,873	(5,489)	11,384	(222)	(257)	(479)	
Learning Disability Support	8,861	(1,265)	7,596	8,944	(1,173)	7,771	(83)	(92)	(175)	
Mental Health Support	2,404	(2,380)	24	2,514	(2,459)	55	(110)	79	(31)	
Substance Misuse Support	609	(133)	476	609	(133)	476	-	-	-	
Equipment & Assistive Technology	7,077	(4,046)	3,031	7,077	(4,046)	3,031	-	-	-	
Other	6,327	(3,898)	2,429	6,313	(3,898)	2,415	14	-	14	
Supporting People	9,156	(990)	8,166	9,424	(990)	8,434	(268)	-	(268)	
Assessment and Care Management	27,831	(3,302)	24,529	27,949	(3,295)	24,654	(118)	(7)	(125)	
Management and Support Service Strategy	9,595	(2,370)	7,225	10,175	(2,809)	7,366	(580)	439	(141)	
	873	(343)	530	1,058	(528)	530	(185)	185	-	
Subtotal Directly Provided Services	89,384	(24,473)	64,911	90,936	(24,820)	66,116	(1,552)	347	(1,205)	vi
Total Adult Social Care	231,352	(68,166)	163,186	237,790	(68,545)	169,245	(6,438)	379	(6,059)	vii
Total Safer Communities	723	(337)	386	1,197	(811)	386	(474)	474	0	
Public Health:										
Health Improvement services	4,728	(4,728)	-	4,728	(4,728)	-	-	-	-	
Drug and alcohol services	6,101	(6,101)	-	6,101	(6,101)	-	-	-	-	
Sexual health services	4,160	(4,160)	-	4,154	(4,154)	-	6	(6)	-	
Children's Public Health Services - Including the new Health Visiting service	8,769	(8,769)	-	8,769	(8,769)	-	-	-	-	
NHS Health Checks	930	(930)	-	930	(930)	-	-	-	-	
Other programmes and non-contracted services	4,059	(4,059)	-	4,065	(4,065)	-	(6)	6	-	
Deposit to Underspend Reserve	-	-	-	-	-	-	-	-	-	
Subtotal Core Service	28,747	(28,747)	0	28,747	(28,747)	0	0	0	0	
Draw from Underspend Reserve	1,139	(1,139)	-	1,000	(1,000)	-	139	(139)	-	
One Off Projects funded from Project Reserves	4,112	(4,112)	-	4,112	(4,112)	-	-	-	-	
Total Public Health	33,998	(33,998)	0	33,859	(33,859)	0	139	(139)	0	

Capital programme										
Approved project	Total project – all years (£000)		2016/17 (£000)							Note ref
			In year monitor Q2 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2016/17	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
OP Service Improvements	536	536	136	5	25	111	-	111	-	viii
Social Care Information Systems	4,258	4,258	131	88	131	-	-	-	-	
Greenwood, Bexhill	463	430	39	6	6	33	33	-	-	ix
LD Service Opportunities	5,107	5,107	3,194	1,049	2,890	304	-	304	-	x
Warwick House, Seaford	7,331	7,297	119	4	85	34	34	-	-	xi
Extra Care / Supported Accommodation Projects:										
Sidley, Bexhill-on-Sea	807	877	-	-	70	(70)	(70)	-	-	xii
Continuing Programme										
House Adaptations for People with Disabilities	3,332	3,329	486	(11)	64	422	3	419	-	xiii
Refurbishment – Registration standards	374	374	27	-	27	-	-	-	-	
Total ASC Gross	22,208	22,208	4,132	1,141	3,298	834	0	834	0	

Business Services – Q2 2016/17

Summary of progress on Council Priorities, issues arising, and achievements

Summary of successes and achievements – As previously reported, we have been collaborating with Brighton & Hove City Council (BHCC) to explore the possibility of them joining and integrating with the Orbis Partnership. Over the last six months, BHCC have been carrying out due diligence to determine whether they wish to proceed. We are now able to confirm that on 13 October 2016, BHCC's Policy, Resources and Growth Committee fully supported the recommendation to join the Orbis partnership. This is a positive endorsement of the Partnership and we will now commence integrating BHCC into the Partnership and concluding our own due diligence. Once concluded, a recommendation will be taken to respective Cabinets of East Sussex and Surrey County Councils seeking to expand the Partnership to formally include BHCC.

The appointment of the Orbis Finance Director means that all services within Orbis now have single leadership. Work has continued with the appointment of the leadership teams in both Procurement and the IT & Digital Service. All of these developments have contributed towards a reduction to date in the number of senior management posts by 25%, this already exceeds the expectation set out in the business plan.

Orbis is undertaking several opportunities to develop and share its expertise, both internally and externally, to maximise the opportunity for growth and development, including participation in a Shared Services Summit, nominations for awards and the launch of the EPIC+ staff development programme. A 'People and Change' update was detailed in the 21 October Orbis Joint Committee report.

Asset Investment Strategy – The key site programme has progressed with forecasting of capital receipts against current risk factors in order to facilitate best value ahead of disposal. Work on the Asset Investment Strategy continues, however presentation of the report to Cabinet in November has been deferred pending further stakeholder engagement to shape the principles and direction of the strategy (ref i).

Reduction in CO2 emissions – We aim to reduce the amount of CO2 arising from County Council operations by 3% on the 2015/16 outturn. During Q1 and Q2 we have achieved a 6.3% weather adjusted reduction. Around a quarter of this reduction is due to improvements at County Hall. Sackville House contributed a fifth of this figure, understood to be a result of changes to air conditioning and heating settings and changes in occupancy. Sites targeted by the Energy Team for housekeeping measures also made a contribution (Southview Close and Linden Court). Projects on the maintenance planned programme and schools lighting projects are being progressed. Four energy surveys carried out as a trial by Orbis colleagues in Kingston are being reviewed, with the aim of including projects in next year's planned programme. The first course of Ashden energy workshops for schools completed in September and a second batch of schools are due to start in early November.

Property operations – During 2016/17, we aim to achieve a 2% (£147) reduction on last year's cost of occupancy of corporate buildings per sq metre. An area of focus that has been successfully implemented during Q2 is utilities, where historical investment through initiatives such as Salix will deliver an estimated end of year outturn 9% lower than the 2015/16 baseline. Much larger outturn reductions are forecast within Service Charges (22%), and a redesign of support services to Sackville House (following the transfer of Council staff into County Hall) will secure an estimated 58% reduction on the annual Hired and Contracted Services value. However, pressures arising from the introduction of the National Living Wage, reactive security measures at a number of corporate sites, and increasing waste disposal duty will need to be offset against some of these efficiencies. Current figures and planned initiatives indicate that the targeted level of efficiencies (2%) remains deliverable but with a small increase in pressure elsewhere within the spend categories (ref ii).

Social Value – The Q2 outturn for spend with local suppliers is 44% of the total spend (over the last 12 months we have spent £179m with 4,305 local suppliers). We are continuing to maintain our visibility in the market to promote contract opportunities for local businesses; at the Best 4 Biz conference in October we presented on how local suppliers can apply for opportunities more effectively through our e-sourcing tool, the SE Shared services platform that has now over 18,000 suppliers registered.

Savings achieved through procurement, contract and supplier management activities – During Q1 and Q2, £3.9m of procurement, contract and supplier management related savings have been signed off. These savings comprise £1.8m planned Reconciling Policy, Performance and Resources (RPPR) savings, £1.2m Capital, and £800k other 'revenue' savings supporting known budgetary pressures. The forecast for the remainder of the year indicates an outturn of £6.1m against a target of £6.5m. The shortfall is a result of the Newhaven Port Access Road project being moved from 2016/17 to 2017/18. Procurement will continue to work with services to obtain further savings within Q3 and Q4.

ICT infrastructure – 99.9% of key services were available during core hours (08:00 to 17:00 Monday to Friday except the Local Area Network where availability has been extended to be 24/7). Weekend and planned unavailability is excluded. The 2015/16 annual IT Customer Survey showed 79% of staff were satisfied with the technology tools

provided. This is the benchmark for future improvement. The next annual survey will be launched during Q3.

Wellbeing – The 2016/17 Q1 and Q2 sickness absence outturn for the whole authority (excluding schools) is 3.86 days lost per FTE employee, which represents a decrease of 5.5% since the same period last year. Stress related absence has seen a significant reduction. However it still continues to be the primary driver of absences across the organisation. There are a number of interventions in place to reduce and sustain reductions in absence.

A new wellbeing plan was launched on 19 September 2016 to enable managers and employees to discuss any wellbeing concerns at an early stage and put in place a shared agreement to prevent absences in the future. An LGA grant of £10k has been successfully applied for to provide an online mindfulness programme, part of which will be tailored specifically for staff absent with work related stress. The evaluation process will include data and recommendations for the future direction for employees who are absent with stress-related illness. The programme is due to commence in January 2017. In signing up to the 'Time to Change' plan the Council has committed to reducing the stigma surrounding mental health. Collaborative opportunities are being explored with Public Health colleagues and the mental health charity; 'Time to Change'. This may include management training and development of online resources.

Revenue Budget Summary – The Business Services revenue budget is currently forecasting to underspend by £371k. £351k of this results from the early delivery of 2017/18 Orbis savings (**ref vii**). This is due to holding vacancies across a number of Orbis services in advance of restructures. 2016/17 savings are forecast to be delivered in full (**ref iii**). Other significant variances include: a £50k shortfall of income from the capital programme for Procurement support to county infrastructure projects (**ref iv**); a £100k shortfall of internal print income to the IT service (**ref vi**); and a £186k underspend in Property as a result of one-off backdated income from mobile phone network operators for use of the Council's aerial (**ref v**).

Capital Programme Summary – The Business Services Capital Programme is currently forecasting slippage of £764k. £614k relates to the Core Systems Capital Programme, where no material expenditure is forecast in 2016/17. A number of solutions to a joint Orbis back office system are under consideration (**ref viii**). The £150k slippage in the IT investment programme relates to the IT Asset Management System, the requirements for which are under review while the impact of Orbis is considered (**ref ix**).

Council Plan Performance Exceptions (Q1 – Red and Amber RAG rated targets, and amendments Q2-4 – RAG status changed to Red, Amber, Green, and amendments)								
Performance measure	Outturn 15/16	Target 16/17	16/17 RAG				Q2 16/17 outturn	Note ref
			Q1	Q2	Q3	Q4		
Priority – Making best use of resources								
Develop an asset investment strategy based on a balanced portfolio approach	Target not met, timeline reviewed and revised completion date set for September 2016	Asset investment strategy developed and approved	G	A			Work on strategy continues. Presentation of report to Cabinet in November deferred pending further stakeholder engagement to shape strategy.	i
Cost of occupancy of corporate buildings per sq. metre	A baseline has been established £150 / sq. metre	'£147 / sq. metre (2% reduction on 2015/16 baseline)	G	A			Current figures & planned initiatives indicate targeted level of efficiencies (2%) remains deliverable but with a small increase in pressure elsewhere within the spend categories.	ii

Savings exceptions (Projected - Red = will not be delivered but may be mitigated; Amber = on track to deliver but not in the year (& may be mitigated); Green = on track to deliver in the year)					
Service description	2016/17 (£'000) – Q2 Forecast				Note ref
	Target	Achieved	Slipped	Unachieved	
Savings					
ESCC savings from efficiencies generated by the Orbis partnership	312	312	-	-	iii
Total Savings	312	312	0	0	
Variations to Planned Savings					
	-	-	-	-	
Permanent Variations	0	0	0	0	
Total Permanent Savings & Variations	0	0	0	0	
	-	-	-	-	
Temporary Variations	0	0	0	0	
Total Savings with Variations	312	312	0	0	

The below table represents the East Sussex 2016/17 Revenue Budget, and includes a line which is the contribution to Orbis Partnership. The second table shows the total Orbis Partnership 2016/17 Revenue Budget, of which East Sussex hold a 30% share.

Revenue Budget										
Divisions	Planned (£000)			Q2 2016/17 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Management & Support	85	(302)	(217)	85	(302)	(217)	-	-	-	
Personnel & Training	303	(382)	(79)	303	(366)	(63)	-	(16)	(16)	
Finance	2,982	(1,745)	1,237	2,982	(1,745)	1,237	-	-	-	
Procurement	4	(86)	(83)	4	(36)	(33)	-	(50)	(50)	iv
Non Specific Budgets	262	-	262	262	-	262	-	-	-	
Property	23,621	(19,030)	4,592	23,435	(19,030)	4,406	186	-	186	v
ICT Services	5,906	(5,454)	452	5,906	(5,354)	552	-	(100)	(100)	vi
Business Ops	157	-	157	157	-	157	-	-	-	
Contribution to Orbis Partnership	15,916	-	15,916	15,566	-	15,566	351	-	351	vii
Total BSD	49,236	(26,999)	22,237	48,699	(26,833)	21,867	537	(166)	371	

Orbis Partnership Revenue Budget										
Divisions	Planned (£000)			Q2 2016/17 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Business Operations	10,874	(5,679)	5,195	10,874	(5,679)	5,195	-	-	-	
Finance	10,679	(1,244)	9,435	10,279	(1,244)	9,035	400	-	400	
HR	5,630	(566)	5,064	5,390	(566)	4,824	240	-	240	
IT	18,946	(1,587)	17,360	18,646	(1,587)	17,060	300	-	300	
Management	2,255	-	2,255	2,140	-	2,140	115	-	115	
Procurement	3,652	(154)	3,498	3,652	(154)	3,498	-	-	-	
Property	11,500	(1,202)	10,298	11,360	(1,177)	10,183	140	(25)	115	
Total Orbis	63,536	(10,431)	53,105	62,341	(10,406)	51,935	1,195	(25)	1,170	
ESCC Contribution (30%)			15,916			15,566			351	
SCC Contribution (70%)			37,189			36,369			819	
Total			53,105			51,935			1,170	

Capital programme										
Approved project	Total project – all years (£000)		2016/17							Note ref
			In year monitor Q2 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2016/17	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
Core Systems Development	623	1,470	623	4	9	614	-	614	-	viii
The Link	69	2,718	69	(12)	69	-	-	-	-	
SALIX Contract	380	2,644	380	5	380	-	-	-	-	
AGILE	9,029	9,029	3,239	1,007	3,239	-	-	-	-	
Capital Building Improvements	40,898	40,898	9,048	2,376	9,048	-	-	-	-	
ICT Strategy Implementation	11,039	11,039	2,050	317	1,900	150	-	150	-	ix
Total BSD Gross	62,038	67,798	15,409	3,697	14,645	764	0	764	0	

Children's Services – Q2 2016/17

Summary of progress on Council Priorities, issues arising, and achievements

Summary of successes and achievements:

Early years – The percentage of pupils achieving a good level of development at the early years foundation stage in academic year 2015/16 has increased by 1.45 percentage points to 75.7%. East Sussex was 1st amongst our statistical neighbours, 2nd amongst our geographical neighbours and 6.4 percentage points above the national average.

Key Stage 1 – 81% of pupils in East Sussex in academic year 2015/16 were working at the expected level in phonics at the end of Year 1. This is an increase of 5 percentage points and means that East Sussex is now in line with the national average for the first time since this measure was introduced.

Schools judged by Ofsted as good or outstanding – 87.1% of primary schools are judged to be good or outstanding against a national average of 89.4%. This is an increase of 10.1 percentage points since August 2015 in East Sussex. The national average increased by 5.6 percentage points during the same period. 77.8% of secondary schools are judged as good or outstanding in line with the national average of 77.6%, and, 100% of maintained special schools are judged as good or outstanding against a national average of 93.2%.

The Special Educational Needs and Disability (SEND) Matrix – The SEND Matrix of provision and need is a tool to support schools, settings and colleges in planning for appropriate SEND provision, and was drawn up in consultation with school colleagues. The first draft was issued in February 2016 and the final version in September 2016 which took into account feedback from schools and other services including sensory needs and children's integrated therapy services. The Matrix and associated process should help schools to identify areas of required professional development to effectively deliver the provision necessary to support different areas of SEND and levels of need.

Social care – The duration and percentage of completed care proceedings has improved and is now within the recommended national parameters of 26 weeks. The impact of this is more timely permanence planning for children and a positive impact on the Council's budget.

Attainments academic year 2015/16 – The new measures at Key Stages 1, 2 and 4 are not comparable with previous years. Data for Key Stages 2, 4 and 5 is provisional. At Key Stage 1, the percentage of pupils in East Sussex achieving the expected standard was higher than the national average in reading, writing and mathematics.

Key Stage 1- % pupils achieving the expected standard at Key Stage 1 in Academic year 2015/16

	Reading	Writing	Maths
National	74.10%	65.50%	72.60%
East Sussex	75.60%	68.90%	75.00%

The percentages of pupils in East Sussex achieving the expected standard at Key Stage 2 in reading, writing and mathematics, separately and combined were all below the national average in academic year 2015/16. This was disappointing and we will be working with schools to improve their tracking of whether pupils are on course to meet the expected standard in each subject and ensure that they take the necessary actions in order for all children to make expected progress.

At Key Stage 4 the East Sussex Progress 8 score was +0.04, significantly higher than the 2015/16 national average of -0.03 and placing us third highest among our statistical neighbours. The East Sussex Attainment 8 score was 49.1, 0.8 below the academic year 2015/16 national average placing us 10th out of 11 statistical neighbours. As the Attainment 8 and Progress 8 measures are new the Department for Education has also published data for academic year 2015/16, the percentage of pupils achieving 5+ GCSEs at A*-C, including English and mathematics. For East Sussex this was 57.5% against a national average of 57%.

At Key Stage 5, initial analysis of the 2015/16 A Level outcomes indicate that the overall A*-E pass rate at 98.2% has improved by 0.7 percentage points and is now in line with the nationally reported pass rate. The proportion of A Level passes at A*-B (44.7%) and A*-C (74.2%) have both improved and are the highest they have been over the last three years. However, despite this, our overall results are still likely to continue to underperform against national benchmarks. Addressing the challenge of supporting young people to achieve at A Level across East Sussex continues to require a coherent approach across a number of providers and will be addressed through a commitment to the shared principle of working together through the Post-16 Education Improvement Partnership. This is another area where the method of measuring attainment will change, and briefings will be circulated appropriately.

ISEND Demand

Whilst the proportion of pupils with SEN support that is provided by schools in East Sussex is lower than the national average, the proportion with a statement or Education, Health and Care (EHC) plan is higher. Benchmarking data in this area is limited, but suggests that nationally and regionally, there is no simple correlation between characteristics within local authorities and the identification of SEND need, demand and spend.

Significant changes have taken place in SEND, creating financial pressures, these include:

- Statutory changes in provision for SEND through the Children and Families Act 2014:
- extended the provision of statutory assessment for an Education Health and Care Plan (EHCP) from age 16 to 19 and for the provision of SEND support from age 19 to 25, but with no additional funding;
- heightened parental expectations, leading to more requests for additional provision and high-cost placements;
- revised consultation process for SEND assessment through which schools can challenge the LA and refuse the placement of a child with an EHCP; and
- changed responsibilities for the provision of education in Tier 4 Health placements, shifting costs from health to education
- Mainstream and special schools' capacity and willingness to manage pupils' learning and behaviour effectively;
- Parental lack of confidence in mainstream provision;
- Partners' prescription of statutory assessment and recommendations for additional or independent provision the cost of which is carried by SEND.

The pressures arising from these changes will be addressed through five key strands of work to reduce the number of high cost placements. This work will be supported by investment of £0.5m investment from the transformation fund in 2016/17 and 2017/18

- Building capacity and inclusive ethos in mainstream schools – targeted interventions with mainstream schools, and work through Education Improvement Partnerships, to improve Quality First Teaching and confidence in supporting more children with higher levels of need.
- Improving parental confidence in local provision – ensuring that parents receive consistent messages from schools and support services around the ability of local schools to support their children appropriately, within their local community.
- Robustly implementing the East Sussex post-16 pathways and ceasing EHCPs at age 16 where they are not required for the young person's chosen pathway. Targeting as appropriate the young people age 12-15 to strengthen their targets for independence and academic progression to ensure that they are ready for transition at the age-appropriate date without the need for an ongoing EHCP.
- Increasing the number of local special school places – increasing the number of places through the development of specialist facilities in mainstream schools, Free Schools or Capital Programme.
- Working with partners, ESBT and C4Y, to take a joined up approach to planning the use of resources available.

Discussions have taken place with the Schools Forum to ensure that the funding in each of the blocks in the Direct Schools Grant reflect actual spend and it is likely that the amount in the High Needs Block will be increased in 2017/18 in line with the growth in demand. In the longer term, it is anticipated that the work set out in the paragraph above will help schools to continue to support children within mainstream provision. This, subject to a successful free school bid which would increase provision of special school places should bring the budget into a more balanced position in the future. Progress will be monitored and any effects on future years budget pressures will be taken into account as part of the RPPR process.

Percentage of annual SEND review meetings where the child gave their view and/or participated – (ref i)

During Q2 the percentage of young people who gave their views and/or participated in their annual review meeting was 78.2% (470 out of 601), cumulatively the percentage for 2016/17 is 83.2% (747 out of 898) against a 90% target. The shortfall is due to an overhaul of the annual review system which took place late July. A new annual review process has been developed which will focus on pupil views. By December 2016 a bank of resources will be available on line to help gather pupil views and work with SEN Co-ordinator (SENCo) cluster groups to embed this.

Safeguarding –The rate of children on a Child Protection Plan (**ref ii**) has increased during Q2 and at 42.7 is currently slightly outside the target of 41 per 10,000. The safeguarding unit is routinely reviewing all plans that are approaching 18 months duration at the third review. Consideration is also being given to whether there should be a formal review process. Consideration is also being given to whether there should be a review by heads of service of cases approaching 18 months and over.

Revenue Budget Summary – The £64.605m net budget for the year is forecast to be overspent by year end by £2.796m (**ref viii**), a £1.175m reduction in the forecast overspend since Q1. The forecast overspend areas totalling £3.052m are explained in the following table and are offset by small underspends of £0.256m in Children's Services Central Resources. Many of the reductions result from the Children's Services review of all costs across the department, including: reviewing recruitment activity and holding vacancies open for longer; a review of staff on non-permanent contracts and agency workers; identifying new savings for 2016/17; and bringing forward savings from later years into 2016/17. Work has also been undertaken to review and model the demographic pressures on ISEND costs (including Home to School Transport (HTST) costs). A further risk is also from the net cost of asylum seeking children – currently this is not a significant pressure (£0.051m net placement costs for 10 children within the Q2 forecast). It should be noted this figure is likely to increase in future years as further children transfer, and does not include the additional costs of social workers, Independent Reviewing Officers (IROs), English as an Additional

Language support (EALs), etc.

Forecast overspend divisions	Q2 variance (£000)	Change from Q1 (£000)	Commentary
Early Help and Social Care (ref v)	(995)	521	Pressures continue on Looked After Children (LAC) costs (£1.464m) offset by £0.469m of underspends in the rest of the division. The LAC pressure arises from the need for agency placement for a few complex and vulnerable LAC teenagers. Mitigations (£0.521m) principally comprise additional £267k Troubled Families grant income due to an increase in the number of families expected to be turned around; and forecast reduction in Locality forecast costs of £263k.
Education and ISEND (ref vi)	(1,676)	506	ISEND has been under considerable pressure, as reported at Q1, but has reduced by £506k for Q2. The improvement reflects further mitigations (which now total £3.250m) including use of one-off DSG reserves (£2.455m (including £1.9m agreed by Schools Forum)) and other reductions in spend (£0.463m). These partially offset the full year pressure of £4.926m from the lack of local mainstream provision and high needs placements costs from the current cohort of children, leaving the net pressure forecast of £1.676m.
Communication, Planning and Performance (ref vii)	(381)	(20)	Within the forecast overspend of £0.381m, HTST costs are forecasting an overspend of £0.487m, particularly due to increasing cost rates for statutory SEND transport from the start of the new academic year. Further work is being undertaken with CET colleagues to review the HTST position, which is partially offset by underspends in other parts of the division totalling £0.106m.
Total	(3,052)	1,007	

Within the above forecast, £4.542m of the planned £4.985m savings for 2016/17 are on track (ref iv), with a further £0.276m at risk of slippage. The remaining £0.167m currently due to be unachieved is within LAC (ref iii), due to the reasons described above. The department continues to seek ways to bring these back on track or to mitigate them, and these figures include £0.107m of savings brought forward from the MTFP.

Capital Programme Summary – The £22.514m capital budget for 2016/17 is forecast to be underspent by £1.714m (ref xi). This is mainly due to slippage across several projects, principally within the Basic Needs Programme (ref x). Offsetting this, there is also some spend in advance on the Basic Needs Programme, as well as small overspends from final payments and retention principally on the Etchingham project (ref ix) that will be met from 2017/18 funds. The overall 5 year programme ending in 2017/18 is on track and forecasted to stay within budget.

Performance exceptions (Q1 – Red and Amber RAG rated targets, and amendments Q2-4 – RAG status changed to Red, Amber, Green, and amendments)								
Performance measure	Outturn 15/16	Target 16/17	16/17 RAG				Q2 16/17 outturn	Note ref
			Q1	Q2	Q3	Q4		
Priority – Helping people help themselves								
% of annual SEND review meetings where the child gave their view and/or participated	90.1%	90%	G	A			83.2%	i
Priority – Keeping vulnerable people safe								
Rate of children with a Child Protection Plan	43.8	41	G	A			42.7	ii

Savings exceptions (Projected - Red = will not be delivered but may be mitigated; Amber = on track to deliver but not in the year (& may be mitigated); Green = on track to deliver in the year)					
Service description	2016/17 (£'000) – Q2 Forecast				Note ref
	Target	Achieved	Slipped	Unachieved	
Savings					
Early Help	2,071	2,007	107	-	
Children's Support Services (including Music, Watersports, DofE and Safeguarding quality assurance)	309	350	23	-	
Home to School Transport	173	173	-	-	
Locality Services	992	846	146	-	
Specialist Services	138	138	-	-	
Looked after Children	884	717	-	167	iii
Youth Offending Team	124	124	-	-	
SLES	171	171	-	-	
ISEND	123	123	-	-	
Total Savings	4,985	4,649	276	167	
Variations to Planned Savings					
Early achievement of Early Help (£44k) and Support Services (£63k) savings brought forward	-	(107)	-	-	
Permanent Variations	0	0	0	0	
Total Permanent Savings & Variations	4,985	4,542	276	167	
Temporary Variations	0	0	0	0	
Total Savings with Variations	4,985	4,542	276	167	iv

Revenue budget

Divisions	Planned (£000)			Q2 2016/17 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Central Resources	3,099	(7,237)	(4,138)	2,843	(7,237)	(4,394)	256	-	256	
Early Help and Social Care	58,365	(11,508)	46,857	59,799	(11,947)	47,852	(1,434)	439	(995)	v
Education and ISEND	74,730	(6,530)	68,200	75,490	(5,614)	69,876	(761)	(916)	(1,676)	vi
Communication, Planning and Performance	20,248	(4,306)	15,941	20,782	(4,460)	16,322	(534)	154	(381)	vii
DSG non Schools	-	(62,256)	(62,256)	-	(62,256)	(62,256)	-	-	-	
Schools	173,885	(173,885)	-	173,885	(173,885)	-	-	-	-	
Total Children's Services	330,326	(265,721)	64,605	332,799	(265,398)	67,401	(2,473)	(323)	(2,796)	viii

Capital programme

Approved project	Total project – all years (£000)		2016/17 (£000)							Note ref
			In year monitor Q2 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2016/17	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
ASDC (Aiming High Short Breaks: Disabled children)	477	477	13	1	13	-	-	-	-	
St Peters Chailey	26	30	-	4	4	(4)	(4)	-	-	
Mobile Replacement Programme	7,392	7,412	150	55	168	(18)	(20)	2	-	
Etchingham School	7,492	7,564	-	69	72	(72)	(72)	-	-	ix
St Mary Magdalene - retention	-	6	-	6	6	(6)	(6)	-	-	
Shinewater School - roof	-	-	-	39	-	-	-	-	-	
Family Contact	341	341	38	2	38	-	-	-	-	
House Adaptations for Disabled Children's Carers	1,255	1,255	294	60	74	220	-	220	-	
Schools Delegated Capital	928	928	928	159	928	-	-	-	-	
Universal Infant Free School Meals	1,961	1,961	689	445	579	110	-	110	-	
Early Years 2 Year Old grant	3,031	3,031	257	43	117	140	-	140	-	
Czone replacement	230	230	147	32	147	-	-	-	-	
Basic Need Programme	43,537	43,435	19,998	9,748	18,654	1,344	102	1,353	(111)	x
Total CSD Gross	66,670	65,820	22,514	10,663	20,800	1,714	0	1,825	(111)	xi

Communities, Economy & Transport – Q2 2016/17

Summary of progress on Council Priorities, issues arising, and achievements

Summary of successes and achievements – 126 online learning courses were completed in our libraries, helping people to improve their skills. 27 apprentices have been recruited so far in 2016/17. We ran a work readiness programme, in partnership with Medway Youth Trust, Sussex Downs College and Costain CH2M, to recruit a number of civil engineering apprentices. A Project Manager for the road safety project, which utilises £1m of Public Health funding, has been appointed and has begun developing a range of behavioural change initiatives aimed at reducing the number of KSIs on the county's roads. Greenways, 2.5 miles of paths which run alongside the Bexhill Hastings Link Road and offer a safe route for pedestrians, cyclists and equestrians, opened in July 2016. Trading Standards made 29 positive interventions to protect vulnerable consumers. The Uckfield town centre improvement scheme, which includes widening and improving the pavement and new lighting, has been completed. Improvements works have also begun in Hailsham with new pedestrian crossings and changes to the road layout to deal with expected increases in traffic and improve the area for pedestrians, the works are expected to be complete by the end of 2016/17.

Paragraphs marked (GS) below highlight important contributions to the East Sussex Growth Strategy.

East Sussex Growth Hub (GS) – The Lets Do Business Group has been awarded the contract to continue running the Business East Sussex service until 31 March 2018. The procurement process to invest the money secured by the South East Business Boost project to expand and enhance the services offered by the Growth Hub is moving forward with a contract due to start in April 2017.

Inward Investment (GS) – One large and one small Grants and Loans Panels were held in Q2. During 2016/17 grants and loans totalling over £870,000 have been provided to 27 businesses who expect to create 97 jobs in East Sussex. Locate East Sussex is currently working with 14 businesses which wish to relocate into the county. Alongside Essex County Council we submitted a bid on 20 September 2016 to the European Regional Development Fund (ERDF). The funding will provide improved and expanded inward investment services for three years. We are expecting a decision on the bid to be announced by the end of 2016/17.

Broadband (GS) – The list of initial areas to be connected to superfast broadband as part of our second contract with BT has now been published and includes, amongst other areas, parts of Battle and Crowborough; a full list can be found in the news section of www.esussex.org. At the end of September 2016 take-up of improved broadband in those areas already connected was 32% against a benchmark target of 20%. The budget is slipping £7.9m in line with the current expected deployment roll out and the account is £4.3m in credit following accruals for invoices relating to last year that have not yet been paid (ref x).

Online Learning in Libraries (GS) – 126 online learning courses were completed in our libraries in Q2. These included 80 Learndirect courses on IT, maths and English, and 46 Learn My Way courses. The increase in course completions compared to Q1 2016/17 was due, in part, to the implementation of our new IT for You project which aims to improve people's IT skills. IT for You tutors are identifying people who attend their training sessions and referring them on to Learn My Way courses, which is equipping people with enhanced IT skills (ref i).

Apprenticeships (GS) – A total of 27 apprentices have been recruited by the end of Q2 2016/17. 12 of these were recruited by the Council, with nine at Costain CH2M, as per their commitments under the new Highways contact, and six in schools. Three work readiness programmes were held in July and August with 35 young people attending to learn basic skills needed in the workplace and learn more about apprenticeships. The retention rate for the apprenticeship programme is currently 93%. Due to the introduction of the Apprenticeship Levy in 2017/18 we are planning to reduce the number of apprentices recruited in 2016/17, with a new cohort of apprentices due to start in May 2017, as such we are proposing to amend the target for the number of new apprenticeships with the Council. **Proposed amendment to target:** from 56 to 46 (ref iii).

Cultural Destinations (GS) – The second stage of the Tourism South East research into tourism in East Sussex has been completed and we are currently investigating ways to present the findings on ESiF. A bid for Cultural Destinations Round 2 funding has been submitted and we are expecting to hear the result of the bid in February 2017. The bid includes funding to create a 'Geocaching trail' with caches created by artists focussed on the Coastal Cultural Trail.

Queensway Gateway Road – Blackwell has been appointed as the main contractor for the road, site investigation has been completed and construction of the haul road has begun.

Newhaven Port Access Road – We have continued discussions with the Department for Transport (DfT) on the business case for the road and work has continued on preparing bids for funding. Work on the detailed design of the railway bridge and embankments which will form part of the road construction is due to start shortly. The tender for construction is due to take place in early 2017, with main construction expected to begin in summer 2017. The

budget has therefore slipped £4.4m (**ref xiv**).

Terminus Road, Eastbourne – Design work on proposals to relocate some of the bus stops from Cornfield Road has taken place. Consultation on the proposals and the tender for the construction works are due to take place by the end of 2016/17, with work expected to begin in late 2016/17 or early 2017/18 (**ref ii**) as a result these is £4.6m of budget slippage (**ref xvi**).

Road Safety – The Project Manager for the road safety project, utilising £1m of Public Health funding, has been appointed and has begun developing a range of behavioural change initiatives aimed at reducing the number of KSIs on the county's roads. Driver error is identified as a contributory factor in 90% - 95% of collisions which result in a KSI so this is the main focus of the project. There were 76 KSI on the county's roads between April and June 2016, reported a quarter in arrears, with six of these being fatalities. 10 of the KSI and one of the fatalities happened on trunk roads which are managed by Highways England. The KSI total is lower than the corresponding period in 2015, 104, and also 2014, 94. The figure is also below the 2005-2009 baseline quarterly average of 95 KSI.

Road Condition – We have continued to implement maintenance projects to maintain and improve the condition of the county's Principal, Non-Principal and Unclassified roads, so far during 2016/17 we've delivered 110 schemes of improvements investing £7m in the county's roads.

Trading Standards – Trading Standards officers made 29 positive interventions with victims of financial abuse during Q2. During these visits the officers mentored, and were supported by, volunteers from Age Concern and the Citizens Advice Bureau, this is one example of how we are trying to improve our service to the public by working in partnership with other organisations. We also took part in a fraud awareness event at NatWest bank during which we engaged with 22 customers and gave them advice on how best to protect themselves and vulnerable family members from financial abuse. Four call blockers were installed in people's homes to try and prevent them falling victim to telephone fraudsters. The Rapid Action Team (RAT) made three interventions to prevent vulnerable consumers becoming victims of rogue traders. The National Trading Standards Scam Team has also recently selected East Sussex as a pilot area to roll out the East Sussex Against Scams Partnership initiative (ESASP).

Revenue Budget Summary – At Q2 there is a forecast budget underspend of £83k and CET is expected to deliver all 2016/17 planned savings. The main overspends are in Waste where there is a combination of reduced landfill gas income and increased waste disposal costs offset by reduced data system costs; and Fleet Management where a reduction in the size of the fleet has resulted in a lower than expected level of recovery of insurance costs. This overspend has been partly reduced by an underspend in Concessionary Fares, where successful negotiations have prevented any price increases this year (**ref vi**). Several small underspends and additional income within Registration Services contribute to the Communities underspend (**ref v**). A pressure within Planning has arisen this year as a result of Government removal of the specific flood grant; in year, this has been mitigated by movements across the department but this will remain as a pressure in 2017/18. There are various small over and underspends in some other services (**ref iv, vii, viii**).

Capital Programme Summary – There is a forecast expenditure of £59.6m against an approved programme of £79.9m. Of the variation £22.5m is slippage, £2.6m is spend in advance and £45k is underspend. The most significant slippages are for: Broadband, £7.9m, (**ref x**); Terminus Road, £4.6m (**ref xvi**); and Newhaven Port Access Road, £4.4m (**ref xiv**). There is also slippage on Hastings Library, £2.6m, which will be spent next year on furniture, equipment, fees and retention (**ref ix**); East Area Depot, £1.2m, where discussions are still ongoing re plans for the new site (**ref xv**); Bexhill to Hastings Link Road Complimentary Measures £636k, where measures highlighted from the Bexhill to Hastings Link Road review will be implemented next year (**ref xii**); and in a number of Economic Development projects. Work on the North Bexhill Access Road is being accelerated to ensure we can utilise the available South East Local Enterprise Partnership Grant of £2m which is resulting in a spend in advance (**ref xiii**). The Bexhill to Hastings Link Road is projecting a total project forecast of £125.599m (**ref xi**); however there is risk of further cost overruns and the position will be updated as more information becomes available.

Performance exceptions (Q1 – Red and Amber RAG rated targets, and amendments Q2-4 – RAG status changed to Red, Amber, Green, and amendments)								
Performance measure	Outturn 15/16	Target 16/17	16/17 RAG				Q2 16/17 outturn	Note Ref
			Q1	Q2	Q3	Q4		
Priority – Driving economic growth								
In partnership with Learndirect and other funding organisations provide online learning (including skills for life and ICT courses) in libraries (subject to contract)	376 courses completed	250 courses completed (subject to contractual review, Q2 2016/17)	A	G			126	i
Deliver pedestrian improvements in Terminus Road (Eastbourne) using 'Shared Space' concepts to coincide with opening of the new Arndale Centre	Contract documentation prepared ready for tender process to commence in spring 2016	Continue Construction	G	A			Construction programmed to start in late Q4 2016/17 or early Q1 2017/18.	ii
Number of new apprenticeships with the County Council (ESCC and schools)	57	Amendment requested from: 56 to: 46	G	AD			27 (12 within the Council, 9 with Costain CH2M, 6 in schools)	iii

Savings exceptions (Projected - Red = will not be delivered but may be mitigated; Amber = on track to deliver but not in the year (& may be mitigated); Green = on track to deliver in the year)					
Service description	2016/17 (£'000) – Q2 Forecast				Note ref
	Target	Achieved	Slipped	Unachieved	
Savings					
Use of the Parking Surplus to contribute towards the supported bus network and concessionary fares budget	630	630	-	-	
Change to the management of the Corporate Waste Reserve; efficiency improvements, with partners, of the service; and maximising income generation opportunities	1,780	1780	-	-	
Restructure of Transport Hub teams	75	75	-	-	
Efficiency savings in the Rights of Way and Countryside sites service	50	50	-	-	
Development Control, Transport Development Control and Environment	20	20	-	-	
Libraries Transformation Programme - internal review of the Library and Information Service	425	425	-	-	
The Keep - improved staff utilisation across a range of functions, increased income generation and reduction in sinking fund	77	77	-	-	
Continued modernisation of the Trading Standards Service	60	60	-	-	
Total Savings	3,117	3,117	0	0	
Variations to Planned Savings					
None	-	-	-	-	
Permanent Variations	0	0	0	0	
Total Permanent Savings & Variations	0	0	0	0	
None	-	-	-	-	
Temporary Variations	0	0	0	0	
Total Savings with Variations	3,117	3,117	0	0	

Revenue budget

Divisions	Planned (£000)			Q2 2016/17 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Management and Support	1,895	(153)	1,742	1,900	(185)	1,715	(5)	32	27	iv
Customer and Library Services	8,611	(2,411)	6,200	8,351	(2,151)	6,200	260	(260)	-	
Communities	3,772	(2,235)	1,537	3,550	(2,135)	1,415	222	(100)	122	v
Transport & Operational Services	71,223	(36,325)	34,898	71,941	(36,918)	35,023	(718)	593	(125)	vi
Highways	16,080	(1,135)	14,945	16,364	(1,419)	14,945	(284)	284	-	
Economy	2,437	(1,745)	692	2,416	(1,759)	657	21	14	35	vii
Planning and Environment	2,885	(2,081)	804	2,831	(2,051)	780	54	(30)	24	viii
Total CET	106,903	(46,085)	60,818	107,353	(46,618)	60,735	(450)	533	83	

Capital programme

Approved project	Total project – all years (£000)		2016/17 (£000)							Note ref
			In year monitor Q2 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2016/17	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
The Keep	20,207	20,207	87	25	73	14	-	14	-	
Rye Library	87	87	56	23	56	-	-	-	-	
Hastings Library	8,739	8,739	6,136	997	3,530	2,606	-	2,606	-	ix
Newhaven Library	1,754	1,712	104	23	62	42	42	-	-	
Southover Grange (formerly The Maltings)	1,307	1,307	1,151	203	1,000	151	-	151	-	
Library Refurbishment Programme	1,983	1,983	348	89	348	-	-	-	-	
Newhaven Household Waste Recycling Site	2,041	2,038	4	-	1	3	3	-	-	
Travellers Site Bridges Tan	1,348	1,348	34	-	34	-	-	-	-	
Broadband	25,600	25,600	8,303	(4,278)	375	7,928	-	7,928	-	x
Bexhill to Hastings Link Road	124,309	125,599	3,957	1,795	3,910	47	-	47	-	xi
BHLR Complimentary Measures	1,800	1,800	766	10	130	636	-	636	-	xii
Reshaping Uckfield Town Centre	2,500	2,500	1,537	876	1,537	-	-	-	-	
Exceat Bridge Maintenance	500	500	467	4	67	400	-	400	-	
Economic Intervention Fund	7,945	7,945	1,403	809	1,686	(283)	-	-	(283)	
Catalysing Stalled Sites	916	916	316	21	316	-	-	-	-	
EDS Upgrading Empty Commercial Properties	500	500	250	53	183	67	-	67	-	
EDS Incubation Units	1,500	1,500	500	-	250	250	-	250	-	
North Bexhill Access Road	16,600	16,600	6,190	897	8,190	(2,000)	-	-	(2,000)	xiii
Queensway Gateway Road	6,000	6,000	4,581	74	4,381	200	-	200	-	
Newhaven Flood Defences	1,500	1,500	800	-	800	-	-	-	-	
Sovereign Harbour/Site Infrastructure	1,700	1,700	1,170	683	1,170	-	-	-	-	

Capital programme										
Approved project	Total project – all years (£000)		2016/17 (£000)							Note ref
			In year monitor Q2 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2016/17	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
LGF Business Case Development	196	196	196	9	196	-	-	-	-	
Swallow Business Park	1,400	1,400	895	550	895	-	-	-	-	
Newhaven Port Access Road	23,219	23,219	5,205	27	765	4,440	-	4,440	-	xiv
Street Lighting Invest to Save	920	920	17	-	17	-	-	-	-	
Local Sustainable Transport Fund - ES Coastal Towns	2,467	2,473	370	24	370	-	-	-	-	
Local Sustainable Transport Fund - Travel choices for Lewes	1,196	1,196	2	2	2	-	-	-	-	
Eastbourne and Hastings Light Reduction	3,704	3,704	9	-	9	-	-	-	-	
Eastern Depot Development	1,586	1,586	1,390	26	200	1,190	-	1,190	-	xv
Newhaven Swing Bridge	1,548	1,548	35	1	35	-	-	-	-	
Waste Leachate Programme	250	250	250	-	250	-	-	-	-	
Hastings and Bexhill Junction Walking & Cycling Package	250	250	-	-	-	-	-	-	-	
Eastbourne/South Wealden Walking & Cycling Package	2,100	2,100	750	21	750	-	-	-	-	
Hastings and Bexhill Junction Improvement Package	1,893	1,893	-	-	-	-	-	-	-	
Hailsham/Polegate/Eastbourne Sustainable Transport Corridor	2,600	2,600	-	84	250	(250)	-	-	(250)	
Integrated Transport - LTP plus Externally Funded	46,553	46,553	5,981	2,310	5,981	-	-	-	-	
Speed Management	2,948	2,948	122	4	122	-	-	-	-	
Terminus Road Improvements	6,250	6,250	5,275	455	695	4,580	-	4,580	-	xvi
Highway Structural Maintenance	103,038	103,038	18,538	4,514	18,538	-	-	-	-	
Bridge Assessment Strengthening	16,860	16,860	1,134	100	1,134	-	-	-	-	
Street Lighting - Life Expired Equipment	7,902	7,902	867	30	867	-	-	-	-	
Rights of Way Surface Repairs and Bridge Replacement	4,617	4,617	437	304	465	(28)	-	-	(28)	
Total CET	460,333	461,584	79,633	10,765	59,640	19,993	45	22,509	(2,561)	

Governance – Q2 2016/17

Summary of progress on Council Priorities, issues arising, and achievements

Reconciling Policy, Performance and Resources (RPPR) – An updated Medium Term Financial Plan (MTFP), which has been extended to 2020/21 to match the NHS 3+2 year model, was presented to Cabinet on 11 October 2016. The updated plan highlighted the need to identify a further £6.5m of savings in 2017/18, bringing the total for the year to £23.8m. On 18 October 2016 Cabinet agreed to accept the four year funding offer from the Government. The Government's Autumn Statement, which was announced on 23 November 2016, and the local government settlement announcement, which is expected in December, should provide further clarity of the Council's future financial outlook. The Annual Report, which highlights our progress against our priorities during 2015/16, was published on 29 September 2016. The Portfolio Plans for 2017/18 – 2019/20 are currently being drafted and will be reviewed Scrutiny Boards in December before publication at the end of March 2017.

Devolution – The Three Southern Counties (3SC) Leaders met in September and agreed to move to the more formalised structure of a Leaders' Board. The new Leaders' Board agreed a joint response to Government on the retention of business rates to emphasise the opportunity to support wider devolution plans, and also to seek assurances that, as a minimum, the 3SC area would be no worse off.

Supporting democracy – During Q2 we supported 47 meetings including: one Council meeting; two Cabinet meetings; 11 Lead Member meetings; 11 scrutiny committees and review boards; and 22 other committees and panels. 70 school admission appeals were received and arranged, plus one school exclusion appeal hearing.

The Members' ICT strategy and the 'paperlight' project have progressed during Q2. The Members' ICT Reference Group met in April and is continuing to oversee the practicalities of encouraging and supporting effective use of ICT by Members. The initial ICT Member support initiative in March was followed in Q2 with ongoing 1:1 coaching designed to enable Members to address individual technology issues. The result is that 17 Members are now trialling updated ICT equipment in the form of 'hybrid' Windows 8 devices; with several others likely to trial this technology over the coming months. 40 Members have confirmed that they are now aiming to be 'paperlight' at meetings using either 'hybrid' or iPad devices to access most papers.

In September 2016, Member Services received the final decision of the Local Government Boundary Commission for England on the review of electoral division boundaries for East Sussex. The team has distributed this information and is responding to a range of subsequent queries.

Preparations for the May 2017 county council elections have continued. Member Services has worked with the Council's Communications team and the Local Government Association to develop a new website to explain what being a councillor involves and coordinated a successful public pre-election information event held on 20 October 2016; the event included a talking heads video featuring Members describing what is involved in being a councillor, followed by a Q&A session with a panel of five members. 30 members of the public attended the event and feedback was that they found it very useful. Member Services has also sent a survey to current councillors that begins the process of developing an effective induction programme for new county councillors from May 2017.

Legal Services – Orbis Public Law (OPL); which was launched on 4 April 2016, is our joint legal services partnership with Brighton and Hove City Council, and West Sussex and Surrey County Council's; continues to progress with effective working relationships established across the partners. A pathfinder project report, which was presented to the OPL Exec Board on 14 October 2016, proposed a structure for the commercial law service from April 2017 together with a series of actions required to align working practices in partners' services. A project has also been established to review court representation in child law proceedings across the four authorities with a view to increasing in house representation and reducing expenditure on external barristers. Three of the four partners (including the Council's Legal Services) have an identical case management system which helps in the transferring of work between partners. Preparations are in place for the fourth partner to have this system by the end of year.

We completed planning and highways agreements securing contributions of £195,000. We also collected debts due the Council totalling £32,000 and agreed 18 Instalment plans with debtors. We also carried out a prosecution on behalf of the Council for fraudulent use of a blue badge which resulted in a fine and costs being awarded.

The number of court hearings required ensure that members of the community who are mentally incapacitated are protected continues to increase due to recent case law changes which have led to an increase in both welfare, and Deprivation of Liberty applications. In Q2 we made three further applications to the Court of Protection with a further 13 cases waiting to be issued. We opened 21 new mental capacity pre-proceedings cases. We continued to advise Children's Services in pre-proceedings cases to enable families to keep their children within the family. 31 new pre-proceedings cases were opened to Legal Services in Q2. Where it is not possible to resolve the matter and it is necessary for care proceedings to be brought, we provide advice and representation to Children's Services so that vulnerable children are secured in a safe placement, whether with relations, in foster care, or by way of adoption. Recent changes to case law reducing the amount of time a child can be looked after by a local authority without a Care Order and a general increase in referrals mean 2015/16 saw an increase in care proceedings to 87, from 67

cases in 2014/15. The increases have been sustained in 2016/17 with a further 25 cases being issued during Q2. The increase in referrals has also been seen nationally. Despite the increasing workload, the average case duration during Q2 was 26 weeks, matching government's target.

Effective publicity and campaigns – As a result of an advertising campaign there were 12 enquiries from people interested in providing supported lodgings to help young people live independently in Q2. Since 2015 this campaign has saved the Council £189,000 by reducing spending on more expensive residential or agency care placements, as well as providing more safe places for young people. We ran a digital marketing campaign in August to recruit new social workers, this campaign led to 127 new 'leads', of people interested in social work in the county. This is the latest step in a drive to recruit high-quality staff in a competitive marketplace.

Media work – There were 268 media stories relating to the Council in Q2 including publicity about funding for fuel poverty, the upgrade of Hailsham town centre, improving exam results in East Sussex and celebration of Older People's Day. The team issued 47 press releases and handled 208 media calls during the quarter.

Web activity – The Council's main website received 2.4 million page views during Q2 from 373,000 visitors. The most visited areas were the library pages (especially the catalogue), jobs with the council and school term dates.

Third Sector support – The Voluntary and Community Sector (VCS) infrastructure service review has been completed and the recommendations are to go to the Lead Member for Community Services during Q3. The review was able to identify health and wellbeing outcomes that can be included in the service delivery, while maintaining an overall focus on the National Association for Voluntary and Community Action Quality Standards for Infrastructure Service Delivery. The process for retendering the Healthwatch service and Independent Health Complainants Advocacy Service has begun; the new contract will begin on the 1 April 2017.

World War 1 (WW1) commemorations – Our website (www.eastsussexww1.org.uk) hosts 180 stories and events, approximately 66% of which have been submitted or contributed to by the public. In Q2, 8,212 users viewed the site 18,221 times; 115% more users and 60% more views than for the same period in 2015. Our WW1 Twitter profile now has 1,347 followers, who are regularly making contact to share their WW1 stories.

During Q2 we helped to organise a ceremony in Eastbourne to unveil a commemorative paving stone to honour WW1 Victoria Cross recipient Nelson Carter, we also celebrated the WW1 project's second anniversary on 4 August. During the second year of the project 25,212 users have viewed our website 56,076 times; and our story "The Day that Sussex Died", which focuses on the Battle of the Boar's Head in June 1916, was viewed 5,403 times.

To mark our second anniversary, we also published digitised copies of the Sussex Daily News newspaper from 1914, 1915, and 1916. We are publishing these digitised for newspapers each month of the war month by month alongside our existing digitised newspapers. Since publishing the Sussex Daily News on 4 August 2016, the page has been viewed 206 times. Images from the newspapers on our website have been used by a local artist and photographer to create a "Roll of Honour" for the Hastings and St Leonards areas. Kieron Pelling, who is a regular contributor to the project with "Then and Now" images, has been using editions of the Hastings and St Leonards Pictorial Advertiser to create a photographic record of men from East Sussex who served and died in the war (www.ww1rollofhonour.co.uk).

On 8 July we participated in a WW1 event at The Keep in association with the First World War Co-ordinating Centre for the South East "Gateways to the First World War" (<http://www.gatewaysfww.org.uk/>). This event was designed to showcase to the public the resources available in East Sussex for research into the war. The project highlighted our digitised newspaper collection as well as explaining materials relating to military tribunals and conscription.

SE7 – In Q2, preparatory work started on the establishment of a Sub-National Transport Body (SNTB) for the South East. If established, the Body will develop an overarching Transport Strategy, building on existing local transport strategies, which will grant members of the Body greater and more direct influence over regional strategic infrastructure priorities. The SE7 partnership has also provided a forum for the discussion of full Business Rates Retention, and a shared lobbying position for the South East has been developed, which emphasises that the new system should principally take into account the needs of an area.

Health and Wellbeing Board – On the 28 November 2016 the Board approved the new Health and Wellbeing Strategy 2016-2019. As the East Sussex Better Together and Connecting 4 You Programmes continue to be established, subsequent action plans will be developed.

Revenue budget summary – At Q2 there is a forecast underspend of £86k; this is mostly due to staff vacancies. The spend on Laptops for Members is lower than expected as hybrid machines are being reallocated. There has also been some additional income from academies for school appeals.

Capital Programme Summary – The implementation of the committee management system (Modern.gov) and case management system (Norwell) is complete with a £29k underspend. Any replacement laptops for Members are expected to be funded from the revenue budget and the capital budget will slip to fund future replacement hardware needs.

Performance exceptions (Q1 – Red and Amber RAG rated targets, and amendments Q2-4 – RAG status changed to Red, Amber, Green, and amendments)								
Performance measure	Outturn 15/16	Target 16/17	16/17RAG				Q2 16/17 outturn	Note ref
			Q1	Q2	Q3	Q4		
There are no Council Plan targets								

Savings exceptions (Projected - Red = will not be delivered but may be mitigated; Amber = on track to deliver but not in the year (& may be mitigated); Green = on track to deliver in the year)					
Service description	2016/17 (£'000) – Q2 Forecast				Note ref
	Target	Achieved	Slipped	Unachieved	
Savings					
Communication Service redesign and income generation	115	115	-	-	
Legal Services income generation	25	25	-	-	
Senior Management & Organisational Development	40	40	-	-	
Total Savings	180	180	0	0	
Variations to Planned Savings					
None	-	-	-	-	
Permanent Variations	0	0	0	0	
Total Permanent Savings & Variations	0	0	0	0	
None	-	-	-	-	
Temporary Variations	0	0	0	0	
Total Savings with Variations	180	180	0	0	

Revenue budget										
Divisions	Planned (£000)			Q2 2016/17 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Corporate Governance	3,649	(69)	3,580	3,610	(91)	3,519	39	22	61	
Corporate Support Services	3,411	(573)	2,838	3,386	(573)	2,813	25	-	25	
Senior management & Org Development	1,445	(364)	1,081	1,445	(364)	1,081	-	-	-	
Total Governance	8,505	(1,006)	7,499	8,441	(1,028)	7,413	64	22	86	

Capital programme										
Approved project	Total project – all years (£000)		2016/17 (£000)							Note ref
			In year monitor Q2 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2016/17	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
Case Management/Committee Management System	115	86	32	3	3	29	29	-	-	
Laptops for Members	42	42	42	-	-	42	-	42	-	
Total Governance	157	128	74	3	3	71	29	42	0	

Strategic Risk Register – Q2 2016/17

Ref	Strategic Risks	Risk Control / Response	RAG
4	<p>HEALTH</p> <p>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.</p> <p>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>The Sustainability and Transformation Plan for Sussex and East Surrey (STP) was submitted in June. Work to develop and deliver the plan is ongoing. Nine working groups have been formed covering: Acute provision (including mental health); workforce; primary and community care provision; digital improvement, estates; provider productivity improvement, communication and engagement and governance. The next submission is due mid-September.</p>	R
7	<p>SCHOOLS</p> <p>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"> •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: <ul style="list-style-type: none"> -Implementing a service restructure to remove direct delivery of school improvement and further develop commissioning model of school improvement -Continue to build relationships with academies and sponsors, including the Diocese of Chichester, ensure a dialogue about school performance, including data sharing. •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. • 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. •Where academies do not appear to be accessing appropriate support, bring this to the attention of the DfE, who may exercise their intervention powers. •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. 	R
8	<p>CAPITAL PROGRAMME</p> <p>Failure to deliver capital programme outcomes on-time and on-budget, impacting on the Council's ability to support local economic growth.</p>	<p>The Council has a five year capital programme in place which reflects Council priorities. This is updated annually and monitored as part of the Reconciling Policy, Performance and Resources (RPPR) process.</p> <p>In April 2015, a high level Capital Programme Management Review was commissioned with a recognition that we need to not only set firm targets for the next year of the programme, but set indicative targets for the following years and start to focus on shaping the 2018-2023 capital programme. The brief set out that there needs to be shift of focus from capital programme 'monitoring' to capital programme 'management' in order to improve forecasting and scheme scheduling and planning.</p>	R

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1	<p>ROADS</p> <p>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 2013 has enabled us to stabilise the deterioration in the carriageway network and improve the condition of our principle road network.</p> <p>The County Council's asset management approach to highway maintenance is maintaining the overall condition of roads, despite recent winter weather. The preventative approach to the maintenance of the County's highway network is being further rolled out across all highway asset types, including highway drainage.</p> <p>The new highways contract, which commenced on the 1st May, introduced a more preventative approach to highway drainage with the introduction of routine drainage ditch and grip* maintenance. We are also continuing with our targeted approach to gully cleansing, and developing a drainage strategy targeting flooding hotspots.</p> <p><i>*A highway grip is a shallow ditch connecting the road edge to the roadside ditch. Its purpose is to drain rain water from the highway into the roadside ditch.</i></p>	A
5	<p>RECONCILING POLICY, PERFORMANCE & RESOURCE</p> <p>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 result of the EU referendum has introduced greater uncertainty in the Government's policy direction, legislative process and spending plans. The RPPR process will be used to monitor the situation and keep members informed of any changes which affect the plans in order that mitigating action can be taken.</p>	A
9	<p>WORKFORCE</p> <p>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>A range of initiatives and interventions to support managers and staff in this area are being taken forward. In particular, we have confirmed our commitment to the mental health 'Time for Change' pledge as well as launching our '5 weeks to wellbeing' campaign.</p> <p>In considering stress absences, new arrangements have been implemented whereby an OH nurse makes direct contact with employees who are off sick with stress to offer support. In addition, a manager who has an employee off sick with stress receives targeted advice and guidance on how to support and manage the absence. More generally, the Lead clinical OH Physician has been commissioned to deliver a session for managers on supporting staff with mental health and stress issues. In addition, a new course 'Resilience through Mindfulness' is now available as part of the corporate training programme to support staff increase their resilience.</p>	A
10	<p>RECRUITMENT</p> <p>Inability to attract high calibre candidates, leading to limited recruitment choices 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. To support this, different talent attraction approaches will be developed ranging from apprentices and interns through to highly experienced individuals.</p>	A

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6	<p>LOCAL ECONOMIC GROWTH 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 have secured capital funding from the South East England Local Enterprise Partnership (SELEP) have either now been completed, or construction is underway. Following the March 2016 call from Government for LEPs to prepare a 3rd round of Local Growth Funding, SELEP submitted its formal submission to Government at the end of July 2016. All of the projects that Team East Sussex considered were included, with a cumulative value of around £30m to deliver a range of infrastructure projects including a conferencing facility at Devonshire Park, Eastbourne and the first phase of the Newhaven Enterprise Zone. We expect to hear the outcome of the bids in the Chancellor's Autumn Statement which is expected at the end of November 2016.</p> <p>In spite of the continued uncertainty around availability of EU funding in the current programme period, work has continued on developing partner bids across the SELEP. Bids to augment the Business East Sussex service, and to match local contributions in East Sussex for the delivery of inward investment services have been developed, along with a number of others.</p> <p>Whilst continuing to develop pipeline projects for subsequent rounds of Local Growth Funding via SELEP, in the longer term European funding will not be available, so we are increasingly looking towards the potential offered through the devolution of skills and infrastructure funding to the 3 Southern Counties and the emerging Sub-National Transport Board, the latter of which will enable the direct engagement with Highways England and Network Rail to influence their investment programmes.</p>	A
2	<p>ORDINARY RESIDENCE 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&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