

**Report to:** Cabinet  
**Date:** 7 March 2017  
**Report by:** Chief Executive  
**Title:** Council Monitoring Report – quarter 3 2016/17  
**Purpose:** To report Council Plan and Finance monitoring for quarter 3 2016/17

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## **RECOMMENDATIONS**

Cabinet is recommended to:

1) note the latest monitoring position for the Council

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### **1. Introduction**

1.1 This report sets out the Council's position and year-end projections for the Council Plan targets, Revenue Budget, Capital Programme, Savings Plan, together with Risks for quarter 3 (October – December) 2016.

1.2 Broad progress against the Council's four strategic priority outcomes is summarised below and an overview of finance and performance data is provided in the Corporate Summary at Appendix 1. Strategic risks are reported at Appendix 7.

### **2. Overview of 2016/17 Council Plan**

2.1 More detail of progress against each of our priority outcomes for 2016/17 is set out in paragraph 3 below. Of the 67 Council Plan targets, 44 (66%) are rated green, 14 (21%) are rated amber and 9 (13%) are rated red.

2.2 Work within services to reduce or mitigate the overall overspend has been ongoing. At quarter 3, the gross projected year-end overspend within service departments is £6.9m a reduction from the £8.3m overspend reported at quarter 2. The main areas of overspend are:-

- £4.7m in Adult Social Care (£6.1m at quarter 2), mainly the result of ongoing pressures on Independent Sector Care. The reduction of £1.4m between quarter 2 and quarter 3 reflects revisions in modelled demand and attrition, together with small reductions in service activity in the period. The position continues to be monitored and is included within the development of the East Sussex Better Together (ESBT) Strategic Investment Plan and ongoing discussions with Clinical Commissioning Groups.
- £3.0m in Children's Services (£2.8m at quarter 2). This is within Education and ISEND, Looked after Children and Home to School Transport, and is the result of demand led pressures (detail of pressures identified in quarter 3 is provided in Appendix 4). Children's Services have sought to mitigate some of the service pressure through reductions in expenditure in other areas of the service. Measures include keeping vacancies open and a reduction in forecast legal costs, offsetting reduced trading income with schools and increased Early Years Education Entitlement costs due to children accessing the service earlier and for more hours.

2.3 There are budget pressures across all departments, within Communities, Economy and Transport; Business Services; and Governance; these are being successfully contained and there is a small underspend of £0.8m being reported across these services.

2.4 Within centrally held budgets there is a pressure of £0.3m for the Council's share of the East Sussex Business Rates Pool and Business Rates Cap Compensation and there continues to be a pressure of £0.2m for the Education Services Grant (ESG).

2.5 Provision was made across 2016/17 and 2017/18 for the cost of the National Living Wage. Confirmation of the 2017/18 rate in the Autumn Statement in November 2016 has resulted in an underspend of £0.3m as this amount is no longer required to be set aside. The overall overspend on centrally held budgets is therefore currently forecast at £0.2m in 2016/17. Giving a total overspend of £7.1m.

2.6 Following the review of our Minimum Revenue Provision (MRP) Policy and the Treasury Management budgets, there will be a reduced charge to revenue in 2016/17 of £8.2m. 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.

2.7 The general contingency of £3.4m is also available to offset this overspend. Should the position remain unchanged there will therefore be a general fund surplus of £4.5m (the projected overspend at paragraph 2.5 of £7.1m less the MRP & Treasury Management underspend of £8.2m and the general contingency of £3.4m = £4.5m). It is proposed that this balance be held to manage the ongoing financial risks identified as part of the budget setting process. These include the impact of the Business Rate Revaluation on Business Rates, savings realisation, the proposed financial arrangements for ESBT or to manage down borrowing. Work will continue within services to reduce or mitigate the overall overspend where possible.

2.8 As part of budget setting, the current Capital Programme has been adjusted to reflect the updated forecast position at quarter 2 including any further approved variations. The quarter 3 Capital Programme is monitored against the revised programme submitted to the Council in February in addition to any further approved variations. The forecast spending for the year is projected at £85.7m against a budget of £91.9m, a variation of £6.2m. The variation comprises slippage of £6.5m offset by spend in advance of £0.3m.

2.9 The additional Capital slippage at quarter 3 mainly comprises:

- £1.5m on Integrated Transport, due to significant delays in receiving target costs from the contractor. The full impact of the target costs has not yet been fully assessed and therefore the resulting slippage could increase.
- £1.4m on Capital Building improvements as a result of extended tender processes and longer re-evaluations of building usage.
- A review of Property Agile works has re-profiled £1.2m into future years due to the consultation period for the Property Agile programme at St Mark's and parking at County Hall being longer than anticipated, the latter due to needing to seek advice towards the end of 2016, from planners and the South Downs National Park Authority, about use of surrounding sites, e.g. St Anne's, and entering discussions with other bodies, such as blue light organisations, about the impact of using the site, which was not planned.
- Queensway Gateway Road has slipped £1m due to delays in the planning process and discharging of the planning conditions.
- ICT Strategy Implementation has slipped £0.4m, mainly due to the LAN Replacement project, due to receiving advice that more competitive prices could be achieved by entering procurement negotiations in quarter 1 of 2017/18, rather than the current year.
- Libraries refurbishment has slipped £0.3m due to work to refurbish Battle library starting later than planned as it was being considered as part of a bigger development plan which has not materialised.

2.10 The spend in advance of £0.3m relates mainly to Meridian School within the Schools Basic Need Programme

2.11 The Strategic Risk Register, Appendix 7, has been reviewed. Risk 5 (Reconciling Policy, Performance and Resource), Risk 6 (Local Economic Growth), Risk 8 (Capital Programme) and Risk 9 (Workforce) all have updated Risk Control measures. One new risk (Apprenticeship Levy) has been added to the Strategic Risk Register for this review, and no existing risks have been removed. Risk 8 (Capital Programme) has reduced from a 'Red' to an 'Amber' risk rating. All other risk ratings remain unchanged.

2.12 The final local government settlement was announced on 20 February 2017 and is consistent with the Council's financial position that was set out in the RPPR report on 7 February 2017.

### **3. Progress against Council Priorities**

#### **Driving economic growth**

3.1 Work continues to establish a Sub-National Transport Body for the South East, and all SE7 Authorities have now agreed to the establishment of a Shadow Body. Work in quarter 4 will focus on developing a constitution and draft Transport Strategy (Appendix 6).

3.2 37 businesses have been supported with grants and loans so far in 2016/17. These businesses are projecting to create 122 jobs and safeguard a further 40 (Appendix 5).

3.3 70 apprentices have been recruited in 2016/17: 21 with the Council, with a further two progressing on to a further apprenticeship; nine with Costain CH2M; and 38 with schools. Of the 93 apprentices who are due to be taking part in the programme in quarter 3, seven finished their apprenticeship and moved on to a positive outcome, 10 others left their apprenticeship in quarter 3 with six moving on to a positive outcome. The rate of retention and/or positive outcomes stands at 95% (Appendix 5).

3.4 82 online learning courses were completed in our libraries in quarter 3, on topics including English, maths and IT. 249 courses have been completed so far in 2016/17 (Appendix 5).

3.5 Figures from the Department of Education show the achievement gap between the lowest achieving 20% of pupils and the median at the Early Years Foundation Stage in East Sussex, in academic year 2015/16, is 28.1%, 3.3 percentage points better than the national average of 31.4% (Appendix 4).

3.6 71% of Council spend in quarter 3 was with local suppliers, over the last 12 months the Council has spent £195m with over 7,000 local suppliers (Appendix 3).

3.7 Locate East Sussex has helped 35 companies start up, relocate or expand in East Sussex during 2016/17 (Appendix 5).

3.8 The road condition statistics for 2016/17 have been published, the percentage of principal and non-principal roads which require maintenance have remained the same as in 2015/16, 5% and 6% respectively, while the percentage of unclassified roads requiring maintenance has improved from 22% in 2015/16 to 19% in 2016/17 (Appendix 5).

#### **Keeping vulnerable people safe**

3.9 Legal Services advised and represented Trading Standards in two successful prosecutions, one for a rogue trader who preyed on elderly vulnerable people, and the second for a company director who duped investors into paying thousands of pounds for worthless franchises (Appendix 6).

3.10 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, have seen a sustained increase in child care proceedings in court in 2016/17. There were 30 cases in quarter 3 compared to 21 for the same period last year. The average case duration was 26.8 weeks, just above the Government's target of 26 weeks (Appendix 6).

3.11 Where possible, we seek to enable families to keep their children within the family, rather than undertaking legal care proceedings, and this may lead to a child being placed on a Child Protection (CP) plan. The rate of children with a CP plan has increased from 42.7 children per 10,000 at quarter 2 to 46.3 in quarter 3 against a target rate of 41 (Appendix 4).

3.12 78% of people affected by domestic violence and abuse who have exited the specialist domestic abuse and sexual violence service (Portal) in 2016/17 say they are better able to cope and/or have improved self-esteem. The figure for those affected by rape, sexual violence and abuse who are more in control of their lives and/or more optimistic about the future after exiting the service is 81% (Appendix 2).

3.13 We supported the 16 Days of Action for the Elimination of Violence Against Women campaign, which ran from 25 November to 10 December 2016. Over the 16 days a range of agencies, groups and individuals came together to work towards ending all forms of violence against women. The Council has also been recredited as a White Ribbon authority,

recognising the Council's commitment to work to end violence and abuse and ensure survivors can access help and support (Appendix 2).

3.14 35 victims of financial abuse were visited by Trading Standards; amongst these victims officers identified four chronic victims of financial abuse who were helped by interventions from Adult Social Care or befriending services provided by Age Concern (Appendix 5).

### **Helping people help themselves**

3.15 The ESBT Strategic Investment Plan sets out how pooled health and social care budgets will be spent. The 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 (RPPR) process. Progress continues across all areas of ESBT, including the delivery of integrated teams, Health and Social Care Connect, crisis response, re-ablement and community resilience. Plans are also being implemented to put in place a transition year for accountable care in 2017/18 prior to the move to fully integrated health and social care (Appendix 2).

3.16 The £1m Road Safety programme is progressing well, a timetabled programme of work has been agreed and we are finalising the involvement of behavioural change experts to help define and focus the project. We will continue to work with the Sussex Safer Roads Partnership and the local Road Safety Partnerships to ensure we target our resources effectively to ensure the maximum outcome from the investment. Provisional data shows there were 113 people Killed or Seriously Injured (KSI) on our roads between July and September 2016, with 10 of these being fatalities. Of these, 21 KSI and one fatality occurred on Trunk Roads, which are the responsibility of Highways England (Appendix 5).

3.17 From 5 to 9 December 2016 Ofsted and the Care Quality Commission (CQC) jointly inspected the local area's effectiveness in identifying and meeting the needs of children and young people who have special educational needs and/or disabilities (SEND). A summary is provided in Appendix 4 and a full report is elsewhere on the Cabinet agenda.

3.18 98.2% of Adult Social Care clients who have received a short-term service in 2016/17 have made no further request for support (Appendix 2).

3.19 2,872 people have been supported by STEPS, which helps people maintain independence within their own homes, in 2016/17. This included 1,605 supported with Housing Support, 1,083 supported by the Navigator Service and 184 supported through the gateway service (Appendix 2).

3.20 Public Health led a programme of work across the county in quarter 3 to tackle the health effects of cold homes. Work included training frontline professionals to enable them to identify people living in cold homes and refer them on to services such as the Winter Home Check (WHC). Public Health also developed a Stay Well This Winter campaign and helped to develop a Locally Enhanced Service for GP staff to help them identify patients at risk of fuel poverty. As a result of this activity 374 referrals to the WHC service were received in quarter 3 (Appendix 2).

3.21 33.7% of adults and older people receiving a service are receiving a Direct Payment. We have implemented improvements to the referral process to ensure clients receive core support throughout their Direct Payment, with further improvements planned for 2017/18. These improvements should make the process easier for clients and increase the number of people receiving a Direct Payment (Appendix 2).

3.22 10 new members were approved by the Support with Confidence service in quarter 3, increasing the total numbers of members to 160 (Appendix 2).

3.23 Café North, a social enterprise in Eastbourne staffed by people who are in recovery from substance misuse addiction, officially opened on 18 November 2016. The opening was attended by service users, partners, Caroline Ansell MP and the Mayor of Eastbourne (Appendix 2).

**Making best use of resources**

3.24 Following work as part of the RPPR process, including consultation and engagement on savings plans, the Council agreed the budget for 2017/18 and the draft Council Plan on 7 February 2017 (Appendix 6).

**Becky Shaw, Chief Executive**

## How to read this report

This report integrates monitoring for finance, performance and risk. The contents of the report are as follows:

- Cover report
- Appendix 1 Corporate Summary
- Appendix 2 Adult Social Care and Health
- Appendix 3 Business Services
- Appendix 4 Children's Services
- Appendix 5 Communities, Economy and Transport
- Appendix 6 Governance
- Appendix 7 Strategic Risk Register

### Cover report, Appendix 1

The cover report and Appendix 1 provide a concise corporate summary of progress against our Council Plan Targets, Revenue Budget, Savings Targets, and Capital Programme.

The cover report highlights a selection of key topics from the departmental appendices, for the four Council priorities:

- driving economic growth;
- keeping vulnerable people safe;
- helping people help themselves; and
- making best use of resources.

More information on each of these topics is provided in the relevant departmental appendix referenced in brackets, e.g. (Appendix 2). More detailed performance and finance data is also available in the departmental appendices.

### Departmental Appendices 2 - 6

The departmental appendices provide a single commentary covering issues and progress against key topics for the department (including all those mentioned in the cover report). This is followed by data tables showing progress against Council Plan Targets, Savings Targets, Revenue Budget, and Capital Programme for the department.

For each topic, the commentary references supporting data in the tables at the end of the appendix, e.g. **(ref i)**. The tables include this reference in the 'note ref' column on the right hand side. Where the commentary refers to the Revenue Budget or Capital Programme, it may refer to all or part of the amount that is referenced in the table, or it may refer to several amounts added together.

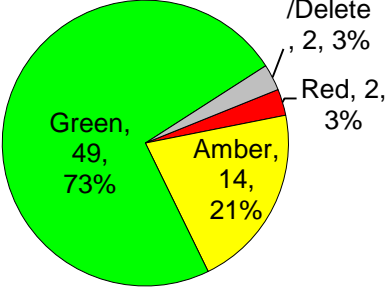
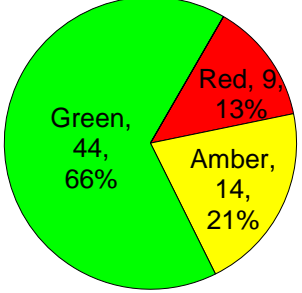
### Strategic Risk Registers Appendix 7

Appendix 7 contains commentary explaining mitigating actions for all Strategic Risks.

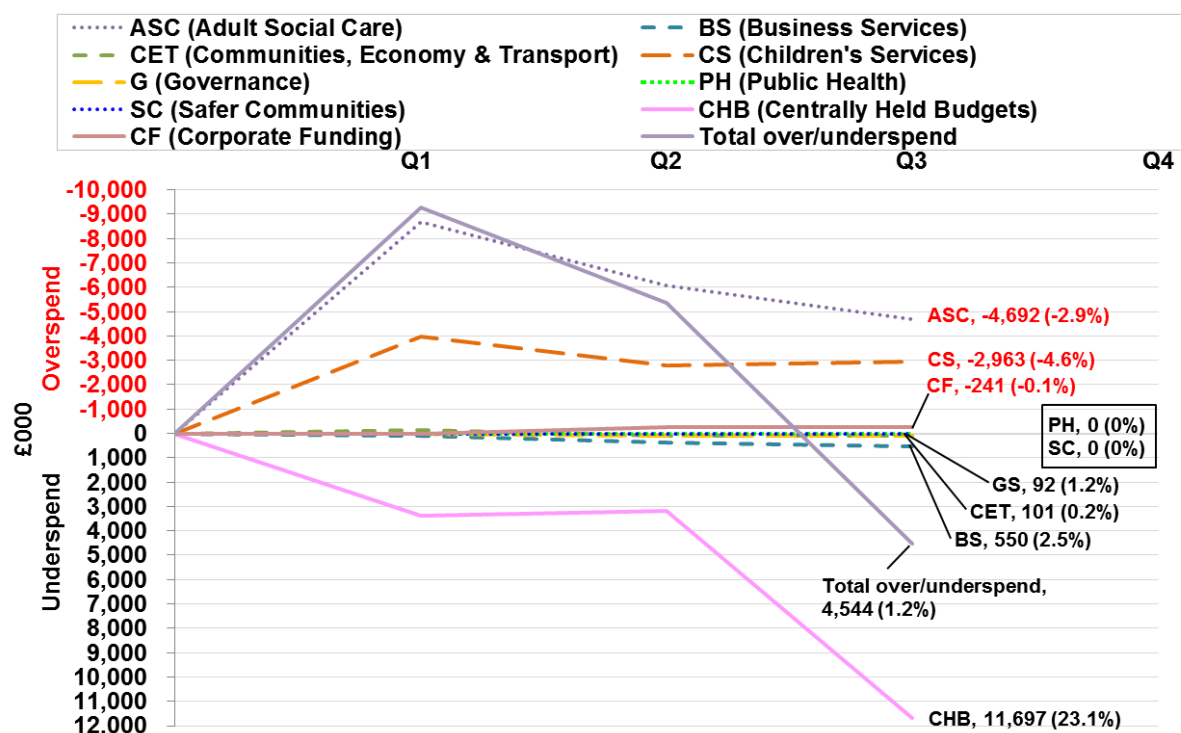
## Council Monitoring Corporate Summary – Q3 2016/17

### Council Plan performance targets

Priority	Red	Amber	Green
Driving economic growth	3	7	22
Keeping vulnerable people safe	2	2	8
Helping people help themselves	3	5	12
Making best use of resources	1	0	2
<b>Total</b>	<b>9</b>	<b>14</b>	<b>44</b>

Q3 2016/17	Q2 2016/17	Q3 2016/17
<p>There are 67 individual measures in the Council Plan.</p> <ul style="list-style-type: none"> <li>Appendix 2 ASC – 2 red, 4 amber,</li> <li>Appendix 3 BSD – 1 red</li> <li>Appendix 4 CSD – 4 red, 7 amber</li> <li>Appendix 5 CET – 2 red, 3 amber</li> </ul>	 <p>Amend /Delete, 2, 3%</p> <p>Red, 2, 3%</p> <p>Amber, 14, 21%</p> <p>Green, 49, 73%</p>	 <p>Red, 9, 13%</p> <p>Amber, 14, 21%</p> <p>Green, 44, 66%</p>

### Revenue budget outturn (net £000)

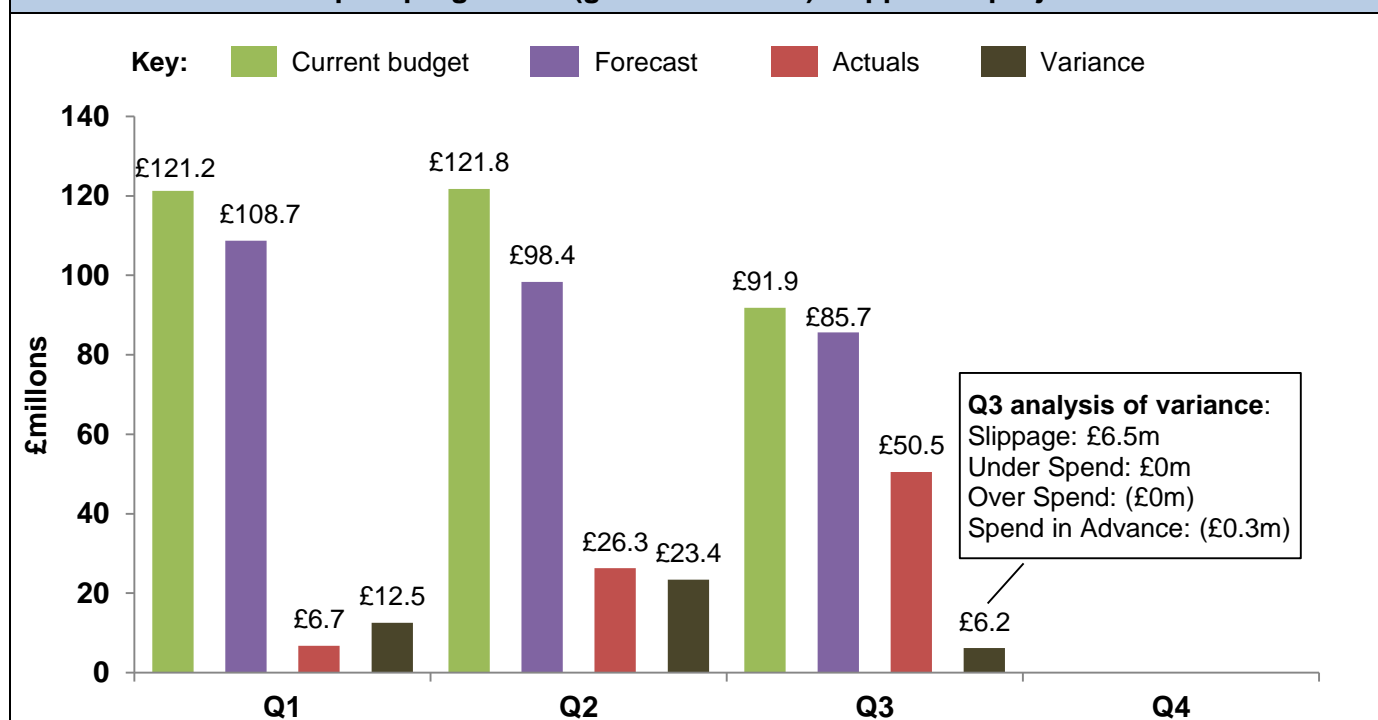


Revenue budget summary (£000)									
	Planned (£000)			Q3 2016/17 (£000)					
				Projected outturn			(Over) / under spend		
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
<b>Service Expenditure</b>									
ASC	232,017	(68,831)	163,186	236,287	(68,409)	167,878	(4,270)	(422)	(4,692)
Safer Communities	723	(337)	386	1,200	(814)	386	(477)	477	-
Public Health	33,755	(33,755)	-	33,616	(33,616)	-	139	(139)	-
BSD	49,246	(27,009)	22,237	49,777	(28,091)	21,687	(532)	1,082	550
CSD	324,027	(259,422)	64,605	326,382	(258,814)	67,568	(2,355)	(608)	(2,963)
CET	106,927	(46,109)	60,818	108,067	(47,350)	60,717	(1,140)	1,241	101
GS	8,512	(1,013)	7,499	8,446	(1,039)	7,407	66	26	92
<b>Total Service Spend</b>	<b>755,207</b>	<b>(436,476)</b>	<b>318,731</b>	<b>763,775</b>	<b>(438,133)</b>	<b>325,643</b>	<b>(8,569)</b>	<b>1,657</b>	<b>(6,912)</b>
<b>Centrally Held Budgets</b>									
Treasury Management	27,566	-	27,566	19,366	-	19,366	8,200	-	8,200
Funding Cap Prog.	8,878	-	8,878	8,878	-	8,878	-	-	-
General Contingency	3,390	-	3,390	-	-	-	3,390	-	3,390
Unused Inflation	316	-	316	-	-	-	316	-	316
Education Services Grant	-	-	-	212	-	212	(212)	-	(212)
Pensions	6,299	-	6,299	6,299	-	6,299	-	-	-
Contrib. to Reserves	3,449	-	3,449	3,449	-	3,449	-	-	-
Corporate Grants	-	(58)	(58)	-	(71)	(71)	-	13	13
Levies	441	-	441	446	-	446	(5)	-	(5)
Other	300	-	300	305	-	305	(5)	-	(5)
<b>Total Centrally Held</b>	<b>50,639</b>	<b>(58)</b>	<b>50,581</b>	<b>38,955</b>	<b>(71)</b>	<b>38,884</b>	<b>11,684</b>	<b>13</b>	<b>11,697</b>
<b>Total</b>	<b>805,846</b>	<b>(436,534)</b>	<b>369,312</b>	<b>802,730</b>	<b>(438,204)</b>	<b>364,527</b>	<b>3,115</b>	<b>1,670</b>	<b>4,785</b>
<b>Corporate Funding</b>									
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)	-	-	-
<b>Total Corporate Funding</b>	<b>0</b>	<b>(369,312)</b>	<b>(369,312)</b>	<b>0</b>	<b>(369,071)</b>	<b>(369,071)</b>	<b>0</b>	<b>(241)</b>	<b>(241)</b>
<b>Total</b>	<b>805,846</b>	<b>(805,846)</b>	<b>0</b>	<b>802,730</b>	<b>(807,275)</b>	<b>(4,544)</b>	<b>3,115</b>	<b>1,429</b>	<b>4,544</b>



Revenue savings summary 2016/17 £000				
Department	2016/17 (£'000) – Q3 Forecast			
	Target	Achieved	Slipped	Unachieved
ASC	7,955	3,939	4,016	-
BSD	312	312	-	-
CS	4,985	4,725	200	167
CET	3,117	3,117	-	-
GS	180	180	-	-
Centrally Held	3,000	3,000	-	-
<b>Total Savings</b>	<b>19,549</b>	<b>15,273</b>	<b>4,216</b>	<b>167</b>
ASC	-	-	-	-
BSD	-	-	-	-
CS	-	(107)	-	-
CET	-	-	-	-
GS	-	-	-	-
Centrally Held	-	-	-	-
<b>Permanent Variations</b>	<b>0</b>	<b>(107)</b>	<b>0</b>	<b>0</b>
<b>Total Permanent Savings &amp; Variations</b>	<b>19,549</b>	<b>15,166</b>	<b>4,216</b>	<b>167</b>
ASC	-	401	(401)	-
BSD	-	-	-	-
CS	-	-	-	-
CET	-	-	-	-
GS	-	-	-	-
Centrally Held	-	-	-	-
<b>Temporary Variations</b>	<b>0</b>	<b>401</b>	<b>(401)</b>	<b>0</b>
<b>Total Savings with Variations</b>	<b>19,549</b>	<b>15,567</b>	<b>3,815</b>	<b>167</b>

### Capital programme (gross £ millions) – approved projects



### Capital programme summary (£000)

Approved project	Total project – all years*		2016/17 (£000)						
			In year monitor Q3				Analysis of variation		
			Budget	Actual to date	Projected 2016/17	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance
ASC	23,602	23,602	3,298	2,344	3,237	61	-	61	-
BSD	329,410	329,410	32,132	21,165	29,265	2,867	-	3,157	(290)
CS	9,051	9,051	1,465	1002	1,465	-	-	-	-
CET	455,270	456,260	54,976	26,004	51,710	3,266	-	3,274	(8)
GS	86	86	3	3	3	-	-	-	-
<b>Total</b>	<b>817,419</b>	<b>818,409</b>	<b>91,874</b>	<b>50,518</b>	<b>85,680</b>	<b>6,194</b>	<b>0</b>	<b>6,492</b>	<b>(298)</b>
Scheme Specific Income			24,094	10,232	23,824	270			
Capital Reserves			-	-	-	-			
Section 106			-	-	-	-			
Non Specific Grants			35,083	28,798	35,083	-			
Capital Receipts			3,072	1,028	3,072	-			
Revenue Contributions			10,460	10,460	10,460	-			
Borrowing			19,165	0	13,241	5,924			
<b>Total</b>			<b>91,874</b>	<b>50,518</b>	<b>85,680</b>	<b>6,194</b>			

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

### Centrally held budgets

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 low during the quarter following the reduction to the Bank of England base rate back in the summer to 0.25%. The average level of funds available for investment purposes during the quarter was £271m. 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 31 December 2016 was £374k at an average rate of 0.55%.

At 31 December 2016, the majority of the Council's external debt was held as long term loans (£270.8m), and no cost effective opportunities have arisen in the twelve months to restructure the existing debt portfolio. On December 30th the Council repaid £2m which had reached its maturity date a further £1.3m is due to be repaid on the 30th June 2017. 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

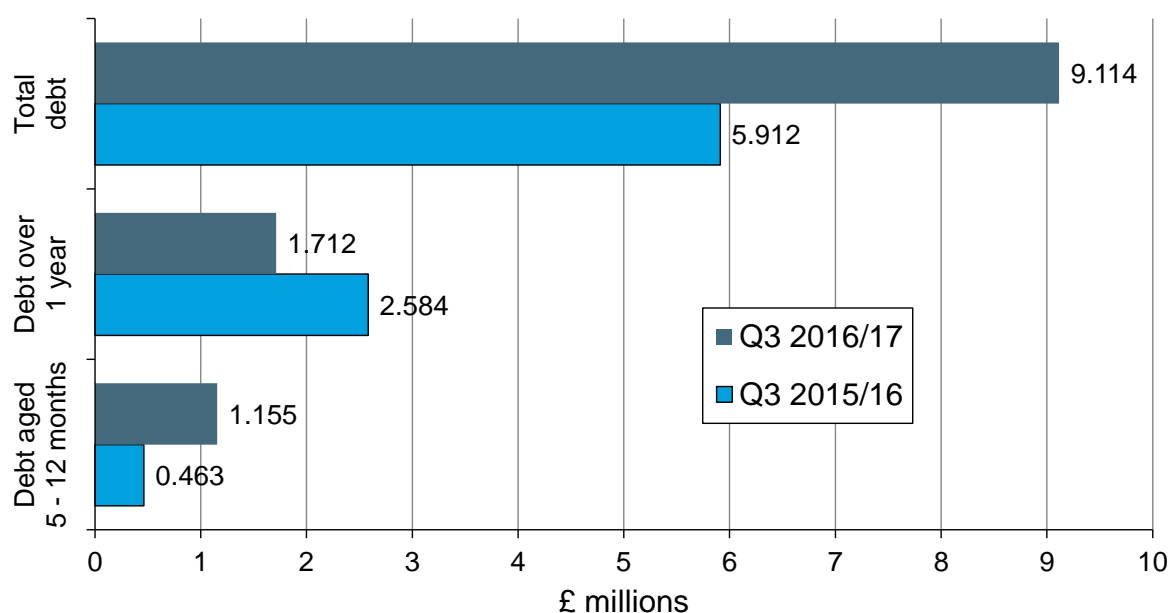
Centrally held budgets include a general contingency of £3.4m. This will be held to offset the projected service overspend of £6.9m. Following the review of Minimum Revenue Provision Policy and the treasury management budgets there will be a reduced charge to revenue in 2016/17. Normal practice is to 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 3 has increased to £2.868m when compared to the 2015/16 outturn of £2.190m. The majority of this increase is due to CCG debt of £323k (being addressed directly with the CCG via regular monthly meetings) and 3 large debts totalling £177k moving into the 5 months to 12 months age category. The 3 larger debts totalling £177k are made up of: £58k for East Sussex Fire & Rescue, £29k for Kent County Council and £90k for Office of Police & Crime are being dealt with via Legal and the raising department, further information on these debt cases is available. 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 – Q3 2016/17

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

**Summary of successes and achievements** – Between April and December 2016, 100% (4,708) of working age adults and older people supported by Adult Social Care received self-directed support. 98.2% of new clients who received short-term services to increase their independence made no further request for support. 913 adults with a learning disability were in settled accommodation, an increase from 869 in 2015/16. 1,337 referrals were made to the Memory Assessment Service. 2,872 people were supported by STEPS, this included 1,605 supported with Housing Support, 1,083 supported by the Navigator Service and 184 supported through the gateway service.

Public Health is leading a programme of work across East Sussex to tackle the health effects of cold homes. Working with the East Sussex Energy Partnership a comprehensive programme of activity has been undertaken including 109 frontline professionals receiving 'fuel poverty and health' training between October and December to enable them to identify people living in cold homes and refer them to local services such as the Winter Home Check (WHC). In addition public health staff have developed and supported a Stay Well This Winter campaign and worked with Clinical Commissioning Group (CCG) colleagues to develop a Locally Enhanced Service for GP staff to identify patients at risk of fuel poverty and refer them on to services. Through these initiatives a further 431 professionals and GP staff have been supported enabling them to contribute to addressing fuel poverty. As a result of this activity 374 referrals were received by the WHC service in Q3. In addition to the public health funding provided to the WHC service, and the successful bids for National Energy Action resources to fund high cost and additional small measures delivered through the service, additional funds have now also been secured from Hastings and Rother CCG to enable more high cost measures such as boiler replacements to be provided in priority areas of Hastings and Rother.

**Support with Confidence (SWC)** – At the end of December 2016 the scheme had 160 members. There has been a significant increase in the number of approvals in Q3 and the service is now on course to meet the target of 160 members by the end of year. We currently have 64 applicants on the SWC ledger pending approval.

**Specialist domestic abuse and sexual violence service** – The return for Q2 (reported a quarter in arrears) shows 50% of those affected by domestic violence and abuse are better able to cope and/or have improved self-esteem, after being in contact with the Portal service, which is a significant fall from Q1 and is of concern. The combined total for Q1 and Q2 is 78% (**ref i**). The return for Q2 also shows 71% of those affected by rape, sexual violence and abuse are more in control of their lives and/or more optimistic about the future, which is a slight fall from Q1. The combined total for Q1 and Q2 is 81% (**ref ii**).

There are likely to be a number of issues causing the fall in rates. Firstly, both measures are reported by using pre and post intervention assessment 'POWer' forms. In order to measure these indicators, pre and post forms need to be matched. There have been some process issues around matching forms, however in the six month period to the end of Q2, there was a significant improvement in this process, and it is anticipated that the total number of 'matched' forms will increase, meaning the data quality will improve. The fall in relation to those affected by domestic violence and abuse who are better able to cope and/or have improved self-esteem is also likely to be related to demand.

Due to the issues with demand during the first two quarters as noted above, in terms of the forms, these are small numbers and so any variance creates a disproportionate impact on the outturn. However, since October, there have been additional investment from Public Health as well as two additional health pilots funded from Hastings and Rother CCG which will increase service capacity and assist with the management of demand, which will also mean there will be more capacity to complete and successfully match the POWer forms. The streams will also fund additional interventions which will assist in helping individuals better cope and/or have improved self-esteem.

**Direct Payments** – As at 31 December 2016, 33.7% of adults and older people were receiving Direct Payments (1,587 people). Improvements in the referral process to the Direct Payments support services were implemented at the end of December 2016 to ensure all clients receive core support throughout the duration of their Direct Payment. Further improvements are being planned and are due to be implemented in 2017/18. These improvements include additional support provided at the start of a Direct Payment to ensure clients are confident in how to use and manage their Direct Payment and enabling easier client contribution billing for clients who receive a Council managed account. Given the lead in time required to realise the performance improvements from the changes to process and support, this indicator is now rated as red (**ref iii**).

**Smoking Cessation** – At Q2 (reported a quarter in arrears) 589 individuals have been supported to achieve a 4-week quit against a cumulative Q2 target of 841 individuals. Continued poor performance resulted in the issuing of a contract query notice to the provider. An action plan has been developed which is monitored monthly. In addition we are writing to key referral settings, such as dentists, GPs and Optometrists, to encourage them to incorporate stop smoking messages in their work and to help direct clients to stop smoking services.

**Health checks** – The NHS Health Checks programme (**ref iv**) offers everyone aged 40 – 74 years (without certain pre-existing conditions) a vascular disease check and personalised advice once every five years. To achieve this, an annual target is set of 20% of the eligible population to be offered their NHS Health Check each year. At Q2 (reported

a quarter in arrears) only 8.6% (expected 10%) of the target population had been offered their check indicating that we are not on course to achieve the annual target. Achievement of the annual target is impacted on by the high performance and success of the programme in previous years. In East Sussex we are on course to have offered a check to around 83% of the eligible population by the end of 16/17 and so are ahead of where we would expect to be at this point, this means that some of the people that we would expect to offer a check to this year, have already been offered their check in the last three years. However to support achievement of the annual target additional health checks have been commissioned, these are: community NHS Health checks targeting priority groups least likely to come forward for their check; and health and Council staff NHS checks to improve the health of eligible frontline staff.

**Safer Communities** – The Strategic Assessment of Community Safety 2016 is now complete and the Executive Summary has been published on our website ([www.safeineastsussex.org.uk](http://www.safeineastsussex.org.uk)). The priorities for the forthcoming year have been agreed by the Safer Communities Board and work has commenced on the East Sussex Safer Communities Partnership Business Plan 2017/18. This plan will not only describe the chosen priorities, but will reflect on achievements over the course of the year, and focus on what needs to happen next. Following the production of the plan, more detailed action plans will be developed, setting out how these work streams will be delivered with associated outcomes.

**Domestic, Sexual Violence & Abuse and Violence Against Women and Girls** – 16 Days of Action for the Elimination of Violence Against Women ran from 25 November 2016 (the UN International Day of Elimination of Violence Against Women) to 10 December 2016 (Human Rights Day). Over the 16 days, a range of agencies, groups and individuals came together to work to end all forms of violence against women. The 16 Days of Action also include other significant dates like Worlds Aids Day (1 December), as well as the White Ribbon Campaign, which calls on men to make a pledge to never commit, condone or remain silent about violence and abuse. The Council tweeted information on each of the 16 days of Action, generating 14,279 views with an average of 892 views per Tweet.

**Substance Misuse** – Friday 18 November 2016 saw the grand opening of Café North. We were pleased to be joined by customers, service users, partners, Caroline Ansell MP and the Mayor of Eastbourne. All present were entertained by the Seaview choir and were able to learn more about the support available for those in recovery in East Sussex.

### **Revenue Budget Summary**

**Adult Social Care** – There is a projected overspend of £4.692m (**ref x**), comprising overspends of £3.968m in the Independent Sector (**ref viii**) and £0.724m within Directly Provided Services and Assessment and Care Management (**ref ix**); compared to an overspend position of £6.059m projected at Q2. The total net budget of £163.186m incorporates savings totalling £7.955m, of which £4.016m is projected to slip to 2017/18 due to overspend and delays in delivering specific service developments and change.

Independent Sector: 2016/17 has seen continued pressure on services, with increased panel activity and the average cost of packages at least 5% higher than at the start of the financial year. This has directly impacted on the ability to deliver the £3m savings in Community Based services (**ref v**), primarily within Physical Support, Sensory Support and Support for Memory Cognition. Learning Disability Support pressures continue as a consequence of unplanned high cost clients and increasing costs through service activity.

Directly Provided Services and Assessment and Care Management: Pressures reflect the slippage and re-phasing of £615,000 of service savings, made up of £160,000 within the Commissioning Grants Prospectus (**ref vi**) and £455,000 for All Other Savings (**ref vii**), 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 (ESBT) 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. 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. Progress continues across all areas of ESBT, including delivery of integrated teams, Health and Social Care Connect, crisis response, re-ablement and community resilience. Plans are also being implemented to put in place a transition year for accountable care in 2017/18 prior to the move to fully integrated health and social care.

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: minutes to be added

**Public Health** – The Public Health (PH) budget of £28.747m comprises the PH grant allocation of £28.697m and £50,000 additional Public Health England income for drug/ alcohol prevention carried forward from 2015/16. In addition to the PH Grant, the forecast draw from the underspend reserve to fund PH activity is £1m and £3.869m has been allocated from reserves to meet the costs of a number of one-off projects.

Public Health Reserves: At 31 December 2016, projected Public Health reserves stood at £8.416m comprising projects (£7.148m), health protection (£1.200m) and underspend (£0.068m) reserves. The projected reserve is fully deployed to fund a comprehensive programme of work to improve health and wellbeing in priority areas.

**Capital Programme Summary** – The Capital Programme has projected expenditure of £3.237m against an approved

programme of £3.298m. For the House Adaptations underspend (**ref xii**) of £64,000, £3,000 will be used to cover the Greenwood overspend (**ref xi**), whilst £61,000 will be slipped to 2017/18, as a result of lower level demand for House Adaptations schemes.

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				Q3 16/17 outturn	Note ref
			Q1	Q2	Q3	Q4		
Priority – Keeping vulnerable people safe								
At exit from the specialist domestic abuse and sexual violence service (Portal), the % of those affected by domestic violence and abuse who are better able to cope and / or have improved self-esteem	New measure	80%	G	G	A		78%	i
At exit from the specialist domestic abuse and sexual violence service (Portal), the % of those affected by rape, sexual violence and abuse who are more in control of their lives and / or more optimistic about the future	New measure	80%	G	G	A		81%	ii
Priority - Helping people help themselves								
Proportion of working age adults and older people receiving direct payments	35.6%	42%	A	A	R		33.7%	iii
Proportion of the eligible population offered a NHS Health Check	22% (39,971)	20%	G	A			8.6%	iv

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) – Q3 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	-	v
Commissioning Grants Prospectus	1,317	1,157	160	-	vi
Supporting People	2,158	1,757	401	-	
All Other Savings	1,480	1,025	455	-	vii
Total Savings	7,955	3,939	4,016	0	
Variations to Planned Savings					
None	-	-	-	-	
Permanent Variations	0	0	0	0	
Total Permanent Savings & Variations	7,955	3,939	4,016	0	
Supporting People Reserve	-	401	(401)	0	
Temporary Variations	0	401	(401)	0	
Total Savings with Variations	7,955	4,340	3,615	0	



## Revenue budget

Revenue budget										
Divisions	Planned (£000)			Q3 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	90,921	(39,463)	51,458	93,384	(39,542)	53,842	(2,463)	79	(2,384)	
Learning Disability Support	45,327	(4,252)	41,075	46,099	(4,403)	41,696	(772)	151	(621)	
Mental Health Support	7,240	(1,278)	5,962	8,127	(1,202)	6,925	(887)	(76)	(963)	
Subtotal Independent Sector	143,488	(44,993)	98,495	147,610	(45,147)	102,463	(4,122)	154	(3,968)	viii
Physical Support, Sensory Support and Support for Memory & Cognition	16,913	(5,958)	10,955	16,674	(5,572)	11,102	239	(386)	(147)	
Learning Disability Support	8,889	(1,293)	7,596	8,910	(1,237)	7,673	(21)	(56)	(77)	
Mental Health Support	2,462	(2,438)	24	2,494	(2,419)	75	(32)	(19)	(51)	
Substance Misuse Support	609	(133)	476	605	(129)	476	4	(4)	-	
Equipment & Assistive Technology	7,032	(4,021)	3,011	7,028	(4,018)	3,010	4	(3)	1	
Other	5,128	(2,699)	2,429	5,117	(2,679)	2,438	11	(20)	(9)	
Supporting People	9,156	(990)	8,166	9,394	(990)	8,404	(238)	-	(238)	
Assessment and Care Management	27,285	(3,005)	24,280	27,296	(2,882)	24,414	(11)	(123)	(134)	
Management and Support	10,000	(2,776)	7,224	10,087	(2,799)	7,288	(87)	23	(64)	
Service Strategy	1,055	(525)	530	1,072	(537)	535	(17)	12	(5)	
Subtotal Directly Provided Services	88,529	(23,838)	64,691	88,677	(23,262)	65,415	(148)	(576)	(724)	ix
Total Adult Social Care	232,017	(68,831)	163,186	236,287	(68,409)	167,878	(4,270)	(422)	(4,692)	x
Total Safer Communities	723	(337)	386	1,200	(814)	386	(477)	477	-	
Public Health:										
Health Improvement services	4,366	(4,366)	-	4,353	(4,353)	-	13	(13)	-	
Drug and alcohol services	6,101	(6,101)	-	6,101	(6,101)	-	-	-	-	
Sexual health services	4,160	(4,160)	-	4,064	(4,064)	-	96	(96)	-	
Children's Public Health Services - Including the new Health Visiting service	8,769	(8,769)	-	8,769	(8,769)	-	-	-	-	
NHS Health Checks	930	(930)	-	711	(711)	-	219	(219)	-	
Other programmes and non-contracted services	4,421	(4,421)	-	4,749	(4,749)	-	(328)	328	-	
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	3,869	(3,869)	-	3,869	(3,869)	-	-	-	-	
Total Public Health	33,755	(33,755)	0	33,616	(33,616)	0	139	(139)	0	

Capital programme										
Approved project	Total project – all years (£000)		2016/17 (£000)							Note ref
			In year monitor Q3 (£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	25	5	25	-	-	-	-	
Social Care Information Systems	4,257	4,257	131	114	131	-	-	-	-	
Greenwood, Bexhill	429	432	6	9	9	(3)	(3)	-	-	xi
LD Service Opportunities	5,112	5,112	2,890	2,080	2,890	-	-	-	-	
Warwick House, Seaford	7,299	7,299	85	77	85	-	-	-	-	
Extra Care / Supported Accommodation Projects:										
Sidley, Bexhill-on-Sea	877	877	70	70	70	-	-	-	-	
Continuing Programme:										
House Adaptations for People with Disabilities	2,719	2,716	64	(11)	-	64	3	61	-	xii
Refurbishment – Registration standards	2,373	2,373	27	-	27	-	-	-	-	
Total ASC Gross	23,602	23,602	3,298	2,344	3,237	61	0	61	0	



## Business Services – Q3 2016/17

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

**Summary of successes and achievements** – In December 2016, the Orbis Joint Committee and the Council's Cabinet approved, in principle, Brighton & Hove City Council (BHCC) joining the Orbis partnership as a founding partner, subject to some detailed planning that is taking place up to April 2017. A third partner joining is aligned with our ambition to grow, as well being a positive endorsement of the partnership. Orbis was already the largest local government shared service in the UK with two partners, adding a third increases the scope and scale yet further. Some of the opportunities that have been identified are (but not limited to):

- the ability to retain services and funding within the public sector;
- greater economies of scale;
- additional services not currently in the scope of Orbis (i.e. Revenues & Benefits);
- consolidation of IT systems leading to reduced cost of ownership and the ability to negotiate better deals; and
- the ability to undertake joint procurements.

We are now drafting the contractual agreement and working up integration plans for each of the services in Orbis (Property, Finance, Procurement, IT & Digital, Business Operations, Human Resources & Organisational Development, as well as Revenues & Benefits), working closely with our colleagues in BHCC. We are working towards signing the contractual agreement in April 2017, integrating budgets (for Orbis services) across all three authorities by April 2018 and full integration of services by April 2019.

**Asset Investment Strategy** – The Asset Investment Strategy will not be developed in time to be approved by Members by the end of March 2017 (**ref ii**). The reason for the delay is that, in advance of finalising the strategy, officers have been focusing on ensuring that the delivery mechanism that will be required to implement the strategy is viable. This is in the context of operating within the Orbis partnership, which has added complexity to this strategy; however has helped shape a sustainable delivery mechanism. Engagement with Member and officer stakeholder groups has been (and will continue to be) key to finalising the strategy in advance of recommending for approval. When the strategy is recommended for approval in 2017/18 information will also be provided to articulate the proposed delivery mechanism, and seek approval for the required resource.

**Reduction in CO2 emissions** – During 2016/17 we aim to reduce the amount of CO2 arising from Council operations by 3% on the 2015/16 outturn. So far in 2016/17 we have achieved a 5.7% reduction. During Q3, the most significant contributions were from improvements at County Hall and changes in occupancy at Sackville House. The second set of energy efficiency workshops for schools began in November 2016, and recruitment has begun for a third set. A business case is being developed for a two year programme of street lighting upgrades, expected to begin in 2017. Based on surveys carried out by engineers, the Energy Team have put forward a range of energy efficiency measures at four sites for inclusion in next year's planned programme. Further energy surveys are planned for 2017/18.

**Property operations** – During 2016/17, we aim to achieve a 2% per sq. metre reduction on last year's cost of occupancy of corporate buildings. We forecast that the overall outturn (covering all the relevant property spend categories) will exceed our target (**ref iii**). This takes into account planned occupancy efficiencies in Energy, Service Charges, and Hired and Contracted Services which are estimated to achieve an 11% reduction (approximately £195k); and further reductions within planned and reactive maintenance categories which are estimated to achieve a 35% reduction (approximately £250k). However, spend on planned maintenance to date during 2016/17 is considered off trend (lower than previous years), which suggests there could be an increased liability in 2017/18.

The Strategic Property Asset Collaboration in East Sussex (SPACES) partnership continues to bring benefits across the partner organisations. Public Health England have co-located with the Department for Work and Pensions (DWP) at the Job Centre Plus in Eastbourne (completed in September); and the Brighton & Hove Clinical Commissioning Group has moved into Hove Town Hall, to co-locate with BHCC and Sussex Police.

**Social Value** – We aim to increase the percentage of Council procurement spend with local suppliers to at least 48%. So far in 2016/17 the outturn for spend with local suppliers is 49% of the total spend (over the last 12 months we have spent £195m with 7,108 Local suppliers) (**ref i**). We are continuing to maintain our visibility in the market to promote contract opportunities for local businesses; 71% of our spend in Q3 was with local suppliers.

One contract was awarded in Q3, which was out of scope of the measure relating to including Employability and Skills Plans (ESPs), because we accessed a framework that had been let by another public body. Through our shared apprentice/work experience scheme, our Property contracts have delivered 14 apprenticeships, three work experience placements and one job creation to date in 2016/17. We have 21 projects in the pipeline to be awarded by the end of 2016/17, of which seven are in scope for an ESP. For contracts outside the scope of this measure, we continue to work with these suppliers on social value opportunities within the county, delivered as part of their Corporate Social Responsibility (CSR) Policies.

We are currently developing an alternative social value measure, re-focusing from ESPs. This will involve implementing a Social Value Measurement Charter, which will enable us to provide an open, fair and transparent method for evaluating Social Value proposals submitted by bidders during the tender process and apply a financial value to their commitments on how they will contribute to the Council's social value priorities (economic, social and environmental well-being), should they be successful in being awarded a contract. These priorities include developing a strong and competitive local economy, supporting the health, wellbeing and independence of our residents and protecting and preserving our natural resources.

**Savings achieved through procurement, contract and supplier management activities** – At the end of Q3 signed off savings are still at £3.9m. Forecasting for the remainder of the year shows us not on track to meet the target of £6.5m, with a new forecasted figure of £6.2m. Procurement will continue to work with services to identify any opportunities for the delivery of savings.

**ICT infrastructure** – 99.7% of key services were available during core hours (08:00 to 17:00 Monday to Friday except 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 2016/17 survey was postponed from Q3 to enable us to include our Orbis partners (BHCC and Surrey County Council) in the survey process and therefore also gain benchmark information for these partners. The survey will now take place during Q4.

**Wellbeing** – The 2016/17 Q1-3 sickness absence outturn for the whole authority (excluding schools) is 6.37 days lost per FTE employee, which represents an increase of 0.6% 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 sustain and increase reductions in absence.

60 members of staff are participating in an online mindfulness programme, funded using a £10k grant from the Local Government Association, which commenced on 23 January 2017. The course will support staff to be resilient at work, while the evaluation process will include data and recommendations to help employees who are absent with stress-related illness. We will begin offering eligible Council employees work place health checks in Spring 2017. The health checks promote early awareness, assessment and management of a range of conditions.

**Revenue Budget Summary** – The Business Services revenue budget is £22.2m and services currently forecast a year end underspend of £550k, which is an increase of £179k since Q2. £440k of the underspend results from the early delivery of Orbis savings (£535k) (**ref xi & xii**), offset by a pressure on the contribution to Orbis budget in management and support (£95k) (**ref v**), this is a change of £89k compared to Q2. The Orbis saving is due to holding vacancies ahead of restructures, restructuring management and the impact of the recent voluntary severance scheme. This is in addition to the 2016/17 savings of £312k which are forecast to be delivered in full (**ref iv**).

Other significant changes since Q2 monitoring are: a reduced forecast spend of £156k in finance, training and other non-specific budgets, mainly in staffing and the council's audit fee, these areas are now forecast to underspend by £140k and services are reviewing whether this will continue in 2017/18 (**ref vi, vii, viii**). In addition to the increased Property income reported in Q2 the service forecasts a further £34k income from surplus properties, leading to a full year underspend of £220k (**ref ix**). Increased demand and costs of IT licences, mainly Microsoft, is causing an estimated overspend of £200k in ICT, an increase of £100k compared to Q2 (**ref x**). This ongoing pressure has been addressed in the 2017/18 Medium Term Financial Plan.

**Capital Programme Summary** – The 2016/17 Business Services Capital Programme budget is £14.3m and services anticipate spending £11.1m this year and carrying forward £3.2m into future years. The largest variance is in Building Improvement where extended tender processes, longer re-evaluations of building usage, and reduced spend on external consultants has led to slippage of £1.4m (**ref xv**). The consultation period for the Property Agile programmes at St Mark's and for County Hall parking are longer than anticipated leading to a £1.2m re-profile of spend in to future years (**ref xiv**). ICT forecasts a variance of £400k on the ICT strategy implementation, which is mainly the local area network project where pre-requisite activity has not taken place (**ref xvi**). There is less than anticipated take up of the SALIX loan funding this year, causing a year end variation of £200k (**ref xiii**). It was agreed at Capital Strategic Asset Board that the budget responsibility for Schools basic need projects would be transferred to Property, therefore these budgets are now reported as part of this appendix and are shown in the expanded Capital Programme table below. The Schools Basic Need Programme is likely to spend more than anticipated in 2016/17 mainly due to timings of the Meridian project, the whole programme is expected to deliver to budget (**ref xvii**).

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				Q3 16/17 outturn	Note ref
			Q1	Q2	Q3	Q4		
Priority – Making best use of resources								
Increase the percentage of Council procurement spend with local suppliers	46%	48%	A	A	G		49%	i
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	R		Presentation of report to Cabinet deferred pending further stakeholder engagement	ii
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	G		Current overall forecast across all property spend categories included within baseline indicate achieving a m2 rate below £147	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) – Q3 Forecast				Note ref
	Target	Achieved	Slipped	Unachieved	
<b>Savings</b>					
ESCC savings from efficiencies generated by the Orbis partnership	312	312	-	-	iv
<b>Total Savings</b>	<b>312</b>	<b>312</b>	<b>0</b>	<b>0</b>	
<b>Variations to Planned Savings</b>					
	-	-	-	-	
<b>Permanent Variations</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Permanent Savings &amp; Variations</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
	-	-	-	-	
<b>Temporary Variations</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Savings with Variations</b>	<b>312</b>	<b>312</b>	<b>0</b>	<b>0</b>	

The table below 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)			Q3 2016/17 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Management & Support	85	(302)	(217)	180	(302)	(122)	(95)	-	(95)	v
Personnel & Training	303	(382)	(79)	243	(372)	(130)	60	(10)	50	vi
Finance	2,982	(1,745)	1,237	2,932	(1,745)	1,187	50	-	50	vii
Procurement	4	(86)	(83)	4	(36)	(32)	-	(50)	(50)	
Non Specific Budgets	262	-	262	222	-	222	40	-	40	viii
Property	23,631	(19,040)	4,592	24,006	(19,634)	4,372	(374)	594	220	ix
ICT Services	6,028	(5,454)	574	6,776	(6,001)	774	(748)	548	(200)	x
Business Ops	35	-	35	35	-	35	-	-	-	
Contribution to Orbis Partnership	15,916	-	15,916	15,381	-	15,381	535	-	535	xi
Total BSD	49,246	(27,009)	22,237	49,777	(28,091)	21,687	(532)	1,082	550	

## Orbis Partnership Revenue Budget

Divisions	Planned (£000)			Q3 2016/17 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Business Operations	10,881	(5,679)	5,201	10,881	(5,679)	5,200	-	-	-	
Finance	10,681	(1,244)	9,437	10,121	(1,244)	8,877	560	-	560	
HR	5,612	(566)	5,046	5,292	(566)	4,726	320	-	320	
IT	18,951	(1,587)	17,364	18,451	(1,587)	16,864	500	-	500	
Management	2,255	-	2,255	2,140	-	2,140	115	-	115	
Procurement	3,654	(154)	3,500	3,654	(154)	3,500	-	-	-	
Property	11,504	(1,202)	10,302	11,189	(1,177)	10,012	315	(25)	290	
<b>Total Orbis</b>	<b>63,537</b>	<b>(10,432)</b>	<b>53,105</b>	<b>61,727</b>	<b>(10,407)</b>	<b>51,319</b>	<b>1,810</b>	<b>(25)</b>	<b>1,785</b>	
ESCC Contribution (30%)			15,916			15,381			535	xii
SCC Contribution (70%)			37,189			35,939			1,250	
<b>Total</b>			<b>53,105</b>			<b>51,320</b>			<b>1,785</b>	

Capital programme										
Approved project	Total project – all years (£000)		2016/17							Note ref
			In year monitor Q3 (£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	1,470	1,470	9	9	9	-	-	-	-	
The Link	2,718	2,718	69	-12	69	-	-	-	-	
SALIX Contract	4,032	4,032	380	19	160	220	-	220	-	xiii
AGILE	9,031	9,031	3,239	1,605	2,052	1,187	-	1,187	-	xiv
Capital Building Improvements	87,015	87,015	9,048	5,093	7,686	1,362	-	1,362	-	xv
ICT Strategy Implementation	27,389	27,389	1,550	634	1,163	387	-	387	-	xvi
BSD Gross	131,655	131,655	14,295	7,348	11,139	3,156	0	3,156	0	
Managed by property on behalf of Children’s Services:										
St Peters Chailey	229	229	4	4	4	-	-	-	-	
Claverham – Diplomar Exemplar retention	-	8	-	8	8	(8)	(8)	-	-	
Mobile Replacement Programme	8,079	8,079	168	79	168	-	-	-	-	
Etchingham School	7,563	7,563	72	69	72	-	-	-	-	
St Mary Magdalene - retention	844	844	6	6	6	-	-	-	-	
Universal Infant Free School Meals	1,954	1,954	579	589	615	(36)	-	-	(36)	
Early Years	3,031	3,031	117	57	130	(13)	-	-	(13)	
Basic Need Programme	176,055	176,047	16,891	13,005	17,123	(232)	8	1	(241)	xvii
BSD (for CSD) Gross	197,755	197,755	17,837	13,817	18,126	(289)	0	1	(290)	
Total BSD Gross	329,410	329,410	32,132	21,165	29,265	2,867	0	3,157	(290)	

## Children's Services – Q3 2016/17

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

#### **Summary of successes and achievements:**

**Inspection** – From 5 to 9 December 2016 Ofsted and the Care Quality Commission (CQC) jointly inspected the local area's effectiveness in identifying and meeting the needs of children and young people who have special educational needs and/or disabilities (SEND). The inspection letter notes '*...a strong commitment to improving outcomes for children and young people who have special educational needs and/or disabilities that is shared by professionals across the county.*'

The inspectors identified a number of areas of strength including: most parents and carers of children who have SEND reported that they were very positive about the provision their children receive in schools; leaders have taken urgent action to address areas of weakness and improve services; the local area has effective information management systems that they use well to evaluate progress; the three clinical commissioning groups are well represented in the joint commissioning group; CCG investment in the community paediatric service and new service specification has increased access and reduced waiting times; children who have SEND in care of the local authority receive good support, do well in terms of academic outcomes compared with similar pupils nationally, and receive effective support to meet their medical needs; leaders are taking urgent action to address the increasing absence and exclusion rates for children and young people who have SEND; in 2016 early years and key stage 1 school age children with SEND achieved well compared to their peers; and provision at post 16 and post 19 is effective.

In particular the inspectors were very impressed by the children and young people that they met, which is testament to the positive impact services have on the lives of children and young people, and their families.

They also identified areas for development which include: improve communication with parents and carers; reduce waiting time for referrals to child and adolescent mental health services; improving attainment at key stage 2. The inspection letter recognises the action that has been taken to address some of the areas of weakness and to improve services and noted that in some instances it is too early to see an impact.

The findings of the inspection will be used to secure further improvements in East Sussex.

**Percentage point gap at Early Years Foundation Stage (EYFS)** – The Department of Education statistical first release shows the achievement gap between the lowest achieving 20% of pupils and the median at EYFS in East Sussex, in academic year 2015/16, is 28.1%, 3.3 percentage points better than the national average of 31.4%. East Sussex is joint first amongst our statistical neighbours.

**The Foundations Project** – The project works with women who have previously had children removed from their care. This year 31 women have engaged with the Foundations Project post care proceedings. 87% (27/31) of the women who engaged with the project have not had subsequent children removed.

**Attainment gap for disadvantaged pupils** – The percentage point gap between disadvantaged pupils and their peers for the expected standard in reading, writing and maths combined at Key Stage 2, for academic year 2015/16, is 23% against the national figure of 22% (**ref i**). In order to address this we have reviewed best practice across the south east and established pupil premium networks in each Education Improvement Partnership (EIP) and a pupil premium lead is currently being identified by each EIP. We are also piloting pupil premium audits in schools where the 2016 outcomes showed the biggest gaps with the greatest numbers of pupils. Research is also being undertaken into disadvantaged pupils' provision in English and mathematics.

The gap between the Attainment 8 overall score for disadvantaged pupils and the Attainment 8 overall score for non-disadvantaged pupils, for academic year 2015/16, is 15% against a national figure of 12.3% (**ref ii**). We have commissioned additional capacity to deliver pupil premium reviews in targeted schools from London Leadership Strategy, led by Claremont High School Academy Trust (CHSA). CHSA is an outstanding school, a national support school, and recently won a Department for Education Local Pupil Premium Award. They have a successful track record of working with local authorities to reduce the gap in achievement for disadvantaged pupils. The Attainment 8 score of disadvantaged pupils in East Sussex in 2016 is 38.0 which is broadly in line with the National Average Attainment 8 Score for disadvantaged pupils of 41.2 (both equivalent to an average Grade D).

The proportion of LAC who achieve positive Progress 8 scores (**ref iii**) and the proportion of LAC who achieve A\* to C in GCSE in English and maths (**ref iv**) are both reported as amber in Q3. The target for each measure is to be equal to or above the national average and this will be reported in Q4.

**Participation** – The percentage of young people meeting the duty of RPA (Raising the Participation Age) by either participating in education, training or employment with training or undertaking re-engagement provision at academic age 16 (Year 12) (**ref v**) at Q3 is 95.8% which is above national, 94%, and south east, 92.9%, levels, however, it is below the 2016/17 target of 97%; we are working towards achieving this target.

The percentage of Looked After Children (LAC) participating in education, training or employment with training at



academic age 16 (Year 12) at Q3 is 75% (24/32) against a target of 84% (**ref vi**), and at academic age 17 (Year 13) at Q3 is 67% (30/45) against a target of 70% (**ref vii**). Of the young people Not in Education, Employment or Training (NEET), a number are working with the Youth Employability Service (YES), and YES continues to work with social workers of all NEET young people to try and engage them. Five young people have been identified to gain additional support from our Enterprise Advisor, six are actively seeking apprenticeships and three have secured a place on a Princes Trust Programme which started in mid-January.

**Safeguarding** – The rate of children with a Child Protection (CP) plan has increased from 42.7 children per 10,000 at Q2 to 46.3 at Q3, against a target rate of 41 (**ref viii**). Conference Chairs have been asked to renew their focus on ensuring the right children are made subject to plans for the right amount of time. The recent focus on neglect practice and practice improvement could have contributed to better identification and more children subject to plans. A strategy will be agreed to complete a management review, involving senior managers and health professionals, of those plans approaching 18 months duration and an audit of all new plans for Q3 will be completed to identify any emerging trends.

The rate of Looked After Children is 53.8 per 10,000 (567 children) at Q3, against a target of 51.6 (544 children) (**ref ix**). There has been an increase in the number of Unaccompanied Asylum Seeking Children (UASC) who are included in this figure. The number of UASC is currently 24. The measure and target will be reviewed for 2017/18 in light of benchmarking data.

**Revenue Budget Summary** – The £64.605m net budget for the year is forecast to be overspent at year end by £2.963m (**ref xv**). During Q3, CSD has faced increasing pressures across all areas, and has continued to monitor these and found further mitigations to offset many of them – resulting in only a small increase (£0.167m) in the forecast overspend since Q2.

During Q3, the pressure in Education and ISEND has grown by £0.435m to £2.111m (**ref xiii**): pressure continues in key areas reported in Q2, there has also been a reduction in this quarter in forecast traded income with schools who are equally experiencing pressure on their own budgets, as well as from a decrease in income from attendance fines due to the impact of the Isle of Wight case. Furthermore, there is also a current forecast overspend in payments of Early Years Education Entitlement (EYEE) to the East Sussex Early Years providers: this is a direct impact of the full roll out of the 2 year old programme which has led to these children both accessing their 3 year old entitlement at a much earlier point in time and also accessing increased average hours. We have sought to mitigate some of the service pressure through reduction of expenditure in other areas of the service, which is reported in Central Resources (**ref xi**). Pressures continue at broadly the same level as reported in Q2 in Looked After Children within Early Help and Social Care (**ref xii**) and Home to School Transport within Communication, Planning and Performance (**ref xiv**).

Within the above forecast, £4.725m (**ref x**) of the planned £4.985m savings for 2016/17 are on track, with a further £0.200m at risk of slippage. The remaining £0.167m is within LAC and is currently due to be unachieved because of the additional agency placements discussed previously. The department continues to seek ways to bring these back on track or mitigate them, and these figures also include £0.107m of savings brought forward from within the MTFP.

We are continuing to work on mitigating pressures and, looking ahead to 2017/18, are proposing a 2017/18 budget virement (transfer) for £0.600m, extending existing MTFP savings plans. This virement is included within the draft 2017/18 budget, and included here for completeness:

Divisional area	From £m	To £m
Early Help and Social Care 5-19	0.150	
Early Help and Social Care 0-19	0.290	
Communications, Planning and Performance	0.060	
Standards and Learning Effectiveness	0.080	
ISEND and ESBAS	0.030	
Looked after Children		(0.600)
<b>Total</b>	<b>0.600</b>	<b>(0.600)</b>

**Capital Programme Summary** – It was agreed at Capital Strategic Asset Board that the budget responsibility for Schools basic need projects would be transferred to Property, therefore these budgets are now reported in Business Services monitoring, the relevant projects have been removed from the Capital programme table below and can now be found in the Capital table in Appendix 3 Business Services. Current year spending for the remaining budgets is on track and forecast to meet budget expectations (**ref xvi**).

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				Q3 16/17 outturn	Note ref
			Q1	Q2	Q3	Q4		
Priority – Driving economic growth								
The percentage point gap between disadvantaged pupils achieving at least the expected standard in reading, writing and maths combined at Key Stage 2, and their peers	16% (National average 15%)	Ac year 15/16 At or below the national average	A	A	R		23% (National 22%)	i
The gap between Attainment 8 overall score for disadvantaged pupils, and Attainment 8 overall score for non-disadvantaged pupils	N/A	Ac year 15/16 At or below the national average	A	A	R		15.1% (National 12.2%)	ii
Proportion of LAC who achieve positive Progress 8 scores (KS4)	N/A	Ac Year 15/16 Equal to or above the national average for LAC	G	G	A		Will be reported in March 2017	iii
Proportion of LAC who achieve A* to C in GCSE in English and maths	N/A	Ac Year 15/16 Equal to or above the national average for LAC	G	G	A		19% (National will be reported in March 2017)	iv
The percentage of young people meeting the duty of RPA (Raising the Participation Age) by either participating in education, training or employment with training or undertaking re-engagement provision at academic age 16 (Year 12)	96%	97%	G	G	A		95.8%	v
The percentage of Looked After Children (LAC) participating in education, training or employment with training at academic age 16 (Year 12)	89%	84%	G	G	A		75% (24/32)	vi
The percentage of LAC participating in education, training or employment with training at academic age 17 (Year 13)	78%	70%	G	G	A		67% (30/45)	vii
Priority – Keeping vulnerable people safe								
Rate of children with a child protection plan (per 10,000)	43.8	41	G	A	R		46.3	viii
Rate of Looked After Children (per 10,000)	51.6	51.6	A	A	R		53.8	ix



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) – Q3 Forecast				Note ref
	Target	Achieved	Slipped	Unachieved	
<b>Savings</b>					
Early Help	2,071	2,007	107	-	
Children's Support Services (including Music, Watersports, DofE and Safeguarding qualify assurance)	309	350	23	-	
Home to School Transport	173	173	-	-	
Locality Services	992	922	70	-	
Specialist Services	138	138	-	-	
Looked after Children	884	717	-	167	
Youth Offending Team	124	124	-	-	
SLES	171	171	-	-	
ISEND	123	123	-	-	
<b>Total Savings</b>	<b>4,985</b>	<b>4,725</b>	<b>200</b>	<b>167</b>	<b>x</b>
<b>Variations to Planned Savings</b>					
Early achievement of Early Help (£44k) and Support Services (£63k) savings brought forward	-	(107)	-	-	
<b>Permanent Variations</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Permanent Savings &amp; Variations</b>	<b>4,985</b>	<b>4,618</b>	<b>200</b>	<b>167</b>	
<b>Temporary Variations</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Savings with Variations</b>	<b>4,985</b>	<b>4,618</b>	<b>200</b>	<b>167</b>	

Revenue budget										
Divisions	Planned (£000)			Q3 2016/17 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Central Resources	3,308	(7,445)	(4,137)	2,783	(7,445)	(4,662)	525	-	525	xi
Early Help and Social Care	58,627	(11,769)	46,858	60,256	(12,348)	47,908	(1,629)	579	(1,050)	xii
Education and ISEND	75,322	(6,968)	68,354	76,153	(5,688)	70,465	(831)	(1,280)	(2,111)	xiii
Communication, Planning and Performance	20,266	(4,325)	15,941	20,686	(4,418)	16,268	(420)	93	(327)	xiv
DSG non Schools	-	(62,411)	(62,411)	-	(62,411)	(62,411)	-	-	-	
Schools	166,504	(166,504)	-	166,504	(166,504)	-	-	-	-	
Total Children's Services	324,027	(259,422)	64,605	326,382	(258,814)	67,568	(2,355)	(608)	(2,963)	xv

Capital programme										
Approved project	Total project – all years (£000)		2016/17 (£000)							Note ref
			In year monitor Q3 (£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	2	13	-	-	-	-	
Shinewater School – roof (insurance claim)	-	-	-	42	-	-	-	-	-	
Family Contact	188	188	38	6	38	-	-	-	-	
House Adaptions for Disabled Children’s Carers	968	968	74	69	74	-	-	-	-	
Schools Delegated Capital	6,927	6,927	932	725	932	-	-	-	-	
Schools Information Hub – Czone replacement	230	230	147	100	147	-	-	-	-	
Lansdowne SCH Grant	261	261	261	58	261	-	-	-	-	
Total CSD Gross	9,051	9,051	1,465	1,002	1,465	-	-	-	-	xvi

## Communities, Economy & Transport – Q3 2016/17

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

**Summary of successes and achievements** – A total of 70 apprentices have been recruited so far in 2016/17. There were 82 online courses completed in our libraries in Q3, 28 Learndirect courses and 54 Learn My Way courses, the total number of completions so far in 2016/17 is 249. 37 businesses have been supported with grants and loans in 2016/17 as part of East Sussex Invest 4. Locate East Sussex have helped 35 companies start up, relocate or expand in East Sussex during 2016/17. A timetable of work for the £1m Road Safety programme was agreed in Q3. The road condition statistics for 2016/17 have been published with the percentage of principal and non-principal roads requiring maintenance remaining the same as 2015/16 and the level of unclassified roads requiring maintenance falling.

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

**Inward Investment (GS)** – One large and one small Grants and Loans Panels were held in Q3. So far during 2016/17 37 businesses have been supported who are projected to create 122 jobs and safeguard a further 40. There is one further large panel and one small panel planned for Q4. 15 companies have been supported, by Locate East Sussex, to either start-up or relocate into East Sussex from outside the county so far in 2016/17. 20 existing companies have been supported to relocate within the county. The South East Invest bid, which will provide funding to improve and expand the investment services for three years, is currently with Government. We're expecting a decision on the bid in Q4.

**Broadband (GS)** – Our first contract to deliver improved broadband was completed in 2016 and covered over 66,000 additional premises. At the end of September 2016 82% of this intervention area was able to receive speeds of 24mbps or above. At the end of November 2016 take up amongst premises that have been connected was 37% against a benchmark target of 20%.

**Apprenticeships (GS)** – In total 70 new apprentices have started by the end of Q3, 21 have been recruited by the Council with a further two progressing onto a further apprenticeship; nine have been recruited with Costain CH2M and 38 with schools. 59 young people have also participated in work readiness provision with the Council by the end of Q3. Of the 93 apprentices who are due to be taking part in the programme in Q3, seven finished their apprenticeship and moved on to a positive outcome, 10 others left their apprenticeship in Q3 with six moving on to a positive outcome. The rate of retention and/or positive outcomes stands at 95%.

**Cultural Destinations (GS)** – The second stage of the Tourism South East research into tourism in East Sussex has now been published on East Sussex in Figures. We are expecting to hear the result of our bid for Cultural Destinations Round 2 funding in spring 2017, if successful the funding will, in part, be used to create a 'Geocaching trail' with caches created by artists focused on the Coastal Cultural Trail.

**Newhaven Port Access Road** – Discussions have continued with the Department for Transport (DfT) on the scope of the business case. Geotechnical investigation work is due to start in Q4 to inform the detailed design of a railway bridge and embankments which form part of the construction. We conducted a procurement workshop in Q3 in preparation for tendering for the construction works, after which the final business case, including the tender price, will be submitted to the DfT. Main construction work is still anticipated to start in mid-2017.

**Terminus Road, Eastbourne** – Due to unexpected design work and consultation on the location of the bus stops in Cornfield Road, which has been ongoing throughout 2016/17, tendering for the scheme of works, to deliver pedestrian improvements, is now due to take place in Q1 2017/18 with construction scheduled to start in Q2 2017/18 (ref i).

**Road Safety** – The £1m Road Safety programme is progressing well, a timetabled programme of work has been agreed and we are finalising the involvement of behavioural change experts to help define and focus the project. We will continue to work with the Sussex Safer Roads Partnership and the local Road Safety Partnerships to ensure we target our resources effectively to ensure the maximum outcome from the investment. Provisional data shows there were 113 people Killed or Seriously Injured (KSI) on our roads between July and September 2016, reported a quarter in arrears, with 10 of these being fatalities. Of these, 21 KSI and one fatality occurred on Trunk Roads, which are the responsibility of Highways England. These figures are above the baseline quarterly average for 2005-2009 for both KSI and fatalities.

**Road Condition** – 2016/17 is the third year of a four year £70m investment plan to maintain principal and non-principal roads, and improve the condition of unclassified roads. The road condition statistics for 2016/17 have been published, with the percentage of principal and non-principal roads requiring maintenance remaining the same as 2015/16, at 5% and 6% respectively; the condition of unclassified roads has improved from 22% requiring maintenance in 2015/16 to 19% in 2016/17, the lowest level since 2011/12. Since 2012/13 we have seen improvements of 3% on principal roads, 3% on non-principal roads, and 6% on unclassified roads. The 2016/17

targets for all three performance measures have been met.

**School Safety Zones** – Consultation on the School Safety Zone at St Richard's School commenced on 17 January 2017. Traffic Regulation Orders for the zone at Christchurch School in Hastings were advertised in December 2016 (ref ii).

**Trading Standards** – 35 victims of financial abuse were visited by Trading Standards in Q3, with officers supported by volunteers from Age Concern and Citizens Advice. Through these visits we identified four chronic victims of financial abuse who were helped by intervention from Adult Social Care or befriending services provided by Age Concern. Eight call blockers were also installed for victims being targeted by overseas telephone fraudsters. We have exceeded the target of 80 positive interventions for the year. Officers also took part in events to raise scams awareness, in partnership with the Police Fire Service and Community Speed Watch. We delivered seven workshops in Q3 to provide advice and support to businesses, on topics such as Building Bridges to Care Professionals; so far in 2016/17 419 delegates have attended workshops run by Trading Standards.

**Revenue Budget Summary** – At Q3 there is a forecast budget underspend of £101k 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 and there has been a reduction in the number of journeys (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's 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. The Management and Support budget will be used to fund departmental pressures (ref iii). There are various small over and underspends in some other services (ref iv, vii, viii).

**Capital Programme Summary** – The Reconciling Policy, Performance and Resources (RPPR) process has reprofiled the capital programme and as a result there is a significant reduction in the CET variation (£3.3m) compared to Q2 (£20.2m). At Q3, the forecast capital expenditure is £51.7m (£59.6m at Q2) against a programme budget of £55.0m. The £3.3m variation is mainly due to £1.5m slippage in a number of integrated transport projects including the Hailsham to Polegate to Eastbourne Sustainable Transport Corridor where there has been a delay in receiving costings from the contractor (ref xiii, xiv). Delays in the planning process and the discharging of planning conditions have led to slippage of £1m on the Queensway Gateway Road (ref xi). The remainder is due to contractor re-profiling on the Bexhill Hastings Link Road, £273k (ref x); East Area Depot, where planning is now expected in 2017/18, £170k (ref xii); and Battle and other Library refurbishments which are planned for the new year, £300k (ref ix). The Rights of Way programme is spending in advance due to urgent repairs needed to two footbridges, £8k (ref xv).

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				Q3 16/17 outturn	Note Ref
			Q1	Q2	Q3	Q4		
Priority – Driving economic growth								
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	R		Tendering now programmed to commence in 2017/18 Q1 with construction programmed to start in 2017/18 Q2 (July)	i
Priority – Helping people								
Implement School Safety Zones to cover schools rated as high priority	2 zones completed	Implement School Safety Zones at two schools	G	G	A		Traffic Regulation Orders (TROs) for the Christchurch School SSZ to be advertised in December 16. Consultation on St Richard's School SSZ to take place in January 17	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) – Q3 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)			Q3 2016/17 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Management and Support	1,896	(153)	1,743	1,950	(187)	1,763	(54)	34	(20)	iii
Customer and Library Services	8,611	(2,411)	6,200	8,229	(2,045)	6,184	382	(366)	16	iv
Communities	3,772	(2,235)	1,537	3,655	(2,267)	1,388	117	32	149	v
Operations and Contract Management	71,221	(36,323)	34,898	72,331	(37,341)	34,990	(1,110)	1,018	(92)	vi
Highways	16,080	(1,135)	14,945	16,623	(1,678)	14,945	(543)	543	-	
Economy	2,462	(1,771)	691	2,539	(1,883)	656	(77)	112	35	vii
Planning and Environment	2,885	(2,081)	804	2,740	(1,949)	791	145	(132)	13	viii
TOTAL CET	106,927	(46,109)	60,818	108,067	(47,350)	60,717	(1,140)	1,241	101	

## Capital programme

Approved project	Total project – all years (£000)		2016/17 (£000)							Note ref
			In year monitor Q3 (£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	20,178	20,178	45	31	45	-	-	-	-	
Rye Library	87	87	56	23	56	-	-	-	-	
Hastings Library	8,739	8,739	3,530	2,420	3,530	-	-	-	-	
Newhaven Library	1,712	1,712	62	22	62	-	-	-	-	
Southover Grange	1,307	1,307	1,000	777	1,000	-	-	-	-	
Library Refurbishment Programme	1,532	1,532	500	85	200	300	-	300	-	ix
Combe Valley Country Park	432	432	8	8	8	-	-	-	-	
Newhaven ERF	474	474	90	90	90	-	-	-	-	
Newhaven Household Waste Recycling Site	2,038	2,038	1	1	1	-	-	-	-	
Travellers Site Bridies Tan	1,348	1,348	34	-	34	-	-	-	-	
Broadband	25,600	25,600	375	(1,822)	375	-	-	-	-	
Bexhill to Hastings Link Road	124,309	125,299	3,885	2,233	3,612	273	-	273	-	x
BHLR Complimentary Measures	1,800	1,800	130	50	130	-	-	-	-	
Reshaping Uckfield Town Centre	2,500	2,500	1,537	1,440	1,537	-	-	-	-	
Exceat Bridge Maintenance	500	500	30	4	30	-	-	-	-	
Economic Intervention Fund	9,025	9,025	1,686	1,222	1,686	-	-	-	-	
Catalysing Stalled Sites	916	916	116	41	116	-	-	-	-	
EDS Upgrading Empty Commercial Properties	500	500	53	53	53	-	-	-	-	
EDS Incubation Units	1,500	1,500	-	-	-	-	-	-	-	
North Bexhill Access Road	10,602	10,602	6,192	2,023	6,192	-	-	-	-	
Queensway Gateway Road	6,000	6,000	3,000	271	2,000	1,000	-	1,000	-	xi
Newhaven Flood Defences	1,500	1,500	800	25	800	-	-	-	-	

Capital programme										
Approved project	Total project – all years (£000)		2016/17 (£000)							Note ref
			In year monitor Q3 (£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	
Sovereign Harbour/Site Infrastructure	1,700	1,700	1,170	683	1,170	-	-	-	-	
Swallow Business Park	1,400	1,400	895	708	895	-	-	-	-	
LGF Business Case Development	196	196	196	9	196	-	-	-	-	
Newhaven Port Access Road	23,219	23,219	582	124	582	-	-	-	-	
Street Lighting Invest to Save	737	737	17	-	17	-	-	-	-	
Local Sustainable Transport Fund - ES Coastal Towns	2,474	2,474	277	36	277	-	-	-	-	
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	200	26	30	170	-	170	-	xii
Newhaven Swing Bridge	1,548	1,548	35	1	35	-	-	-	-	
Waste Leachate Programme	250	250	11	9	11	-	-	-	-	
Hastings and Bexhill Junction Walking & Cycling Package	250	250	-	-	-	-	-	-	-	
Eastbourne/South Wealden Walking & Cycling Package	1,750	1,750	400	209	400	-	-	-	-	
Hastings and Bexhill Junction Improvement Package	1,893	1,893	-	-	-	-	-	-	-	
Hailsham/Polegate/ Eastbourne Sustainable Transport Corridor	2,600	2,600	250	111	200	50	-	50	-	xiii
Integrated Transport - LTP plus Externally Funded	46,553	46,553	5,981	2,816	4,500	1,481	-	1,481	-	xiv
Speed Management	2,948	2,948	122	17	122	-	-	-	-	
Terminus Road Improvements	6,250	6,250	695	494	695	-	-	-	-	
Highway Structural Maintenance	103,038	103,038	18,538	10,700	18,538	-	-	-	-	
Bridge Assessment Strengthening	16,860	16,860	1,134	526	1,134	-	-	-	-	
Street Lighting - Life Expired Equipment	7,902	7,902	867	136	867	-	-	-	-	
Rights of Way Surface Repairs and Bridge Replacement	4,617	4,617	465	400	473	(8)	-	-	(8)	xv
Total CET Gross	455,270	456,260	54,976	26,004	51,710	3,266	0	3,274	(8)	



## Governance – Q3 2016/17

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

**Reconciling Policy, Performance and Resources (RPPR)** – The Government's Autumn Statement was published on 23 November 2016, with the provisional local government settlement following on 15 December 2016. The provisional settlement confirmed the four year funding offer, detailing the Council's level of Revenue Support Grant and transition grant. It also introduced the ability for the Council to increase the ASC precept to 3% in 2017/18 and 2018/19, subject to a maximum 6% cumulative increase between 2017/18 and 2019/20. At County Council on 7 February 2017 the Council agreed the budget for 2017/18, including adopting the 3% precept. They also approved a new Capital Programme, 2016 – 2023, which includes a new £91.3m five year Highways Structural Maintenance Programme. The final local government funding settlement was announced by Government on 20 February 2017, the settlement is consistent with the Council's financial position set out in the RPPR report on 7 February 2017.

We have continued to develop our draft Council Plan and Portfolio Plans during Q3. The Council Plan sets out our ambitions and what we hope to achieve through to 2020, and the draft was also agreed by County Council on 7 February 2017. The draft 2017/18 Portfolio Plans and savings proposals were reviewed by Scrutiny Committees in December 2016.

A Whole Council Forum was held in December 2016 to inform members of the latest position. Consultation and engagement meetings have been held with partners, Business Ratepayers, Trade Unions and young people.

**Devolution** – The 3SC Leaders have continued to meet throughout Q3. As a result of the changes in, and the priorities of, Government, following the EU referendum, there has been a period of uncertainty in the future direction of devolution. The Government has confirmed that devolution remains a priority and that the new Industrial Strategy will underpin the negotiation and agreement of future devolution deals. Partners are working to ensure that the 3SC approach, asks and offers align with the emerging strategy and focus of Government. In light of the uncertainty, 3SC Leaders have agreed to take a "strategic pause" on specific activity to allow time for the Government's position to become clear.

**Supporting democracy** – During Q3 we supported 62 meetings including: two Council meetings; four Cabinet meetings; 12 Lead Member meetings; 19 scrutiny committees and review boards; and 25 other committees and panels. 33 school admission appeals were received and arranged, plus one school exclusion appeal hearing.

The Members' ICT and 'paperlight' projects have progressed during Q3, 22 Members are continuing the trial of updated ICT equipment in the form of 'hybrid' Windows devices; with several others likely to trial this technology over the coming months. Due to the increasing numbers of Members who have gone 'paperlight', Q3 agenda printing costs are estimated to be half of those in Q3 2015/16.

A new school appeals management system went live during Q3, improving the process for parents appealing against a school placement for their children. Parents are now able to follow the progress of their appeal online, which has led to fewer phone queries to the team together with cost savings in paper, printing and postage.

Preparations for the May 2017 Council elections have continued. Member Services has worked with the Council's Communications and Policy teams, and the Local Government Association to develop a new website to explain what being a councillor involves. Significant progress has been made in devising an induction programme for elected Members in May 2017 based on a Member survey undertaken in September 2016.

**Legal Services** – Orbis Public Law (OPL), our joint legal services partnership with Brighton & Hove City Council, and West Sussex and Surrey County Councils, continues to progress, with effective working relationships established across the partners. Each office has a staff forum that meets regularly to give feedback to the joint Project Board. Our commercial law pathfinder project continues, with the alignment of working processes fully underway and the advocacy project, which is reviewing court representation in child law proceedings across the four authorities with a view to reducing expenditure on external barristers. We are also working towards standardising our office practices with the creation of an OPL office manual, and a single practice management team. We are using our increased buying power to negotiate more favourable terms for external expenditure including barristers' fees and legal research materials.

We completed planning and highways agreements securing contributions of £119,000. We also collected debts due to the Council totalling £161,150 and agreed repayments of debts, by way of instalment plans, with 13 debtors.

We advised and represented Trading Standards in two successful prosecutions; the first was of a rogue trader who preyed on elderly vulnerable clients, including a recently widowed 96 year old, by claiming that their roofs needed repair and then overcharging for the works, he was imprisoned for 16 months. The second prosecution was of a company director who duped investors into paying thousands of pounds for worthless franchises. He received a 20 month suspended prison sentence and disqualification from acting as a company director for 15 years. Compensation for the victims is being pursued. There is a confiscation hearing in June which will also deal with our application for



costs.

We prosecuted a breach of an enforcement notice preventing waste being stored at a property; the two defendants were each fined £1,000 and ordered to pay costs of £1,125. We also carried out four prosecutions for fraudulent use of blue badges (disabled parking) which resulted in fines and costs totalling over £1,700; and 25 prosecutions against parents who failed to ensure their children regularly attended school.

We continued to advise Children's Services in pre-proceedings cases to enable families to keep their children within the family. 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 have seen a sustained increase in cases in 2016/17 with a further 30 being issued during Q3. We issued 21 in the same period last year. The increase in referrals has been reflected nationally. Despite the increasing workload, the average case duration during Q3 was 26.8 weeks, just missing the Government's target of 26 Weeks. The figures are produced on a quarterly basis by Legal Services based upon information collated by both Legal Services and Children's Services.

The number of court hearings to ensure that members of the community who are mentally incapacitated are protected continues to be high. In Q3 we made six applications to the Court of Protection with 12 cases waiting to be issued.

**Effective publicity and campaigns** – Our Stoptober campaign encouraged 42 East Sussex residents to sign up for help to give up smoking, with the majority immediately attending local clinics, using a digital marketing campaign targeted at the highest risk groups. The campaign saw more than 5,600 click-throughs to the local quit service, with more than 4,000 people commenting, sharing or liking the campaign.

We delivered a campaign to inform and recruit potential councillors using video, web, and social media content and advertising. The East Sussex section of the Be A Councillor website was visited by more than 1,000 people in Q3.

**Media work** – The press office received 166 enquiries in Q3. They issued 35 press releases which generated 255 media stories.

**Web activity** – The Council's main website received 2.2 million page views during Q3 from over 318,000 visitors. The most visited areas were the library pages (especially the catalogue), the home page, jobs with the council, school term dates, and school admissions. 32% of traffic now comes from mobile phones compared to 25% in Q3 2015/16.

**Third Sector support** – The Voluntary and Community Sector (VCS) infrastructure service review recommendations have been agreed by the Lead Member for Community Services. The new funding agreement with the incumbent providers will run from 1st April 2017 for one year, plus an optional one year extension. The inputs, outputs, and outcomes will be agreed with the current providers in Q4. The process for retendering the Healthwatch service and Independent Health Complaints Advocacy Service was completed during Q3, with the current provider, East Sussex Community Voice, being awarded the new contract to begin on the 1 April 2017.

**World War 1 (WW1) commemorations** – Our website (<http://www.eastsussexww1.org.uk/>) hosts 195 stories and events, approximately 63% of which have been submitted or contributed to by the public. In Q3, 11,992 users viewed the site 13,799 times; 127% more users and 121% more views than for the same period in 2015. Our WW1 Twitter profile (@EastSussexww1) has 1,397 followers, who are making contact to share their WW1 stories. In the week running up to the USA's presidential election in November, we promoted existing website content about the USA's involvement in WW1, and published two new stories: one to commemorate the centenary of the 1916 USA presidential election and another on how the USA came to enter WW1. In December we also published a story commemorating the centenary of Lloyd George becoming Prime Minister in December 1916.

We have uploaded more Then and Now photos, produced by East Sussex photographer Kieron Pelling, to the website and released digitised copies of our WW1 East Sussex Newspapers for October, November and December 1916. We have also completed the digitisation of the Sussex Daily News for the entirety of WW1.

**SE7** – Work continues to establish a Sub-National Transport Body for the South East, and all SE7 Authorities have now agreed to the establishment of a Shadow Body. Work in Q4 will focus on developing a constitution and draft Transport Strategy. A number of shared SE7 lobbying actions have also been carried out in Q3. Letters were sent to Government regarding the importance of the full Business Rates Retention funding system taking into account local need, and the need for increased Government investment in infrastructure to support the delivery of high quality housing in the South East. The partnership has also provided a valuable forum for sharing learning and information on the new Government's priorities, devolution deals, the first phase of Sustainability and Transformation Plans, the Autumn Statement and other Local Government funding announcements.

**Revenue budget summary** – At Q3 there is a forecast underspend of £92k; 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. Replacement laptops for Members have been funded from the revenue budget and the capital budget has therefore been moved to 2017/18 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	16/17 RAG				Q3 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) – Q3 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)			Q3 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	3,640	(95)	3,545	9	26	35	
Corporate Support Services	3,418	(580)	2,838	3,361	(580)	2,781	57	-	57	
Senior Management and Org Development	1,445	(364)	1,081	1,445	(364)	1,081	-	-	-	
Total Governance	8,512	(1,013)	7,499	8,446	(1,039)	7,407	66	26	92	

Capital programme										
Approved project	Total project – all years (£000)		2016/17 (£000)							Note ref
			In year monitor Q3 (£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 Systems	86	86	3	3	3	-	-	-	-	
Total Governance	86	86	3	3	3	0	0	0	0	

## Strategic Risk Register – Q3 2016/17

Ref	Strategic Risks	Risk Control / Response	RAG
4	<b>HEALTH</b> Failure to secure maximum value from partnership working with the NHS. If not achieved, there will be impact on social care, public health and health outcomes and increased social care cost pressures. This would add pressures on the Council's budget and/or risks to other Council objectives.	<p>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	<b>SCHOOLS</b> Failure to manage the expected significant reduction in resources for school improvement from 2017/18 and the potential impacts of changing government policy on education, leading to reduced outcomes for children, poor Ofsted reports and reputational damage.	<ul style="list-style-type: none"> <li>•Develop and implement a transition plan so the Standards and Learning Effectiveness Service and schools are prepared for the changes to funding and education policy. This includes:               <ul style="list-style-type: none"> <li>-Implementing a service restructure to remove direct delivery of school improvement and further develop commissioning model of school improvement</li> <li>-Continue to build relationships with academies and sponsors, including the Diocese of Chichester, ensure a dialogue about school performance, including data sharing.</li> </ul> </li> <li>•Continue to work with academies and maintained schools through the Education Improvement Partnerships to develop system leadership, school to school support and to broker partnerships.</li> <li>• Continue to broker support to academies to address any performance concerns and investigate the feasibility of trading some LA school improvement services with all schools on a full cost recovery basis.</li> <li>•Where academies do not appear to be accessing appropriate support, bring this to the attention of the DfE, who may exercise their intervention powers.</li> <li>•Continue to build a relationship with the Regional Schools Commissioner to ensure the work of the RSC and the LA do not duplicate and that schools have the support they need.</li> </ul>	R

## Strategic Risk Register – Q3 2016/17

Ref	Strategic Risks	Risk Control / Response	RAG
1	<b>ROADS</b> Wet winter weather, over recent years has caused significant damage to many of the county's roads, adding to the backlog of maintenance in the County Council's Asset Plan, and increasing the risk to the Council's ability to stem the rate of deterioration and maintain road condition.	<p>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	<b>RECONCILING POLICY, PERFORMANCE &amp; RESOURCE</b> Failure to plan and implement a strategic corporate response to resource reductions, demographic change, and regional economic challenges in order to ensure continued delivery of services to the local community.	<p>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 Autumn Statement confirmed the Government's departmental spending plans and uncertainty about future growth in the national economy. There have been no announcements which change our plans but the RPPR process will be used to monitor the situation and keep members informed of any changes in order that mitigating action can be taken.</p>	A
8	<b>CAPITAL PROGRAMME</b> Failure to deliver capital programme outcomes on-time and on-budget, impacting on the Council's ability to support local economic growth.	<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. Work regarding this is ongoing and has focussed on driving down costs and maximising resources thereby improving its affordability. A proposed programme covering 2016-23 will be presented to Full Council in February 2017.</p>	A

## Strategic Risk Register – Q3 2016/17

Ref	Strategic Risks	Risk Control / Response	RAG
9	<b>WORKFORCE</b> Stress and mental health are currently the top two reasons for sickness absence across the Council, potentially leading to reduced staff wellbeing, reduced service resilience, inability to deliver efficient service and / or reputational issues.	<p>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 with a number of dedicated activities and have successfully been awarded funding from two sources in order to assist with our 16/17 and 17/18 wellbeing strategy.</p> <p>We have been awarded a grant of £10k from the LGA to develop an online mindfulness programme to support staff to be resilient at work. The programme will commence in January 2017 and the evaluation process will include data and recommendations for the future direction of support for employees who are absent with stress-related illness and improving wellbeing at work. More generally, a joint venture with Public Health offering ESCC staff work based health checks is due to launch in Spring 2017. The aim is to improve the health and wellbeing of adults aged 40-74 years through the promotion of earlier awareness, assessment, and management. It is anticipated that these checks will help to prevent the onset of cardiovascular disease.</p> <p>In considering stress absences, a new 'wellness tool' has been introduced designed to enable employees and managers to discuss any wellbeing concerns at the earliest possible stage. In addition, an automated process is now in place to ensure that all managers with employees absent due to mental health or stress are contacted by the first and tenth day of absence. The email is sent direct from Firstcare and provides guidance for managers on the resources available to support staff.</p>	A
10	<b>RECRUITMENT</b> Inability to attract high calibre candidates, leading to limited recruitment choices and therefore lack of the expertise, capacity, leadership and/or innovation required to deliver services and service transformation.	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.	A



## Strategic Risk Register – Q3 2016/17

Ref	Strategic Risks	Risk Control / Response	RAG
6x	<p><b>LOCAL ECONOMIC GROWTH</b></p> <p>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 a number of strategic infrastructure investments creating the opening for new business parks across the county. Following the Chancellor's Autumn Statement at the end of November 2016, we are awaiting official confirmation of the outcome of the bid.</p> <p>Coast 2 Capital LEP have recently issued a call for projects (using underspend) that can start spending in Qtr 4 2016/17. We will be bidding for Newhaven Eastside South and Charleston Centenary project. We will know the outcome of these bids by February.</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 have now been secured in September for the project termed South East Business Boost until June 2019 providing further enhanced business support services to support the growth of local companies (pre start-ups through to established). In addition, to enhance and increase our delivery of inward investment services, a further bid termed South East Invest has been submitted and we now await a decision on the bid.</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><b>ORDINARY RESIDENCE</b></p> <p>Risk from other areas placing clients in receipt of social care services in East Sussex, and transferring to ESCC the commissioning, care management and funding responsibility for the individual as a result of a successful Ordinary Residence claim.</p>	<p>Dedicated Ordinary Residence Panel set up. The Panel discusses and agrees strategic and legal responses to Ordinary Residence claims from and to other Local Authorities, and directs reporting content. Panel members contact other Local Authorities directly where appropriate, and instruct Legal Services representation (including Counsel, and applications for Secretary of State determination) on behalf of ESCC.</p> <p>Continued awareness raising for ASC operational staff (and particularly Social Care Direct) in line with published guidance on Ordinary Residence, resulting in earlier case referrals to Ordinary Residence team. Guidance for frontline staff was written and issued followed by panel members visiting all ASC Operational teams to deliver presentation and Q&amp;A. OR Inbox established to provide advice to staff and monitor all known incoming/outgoing OR queries and claims.</p> <p>Regular information gathering and reporting to DMT on all Ordinary Residence case referrals and financial projections.</p>	A

Strategic Risk Register – Q3 2016/17			
Ref	Strategic Risks	Risk Control / Response	RAG
New	<p><b>APPRENTICESHIP LEVY</b></p> <p>The Government will introduce the Apprenticeship Levy on 6 April 2017. The levy requires all employers operating in the UK, with a pay bill over £3 million each year, to invest in apprenticeships.</p> <p>This creates a potential financial risk for the Council. A Levy contribution of £550,000 will be deducted from the General Fund staffing budget; and £690,000 will be deducted from the (maintained) Schools delegated staffing budgets; but there is no certainty about how much of this will be returned to the budget in 2017-18 in the form of apprenticeship training vouchers.</p>	<p>We will develop a strategy and action plan covering Departments and Schools to maximise the numbers of new and existing staff receiving qualifying apprenticeship training.</p>	G