

Report to: Cabinet
Date: 15 December 2015
Report by: Chief Executive
Title: Council Monitoring Report – quarter 2 2015/16
Purpose: To report Council Plan and Finance monitoring for quarter 2 2015/16

RECOMMENDATIONS

Cabinet is recommended to:

- 1) note the latest monitoring position for the Council;
 - 2) approve the proposed target amendments and deletions at 2.2; and
 - 3) note the slippage, over/underspends and spend in advance identified in this report.
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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, and Savings Plan, together with the Strategic Risk Register for quarter 2 (July – September) 2015.

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. The Strategic Risk Register is reported at Appendix 7.

2. Overview

2.1 Locate East Sussex helped to create 10 jobs in quarter 1. "East Sussex Invest 4" approved 13 business applications for funding, committing over £302,000 which will help create 42 jobs. We completed 63 road work schemes, investing over £4.5m. School safety zones were completed in Eastbourne and Heathfield. Overall attainment results for 2014/15 across early years, primary schools, and secondary schools, have improved since 2013/14. 22% of care leavers are attending university. 100% (4,521) of working age adults and older people receiving our support received self-directed support (between April and September 2015). 18.7% of adults with learning disabilities have been supported into paid or voluntary employment.

2.2 More detail of progress against each of our priority outcomes is set out at paragraph 3 below. Of the 69 Council Plan targets, 50 (72%) are rated green, 9 (13%) are rated amber, and 4 (6%) are rated red. 6 (9%) are proposed for amendment or deletion to reflect the latest position, these are:

- Appendix 2 – Care Act: ensure people with eligible needs have a care account – measure proposed for deletion as care costs cap will not be introduced this year.
- Appendix 2 – East Sussex Better Together (ESBT): implement an Integrated Strategic Commissioning Framework – 2015/16 target proposed for amendment, and new target proposed for 2016/17 in line with new timelines.
- Appendix 2 – ESBT: introduce locality Community Health and Social Care Teams – 2015/16 target proposed for amendment, to bring in line with ESBT 150 week plan.
- Appendix 2 – referrals to Memory Assessment Service – 2015/16 target proposed for amendment as referral rates have reduced as a result of earlier diagnoses.
- Appendix 2 – adults with learning disabilities supported into employment – measure and 2015/16 target proposed for amendment to report numbers instead of percentages.
- Appendix 5 – pedestrian improvements in Terminus Road – 2015/16 target proposed for amendment due to unexpected delays and increased funding requirements.

2.3 At quarter 2, the projected year-end overspend for net departmental budgets is £5.1m, compared to £6.0m reported at quarter 1. The main areas of overspend are: Adult Social Care £4.3m, mainly on Independent Sector Care, compared to £3.0m reported at quarter 1;

Children's Services £0.4m mainly for Looked After Children, a reduction from £1.2m reported at quarter 1; Communities, Economy and Transport £0.4m mainly from unachieved highways and road safety savings, a reduction from the £0.7m reported at quarter 1; Business Services is projected to breakeven compared to a projected overspend of £1.0m at quarter 1.

2.4 In addition, there is a projected reduction in income for the Council's share of the East Sussex Business Rates Pool of £0.4m. This is based on quarter 2 projections that show a reduction of £5.4m in collectable rates across East Sussex; mainly due to a significant increase in appeals provisions at all billing authorities. There is also an estimated reduction in the Education Support Grant of £0.2m due to Academisation. There is therefore a projected overspend of £1.158m for the Council after the general contingency and unused inflation provision have been applied. However, there is the potential deployment of the Better Care Fund contingency as outlined in Appendix 2.

2.5 The total savings target for 2015/16 is £19.9m including unachieved savings carried forward from previous years. At this stage, £8.6m of savings will not be achieved. Permanent mitigations of £0.5m and temporary mitigations of £3.0m have been identified.

2.6 The forecast expenditure on the capital programme is £147.9m against a budget of £180.1m. This represents a variance of £32.2m in comparison to a variance of £23.8m reported at quarter 1, an overall increase of £8.4m. The variation at quarter 2 comprises slippage of £41.9m offset by net over and underspends of £3.4m and spending in advance of £6.3m. Continuing with the review and challenge of reporting conducted at quarter 1; the most significant new variation at quarter 2 is slippage of £8.6m within the Economic Growth and Infrastructure programme. This is mostly the result of re-profiling the award of Economic Intervention Fund grants and loans that are demand led and an updated timetable from the Environment Agency as lead authority for implementation of the Newhaven Flood Defence scheme. Other significant slippage previously reported remains £12.7m on the Newhaven Port Access Road and £6m on the Hastings Library although the re-design and rationalisation of the project has also achieved a saving of £1m not previously reported. There is a further increased cost of £0.1m on the Bexhill Hastings Link Road (BHLR) over the £4.4m previously reported at quarter 1. The profiling of BHLR expenditure between the financial years has now been resolved. Total spend in advance has increased from £3.9m at quarter 1 to £6.3m at quarter 2, mainly as a result of bringing forward some of the works programme for schools basic needs to meet the identified service requirement for September 2018. The capital programme will be re-aligned to take account of the slippage, over/underspends and spend in advance identified in this report.

2.7 The Strategic Risk Register, Appendix 7, has been reviewed and six risks have been amended. Risk 1 (Roads), risk 6 (Local Economic Growth), risk 8 (Capital Programme) risk 9 (Workforce), and risk 10 (Welfare Reform) all have amended risk control responses, with risk 1 (Roads), risk 6 (Local Economic Growth) and risk 8 (Capital Programme) also having amended risk scores. Risk 7 (Schools) has an amended risk definition. No new strategic risks have been added and no risks have been removed from the register.

3. Progress against Council Priorities

Driving economic growth

3.1 Early Years and Primary School overall attainment levels for the academic year 2014/15 have improved since 2013/14. 74.3% of children achieved a good level of development at the Early Years Foundation Stage, an increase of 8.7% compared to 2013/14, and 8% higher than the national average. The achievement gap between the lowest attaining 20% of pupils and the median is 25.5%; 6.6 percentage points better than the England figure (32.1%). At Key Stage 1, 82.8% of pupils achieved level 2b or above in reading; 74.2% achieved this in writing; and 83.8% achieved this in maths. All results are above the national average and an improvement on 2013/14. At Key Stage 2, provisional results show that 80% of pupils achieved level 4 or above in reading, writing and maths combined, an increase of 1.6% on 2013/14, and in line with the national average (Appendix 4).

3.2 Secondary school overall attainment levels for the academic year 2014/15 have also improved since 2013/14. At Key Stage 4, provisional data shows that 55.3% of pupils achieved 5+ A*-C grades at GCSE including English and maths, 2.1% higher than 2013/14, but 1% below the national average. We have reviewed the results and issued performance and standard warning letters to two maintained schools. We have also contacted the Regional Schools Commissioner where we have concerns about the performance of academy schools (Appendix 4).

3.3 Ofsted inspected the Council's arrangements for supporting school improvement from the 9 to the 13 November. This followed up on our first inspection in June 2014 when the arrangements were judged, by Ofsted, to be ineffective. The key focus of the inspection is the impact of school improvement activity and the difference this is making to the performance of schools and the outcomes for children and young people. The conclusions of the inspection will be published by Ofsted in December (Appendix 4).

3.4 We have made good progress in areas contributing to the East Sussex Growth Strategy. 59,436 premises now have access to improved broadband speeds. We have agreed a second contract of works with BT, beginning in 2016, to extend high-speed internet access to at least 5,000 more homes and businesses. Locate East Sussex helped two companies either open new businesses or expand, creating 10 jobs. 13 businesses were approved for funding under East Sussex Invest 4, committing £302,000, with the aim of creating 42 jobs. The Business East Sussex (BES) website was officially launched on 16 October. 16 Business Administration Apprentices have been appointed and are due to start with the Council in mid-November (Appendix 5).

Keeping vulnerable people safe

3.5 Eight contacts to the Trading Standards Rapid Actions Team (RAT) were made in quarter 2, all of which were responded to within the two hour target response time. The intervention of the RAT saved the eight consumers a total of £9,950; this included a couple in their 80s who were talked into paying £5,200 to have their drive block paved despite their contract not complying with the law (Appendix 5).

3.6 A number of Safe Place Schemes are developing through the goodwill of businesses, organisations and the staff working within them, and many schemes will be launched this autumn. The schemes aim to provide vulnerable people, particularly those with a learning disability and older people, with a safe place to go and get help if they are feeling scared or upset while out on their own in the community (Appendix 2).

3.7 The Joint Domestic, Sexual Violence and Abuse, and Violence Against Women and Girls (VAWG) Unit for Brighton & Hove and East Sussex Councils was launched on 1 September 2015. The unit will co-ordinate activity across the areas in order to make best use of resources and maximise impact (Appendix 2).

Helping people help themselves

3.8 The integrated commissioning framework has been developed for East Sussex Better Together (ESBT), and reformed commissioning functions across health and social care will be implemented by July 2016. The integrated locality teams which will support older adults and those with long-term conditions will be implemented by April 2016. (Appendix 2).

Making best use of resources

3.9 We have continued to increase and expand our partnership working with Surrey County Council through Orbis. The Orbis Business Plan was approved by the Orbis Joint Committee and Cabinet on 13 October; it incorporates feedback and guidance from key stakeholders including Orbis Joint Committee, ESCC and SCC Scrutiny Committees and Trade Unions. The partnership will make our business services more resilient and will provide savings to both authorities (Appendix 3).

3.10 As part of the SPACES programme, the Bexhill Traffic Team have been co-located with Rother District Council at Bexhill Town Hall. Greenwich House in Peacehaven has been turned into a nursery, using the existing estate to deliver necessary services in the area. This takes the

total number of projects delivered in 2015/16 to seven; providing capital receipts of £2.2m and reducing revenue expenditure by over £100,000 (Appendix 3).

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
- 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 – Q2 2015/16

Council Plan performance

Priority	Red	Amber	Green	Amend / Delete (AD)
Driving economic growth	3	4	24	1
Keeping vulnerable people safe	0	0	11	0
Helping people help themselves	0	4	12	5
Making best use of resources	1	1	3	0
Total	4	9	50	6

Q2 2015/16

There are 69 individual measures in the Council Plan

Appendix 2 ASC:
3 amber, 5 amendments/deletions

Appendix 3 BSD:
1 red, 2 amber

Appendix 4 CSD:
2 red, 1 amber

Appendix 5 CET:
1 red, 3 amber & 1 amendment/deletion

Q1 2015/16

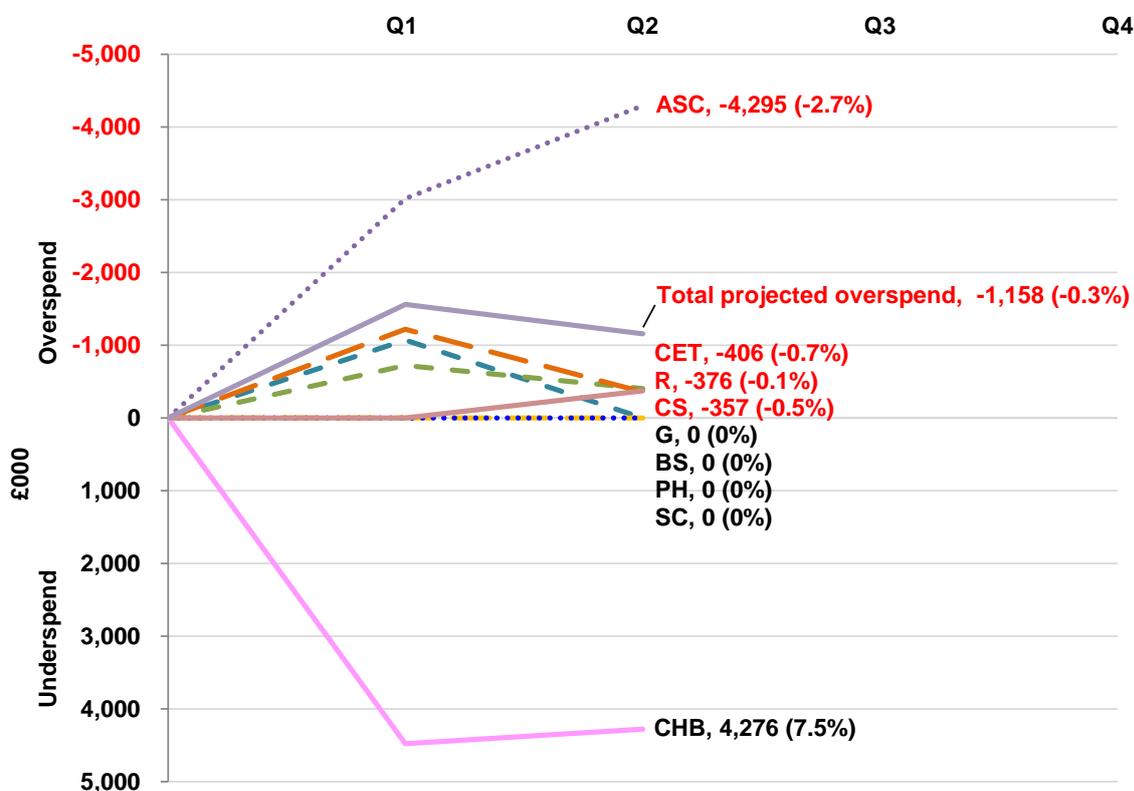
Category	Count	Percentage
Green	61	88%
Amber	8	12%

Q2 2015/16

Category	Count	Percentage
Green	50	72%
Amber	9	13%
Red	4	6%
Amend / Delete	6	9%

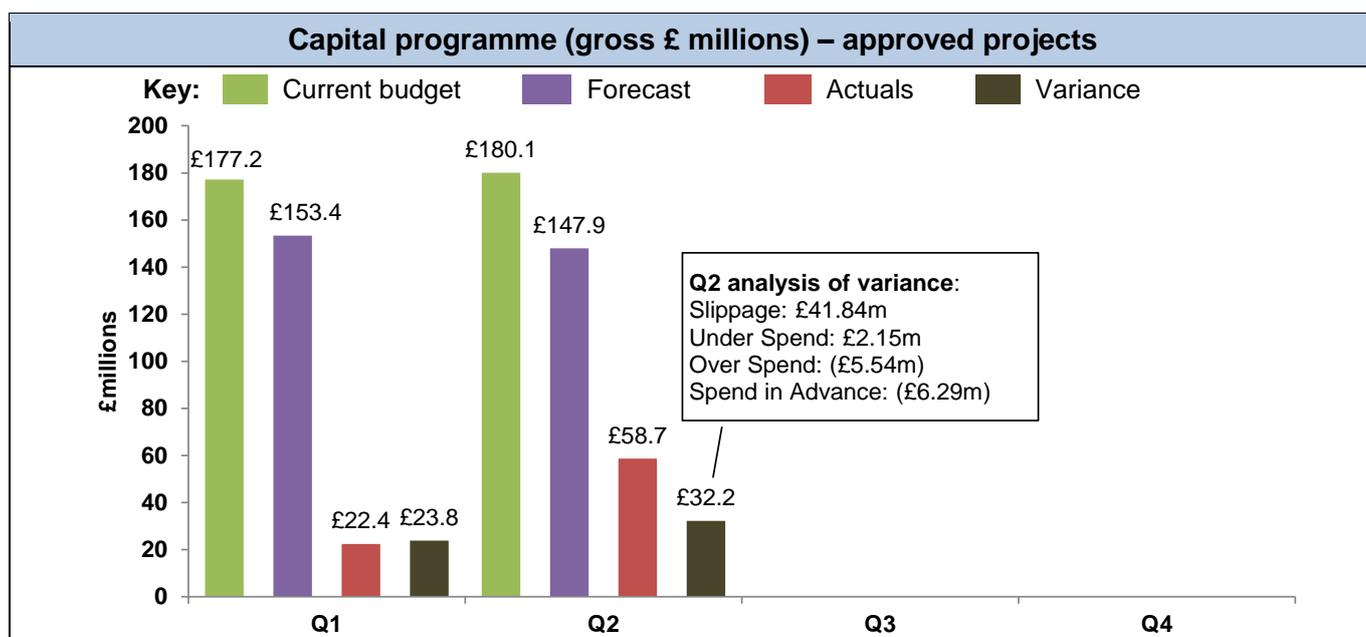
Revenue budget forecast (net £000)

ASC – Adult Social Care, **BS** – Business Services, **CET** – Communities, Economy & Transport, **CS** – Children’s Services, **G** – Governance, **PH** – Public Health, **SC** – Safer Communities, **CHB** – Centrally Held Budgets, **R** – Resources



Revenue budget summary (£000)									
	Planned			Q2 2015/16					
	Gross	Income	Net	Projected outturn			(Over) / under spend		
				Gross	Income	Net	Gross	Income	Net
Service Expenditure									
ASC	233,991	(76,773)	157,218	240,113	(78,600)	161,513	(6,122)	1,827	(4,295)
Safer Communities	753	(337)	416	753	(337)	416	-	-	-
Public Health	25,957	(25,957)	-	24,630	(24,630)	-	1,327	(1,327)	-
BSD	57,109	(36,046)	21,063	56,289	(35,226)	21,063	820	(820)	-
CS	328,650	(258,367)	70,283	329,135	(258,495)	70,640	(485)	128	(357)
CET	109,163	(52,430)	56,733	110,781	(53,642)	57,139	(1,618)	1,212	(406)
GS	8,650	(1,139)	7,511	8,482	(971)	7,511	168	(168)	-
Total Service Spend	764,273	(451,049)	313,224	770,183	(451,901)	318,282	(5,910)	852	(5,058)
Centrally Held Budgets									
Treasury Management	30,566	-	30,566	30,566	-	30,566	-	-	-
Funding Cap Prog.	17,223	-	17,223	17,223	-	17,223	-	-	-
General Contingency	3,500	-	3,500	-	-	-	3,500	-	3,500
Unused Inflation	976	-	976	-	-	-	976	-	976
Pensions	5,479	-	5,479	5,479	-	5,479	-	-	-
Contrib. to Reserves	4,542	-	4,542	4,542	-	4,542	-	-	-
Corporate Grants	-	(5,792)	(5,792)	-	(5,592)	(5,592)	-	(200)	(200)
Levies	432	-	432	432	-	432	-	-	-
Total Centrally Held	62,718	(5,792)	56,926	58,242	(5,592)	52,650	4,476	(200)	4,276
Total	826,991	(456,841)	370,150	828,425	(457,493)	370,932	(1,434)	652	(782)
Resources									
Business Rates	-	(70,785)	(70,785)	-	(70,409)	(70,409)	-	(376)	(376)
Revenue Support Grant	-	(65,093)	(65,093)	-	(65,093)	(65,093)	-	-	-
Council Tax	-	(231,775)	(231,775)	-	(231,775)	(231,775)	-	-	-
New Homes Bonus	-	(2,497)	(2,497)	-	(2,497)	(2,497)	-	-	-
Total Resources	-	(370,150)	(370,150)	-	(369,774)	(369,774)	-	(376)	(376)
Total	826,991	(826,991)	-	828,425	(827,267)	(1,158)	(1,434)	276	(1,158)

Revenue savings summary 2015/16 £000							
Department	Targets		Projected planned savings			Projected mitigations	
	Original target	Target inc. unachieved savings c/f from previous year(s)	Achieved	Slipped	Unachieved	Permanent mitigations	Temporary mitigations
ASC	7,643	10,584	6,208	-	4,376	-	-
BSD	1,724	2,579	1,566	-	1,013	531	482
CS	2,585	3,093	1,238	-	1,855	-	1,498
CET	2,242	3,415	2,077	-	1,338	-	967
GS	195	195	177	-	18	-	18
Total	14,389	19,866	11,266	-	8,600	531	2,965



Capital programme summary £000									
Approved project	Total project – all years		2015/16						
			In year monitor Q2				Analysis of variation		
	Budget	Projected	Budget	Actual to date	Projected 2015/16	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance
ASC	21,674	21,093	5,660	1,751	5,079	581	581	-	-
BSD	61,057	61,057	16,292	5,992	13,919	2,373	-	3,745	(1,372)
CS	111,622	112,134	28,854	18,851	31,620	(2,766)	(512)	2,144	(4,398)
CET	488,133	493,059	129,137	32,044	97,163	31,974	(3,459)	35,952	(519)
GS	150	150	150	47	150	-	-	-	-
Total	682,636	687,493	180,093	58,685	147,931	32,162	(3,390)	41,841	(6,289)
Analysis by source of finance									
Scheme Specific Income			36,963	14,458	31,258	5,705	-	5,705	-
Capital Reserves			24,418	1,168	24,418	-	-	-	-
Section 106			2,844	311	932	1,912	-	1,912	-
Non Specific Grants			48,586	29,569	48,172	414	-	6,158	(5,744)
Capital Receipts			4,995	2,658	5,525	(530)	581	(1,111)	-
Revenue Contributions			17,223	2,226	17,223	-	-	-	-
Borrowing			45,064	8,295	20,403	24,661	(3,971)	29,177	(545)
Total			180,093	58,685	147,931	32,162	(3,390)	41,841	(6,289)

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 broadly stable during the quarter and have continued at historically low levels as a result of the low Bank Rate. The average level of funds available for investment purposes during the quarter was £312m. 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 six months to 30 September 2015 was £1.108m at an average rate of 0.68%.

At 31 March 2015, the majority of the Council's external debt was held as long term loans (£256.3m), and no cost effective opportunities have arisen in the first six months to restructure this. The Council's budgeted cost of external interest, relating to both long and short-term borrowing for the year is £16.5m. Depending on the level of borrowing undertaken in 2015/16, it may be possible to use the Treasury Management budget to fund any further overspends if external borrowing is not made in year. If those funds are not available, any overspending will have to be funded from general balances which will then need to be topped up.

Centrally held budgets include a general contingency of £3.5m and unused inflation provision of £0.976m. At this stage of the year, these budgets will be held to fund the departmental overspends. Education Services Grant (ESG) is paid to local authorities and academies on a per pupil basis. Local authorities receive additional funding for the obligations that they have to fulfil to both academies and maintained schools (known as "retained duties"). The latest notification is that the Council will receive a grant of £4.9m against a budget of £5.1m; a shortfall of £0.2m.

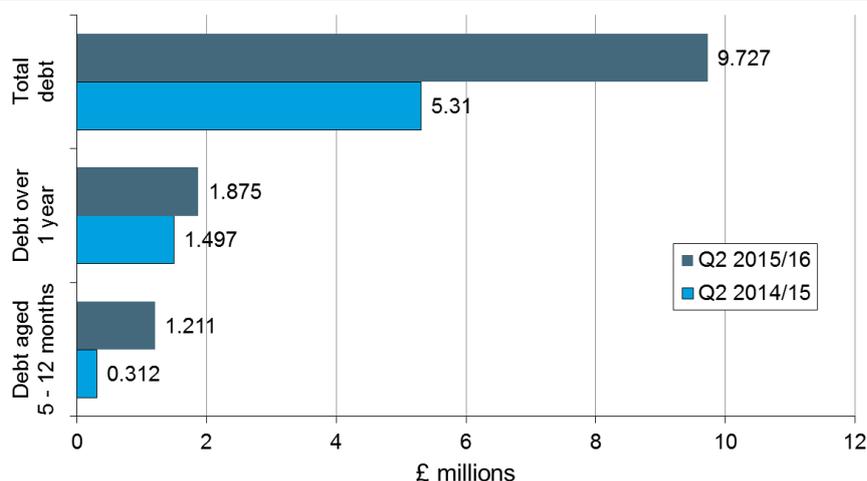
General balances

The target for general balances is 2.5% of net expenditure and was £8.9m as at 31 March 2015. General balances allow the Council to manage unforeseen financial circumstances without the need to make immediate savings.

The Schools balances as at 31 March 2015 was £15.5m.

Outstanding debt analysis (£ millions)

The value of debt over 5 months at Q2 is £3.086m which has risen when compared to the 2014/15 outturn of £2.490m. This rise is due to a large debt for £841K raised in December 2014 which is not expected to be paid until all the legal agreements are in place, colleagues in Legal are working on this matter as a priority. The total value of outstanding debt has reduced when compared to quarter 1 by £7m due to some large invoices raised in quarter 1 to the CCG's paid during quarter 2.



Adult Social Care and Health – Q2 2015/16

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

Summary of successes and achievements – Between April and September 2015, 100% (4,521) of working age adults and older people receiving our support received self-directed support. 93% of new clients who received short-term services to increase their independence made no further request for support. 1Space, a directory of services, groups and organisations, received 17,153 visits. 71% of these were new visitors and 29% were repeat visitors. The directory has seen an increase of 65 entries bringing the total to 2,000. Between 6 April and 20 September, 1,436 people received support through 'STEPS to stay independent', which supports people aged 65 and over to maintain independence within their own homes.

Smoking Cessation services continue to maintain a good level of performance. The percentage of those who quit smoking four weeks after setting a quit date has increased from 45% in 2013/14 to 57% so far in 2015/16. Health checks are on track to achieve the annual target and our comparative performance at Q1 (most recent period where comparative data is available) indicates that East Sussex is in the top quartile (26/152) of Local Authorities nationally and is the best performing local authority in Kent Surrey Sussex (KSS) for the proportion of the eligible population receiving a health check.

Safeguarding Adults – In Q2 2015/16, following safeguarding enquiries, 34 safeguarding plans were reviewed. 69 outcomes were identified in the safeguarding plans which resulted in 90 subsequent actions. Of these, 96% (86) were either met or partially met. The majority of the outcomes identified related to helping adults at risk to feel safer and increasing their dignity and respect.

Care Act – On 17 July, the Department of Health announced a delay to the introduction of the Care Act funding reforms and other responsibilities due to come into force on 1 April 2016. This includes a delay in the introduction of a cap on care costs until April 2020 (**ref i**). Preparations were underway to establish care accounts for individuals with eligible needs by April 2016 however this work has now been put on hold. It is proposed that this measure is deleted as it no longer relevant.

East Sussex Better Together – The integrated commissioning framework was developed by September 2015 (**ref ii**). The original plan to implement the framework and structure by January 2016 has now been revised. Reformed commissioning functions across health and social care should now be implemented by July 2016. We are therefore proposing that the third part of this target (Reformed ESCC commissioning framework, functions and structure to be implemented by January 2016) is transferred to next year's Council Plan with a revised completion date of July 2016.

While significant progress continues to be made to develop the service model this year, the Integrated Locality Teams (ILATs) (**ref iii**) which will support older adults and those with long-term conditions won't be fully implemented until April 2016. It is therefore proposed that the measure is amended to bring it in line with the East Sussex Better Together 150 week plan. Proposed amendment to target: "Full implementation of delivery model by April 2016".

Memory Assessment Service (MAS) – 803 people have been referred to the Memory Assessment Service (**ref iv**), which provides a specialist memory assessment, diagnosis and on-going care management plan for GPs. Projected targets were originally set three years ago and may have been a little ambitious in predicting the sustainability of GP referral rates. We have moved from less than 30% of the East Sussex population predicted to have dementia having a diagnosis in 2012, to an average of 57% across the three Clinical Commissioning Groups (CCGs) as of August 2015. Whilst we have commissioned sufficient activity and are actively promoting early diagnosis, attrition and the reduction in people being referred in the later stages of the disease (as these people have now been identified and diagnosed), are likely to impact on overall referral levels. Proposed amendment to target: "1,610 people referred to the Memory Assessment Service".

Employment outcomes for people with learning disabilities – 18.7% of adults with learning disabilities have been supported into paid or voluntary employment however, because of a change in the way this indicator is measured, real term increases in people being supported are masked. In the 12 months up to the end of September 2015, 234 people have been supported compared to 249 during 2014/15. We are therefore proposing to revise the measure to reflect the number of adults supported and set a target of 261, a 5% increase on 2014/15. (**ref v**).

Safer Communities – The East Sussex Strategic Assessment of Community Safety 2015 is now complete, and the annual East Sussex Safer Communities Partnership Priority Setting Day was held on 24 September 2015. A series of presentations highlighting achievements, areas of concern and recommendations for future work for each of the themes identified in the Strategic Assessment were given, and partners were asked to consider what the focus of the themes should be.

Domestic Abuse – The Joint Domestic, Sexual Violence and Abuse and Violence Against Women and Girls (VAWG) Unit for Brighton & Hove and East Sussex councils was launched on 1 September. The unit will co-ordinate activity

across the areas in order to make best use of resources and maximise impact.

Work is ongoing to mobilise the new Specialist Domestic and Sexual Abuse Service led by RISE (Refuge, Information, Support and Education) in partnership with Survivors Network and the Crime Reduction Initiative. Stakeholder events are taking place in October and November. The service will be formally launched in December 2015.

Two Multi Agency Risk Assessment Conference (MARAC) development sessions have been held for MARAC representatives and Domestic Abuse leads in Eastbourne and Hastings respectively. Evaluation of the sessions showed that over 90% of the participants felt the session was good or excellent.

The Sexual Violence and Exploitation Task and Finish Group have been brought together and an action plan for the remainder of 2015/16 is being developed. The resulting actions will be reported in Q3.

Anti-social behaviour (ASB) and hate crime – A number of Safe Place Schemes are developing all over East Sussex through the goodwill of businesses, organisations and the staff working within them. Safe Place Schemes aim to provide vulnerable people, particularly those with a learning disability or older people, with a safe place to go where help can be summoned if they are feeling scared or upset while out on their own in the community. Libraries and local businesses are busy signing up to the scheme in the various areas and many schemes will be launching this autumn.

Public Health – Performance in Q1 in relation to smoking cessation (**ref vi**) is below target at this point with 380 people quitting smoking with a service against a target of 677. However, as with previous years, a significant number of Q1 quits are likely to be reported in Q2 due to late reporting by some GP practices and pharmacies who provide services. Last year 277 quits were initially reported for Q1. However, by year end, this had increased to 669 after late submissions were added. Where smokers access services, results continue to be very positive with 57% achieving a successful quit compared with a national average of around 50%.

Revenue Budget Summary

Adult Social Care – There is a projected overspend of £4.295m (**ref vii**), comprising an overspend of £4.376m in Independent Sector Care offset by a small underspend of £81,000 in Directly Provided Services. The total net budget of £157.218m incorporates savings totalling £7.643m. Compared to the same period last year, the first six months of 2015/16 has seen a 9% increase in the number of care packages being presented for approval; the comparable costs of which are 37% greater than a year ago. The impact of increased activity and costs is closely monitored and modelled, particularly, as services enter the autumn/winter period. Current modelling assumptions suggest that a further £1.5m additional overspend could be incurred over the winter until March 2016. This will be kept under review and reflected within the Q3 monitor statement.

The East Sussex Better Together Programme Board has agreed the deployment of £5.985m from the Better Care Fund (BCF) contingency to help fund the modelled impact of the increase in demand and complexity of cases requiring Adult Social Care support in 2015/16. The allocation from the BCF acknowledges pressure across the whole system and the need for social care to reduce pressure on health care by increasing diversion from hospital care, supporting more complex cases in the community and enabling higher levels of discharge from hospital. The East Sussex Better Together programme will deliver a significant transformation in how integrated care is provided and the use of the BCF contingency will support Adult Social Care and the whole system until the new models are in place. The longer term implications of this approach will be addressed through the East Sussex Better Together programme, future use of the BCF and RPPR.

Better Care Fund Section 75 Pooled Budget – East Sussex County Council is the host authority for the Better Care Fund (BCF), which is reported through the ESBT Programme Board. The minutes below are taken from the ESBT Programme Board of 12 August 2015:

“Alan Beasley presented the East Sussex Better Together Quarter 1 Budget report, including the Better Care Fund and summarised the information within the supporting tabled papers.

The Chair requested that thanks be fed back to the team for the work carried out in completing this report.”

Public Health – The Public Health budget, which is ring-fenced, has increased by £1.794m to £25.957m, reflecting £3.5m additional funding for the Health Visiting service which transferred from the NHS on 1 October 2015, offset by a reduction of £1.706m in the total Public Health Grant of £27.567m, this 6.2% reduction is a national requirement and has been applied to all local authorities. The 2015/16 projected outturn figure of £24.630m (**ref viii**) shows an overall underspend of £1.327m, this is due primarily to lower than anticipated prescribing costs and an underspend associated with the progress of projects.

Capital Programme Summary – The Capital Programme is on target to meet project expenditure profiles, with the exception of Westfield Lane, Hastings (**ref ix**), where the proposed development will now not proceed.

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 14/15	Target 15/16	15/16 RAG				Q2 15/16 outturn	Note ref
			Q1	Q2	Q3	Q4		
Priority - Helping people help themselves								
Care Act: Ensure individuals with eligible needs have a care account that shows the total cost of meeting those needs over time by April 2016 Measure proposed for deletion	N/A	April 2016 Target proposed for deletion	G	AD			Measure deleted as no longer relevant	i
East Sussex Better Together (ESBT): Design and implement an Integrated Strategic Commissioning Framework (Including Co-Commissioning)	N/A	Commissioning structure implemented in shadow form by June 2015 Integrated commissioning framework developed by September 2015 Framework and structure implemented by January 2016 Target amendment Delete part iii of target	A	AD			Integrated commissioning framework developed by September 2015 Target amendment as part iii of the 15/16 target will no longer take place this year. New target set for 16/17: Reformed ESCC commissioning framework, functions and structure to be implemented by July 2016	ii
East Sussex Better Together: Introduce locality Community Health and Social Care Teams	N/A	Full implementation of delivery model by October 2015 Target amendment Full implementation of delivery model by April 2016	G	AD			Target amendment to bring in line with East Sussex Better Together 150 week plan	iii
Increase the number of people referred to the Memory Assessment Service (MAS)	1,995	2,146 Target amendment 1,610	G	AD			803	iv
Proportion of adults with learning disabilities in paid and voluntary employment Measure amendment Number of adults with learning disabilities in paid and voluntary employment	24.1% Outturn amendment 249	24.1% Target amendment 261	G	AD			234	v
Smoking Cessation: Number of persons attending East Sussex NHS Stop Smoking Services who quit smoking four weeks after setting a quit date	3,287	3,386	A	-			Reported a quarter in arrears Q1 – 380	vi

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)

Savings description	2015/16 (£000)					Note ref
	Original Target	Target including unachieved savings c/f from previous year(s)	Achieved	Slipped	Unachieved	
Community Based Services: Review and focus to meet personal care needs, in line with personal budgets	5,395	8,336	3,960	-	4,376	
All Other Savings	2,248	2,248	2,248	-	-	
Total ASC - original savings	7,643	10,584	6,208	-	4,376	
Mitigations						
- Permanent			-	-	-	
- Temporary			-	-	-	
Total ASC	7,643	10,584	6,208	-	4,376	

Revenue budget

Divisions	Planned (£000)			Q2 2015/16 (£000)						Note ref
	Gross	Income	Net	Projected outturn			(Over) / under spend			
				Gross	Income	Net	Gross	Income	Net	
Adult Social Care:										
Physical Support, Sensory Support and Support for Memory & Cognition	85,882	(44,333)	41,549	88,062	(44,466)	43,596	(2,180)	133	(2,047)	
Learning Disability Support	42,903	(1,580)	41,323	43,813	(1,353)	42,460	(910)	(227)	(1,137)	
Mental Health Support	7,421	(985)	6,436	9,186	(1,558)	7,628	(1,765)	573	(1,192)	
Substance Misuse Support	265	(8)	257	297	(40)	257	(32)	32	-	
Subtotal Independent Sector	136,471	(46,906)	89,565	141,358	(47,417)	93,941	(4,887)	511	(4,376)	
Physical Support, Sensory Support and Support for Memory & Cognition	17,130	(4,923)	12,207	16,961	(4,754)	12,207	169	(169)	-	
Learning Disability Support	9,298	(1,079)	8,219	9,254	(1,090)	8,164	44	11	55	
Mental Health Support	2,147	(1,471)	676	2,147	(1,471)	676	-	-	-	
Substance Misuse Support	367	(160)	207	482	(275)	207	(115)	115	-	
Equipment & Assistive Technology	4,618	(2,237)	2,381	5,118	(2,737)	2,381	(500)	500	-	
Other	7,934	(5,642)	2,292	7,934	(5,642)	2,292	-	-	-	
Supporting People	10,207	(346)	9,861	10,207	(346)	9,861	-	-	-	
Assessment & Care Management	26,759	(2,793)	23,966	26,809	(2,873)	23,936	(50)	80	30	
Management and Support	18,313	(10,999)	7,314	19,095	(11,728)	7,367	(782)	729	(53)	
Service Strategy	747	(217)	530	748	(267)	481	(1)	50	49	
Subtotal Directly Provided Services	97,520	(29,867)	67,653	98,755	(31,183)	67,572	(1,235)	1,316	81	
Total Adult Social Care	233,991	(76,773)	157,218	240,113	(78,600)	161,513	(6,122)	1,827	(4,295)	vii

Revenue budget										
Divisions	Planned (£000)			Q2 2015/16 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Total Safer Communities	753	(337)	416	753	(337)	416	0	0	0	
Public Health:										
Health Improvement services	5,250	(5,250)	-	5,596	(5,596)	-	(346)	346	-	
Drug and alcohol services	6,162	(6,162)	-	6,162	(6,162)	-	-	-	-	
Sexual health services	4,265	(4,265)	-	3,575	(3,575)	-	690	(690)	-	
Children's Public Health Services - including the new Health Visiting service	5,300	(5,300)	-	5,300	(5,300)	-	-	-	-	
NHS Health Checks	881	(881)	-	888	(888)	-	(7)	7	-	
Other programmes and non-contracted services	3,205	(3,205)	-	1,885	(1,885)	-	1,320	(1,320)	-	
One Off Projects	424	(424)	-	424	(424)	-	-	-	-	
Contingency and reserves	470	(470)	-	800	(800)	-	(330)	330	-	
Total Public Health	25,957	(25,957)	0	24,630	(24,630)	0	1,327	(1,327)	0	viii

Public Health: The projected underspend of £1.3m will be carried forward to 2016/17. In addition, as at 30 September 2015, Public Health Reserves stood at £10.9m comprising Projects (£3.9m), Health Protection (£1.2m), Recommissioning (£1.2m) and Underspend (4.6m) Reserves.

Capital programme										
Approved project	Total project – all years (£000)		2015/16 (£000)							Note ref
			In year monitor Q2 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2015/16	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
OP Service Opportunities	536	536	207	46	207	-	-	-	-	
Social Care Information Systems	4,000	4,000	2,234	825	2,234	-	-	-	-	
Greenwood, Bexhill	463	463	51	12	51	-	-	-	-	
LD Service Opportunities	2,478	2,478	1,030	277	1,030	-	-	-	-	
Warwick House, Seaford	7,339	7,339	219	71	219	-	-	-	-	
Extra Care / Supported Accommodation Projects:										
Westfield Lane, Hastings	585	4	581	-	-	581	581	-	-	ix
Ninfield Rd, Bexhill-on-Sea	410	410	205	-	205	-	-	-	-	
Sidley, Bexhill-on-Sea	790	790	70	-	70	-	-	-	-	
Battle Road, Hailsham	1,000	1,000	500	500	500	-	-	-	-	
LD Extra Care	350	350	200	-	200	-	-	-	-	
Continuing Programme										
House Adaptations for People with Disabilities	3,349	3,349	299	5	299	-	-	-	-	
Refurbishment – Registration standards	374	374	64	16	64	-	-	-	-	
Total ASC Gross	21,674	21,093	5,660	1,751	5,079	581	581	0	0	

Business Services – Q2 2015/16

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

Summary of successes and achievements – Following Cabinet approval (10 March 2015), we are expanding and embedding our partnership working with Surrey County Council (SCC) in relation to all Business Services through developing the Orbis partnership. Orbis will deliver seamless and resilient business services, whilst providing savings to both authorities. Bringing together services will create sufficient scale to drive shared efficiencies, enable us to share skills and knowledge, and invest in technology that could otherwise be prohibitively expensive for each organisation alone. Orbis is expected to grow by bringing on public sector partners, and from the pursuit of income opportunities through the provision of services to public sector clients.

Cabinet identified the need for a plan to show the transition to full integration by 2018. An update on progress was provided to officers and Members at Q1, and the Orbis Business Plan, including clarified savings, benefits, risks and timings was finalised in Q2. The Business Plan, which was approved by the Orbis Joint Committee (28 September) and Cabinet (13 October), incorporates feedback and guidance from key stakeholders (including Orbis Joint Committee, ESCC and SCC Scrutiny Committees and Trade Unions). We have engaged with Orbis staff, customers and partners throughout the development of the plan. An introductory Equality Impact Assessment has taken place, and detailed impact assessments will take place relating to specific activities throughout implementation of the Business Plan.

Electronic invoicing – The roll out of electronic invoicing is progressing well, and is currently being piloted with a group of suppliers before full roll out in December. Using our new supplier online system, businesses will be able to choose from a range of methods to invoice us online and can then track the progress of payments. The new system enables us to reduce the cost of processing and storing invoices, and minimises the risk of late payments, helping us to build stronger relationships with our suppliers.

Social Value – We aim to increase the percentage of new County Council procured contracts (awarded following a tender process), that include an Employability and Skills Plan (ESP) to 60%. By the end of Q2, ESPs were put in place for 20% of our contracts awarded in 2015/16 (**ref i**). The focus of Q2 was the embedding of employment and skills as a core consideration throughout all our procurement and commissioning processes. The Employability and Skills through Procurement Policy was revised in July and integrated into a new self-serve guidance document for Procurement staff and Contract Managers. Workshops are taking place in Q3 to deliver a consistent understanding of the use of ESPs across all procurement category teams.

SPACES – During Q2, the Bexhill Traffic Team have been co-located with Rother District Council at Bexhill Town Hall. Greenwich House in Peacehaven has been turned into a nursery, using the existing estate to deliver necessary services in the area. This takes the total number of projects delivered in 2015/16 to seven; providing capital receipts of £2.2m and reducing revenue expenditure by over £100,000 across the relevant partners involved in the projects.

Asset Investment Strategy – We are working to develop an asset investment strategy based on a balanced portfolio approach that will provide an annual income for the Council. This year's target is to have a strategy in place and income targets set, however the team is reviewing the timeline in the context of intelligence gained about how other partner organisations have delivered a sustainable strategy (**ref ii**). We are reviewing investment opportunities to create challenging and achievable targets within the framework of the current East Sussex investment market. The revised timeline will ensure that stakeholders and relevant parties have an opportunity to feed into and develop the process.

Reduction in CO₂ emissions – Carbon emissions at Q2 are 7% lower than at the same period last year. Major projects currently underway include boiler and window replacement at County Hall. Upcoming projects include further improvements to buildings and external lighting upgrades at County Hall, heating control improvements at Hailsham Resource Centre and up to six solar photovoltaics installations to be installed prior to 31 December (before the expected reduction in tariff).

ICT infrastructure and tools – During Q2, we exceeded our target for availability of IT infrastructure to support and enable the business to function, with 99.15% of key services available during core hours (weekend and planned unavailability is excluded, however the Local Area Network is now available 24/7).

In order to gain a qualitative measure on ICT provision, we carried out an ICT Customer Survey during Q2 to establish a baseline of percentage of staff satisfied that the IT tools provided are the right ones to do their job. 79% of staff replied that they were either Somewhat Satisfied, Mostly Satisfied or Completely Satisfied that the technology tools provided are effective in enabling them to do their job (the mode being 46% expressing a view of Mostly Satisfied). The figure of 79% will be taken as the benchmark for future improvement.

Sickness absence – The 2015/16 Q1+2 sickness absence outturn for the whole authority (excluding schools) is 4.08 days lost per FTE employee, which represents a decrease of 10.4% since the same period last year. Stress continues to be the primary driver of absences across the organisation. The estimated year end outturn is 9.17 against a target of 9.24.

Revenue Budget Summary – The Q2 forecast is in line with the budget. This includes a number of service underspends, offset by a pressure of £0.180m in Business Operations due to late delivery of savings (**ref vii**). In addition, there is an ongoing pressure of £0.749m. This is due to: a £0.267m Link pressure above and beyond the Link savings target carried forward from prior years; and £0.482m of outstanding Commissioning Cycle Savings. (**ref iv**).

Of the £0.482m outstanding Commissioning Cycle savings, £0.293m are projected to be achieved and £0.141m will be mitigated permanently. Of the £0.500m Link savings, £0.110m are projected to be achieved and £0.390m mitigated permanently (**ref iii**). Total permanent mitigations of £0.531m (**ref v**) have been identified from Management and Support.

Opportunities will be continually reviewed throughout 2015/16 to mitigate the remaining pressures permanently, in time for the Orbis Partnership. If further mitigations cannot deliver the full savings within this financial year, both the outstanding savings shortfall of £0.482m (**ref vi**) and the Link pressure of £0.267m will be managed in 2015/16 through the use of reserves that were carried forward from 2014/15.

Capital Programme Summary – The Business Services Capital Programme has a forecast slippage of £3.745m into 2016/17 (**ref xii**). The Core Systems budget is forecast to slip by £0.621m (**ref viii**). The only expenditure committed is a 50% contribution to the set-up costs of the Joint e-invoicing project amounting to £60,000, and £20,000 worth of project costs on the new Learning Management System. Further expenditure on Core Systems will depend on the decision taken regarding the future Enterprise Resource Planning (ERP) solution for the Orbis Partnership. There is £1.6m slippage for Agile which is due to re-profiling of works required to hub buildings in Eastbourne and Hastings to deliver the Agile working environment (**ref ix**). A thorough review of the ICT capital portfolios of work is underway; this work has identified a likely slippage of £1.5m into 2016/17 (**ref xi**). Buildings Maintenance is forecast to bring forward an additional £1.4m of expenditure, mainly in the Schools Maintenance Programme, from future years (**ref x**).

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 14/15	Target 15/16	15/16 RAG				Q2 15/16 outturn	Note ref
			Q1	Q2	Q3	Q4		
Priority – Making best use of resources								
Percentage of new County Council procured contracts awarded following a tender process, that include an Employability and Skills Plan	N/A	60%	G	A			10 contracts awarded in Q2 following a tender process, but no ESPs put in place (Year to date: 3/15 = 20%)	i
Develop an asset investment strategy based on a balanced portfolio approach that will provide an annual income for the Council	N/A	Strategy in place and income targets set	G	R			Revised timeline for setting strategy & income targets being put in place	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)

Savings description	2015/16 (£000)					Note ref
	Original Target	Target including unachieved savings c/f from previous year(s)	Achieved	Slipped	Unachieved	
Savings from new delivery models following commissioning cycle	561	916	293	-	623	iii
The Link / PSN	-	500	110	-	390	iv
All other savings	1,163	1,163	1,163	-	-	
Total BSD - original savings	1,724	2,579	1,566	0	1,013	
Mitigations						
- Permanent						
Permanent savings mitigating unachieved Link and Commissioning Cycle savings			531	-	(531)	v
- Temporary						
Use of general planned reserves			482	-	(482)	vi
Total BSD	1,724	2,579	2,579	0	0	

Revenue Budget

Divisions	Planned (£000)			Q2 2015/16 (£000)						Note ref
	Gross	Income	Net	Projected outturn			(Over) / under spend			
				Gross	Income	Net	Gross	Income	Net	
ICT	13,289	(7,824)	5,465	13,299	(7,848)	5,451	(10)	24	14	
Property	27,216	(20,005)	7,211	26,371	(19,219)	7,152	845	(786)	59	
Personnel and Training	2,619	(1,208)	1,412	2,422	(1,066)	1,356	198	(142)	55	
Procurement	1,058	(238)	819	1,058	(238)	819	-	-	-	
Finance	8,267	(3,570)	4,697	8,191	(3,513)	4,678	76	(57)	18	
Management & Support	522	(1,393)	(871)	487	(1,375)	(888)	34	(18)	17	
Non-Specific	779	-	779	767	(6)	761	12	6	18	
Business Ops	3,359	(1,807)	1,552	3,693	(1,961)	1,732	(334)	153	(180)	vii
Total BSD	57,109	(36,046)	21,063	56,289	(35,226)	21,062	820	(820)	0	

Capital programme

Approved project	Total project – all years (£000)		2015/16				Analysis of variation (£000)			Note ref
	Budget	Projected	In year monitor Q2 (£000)			(Over) / under spend				
			Budget	Actual to date	Projected 2015/16	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
Core Systems Development	1,470	1,470	701	-	80	621	-	621	-	viii
The Link	2,718	2,718	17	-	17	-	-	-	-	
SALIX Contract	2,644	2,644	403	28	379	24	-	24	-	
Carbon Reduction Schemes	1,173	1,173	-	-	-	-	-	-	-	
AGILE	9,029	9,029	5,656	1,111	4,056	1,600	-	1,600	-	ix
Capital Building Improvements	32,033	32,033	5,641	3,913	7,013	(1,372)	-	-	(1,372)	x
ICT Strategy Implementation	11,990	11,990	3,874	940	2,374	1,500	-	1,500	-	xi
Total BSD Gross	61,057	61,057	16,292	5,992	13,919	2,373	0	3,745	(1,372)	xii

Children's Services – Q2 2015/16

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

Summary of successes and achievements – The percentage of children achieving a good level of development at the Early Years Foundation Stage in East Sussex in academic year 2014/15 is 74.3%, an increase of 8.7% compared to academic year 2013/14. East Sussex was first among our statistical neighbours and above the England figure (66.3%) by 8%. East Sussex was highest among our geographical neighbours. The achievement gap between the lowest attaining 20% of pupils and the median is 25.5%. This is 6.6 percentage points better than the England figure (32.1%) and 3rd among our statistical neighbours. East Sussex made the 2nd best improvement on the 2014 Achievement Gap.

A consultation has been launched on proposals for a new integrated 0-5 year old service bringing together health visiting and children centres and using the same geographical localities as proposed for the adult integrated teams.

22% of care leavers (24/107 care leavers) are attending university. Four young people have started university, 13 have returned for year 2 and six have returned for year 3. One has returned to do a MA.

For secondary schools there has been a decrease of 18.82% in fixed term exclusions from academic year 2013/14 to academic year 2014/15. There has been a reduction of 5.32% in fixed term exclusions in primary schools from academic year 2013/14 to academic year 2014/15.

Attainment academic year 2014/15 – We have seen improvements at Key Stage 1 bringing East Sussex above the national average (see table below). At Key Stage 2 in academic year 2014/15 provisional data indicates that 80% of pupils achieved Level 4 or above in reading, writing and maths combined; an increase of 1.6% compared to 2013/14. This brings East Sussex in line with the provisional national average of 80%. In academic year 2013/14 East Sussex was 0.3% below the national average.

Key Stage 1- % pupils achieving a level 2b or above in Reading, Writing and Maths						
	Academic Year 2013/14			Academic Year 2014/15		
	Reading	Writing	Maths	Reading	Writing	Maths
East Sussex	79%	69%	79%	82.8%	74.2%	83.8%
National	80%	70%	80%	82.1%	72.1%	81.6%

At Key Stage 4, in academic year 2014/15, provisional data indicates that 55.3% of pupils achieved 5+ A*-C grades including English and maths, 2.1% higher than academic year 2013/14 (**ref i**). The provisional national average is 56.3% which is 0.5% below the 2013/14 final outturn. We have reviewed 2014/15 results and there are two maintained schools where we have exercised our formal intervention powers and issued performance and standard warning letters. We have also contacted the Regional Schools Commissioner where we have concerns about the performance of academy schools.

At Key Stage 5 (includes A levels), provisional data across all level 3 qualifications shows that the average point score per student was 617.7 in 2015 (down slightly from 618.9 in final 2014 data). This compares to 682.6 nationally in 2015 (down from 696.0 in final 2014 data). The average point score indicates the average grade achieved by students. The higher the grade achieved, the higher the points score. The provisional average point score per entry across all level 3 qualifications was 207.2 in 2015 (up from 206.5 in final 2014 data). This compares to 211.9 nationally in 2015 (up from 211.5 in final 2014 data). As part of our Excellence for All strategy, we will continue to work with the Post-16 Education Improvement Partnership to create a more systematic framework for school improvement at Key Stage 5 that is driven by post 16 providers themselves. We will also review further 2015 results as more data is made available for academic and vocational provision and will communicate areas of concern formally to headteachers and principals.

Ofsted inspected the Council's arrangements for supporting school improvement from the 9 to the 13 November. This followed up on our first inspection in June 2014 when the arrangements were judged, by Ofsted, to be ineffective. The key focus of the inspection is the impact of improvement activity and the difference this is making to the performance of schools and the outcomes for children and young people. The conclusions of the inspection will be published by Ofsted in December.

Proportion of LAC achieving five or more A* - C GCSEs including English and maths – The provisional outturn for academic year 2014/15 is 8.9%. This will be reported with the national average later in the year. There are 45 children in the cohort. 89% of the cohort has Special Educational Needs (SEN) and 58% have a statement of need (compared to national LAC figures of 67% and 29%) (**ref ii**).

Looked after Children (LAC) – There continues to be significant financial pressures on the LAC in Safeguarding, LAC and Youth Justice Division, although reductions in Locality spend in this division has mitigated this slightly since Q1 (**ref v**). Our detailed modelling to forecast future LAC costs, carried out alongside a systematic review of all LAC

care plans and placements, continues to show the pressures will reduce gradually after this year over the next Medium Term Financial Plan period. Progress against this continues to be reviewed monthly by senior managers.

Home to school transport – Against this budget there continues to be a forecast overspend of £0.151m (**ref vi**) mainly due to higher than expected hired transport costs experienced in Q1. The department is reviewing the impact of the September intake on this area, from which more pressure is expected. Mitigations to offset this in the division are therefore being considered alongside this.

Revenue Budget Summary – At Q2 the department is forecasting an outturn overspend of £0.357m (**ref vii**) against a net revenue budget of £70.283m. This forecast overspend comprises unachieved savings of £1.855m and projected overspends of £0.011m, offset by projected underspends of £1.510m (of which temporary savings mitigations of £1.499m are proposed). It is also a reduction since Q1 of just under £0.9m, resulting mainly from reductions in forecast spend on Locality (£0.517m), recognising additional income from Troubled Families payment by results grant (£0.300m) and reductions in the LAC forecast spend (£0.095m).

The department continues to take a rounded approach to the budget, managing pressures in some parts, principally LAC within Safeguarding, LAC and Youth Justice (**ref v**), through mitigations in others, including Central Resources (**ref iv**). This is also reflected in the savings exceptions where the Red savings are planned to be mitigated as far as possible through savings elsewhere in the department (**ref iii**). The Senior Management Team is continuing to work on strategies to further reduce the forecast overspend and to achieve the savings overall.

Capital Programme Summary – Progress on the £28.854m capital programme for 2015/16 (**ref xi**) has been reviewed in depth at Q2. The majority is on track, although within the Basic Need Programme there is £2.144m of slippage and £4.372m of spend in advance (**ref x**). The projection for all years of this programme is, however, in line with budget. On the Diploma Exemplar and Schools Access Initiative projects (**ref viii and ix**), overspends are forecast for the year of £0.075m and £0.395m due to additional legal costs and higher than expected demand respectively. The department is looking for ways to mitigate these.

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 14/15	Target 15/16	15/16 RAG				Q2 15/16 outturn	Note ref
			Q1	Q2	Q3	Q4		
Priority – Driving economic growth								
The proportion of pupils in all schools achieving five or more A* - C GCSE's including English and maths	Academic Year 2013/14 53.2% Nat ave: 60%	Academic Year 2014/15 60%	A	R			Provisional Academic Year 2014/15 55.3%	i
The proportion of LAC achieving five or more A* - C GCSE's including English and maths	Academic Year 2013/14 12.5% Nat ave: 12%	Academic Year 2014/15 Equal to or above the national average	A	R			Provisional Academic Year 2014/15 8.9% (4/45)	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)

Savings description	2015/16 (£000)					Note ref
	Original Target	Target including unachieved savings c/f from previous year(s)	Achieved	Slipped	Unachieved	
Looked After Children	500	1,105	-	-	1,105	
Home to School Transport	898	801	51	-	750	
All other savings	1,187	1,187	1,187	-	-	
Total CSD - original savings	2,585	3,093	1,238	0	1,855	
Mitigations						
- Permanent			-	-	-	
- Temporary						
Looked After Children - achieved through overall mitigation within CSD in 15/16.			898	-	(898)	
Home to School Transport - mitigation by robust assessment of need and on-going review of transport provision.			600	-	(600)	
Total CSD	2,585	3,093	2,736	0	357	iii

Revenue budget

Divisions	Planned (£000)			Q2 2015/16 (£000)						Note ref
	Gross	Income	Net	Projected outturn			(Over) / under spend			
				Gross	Income	Net	Gross	Income	Net	
Central Resources	1,048	(3,322)	(2,273)	320	(3,363)	(3,043)	729	41	770	iv
Early Help and Commissioning	14,481	(3,014)	11,467	14,572	(3,094)	11,478	(91)	80	(11)	
Safeguarding, LAC and Youth Justice	43,503	(5,871)	37,632	44,475	(5,875)	38,600	(972)	4	(968)	v
Education and ISEND	69,859	(5,170)	64,689	69,898	(5,212)	64,686	(38)	41	3	
Communication, Planning and Performance	19,917	(4,058)	15,860	20,030	(4,019)	16,011	(112)	(38)	(151)	vi
DSG non Schools	-	(57,092)	(57,092)	-	(57,092)	(57,092)	-	-	-	
Schools	179,840	(179,840)	-	179,840	(179,840)	-	-	-	-	
Total Children's Services	328,650	(258,367)	70,283	329,135	(258,495)	70,640	(485)	128	(357)	vii

Capital programme										
Approved project	Total project – all years (£000)		2015/16 (£000)							Note ref
			In year monitor Q2 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2015/16	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
Eastbourne Academy	-	14	-	14	14	(14)	(14)	-	-	
St. Peter's Chailey - Car Park	-	1	-	1	1	(1)	(1)	-	-	
Primary Capital Programme- Hurst Green	-	6	-	6	6	(6)	(6)	-	-	
ASDC (Aiming High Short Breaks: Disabled children)	504	504	413	333	439	(26)	-	-	(26)	
Diploma Exemplar (Creative Learning)	1,357	1,432	57	132	132	(75)	(75)	-	-	viii
Mobile Replacement Programme	7,392	7,392	1,335	1,290	1,335	-	-	-	-	
Etchingam School	6,900	6,921	(475)	113	(454)	(21)	(21)	-	-	
Family Contact	346	346	115	-	115	-	-	-	-	
Schools Access Initiative	5,451	5,846	190	149	585	(395)	(395)	-	-	ix
House Adaptations for Disabled Children's Carers	1,255	1,255	254	64	254	-	-	-	-	
Schools Delegated Capital	-	-	-	145	-	-	-	-	-	
Universal Infant Free School Meals	985	985	445	346	445	-	-	-	-	
Early Years 2 Year Old's grant	3,031	3,031	2,149	994	2,149	-	-	-	-	
Primary Places	838	838	-	1	-	-	-	-	-	
Basic Need Programme	83,563	83,563	24,371	15,263	26,599	(2,228)	-	2,144	(4,372)	x
Total CSD Gross	111,622	112,134	28,854	18,851	31,620	(2,766)	(512)	2,144	(4,398)	xi

Communities, Economy & Transport – Q2 2015/16

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

Summary of successes and achievements – 13 businesses were approved for funding under East Sussex Invest 4, the funding will aim to create 42 jobs. Trading Standards helped 37 scam victims. 59,436 premises now have access to improved broadband speeds (end of Q1). Appointments to the new Apprenticeship Coordinator and Business Support Navigator positions have been completed. School Safety Zones were completed at two sites.

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

Broadband (GS) – 59,436 premises have access to improved broadband speeds (end of Q1, reported a quarter in arrears). The data on the speed of the new internet connections, provided by BT, has been found to contain inaccuracies due to the way they collect the data. This is being worked on nationally and updates will be provided when they are available. Statistics from Broadband Delivery UK show that the take-up rate in connected areas as at 30 June 2015 was 16.4%. We have agreed a second contract of works with BT, beginning in 2016, which will see high-speed internet access extended to at least 5,000 more homes and businesses in the county; £3.2m of cost savings from contract one will be carried over to this new stage of the project (**refs ii and vii**).

Inward Investment (GS) – Locate East Sussex helped two companies open new businesses or expand in the county, creating 10 jobs. Handelsbanken, the UK trading name of Swedish banking group Svenska Handelsbanken AB, were found suitable premises for their new Eastbourne branch at Ivy House, creating five jobs. Kurt J Lesker adapted 10,000sqft of its distribution warehouse in Hastings to introduce a new manufacturing line, also creating five new jobs.

East Sussex Invest 4 (GS) – 13 businesses were approved for funding, committing £302,000 and aiming to create 42 jobs. The loans included £48,000 for Ridgeview Estate Winery to help build a visitor centre. The Catalysing Stalled Sites fund, designed to unlock stalled commercial and housing site opportunities across the county, has been launched. Nine Expressions of Interest have been considered of which seven will go to the next stage, which can include various requirements, from meeting minor conditions to submitting further reports for reapproval.

East Sussex Growth Hub (GS) – The new Business Support Navigator for Business East Sussex (BES) has been appointed, as the first point of contact at the Growth Hub they will assess companies' needs and refer them on for support. The BES website was officially launched at the second annual Best4Biz East Sussex business conference on 16 October 2015. The first BES Steering Group meeting, which manages the Growth Hub and its services, took place on Friday 6 November.

Employability and Skills Strategy (GS) – We have obtained a database holding details of all education courses attended by over-16s from the Skills Funding Agency (SFA). It will help us to identify what courses young people are studying, and to work with business to ascertain whether current education provision is meeting employer needs.

Apprenticeships (GS) – The first work readiness programme attracted applications from 47 young people. Of these 21 undertook work readiness training with the Council, 17 undertook work experience and 16 have been appointed as Business Administration Apprentices and are due to start work with the Council mid November. One young person who attended the work readiness programme was a Looked After Child. Systems to support managers and young people have been devised.

Cultural Destinations (GS) – The funding bid of almost £100,000 submitted to Arts Council England in Q1 was refused. We are investigating alternative funds which would allow us to commission individual elements of the planned work, such as marketing the Coastal Cultural Trail. The £134,000 identified as match funding in Q1 is still being spent on promoting East Sussex as a cultural destination (**ref iv**).

Newhaven Port Access Road – The business case for the road has been delayed due to problems in agreeing its scope with the Department for Transport (DfT); work continues to try and reach an agreement. The measure is rated red as there is a risk the business case won't be submitted until Q4, so it is unlikely it would be approved this year. The capital cost of the scheme is therefore forecast to slip £12.7m into later years (**ref iii and x**).

Bexhill Hastings Link Road (BHLR) – The road is still scheduled to open later in the autumn; discussions about a formal opening by a Government Minister are ongoing. The BHLR 10k Run, along the course of the road, organised by the Bexhill & Hastings Lions Clubs was held on 20 September 2015. Over 1,000 runners took part as they 'ran through history', with information and displays highlighting some of the archaeological work that has taken place along the course. The current forecast cost has increased by £0.1m to £120.9m including the previously reported overspend of £4.4m. The project has also now been re-profiled. (**ref viii**).

Terminus Road, Eastbourne – Construction of stage 1, improvements to the station forecourt and a cycle lane in Ashford Road, has commenced. Detailed designs of the full scheme are almost complete; however the pre tender evaluation indicates that the cost may be higher than previously thought. Further funding is being sought through the Local Enterprise Partnership; if this is obtained work on stage 2 will begin in the summer of 2016 with an estimated

completion date of summer 2017. We haven't awarded the contract by the end of September due to the unexpected delays and increased funding requirement described above. We propose amending the target to 'Commence the contract procurement process'. The capital cost of the scheme is forecast to slip £2.2m into later years (**ref i and xi**).

Road Safety – Four people were killed (one of these was on a Highways England (HE) trunk road) and 100 were seriously injured (16 of these were on HE trunk roads) on our roads between April and June 2015. There has been an 8.8% decrease in the number of people Killed and Seriously Injured (KSI) on our roads in the first half of 2015 (January – June) when compared to 2014. However the KSI total for April to June has increased by 10.6% on the same period last year, from 94. The national validated crash data, released by the DfT in June, is being analysed by the Sussex Safer Roads Partnership to identify any local issues and to compare to regional and national trends. Identification of local crash sites and routes has been completed and a programme of local safety schemes and route studies is being put in place to examine the top priority sites rated on their potential contribution to crash reduction. Depending on the findings of these studies remedial engineering work may be undertaken. Provisional data for July – September 2015 shows that there were 7 fatalities on our roads with 88 people being seriously injured.

The Department for Transport has published the national road casualties report 2014, highlighting that 60% of fatalities occur on rural roads, and has launched its Think! Country Roads Campaign. This has been promoted on the SSRP website. Figures for 2014 show that 13 of the 16 road fatalities for East Sussex occurred on rural roads. Nationally the most common contributory factors were 'failed to look properly' and 'loss of control' and were respectively recorded for 21% and 38% of fatal accidents on rural roads.

We have allocated £1m over three years, from our Public Health budget, as a one off investment to investigate why the county has a high KSI rate and what actions would be appropriate to address this. We are putting together a comprehensive review and analysis project and will be presenting an update on this work to a joint Scrutiny Board meeting in early 2016.

Road Condition – We are in the second year of a four year investment period and work continues to improve and maintain the condition of our principal, non-principal and unclassified roads. During Q2 we have completed 63 schemes of work costing £4.5m.

School Safety Zones – Two new school safety zones were completed in Q2. New signal equipment was installed at Heathfield Community College and a scheme of works was completed at Ratton School in Eastbourne. Schemes at St Richards Catholic College, Bexhill, and Christchurch Church of England School, St Leonards, are being developed with work expected to commence in Q4.

Trading Standards – Trading Standards ran 14 business workshops in Q2 which were attended by 289 people; topics covered included distance selling and the Consumer Rights Act. Officers helped 37 victims of mass marketing fraud, two of whom were identified as chronic victims. One victim, who was identified and helped last year, began to receive scam mail again, as many as 33 letters per day. She has agreed to become a 'Mail Marshall', collecting the scam mail she receives and passing it on to Trading Standards Officers; this will provide the Scams Team with intelligence to help with future investigations. Eight contacts to the Rapid Actions Team (RAT) were made in Q2, all of which were responded to within the two hour target response time. The intervention of the RAT saved the eight consumers a total of £9,950; this included a couple in their 80s who were talked into paying £5,200 to have their drive block paved despite their contract not complying with the law.

Revenue Budget Summary – At Q2, there is a forecast overspend of £0.406m. This is the result of some unachieved savings from 2014/15. The most significant savings shortfalls are in Waste and Passenger Transport. The waste shortfall will be mitigated by Pebsham gas income and the waste reserve. It is proposed to mitigate the Passenger Transport shortfall using either the parking reserve or underspends forecast in concessionary fares, depending on the quarterly concessionary fares data. There are also unachieved savings for Highways, Road Safety and Emergency Planning. In addition to unachieved savings, there is a budget shortfall for the maintenance of the Keep (**ref v**).

Capital Programme Summary – At Q2, the forecast capital expenditure is £97.1m (£104.8m at Q1) against an approved programme of £129.1m. Of the variation at Q2, £35.9m is slippage, a net overspend of £3.4m and spend in advance of £0.5m. Slippage has increased overall by £6.3m since Q1. This is mainly due to a thorough review and challenge of the Economic Growth and Strategic Infrastructure programme with total slippage of £8.6m now forecast (**ref ix**). Within this programme grants and loans of approximately £3.3m allocated under the Economic Intervention Fund have been re-profiled to 2016/17 and 2017/18, and the Newhaven Flood Defence scheme has been re-programmed by the Environment Agency to start in 2016 giving rise to slippage of £3.2m. There has also been a slower take up than predicted on other Economic Growth initiatives such as the upgrade of commercial property, EDS incubation units and Catalysing Small Sites. There is less slippage than previously predicted on the Broadband programme where the forecast has been reduced from £6.7m to £3.2m, due to updated schedules received from BT (**ref ii and vii**). As previously reported there is slippage of £6m on Hastings Library (**ref vi**) but a re-design and rationalisation of the proposals indicates a reported saving of £1m. The cost increase on the Bexhill Hastings Link Road has increased by £0.1m to £4.5m in comparison to the £4.4m reported at Q1 (**ref viii**).

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 14/15	Target 15/16	15/16 RAG				Q2 15/16 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	The scheme design continues to progress well. However contract has not been awarded	Contract awarded September 2015 Target amendment Commence the contract procurement process	G	AD			Pre Tender evaluation indicated scheme implementation cost will exceed original budget. Further funding being sought through the LEP.	i
Report progress on the level of broadband improvement in the Intervention Area	As at 31.12.14 over 15,000 premises receiving speeds of 24mbps or above only 2211 receiving less than 24mbps	Report build phase 3 - 9: number of premises with broadband speed achieved	G	A			BT reworking speed data as found to contain inaccuracies (which under-estimate the impact of the project).	ii
Deliver major transport infrastructure – Newhaven Port Access Road	Detailed design delayed due to uncertainties over DfT approval process for LGF (external) funding for schemes.	Business case approved	G	R			Business Case delayed due to difficulties agreeing scope with DfT. Submission may not take place until Q4 2015-16. Approval this year therefore unlikely.	iii
Deliver Cultural Destinations Action Plan as resources are secured	Action Plan agreed	Secure investment to deliver action plan	G	A			Funding bid refused. Seeking alternative funds to commission individual elements.	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)						
Savings description	2015/16 (£000)					Note ref
	Original Target	Target including unachieved savings c/f from previous year(s)	Achieved	Slipped	Unachieved	
Passenger Transport	1,660	1,660	1,310	-	350	
Waste	-	421	-	-	421	
Emergency Planning	-	32	-	-	32	
Highways	-	280	-	-	280	
Road Safety	-	255	-	-	255	
All Other Savings	582	767	767	-	-	
Total CET - original savings	2,242	3,415	2,077	0	1,338	
Mitigations						
- Permanent						
- Temporary						
Passenger Transport Vacancies etc.			59	-	(59)	
Emergency Planning one off			22	-	(22)	
Road Safety one off income etc.			52	-	(52)	
Concessionary Fares			413	-	(413)	
Pebsham Gas Income and other one off			421	-	(421)	
Total CET	2,242	3,415	3,044	0	371	

Revenue budget

Divisions	Planned (£000)			Q2 2015/16 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Management and Support	1,263	(160)	1,103	1,456	(164)	1,292	(193)	4	(189)	
Customer and Library Services	9,332	(2,678)	6,654	9,735	(2,835)	6,900	(403)	157	(246)	v
Communities	3,427	(2,143)	1,284	3,678	(2,171)	1,507	(251)	28	(223)	
Transport & Operational Services	71,794	(38,388)	33,406	70,988	(37,982)	33,006	806	(406)	400	
Highways	18,212	(5,480)	12,732	18,857	(5,842)	13,015	(645)	362	(283)	
Economic Development	2,293	(1,610)	683	2,562	(1,915)	647	(269)	305	36	
Planning and Environment	2,842	(1,971)	871	3,505	(2,733)	772	(663)	762	99	
Total CET	109,163	(52,430)	56,733	110,781	(53,642)	57,139	(1,618)	1,212	(406)	

Capital programme

Approved project	Total project – all years (£000)		2015/16 (£000)							Note ref
			In year monitor Q2 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2015/16	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
The Keep	19,171	19,171	730	202	730	-	-	-	-	
Rye Library	87	87	66	-	66	-	-	-	-	
Hastings Library	9,444	9,444	7,651	240	550	7,101	1,070	6,031	-	vi
Hasting Registration Office	472	472	472	-	472	-	-	-	-	
Newhaven Library	1,754	1,754	157	50	157	-	-	-	-	
Southover Grange (formerly The Maltings)	1,200	1,200	1,146	32	836	310	-	310	-	
Library Refurbishment Programme	1,983	1,983	418	26	418	-	-	-	-	
Newhaven Household Waste Recycling Site	2,041	2,041	5	1	1	4	-	4	-	
Pebsham S106	200	200	138	32	138	-	-	-	-	
Travellers Site Bridies Tan	1,348	1,348	34	-	34	-	-	-	-	
Broadband	25,600	25,600	20,271	4,153	17,023	3,248	-	3,248	-	vii
Bexhill to Hastings Link Road	116,425	120,925	18,465	7,549	23,031	(4,566)	(4,501)	-	(65)	viii
BHLR Complimentary Measures	1,800	1,800	1,542	347	1,542	-	-	-	-	
Reshaping Uckfield Town Centre	2,500	2,500	1,713	30	930	783	-	783	-	
North East Bexhill Roundabout	1,234	1,262	840	249	868	(28)	(28)	-	-	
Exceat Bridge Maintenance	500	500	500	10	80	420	-	420	-	
Economic Growth & Strategic Infrastructure Programme	50,760	50,760	22,968	2,883	14,372	8,596	-	8,596	-	ix
Newhaven Port Access Road	23,219	23,219	13,049	23	344	12,705	-	12,705	-	x
Street Lighting Invest to Save	920	920	17	14	17	-	-	-	-	

Capital programme										
Approved project	Total project – all years (£000)		2015/16 (£000)							Note ref
			In year monitor Q2 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2015/16	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
Local Sustainable Transport Fund - ES Coastal Towns	2,107	2,561	423	368	877	(454)	-	-	(454)	
Local Sustainable Transport Fund - Travel choices for Lewes	1,252	1,196	171	35	115	56	-	56	-	
Eastbourne and Hastings Light Reduction	3,704	3,704	47	-	47	-	-	-	-	
Lewes Station Bridge	863	1,113	629	5	879	(250)	(250)	-	-	
Eastern Depot Development	1,586	1,586	1,396	-	300	1,096	-	1,096	-	
Newhaven Swing Bridge	1,238	1,488	311	340	526	(215)	(250)	35	-	
Waste Leachate Programme	250	250	250	-	-	250	-	250	-	
Integrated Transport - LTP plus Externally Funded	77,460	77,460	7,138	1,354	6,929	209	-	209	-	
Speed Management	2,718	2,718	20	7	5	15	-	15	-	
Terminus Road Improvements	3,250	3,250	3,144	130	950	2,194	-	2,194	-	xi
Highway Structural Maintenance	103,038	103,038	23,027	13,078	23,027	-	-	-	-	
Bridge Assessment Strengthening	17,490	16,990	1,120	247	620	500	500	-	-	
Street Lighting - Life Expired Equipment	7,902	7,902	869	444	869	-	-	-	-	
Rights of Way Surface Repairs and Bridge Replacement	4,617	4,617	410	195	410	-	-	-	-	
Total CET Gross	488,133	493,059	129,137	32,044	97,163	31,974	(3,459)	35,952	(519)	

Governance – Q2 2015/16

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

Reconciling Policy, Performance and Resources (RPPR) – On 30 September we published our Statement of Accounts, showing where we have spent and invested money and our financial position at the end of March 2015. On 8 October we published our Annual Report, summarising our achievements in 2014/15 and providing an overview of the county's changing demographics. Portfolio Plans for 2016/17-18/19 are currently being drafted and will be reviewed by Scrutiny Boards in December before publication in March. Cabinet, on 13 October, considered initial savings proposals for 2016/17, the revised Medium Term Financial Plan for 2016/17-18/19, and the 'One Council' framework for planning. Financial uncertainty will remain until we have reviewed the Government's Comprehensive Spending Review, which was published on the 25 November, and the local government settlement, which is expected to be announced in late December.

Supporting democracy – During Q2 we supported 41 formal meetings including: 1 Full Council; 2 Cabinet meetings; 14 Lead Member meetings; 9 scrutiny committees and review boards; and 15 other committees and panels. All the meetings in Q2 were managed by the new committee management system, Modern.gov, which is making the Council's public-facing information about meetings more accessible and relevant. 106 school admission appeals were received and arranged, plus 1 exclusion appeal. A Members ICT survey was completed in September with a 49% return rate. The survey identified a need for further ICT training, and courses will be offered to Members from November. The survey also showed a need for longer term changes which will be discussed and progressed with the Members ICT Group. The findings will also assist with the development of a strategy for ICT equipment and support to Members following the county elections in May 2017, this work means that the capital finance committed to laptops for Members won't be needed immediately (**ref ii**).

Legal Services – Prosecutions for fraudulent use of blue badges (disabled parking) resulted in 4 convictions and 2 cautions with total penalties of £2,465. We also successfully undertook our first IPNA (Injunction Preventing Nuisance or Annoyance), which replace ASBOs, for Sussex Police against two Eastbourne residents for alcohol and noise issues. The two residents are forbidden from causing further nuisance, restrictions include an indefinite ban on them playing loud music and also having alcohol or being drunk in a public place.

Recent changes in the law mean there are an increasing number of court hearings in order to ensure that members of the community who are mentally incapacitated are protected. We advised and assisted Adult Social Care in making four applications to the Court of Protection in Q2, to ensure that these vulnerable people were safeguarded.

We continued to advise Children's Services in pre-proceedings cases (96 open to Legal Services at 30 September). The aim of these proceedings is to work with families to enable them to keep their children within the family; however where this is not possible and care proceedings are brought, we also provide advice and representation to Children's Services. 19 sets of care proceedings were concluded in Q2, securing vulnerable children a safe placement whether with relations, in foster care or by way of adoption.

During Q2 we completed six s106 planning agreements securing a total of £243,907 in contributions.

Work continues to facilitate joint working with a wider partnership for the provision of Legal Services. This included analysis of each team's case work, joint training, a joint managers meeting and regular cooperation and assistance on case work. We have also successfully completed our first joint recruitment exercise for Trainee Solicitors for both the Council and Surrey County Council (SCC).

We are replacing our existing separate electronic bundling and time recording systems with a comprehensive case management system. This is to facilitate Agile working and to be as fully compatible with the one currently used by colleagues at SCC as possible. Time recording on the new system went live in September and full case management functionality in October.

We have training sessions planned for colleagues on procurement, Special Educational Needs and Town and Village Greens.

We continued to provide legal services to outside bodies including Sussex Police, the Office of the Sussex Police and Crime Commissioner and District and Borough Councils.

Effective public campaigns – East Sussex Music service was successfully launched with new branding, web pages, online registration and publicity. This rebrand has helped to raise the profile of the music service and improved marketing which is supporting the service to become financially sustainable.

A specific marketing campaign, combining social media and poster advertising, was run in July and August to encourage take-up of Bikeability cycling safety courses. This year's uptake, 235, was 40% higher than last year, 168. Courses for the October half-term are already fully booked for the first time.

The You're Hired campaign, led by the Council in partnership with a range of other organisations, aimed to persuade East Sussex businesses to hire 500 apprentices. The campaign smashed its target with companies agreeing to create 699 apprenticeships. The communication team developed and delivered video, web, social media and print material to drive the campaign. Research shows that 37% of East Sussex residents were aware of the campaign, rising to 41% among those in full-time employment.

Social Enterprise activity – During Q2 we met with Social Enterprise East Sussex (SEES) to discuss their successful bid to the Economic Development Programme run by Co-Operatives UK and Locality. The programme will enable SEES to access a small grant and expert support and help them to fulfil their role in supporting local social enterprise activity. SEES are expected to share their development plans with the Council during Q3.

Website migration project – The Council's website was successfully switched to a new content management system and cloud hosted server on 1 July 2015, after 18 months of work. All 2,000 webpages were migrated to the new platform which will be more stable, resilient and cost-effective. Over 80 internal web authors have been given training to use the new system.

World War 1 (WW1) commemorations – The interactive WW1 website (<http://www.eastsussexww1.org.uk>) has been viewed 68,705 times since launch. It hosts 141 stories and events, 64% of which have been submitted or contributed to by the public. 103 completed records of war memorials are now publically available on our sister website, Recording Remembrance (<http://www.recordingremembrance.org.uk/help>). Our WW1 Twitter profile now has 934 followers, who are regularly making contact to share their WW1 stories. We are working with Eastbourne Borough Council to organise a ceremony to unveil a commemorative paving stone in 2016, to honour the WW1 Victoria Cross recipients in the town. Two ceremonies have already been held in Lewes and Seaford. In discussion with teaching representatives across the county, we converted selected website stories and content into educational resources for local schools, which went live on 1 October 2015.

Revenue budget summary – The Q2 forecast for Governance Services is in line with the budget. There are slight movements within individual services but this is being managed within the overall budget (**ref i**).

Capital programme summary – The four capital projects within Governance are all projected to be spent in 2015/16. There is a possibility that the laptops for Members may slip into future financial years due to the uncertainty over what equipment will be required at which point; more certainty on the profile is expected in the coming months (**ref ii**).

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 14/15	Target 15/16	15/16 RAG				Q2 15/16 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)

Savings description	2015/16 (£000)					Note ref
	Original Target	Target including unachieved savings c/f from previous year(s)	Achieved	Slipped	Unachieved	
Democratic and Scrutiny	18	18	-	-	18	
All other savings	177	177	177	-	-	
Total Governance - original savings	195	195	177	0	18	
Mitigations						
- Permanent			-	-	-	
- Temporary						
Refreshments and other			18	-	(18)	
Total Governance	195	195	195	0	0	

Revenue budget

Divisions	Planned (£000)			Q2 2015/16 (£000)						Note ref
	Gross	Income	Net	Projected outturn			(Over) / under spend			
				Gross	Income	Net	Gross	Income	Net	
Corporate Governance	3,606	(73)	3,533	3,558	(50)	3,508	48	(23)	25	
Corporate Support	3,716	(702)	3,014	3,591	(557)	3,034	125	(145)	(20)	
Management and Support	1,328	(364)	964	1,333	(364)	969	(5)	-	(5)	
Total Governance	8,650	(1,139)	7,511	8,482	(971)	7,511	168	(168)	0	i

Capital programme

Approved project	Total project – all years (£000)		2015/16 (£000)							Note ref
	Budget	Projected	In year monitor Q2 (£000)				Analysis of variation (£000)			
			Budget	Actual to date	Projected 2015/16	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
Case Management System	79	79	79	27	79	-	-	-	-	
Committee Management System	29	29	29	20	29	-	-	-	-	
Laptops for Members	42	42	42	-	42	-	-	-	-	ii
Total Governance	150	150	150	47	150	0	0	0	0	

Strategic Risk Register – Q2 2015/16

Ref	Strategic Risks	Risk Control / Response	RAG
2	<p>ORDINARY RESIDENCE</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&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>	R
7	<p>SCHOOLS</p> <p>An increasingly diverse set of education providers could, potentially increase the risk of underperformance due to the local authority having fewer powers of intervention. This could impact negatively on the Council's reputation as Ofsted holds the local authority to account for the performance of all schools.</p>	<p>The LA has a duty to champion educational excellence for all children:</p> <ul style="list-style-type: none"> •Relationships with academies continue to be built and we are working with sponsors, including the Diocese of Chichester, to find appropriate academy solutions for schools. •Academies are included in the Education Improvement Partnerships and alliances. •Academies are all party to data sharing agreements and are sharing targets and progress data with us. •Performance data continues to be analysed for all schools so that the LA maintains an overview of the performance of all pupils in the County. •In the first instance, the LA offers direct support to academies to address any performance concerns that become apparent through close analysis of the data or other intelligence gathering; this includes support from consultant headteachers for secondary academies. •Where academies do not appear to be accessing appropriate support, the LA brings this to the attention of the DfE, who may exercise their intervention powers. 	R
8	<p>CAPITAL PROGRAMME</p> <p>Failure to deliver capital programme outcomes on-time and on-budget, impacting on the Council's ability to support local economic growth.</p>	<p>The Council has a five year capital programme in place which reflects Council priorities. This is updated annually and monitored as part of the Reconciling Policy, Performance and Resources (RPPR) process.</p> <p>In April 2015, a high level Capital Programme Management Review was commissioned with a recognition that we need to not only set firm targets for the next year of the programme, but set indicative targets for the following years and start to focus on shaping the 2018-2021 capital programme. The brief set out that there needs to be shift of focus from capital programme 'monitoring' to capital programme 'management' in order to improve forecasting and scheme scheduling and planning.</p>	R

Strategic Risk Register – Q2 2015/16			
Ref	Strategic Risks	Risk Control / Response	RAG
1	<p>ROADS</p> <p>Severe winter weather, over recent years, caused significant damage to many of the county's roads including an unprecedented number of potholes. We know that this is likely to lead to a backlog in repairs, an increased number of potholes and an increased number of liability claims causing reputational damage and increasing financial risk to the Council.</p>	<p>With the first two years of the current 4 year carriageway funding period now delivered, improvements in condition continue to be achieved in line with initial modelling. Condition of the unclassified road network has improved in line with the asset plan, reducing the length requiring structural maintenance and building resilience.</p> <p>A strategic approach to drainage is being developed, to implement the principles of asset management, deliver improved drainage performance and long term maintenance value. The strategy is to be presented to Lead Member for approval in October 2015.</p> <p>The strategy will develop a greater understanding of the asset alongside a risk based, preventative approach to drainage maintenance. This will enable the highway authority to more effectively plan for and mitigate the effects of extreme weather events including flooding.</p>	A
4	<p>HEALTH</p> <p>Programme established to transform health and social care in East Sussex and deliver the Better Care Fund plan to improve outcomes for East Sussex residents. Failure to deliver programme will impact on social care, public health and health outcomes and increase social care cost pressures.</p>	<p>Implementation of East Sussex Better Together Programme by ESCC and all East Sussex Clinical Commissioning Groups, with robust governance arrangements reporting to County Council and Health and Wellbeing Board. Programme will include review of needs and available resources, wide engagement with stakeholders and residents and evidence of best practice, to develop a 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. Risks are being reassessed following the outcome of the General Election in May.</p>	A
5	<p>RESOURCE</p> <p>Failure to plan and implement a strategic corporate response to resource reductions, demographic change, and regional economic challenges in order to ensure continued delivery of services to the local community.</p>	<p>We employ a robust Reconciling Policy, Performance and Resources (RPPR) process for business planning. We have adopted a commissioning approach which means evaluating need and considering all methods of service delivery, which includes working with partner organisations to deliver services. The Council Plan sets out targets for a 'One Council' approach to deliver our priorities and is monitored quarterly. Over the coming year the Government's savings plans and the impact of new legislation, coupled with increased demands arising from demographic changes, could hamper the Council's ability to deliver its statutory duties. A bid for greater devolution has been submitted to the DCLG on behalf of the 3SC area (East and West Sussex and Surrey), which it is hoped will bring greater local control over all public sector funding, but greater autonomy is not without risk and care will need to be taken to ensure that these are fully understood in any subsequent negotiations.</p>	A

Strategic Risk Register – Q2 2015/16

Ref	Strategic Risks	Risk Control / Response	RAG
9	<p>WORKFORCE</p> <p>Under-informed and under-motivated workforce results in adverse impact on service delivery / performance and ability to successfully deliver service transformation / corporate change programme.</p>	<p>A People Strategy has been developed based on feedback from a series of employee engagement sessions run in 2013/14 and subsequent manager engagement events. This Strategy sets out a range of initiatives and interventions that will help achieve the people changes needed over the next 3-5 years, in the context of future savings requirements and business improvements. The emphasis is on supporting and developing our managers and staff to enable them to respond positively to the changing environment.</p> <p>We recognise that high levels of change can impact on staff wellbeing and that there is a risk of stress in this context. A Stress Risk Assessment process has been developed to facilitate employees and their managers in jointly investigating the causes of, and identify solutions to perceived stress. Approaching stress management in this way means that employees can play a major part in clearly identifying the issues involved and how these can be addressed.</p> <p>Alongside this, a range of Wellbeing Initiatives have been developed and a dedicated wellbeing internal communication plan is now in place. This has included a 'Wellbeing' Yammer group and intranet articles focusing on the importance of taking regular breaks and our commitment to the Mental Health 'Time for Change Pledge'. A dedicated intranet page on stress has been developed. This includes information around the support we can provide to staff to help them combat stress, the range of wellbeing services available, as well as some 'top tips' on managing and coping with stress.</p> <p>The appraisal and 1-2-1 protocols and the attendance management procedure are being reviewed and tailored to enable managers and employees to discuss any wellbeing concerns at an early stage and put in place a shared agreement to prevent future Stress and Mental Health related absences.</p> <p>A mindfulness programme is being developed as part of the resilience strategy and tasters were offered to staff on Stress Awareness Day (04 November 2015).</p> <p>The Corporate Management Team web-chat provides a quarterly opportunity to engage with a broader cross section of the workforce and respond to staff queries and issues. Alongside this, we continue to engage with Trade Unions on both a formal and informal basis, including discussions about change programmes and the impact on staff motivation and wellbeing.</p>	A
10	<p>WELFARE REFORM</p> <p>Welfare reform leading to sub-optimal outcomes for East Sussex community. Impact on working age adults with the potential increased demand on services. Direct financial pressure on the County Council along with implications on spending within the wider local economy.</p>	<p>Work with the District and Borough Councils to understand the impact of changes to the Council Tax Benefit scheme for East Sussex. Any potential financial impact is reflected through the Reconciling Policy, Performance and Resources (RPPR) process. We are working in partnership through the Financial Inclusion Partnership and the Targeted Welfare Reform Project which provides information on the changes to partners and the public across East Sussex. This has included universal benefit which has been introduced in Hastings and Rother and will be rolled out across the County. Funding from the Government for the Discretionary East Sussex Support Scheme, which helps people on benefits in crisis, has been secured for 2015/16. The Government has said that it will make £12bn savings from welfare during this Parliament, which could increase demands on County Council services. Risks and actions will be reviewed in the light of changes coming out of the CSR.</p>	A

Strategic Risk Register – Q2 2015/16			
Ref	Strategic Risks	Risk Control / Response	RAG
3	<p>CARE ACT</p> <p>Failure to implement the additional duties, demands and other direct implications arising from the Care Act, within reducing resources, whilst continuing to meet current statutory duties. Although the funding reforms due for implementation have been put on hold until 2020 There is still a need to implement and embed new duties relating to eligibility and assessment, financial assessment and deferred payments, commissioning and market management, advice and information and whole family working. There remain risks (at a lower level) in implementing the remaining duties in relation to financial pressures, staffing issues and legal challenge.</p>	<p>Care Act governance arrangements established with CMT oversight and workstreams identified for each aspect of the Act.</p> <p>Close working with ADASS to ensure, where possible, regional implementation solutions can be sought to minimise duplication and variation. Representation on ADASS workstreams and close working with the regional lead are in place.</p> <p>Joint working with East Sussex Clinical Commissioning Groups, to develop the Better Care Fund is established and implementation is on schedule.</p> <p>Current programmes of work are cognisant of Care Act implications, where known, and are being planned and delivered accordingly. For example with the social care information system; review of internet content; care pathway business process redesign; Better Together - health and social care integration programme.</p>	A
6	<p>LOCAL ECONOMIC GROWTH</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>The East Sussex economy continues to grow, and the number of people claiming job seekers allowance is now at pre-1983 levels. East Sussex has been successful in gaining funding against local projects in Growth Deals Round 1 and 2 totalling £60.28m, along with additional funding of £11.5m via C2C and a pan-LEP Coastal Communities project, gained part-funding of £2m.</p> <p>Work is progressing to deliver all projects where funding has been secured, and business cases are being developed to unlock funding for other pipeline projects.</p> <p>Through the SE LEP 2015/16 Skills capital fund, Sussex Downs College (SDC) was successful in bidding for £160k to help deliver refurbished science facilities. In addition, under the new 'Skills Capital Specialist Equipment' fund SDC have secured a further £50k.</p> <p>Calls for EU funding projects have been issued through various mechanisms (European Social Funds, Regional Development Funds etc.), and bid proposals for 'Access to Finance' and 'Growth Hub' funding are being developed with partners.</p> <p>ESCC has agreed to be the lead partner for the Technical Assistance bid for the SE LEP that will help develop applications with partners.</p> <p>Now that Government has confirmed that there will be no 'break-up' of SELEP, work continues to develop the project pipeline on all fronts in advance of Growth Deal Round 3 which is anticipated to be announced later in the year.</p>	G