

## REPORT OF THE CABINET

---

The Cabinet met on 8 March 2016. Attendance:-

Councillor Glazier (Chair)

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

### **1. Three Southern Counties Devolution**

1.1 A progress report on the Three Southern Counties (3SC) devolution work was considered by Cabinet at its December 2015 meeting. This report provides an update on the activity that has taken place since that date.

1.2 The Strategic Oversight Group, the officer group responsible for providing oversight and day-to-day leadership of the 3SC devolution activity, met for the first time on 7 January 2016. The group brings together all of the officers leading the work on the 3SC devolution focus areas to ensure a consistent and coherent direction of travel for the development of the devolution proposals and to advise the 3SC Leaders' Group and the "pitch team" (the team who represented the 3SC at the Ministerial Challenge meeting).

1.3 The 3SC pitch team met with Baroness Williams, Parliamentary Under-Secretary of State for Communities and Local Government, on Thursday 14 January 2016 as part of the initial Ministerial Challenge meeting which takes place as devolution talks progress. The team was made up of the Leaders from the three County Councils, a Borough and District Leader representative from each county area and Tim Wates, Chair of Coast to Capital Local Enterprise Partnership (LEP). East Sussex was represented at the meeting by Councillor Glazier, Leader of East Sussex County Council and Councillor Standley, Leader of Wealden District Council. Baroness Williams was impressed by the progress that has been made over recent months and gave a very positive response to the 3SC proposal. Baroness Williams was particularly pleased with how well the numerous authorities across the 3SC area involved in the proposal are working together.

1.4 The 3SC has adopted a phased approach to negotiating proposals with Government. As such, the focus areas prioritised for discussion at the meeting were housing and planning, infrastructure and skills. The Minister recognised the importance of maximising the potential of brownfield sites in public ownership and was interested in the proposed delivery of at least 34,000 new homes across the 3SC by 2020. The Minister was keen that work should now commence with the Homes and Communities Agency to develop a register of brownfield land available for development and to firm up delivery numbers for a second Ministerial Challenge meeting. The Department of Communities and Local Government (DCLG) is also keen to work with the LEPs to consider how early delivery of infrastructure will release growth.

1.5 As a "gateway meeting" which would determine whether the 3SC proposition would progress further or whether some of the fundamental tenets of the proposals would need revisions, the positive response to the "asks and offers" allows the next phase of more detailed discussions to take place with partners and Government.

1.6 The Governance arrangements were also discussed and it was agreed that progress will take place as part of the Governance Review.

1.7 Baroness Williams and DCLG encouraged the 3SC to get started on delivery in areas that do not require devolved funding or powers, and to provide an update on progress at a second

Ministerial Challenge meeting (a date for a second meeting has not yet been arranged). A letter following the meeting was sent from Baroness Williams to Councillor Goldsmith, Leader, West Sussex County Council and main 3SC spokesperson, reaffirming Government's endorsement for the 3SC devolution bid and encouraging the 3SC to begin delivery as soon as possible (a copy of the letter was attached as Appendix 1 of the report to the Cabinet).

1.8 A meeting of all workstream lead officers took place on 19 January 2016 to plan the next phase of work following the Ministerial Challenge meeting. Philip Carr, Relationship Manager, Department for Business, Innovation and Skills, provided an update on the next stage of negotiations with Government (Philip Carr advised Baroness Williams during the Ministerial Challenge meeting).

1.9 A Communications Group, chaired by Becky Shaw and supported by Heads of Communications, has been formed to oversee and steer the communications and engagement activity requirements for the coming weeks and months. The Group has developed a Communications and Engagement Strategy, created a 3SC Devolution Newsletter (which is sent to all Members) and developed a standard presentation which can be used by all partners in sharing the latest position on the 3SC devolution deal.

1.10 Detailed work with partners and Government will continue with a view to finalising a 3SC devolution deal at the first possible opportunity. The progress of other devolution deals signed and being developed across the country indicates that there is still considerable work to be done before the 3SC deal can be finalised. As such, the provisional target date for signing the 3SC deal in March 2016 will need to be revised with advice from Government. An update to Members will be confirmed as soon as possible.

1.11 Members and officers from the East Sussex Borough and District Councils and representatives from East Sussex Fire and Rescue Service, South Downs National Park and the South East Local Enterprise Partnership have engaged with, and contributed to, the development of the 3SC proposal, which will continue as the detailed discussions phase of the work commence.

1.12 Close work is continuing with the Greater Brighton Economic Board (GBEB) and, to a lesser extent, with Hampshire and the Isle of Wight as they develop their devolution proposals. At GBEB's Ministerial Challenge meeting, Baroness Williams was supportive of the 3SC and GBEB developing joint proposals in relation to transport and infrastructure. Collaboration with GBEB on joint areas will take place as appropriate.

### Next Steps

1.13 Detailed discussions with Government and relevant partners will commence to deliver the best possible devolution deal for residents, businesses and communities. Networks will be accessed to ensure the 3SC can learn any lessons from other areas that are further advanced in their devolution negotiations with Government. Regular updates will be provided to Cabinet as this work progresses.

## **2. Council Monitoring – Quarter Three 2015/16**

2.1 The Cabinet has considered a report on performance against the Council Plan, Revenue Budget, Capital Programme, Savings Plan and risks for the third quarter of 2015/16. Broad

progress against the Council's four strategic priority outcomes is summarised below and an overview of performance and finance data was provided in the Corporate Summary at Appendix 1 of the report to the Cabinet, previously circulated to all members. Strategic risks were reported at Appendix 7 of the report to the Cabinet and a detailed report for each department was provided was provided in Appendices 2 to 6 of the Cabinet report.

## Overview

2.2 The Bexhill Hastings Link Road (Combe Valley Way) opened on 17 December 2015. Planning permission for the Queensway Gateway Road was granted on 15 December 2015, with construction due to start in quarter 4. An Ofsted letter about their inspection of Council support for schools improvement highlighted the progress made since the last inspection and the positive impact this is having on the performance of schools and outcomes for children and young people; Ofsted also gave five areas for further improvement. Between April and November 2015, 100% (4,588) of working age adults and older people receiving our support received self-directed support. 91% of new clients who received short-term services to increase their independence made no further request for support. 91% of Looked After Children at academic age 16 (year 12) and 78% at academic age 17 (year 13) are participating in education, training or employment with training. The rate per 10,000 children (aged 0-17) with a Child Protection Plan has reduced to 42.3. The 2015/16 quarter 1-3 sickness absence outturn for the whole authority (excluding schools) is 6.33 days lost per Full Time Equivalent (FTE) employee, which represents a decrease of 15.3% since the same period last year.

2.3 More detail of progress against each of our priority outcomes is set out at paragraphs 2.10 to 2.21 below. Of the 68 Council Plan targets, 52 (77%) are rated green, 5 (7%) are rated amber, and 11 (16%) are rated red.

2.4 At quarter 3, the projected year-end overspend for net departmental budgets is £0.3m, compared to £5.1m reported at quarter 2. The main areas of overspend are: Adult Social Care £5.7m, mainly on Independent Sector Care. This will now be mitigated by the deployment of the Better Care Fund contingency (as outlined in Appendix 2 of the report to the Cabinet); therefore overall, Adult Social Care will break even, compared to £4.3m overspend reported at quarter 2, and a Children's Services overspend of £0.3m mainly for Looked After Children, a reduction from £0.4m reported at quarter 2. Communities, Economy and Transport are projected to break even compared to a projected overspend of £0.3m at quarter 2 mainly as a result of changes in the use of reserves as detailed in Appendix 5 of the report to the Cabinet.

2.5 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 a projected underspend of £4.5m comprising unused general contingency and inflation provision; there is therefore an overall net projected underspend of £3.8m for the Council. The Cabinet has agreed that the net underspend be transferred to the Capital Programme.

2.6 The total savings target for 2015/16 is £20.2m including unachieved savings carried forward from previous years. At this stage, £10.2m of savings will not be achieved. Permanent mitigations of £0.8m and temporary mitigations of £3.1m have been identified.

2.7 The fees and charges for both the Music Service and After School Clubs & Holiday Playscheme have been reviewed and new rates have been agreed by the Cabinet, these include retrospective amendments from quarter 2. Further information is available in Appendix 4 of the report to the Cabinet.

2.8 The quarter 3 Capital programme is monitored against the revised programme submitted to the Council in February. The forecast spending for the year is projected at £145.9m against a budget of £150.1m, a variation of £4.2m. Most of the variation is attributed to slippage of just over £4.5m on a number of projects. A recent programme update for the Bexhill Hastings Link Road has re-profiled £1.4m of the remaining payments into 2016/17 to acknowledge that landscaping works cannot be completed now until May 2016. There is also slippage of £0.7m on the refurbishment of the Registration Office at Southover Grange where the scheme has responded to the requirements of the Listed Building Consent. Within Adult Services the timeline

for the redevelopment of Grangemead, Hailsham has slipped by £0.5m and there is another £0.5m attributable to the implementation of the Learning Disability rationalisation programme and the demand led budgets for house adaptations. The slower than expected take up of grants and loans by businesses within the Economic Growth budget had led to slippage of £0.5m into 2016/17. There are a number of overspendings amounting in total to £0.4m that will either be met by corresponding increases in income or by savings elsewhere within the programme. In total savings and underspendings also total £0.4m. The schools basic need programme shows a £0.4m spend in advance where the budget has been re-phased to reflect the changed timing of some of the programme.

2.9 The Strategic Risk Register, Appendix 7 of the report to the Cabinet, has been reviewed. Risk 1 (Roads), risk 6 (Local Economic Growth), risk 9 (Workforce), and risk 10 (Welfare Reform) all have amended risk control responses. Risk 4 (Health) has been updated and the risk control amended. No risk scores have been amended for this review and no risks have been removed from the register.

#### Progress against Council Priorities

##### Driving economic growth

2.10 Ofsted reported on the inspection of the Council's arrangements for supporting school improvement. Ofsted recognise the positive impact of Council improvement activity and the difference this is making to the performance of schools and the outcomes for children and young people. Ofsted identified five areas for further improvement (Appendix 4 of the report to the Cabinet).

2.11 91% of Looked After Children at academic age 16 (year 12) are participating in education, training or employment with training, against a target of 84% and 78% of Looked After Children at academic age 17 (year 13) are participating against a target of 70% (Appendix 4 of the report to the Cabinet).

2.12 The Bexhill Hastings Link Road (Combe Valley Way) opened to traffic on 17 December 2015. There is evidence of reduced journey times for those using the Link Road to access the Conquest Hospital; while Park Holidays UK have taken the lease for the whole of Glovers House, the first building on the new Bexhill Enterprise Park (Appendix 5 of the report to the Cabinet).

2.13 Grants and loans approved, as part of East Sussex Invest 4, included over £93,000 to Skinners of Rye to move their car sales and repair business and expand a convenience store; which is projected to create 10 new jobs. The pilot round of funding from the Catalysing Stalled Sites fund has approved £300,000 of grants and loans, including a £200,000 loan to Hayland Developments to help with the costs of pre-development work on Ivyhouse Lane Industrial Estate in Hastings which will create 45,000 sq. feet of new commercial premises (Appendix 5 of the report to the Cabinet).

2.14 We have made good progress in areas contributing to the East Sussex Growth Strategy. At the end of November, over 62,000 premises had access to improved broadband speeds, with around 49,000 premises receiving speeds of 24 mbps or above. The Business East Sussex service and website is now fully implemented. The Council has appointed 18 apprentices during the first three quarters of 2015/16, with a further 30 appointed in schools. The Council is aiming to recruit another 10 apprentices before the end of the year (Appendix 5 of the report to the Cabinet).

##### Keeping vulnerable people safe

2.15 Stakeholder events for 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 Partnership were held in November and December. The mobilisation of the service has been completed and it was formally launched in January (Appendix 2 of the report to the Cabinet).

2.16 Safe Place Schemes in Rother and Wealden have gone live, they 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 (Appendix 2 of the report to the Cabinet).

#### Helping people help themselves

2.17 Halfway through the year 11.1% of the eligible population were offered a healthcheck indicating that we are on course to meet the annual target of 20%. We continue to perform above the national and regional averages both for those offered a health check (11.1% compared with 9.9% and 9.8% respectively) and for people taking up the opportunity to have a health check (5.8% compared with 4.5% and 4.4% respectively) (Appendix 2 of the report to the Cabinet).

#### Making best use of resources

2.18 Following considerable work under the Council's Reconciling Policy Performance and Resources process including consultation and engagement on savings plans, on 9 February 2016 the County Council agreed the budget for 2016/17 and draft Council Plan and Medium Term Financial Plan 2016/17 to 2018/19 (Appendix 6 of the report to the Cabinet).

2.19 The East Sussex Better Together (ESBT) Programme Board has agreed the deployment of £5.985m from the Better Care Fund (BCF) contingency to help fund the 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 longer term implications of this approach will be addressed through the ESBT Programme and future use of the BCF. High Weald Lewes Havens CCG withdrew from the ESBT in December 2015. Discussions are ongoing between the Council and the CCG about how health and social care integration will be achieved in this area of the county (Appendix 2 of the report to the Cabinet).

2.20 Three partner based projects have been delivered under the SPACES programme. The Let's Do Business group moved into St Mary's House in Eastbourne. An agreement has been reached to provide drop in space at all 14 libraries in Brighton and Hove for the Collaborative Workspace workstream user group and all Council staff who live or work in the Brighton area. Finally, a joint procurement between the Council, East Sussex Fire & Rescue Service and Sussex Police for a storage audit was completed this year (Appendix 3 of the report to the Cabinet).

2.21 The whole authority sickness absence outturn (excluding schools) for April to December 2015 is 6.33 days lost per FTE employee. The projected year end outturn is 8.66 days which would see us meet our target of 9.24 days; as such the measure is now marked green. Stress remains the main cause of absence across the Council so a new 'Managers Managing Stress' training course has been introduced which will teach managers techniques and give them confidence to effectively support employees who are suffering from stress (Appendix 3 of the report to the Cabinet).

8 March 2016

KEITH GLAZIER  
(Chair)