Report to: **Cabinet**

Date: **5 March 2019**

Report by: **Chief Executive**

Title: **Council Monitoring Report – Q3 2018/19**

Purpose: **To report Council monitoring for quarter 3 2018/19**

RECOMMENDATIONS

Cabinet is recommended to:

1) note the latest monitoring position for the Council; and

2) approve the proposed deletion of a performance measure as set out in paragraph 2.1

1. Introduction

1.1 This report sets out the Council's position and year-end projections for the Council Plan targets, Revenue Budget, Capital Programme, Savings Plan, together with Risks at the end of December 2018.

1.2 Broad progress against the Council's four strategic priority outcomes is summarised in paragraph 3 and an overview of finance and performance data is provided in the Corporate Summary at Appendix 1. Strategic risks are reported at Appendix 7.

2. Council Plan 2018/19 amendments and variations

2.1 One performance measure is proposed for deletion. We commissioned capacity to achieve a diagnostic rate of 67% of the local prevalence of dementia in 2017/18, and this work will continue. However the Government has changed the way the Dementia Diagnostic Rate (DDR) is presented so it is no longer possible to accurately calculate a countywide DDR percentage:

- Commission new service capacity to achieve diagnostic rate of 67% of the estimated local prevalence of dementia (Appendix 2, see ref iii).

2.2 At quarter 3, the projected total underspend is £3.7m (compared to £0.2m at quarter 2). This position arises from an overspend within service departments of £3.1m (compared to a £4.4m overspend reported at quarter 2), offset by an underspend in Centrally Held Budgets of £5.4m (£4.3m at quarter 2) and additional Business Rates income of £1.4m, primarily from the surplus business rate levy funding of £1.1m announced as part of the Local Government Financial Settlement.

2.3 The main areas of net overspend in departments are:

2.4 Whilst there is no change in the overall Children's Services Department (CSD) £3.3m overspend, when compared to quarter 2, the Education and ISEND pressure has reduced due to a reduction in demand for the resources available under Direct Payments, offset by an increase due to extra Home to School Transport statutory costs. The savings forecast (Appendix 1 Corporate Summary) shows £0.033m unmitigated savings in CSD that will slip into 2019/20 - this forms part of the overall departmental overspend.

2.5 £1.2m (£1.5m in quarter 2) overspend in Adult Social Care. The reduction is due to an increase in client income from the clawback of spend on direct payments. Underlying pressures continue to exist in equipment, meals and independent sector spend on working age adults, which have been mitigated in part through the use of one-off funding in 2018/19.

2.6 These overspends are offset by underspends in other departments, including Business Services which is showing an underspend of £0.7m (£0.1m at quarter 2). The result of a reduced estimated contribution to Orbis of £0.27m, plus a £0.36m increased underspend in Property Services. Orbis is continuing to hold staff vacancies ahead of putting plans in place to deliver a further £3.2m of savings next year. The Property variance consists of a potential overspend of £0.3m on rent payments, this is subject to the outcome of arbitration. This is offset by an underspend in Building Maintenance where there has been a staffing restructure and

continued vacancies causing delays to the non-schools planned programme (the main element being St Anne's flint wall), term contracts and building improvements.

2.7 Communities, Economy and Transport is reporting an underspend of £0.8m (£0.2m in quarter 2). This is due, in the main, to a reduction in the cost of concessionary fares, and an increase in the underspend for the waste service. The Waste Service will underspend due to better than expected results from the Lewes District Council roll out of comingled recycling, and positive movements in waste tonnage and leachate volumes. There will be an underspend due to the negotiated nil increase to the fixed reimbursement concessionary fares contract. Both the waste disposal and concessionary fares budgets are affected by a number of external impacts such as weather, customer behaviour and the broader economic climate which are outside our direct control.

2.8 Governance Services is now showing no variation (£0.1m underspend in quarter 2).

2.9 The Treasury Management budget is currently forecast to underspend by £1.9m at quarter 3 (£0.8m in quarter 2): reflecting the positive impact of the 2018/19 Treasury Management Strategy which has supported the early repayment of the RBS LOBO loans in October 2018 and investment in the pooled property fund (CCLA LAPF) raising additional income. Together with additional investment income from the increase in bank rate on 2 August 2018 and the removal of the need to borrow externally to fund the capital programme.

2.10 It is proposed that, of the total underspend of £3.7m, £1.9m arising from Treasury Management will be transferred to the capital programme and £1.8m will be transferred to reserves in line with the Reserves Policy.

2.11 Not reflected within the quarter 3 monitoring is additional funding announced by MHCLG on 28 January 2019 of £87,500 in 2018/19 and 2019/20 to support the unknown costs of Brexit.

2.12 The Capital Programme expenditure for the year is projected to be £90.5m against a budget of £92.0m, a variation of £1.5m. This comprises slippage of £1.6m offset by spend in advance of £0.1m.

2.13 The main movements are:

- Slippage of £0.8m on Capital Building Improvements due to Property Services carrying out a full review of the condition of buildings which has led to delays in works.
- Slippage of £0.2m on the Schools Basic Need Programme due to delays on three projects.
- Slippage of £0.2m on IT&D Strategy due to expenditure on Office 365 and secure email projects now expected in 2019/20.
- Slippage of £0.1m on the installation of a number of real time passenger information boards which has been reprogrammed for delivery next year.

2.14 The Strategic Risk Register, Appendix 7, was reviewed and updated to reflect the Council's risk profile. A new risk (No-Deal Brexit) has been added to the Strategic Risk Register.

3. Progress against Council Priorities

Driving sustainable economic growth

3.1 44 businesses took part in the 'Open Doors' event in November 2018, receiving workplace visits from over 500 students from schools and colleges in the county. The visits help the students get a greater understanding of the workplace and the possible career opportunities available to them (Appendix 5).

3.2 The Department for Education (DfE) have published data on the uptake of apprentices for the first year of the Apprenticeship Levy, 2017/18. The Government has set a target for 2.3% of the workforce to be undertaking an apprenticeship; the Council achieved 1.1% in 2017/18 placing us fourth highest amongst county councils (Appendix 3).

3.3 The Council has spent £194.5m with local suppliers over the past 12 months, which equates to 55% of our total spend, 867 local suppliers were used (Appendix 3).

3.4 Businesses were assisted to create 11 jobs in quarter 3 through business support programmes; Locate East Sussex also assisted 11 businesses to move into, or relocate within, the county (Appendix 5).

3.5 68 carriageway asset improvement schemes were completed in quarter 3, to maintain and improve the condition of the county's roads (Appendix 5).

3.6 95.7% of young people at academic age 16 (Year 12) and 87.8% of young people at academic age 17 (Year 13) are participating in education, training or employment with training or undertaking re-engagement provision (Appendix 4).

3.7 Provisional data for the average LAC Progress 8 figure for academic year 2017/18 in East Sussex is -1.42 compared to a national average of -0.93, missing the target for the year (Appendix 4).

Keeping vulnerable people safe

3.8 The annual report of the Safeguarding Adults board was published and considered by the Health and Wellbeing Board in December. The report outlines safeguarding activity and performance in East Sussex during 2017/18, as well as some of the main developments that have taken place to prevent abuse from occurring. The report sets out the progress made against key priorities for 2017/18 and demonstrates the continued effort of all partner agencies to work together to safeguard adults from abuse and neglect (Appendix 6).

3.9 Trading Standards made 54 positive interventions in quarter 3 to protect vulnerable people, including visiting 44 victims of rogue trading or financial abuse, installing nine call blockers to protect people from telephone scams, and one intervention from the rapid response team (Appendix 5).

3.10 105 organisations have joined the East Sussex Against Scams Partnership Charter, and with the assistance of other East Sussex 'SCAM champions', 2,979 residents have participated in Friends Against Scams awareness sessions (Appendix 2).

3.11 The children's Annual Takeover Day took place on 23 November 2018, with over 50 young people taking part to discuss mental health and emotional wellbeing. The event was attended by children from a diverse range of backgrounds; including several local youth voice groups; disabled young people; the Children in Care Council; and the East Sussex Youth Cabinet. The young people discussed what they think is missing from the world of mental health with senior decision makers; and also highlighted positive examples of current services and attitudes to mental health (Appendix 4).

Helping people help themselves

3.12 Behavioural change initiative trials have continued in quarter 3, as part of the Council's £1m Road Safety scheme. Trials include amendments to the Notice of Intended Prosecution, the development of new letter for Operation Crackdown, and reminders to people of their offending as part of the Anniversary Project. Three infrastructure schemes, on routes identified as high risk, have been completed in 2018/19; a further four schemes have been confirmed (Appendix 5).

3.13 There has continued to be improvements against the key metrics outlined in the Improved Better Care Fund in quarter 3. There have been reductions in Delayed Transfers of Care and admissions to residential nursing homes, while the number of older people still at home 91 days after discharge from hospital into reablement/rehabilitations services is increasing (Appendix 2).

Making best use of resources

3.14 The Government's budget was announced on 29 October 2018, with the Local Government Settlement following on 13 December 2018. The budget and settlement provided the Council with a number of additional funding streams for 2018/19 and 2019/20, although this funding is very welcome, and helps deal with the immediate pressures facing the Council, it is all one off, so won't address the long term challenges. The full final funding settlement from Government is expected in February (Appendix 6).

3.15 We have continued lobbying for fair funding in quarter 3, alongside others in the sector and with the assistance of our local MPs. Lobbying has included, amongst other activities: meetings between the Leader and Deputy Leader and Rishi Sunak, Minister for Local Government, and Liz Truss, Chief Secretary to the Treasury; officers met with civil servants in the Ministry for Housing Communities and Local Government, including the Permanent Secretary, and the DfE; in the run up to the budget, the Leader wrote, on behalf of all Council Group Leaders, to the Prime Minister, the Chancellor of the Exchequer, and the Secretary of State for Housing, Communities and Local Government; and the Leader has continued to meet with local MPs to discuss local issues and explore avenues to make our case for adequate funding to Government (Appendix 6).

Becky Shaw, Chief Executive

How to read this report

This report integrates monitoring for finance, performance and risk. Contents are as follows:

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

Cover report, Appendix 1

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

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

- driving sustainable 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. Performance exceptions follow these rules:

Quarter 1	All targets not expected to be achieved at year end i.e. not RAG rated Green, and any proposed amendments or deletions. Changes to targets early in Q1 should be made under delegated authority for the Council Plan refresh in June.
Quarter 2	Targets that have changed RAG rating since Q1 including changes to Green (except where target was amended at Q1), plus proposed amendments or deletions.
Quarter 3	Targets that have changed RAG rating since Q2 including changes to Green (except where target was amended at Q2), plus proposed amendments or deletions.
Quarter 4	Targets that have changed RAG rating since Q3 to Red or Green (except where target was amended at Q3). Outturns that are not available are reported as Carry Overs. All target outturns are reported in the year end summary at Appendix 1.

Strategic Risk Register Appendix 7

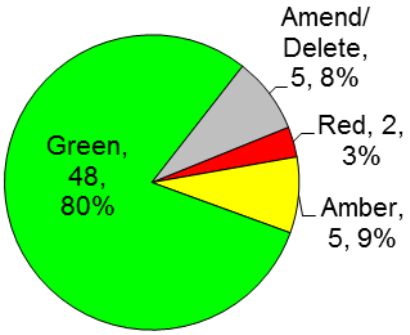
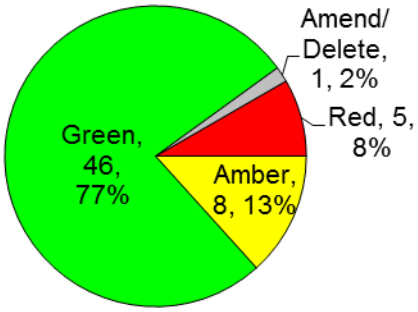
Appendix 7 contains commentary explaining mitigating actions for all Strategic Risks.

APPENDIX 1

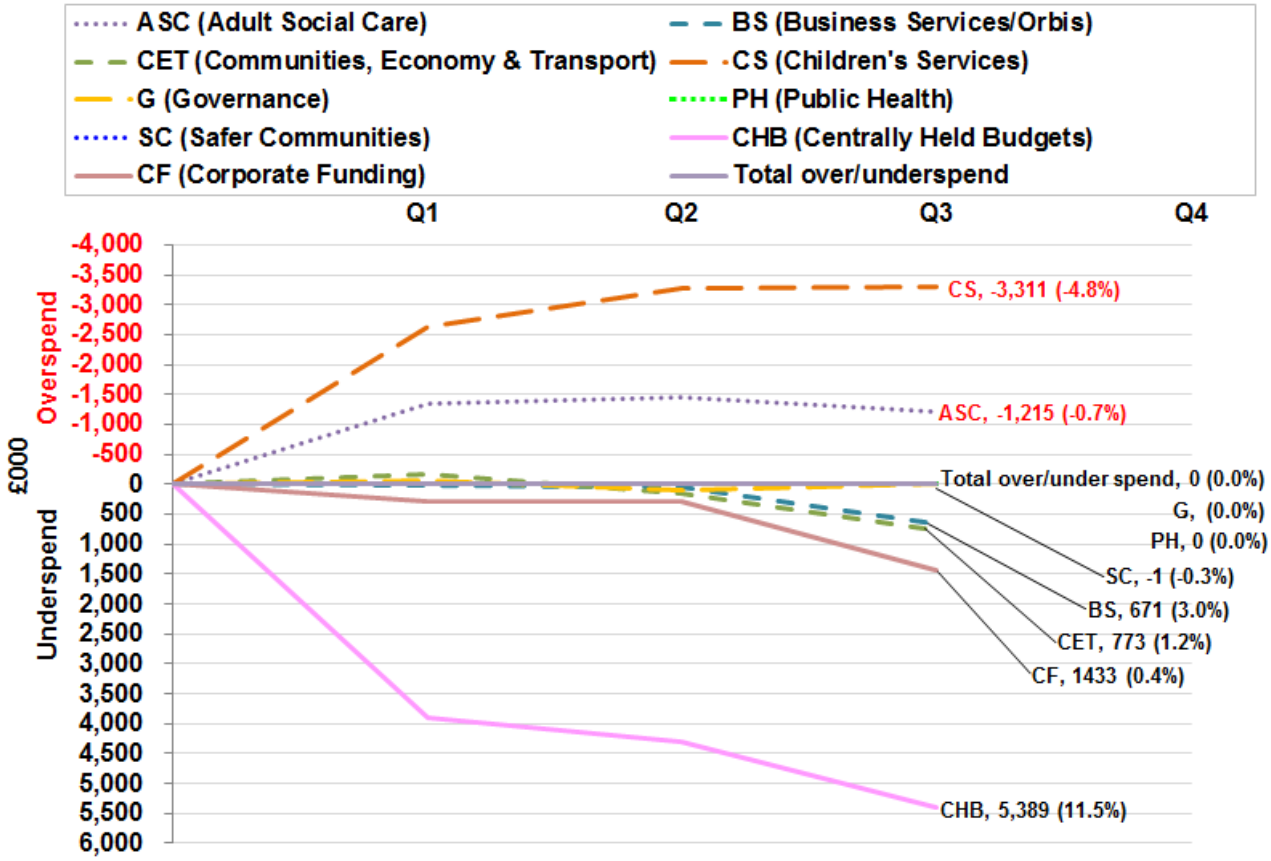
Council Monitoring Corporate Summary – Q3 2018/19

Council Plan performance targets

Priority	Red	Amber	Green	Amend / Delete
Driving sustainable economic growth	3	1	22	0
Keeping vulnerable people safe	1	2	8	0
Helping people help themselves	1	4	14	1
Making best use of resources	0	1	2	0
Total	**5**	**8**	**46**	**1**

Q3 2018/19	Q2 2018/19	Q3 2018/19
There are 60 individual measures in the Council Plan. • Appendix 2 ASC&H – 5 amber, 1 amend / delete • Appendix 3 BSD – 1 red, 1 amber, 1 • Appendix 4 CSD – 3 red • Appendix 5 CET – 1 red. 2 amber		

Revenue budget outturn (net £000)



APPENDIX 1

Revenue budget summary (£000)									
	Planned (£000)			Q3 2018/19 (£000)					
				Projected outturn			(Over) / under spend		
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
Service Expenditure									
Adult Social Care	254,260	(89,193)	165,067	255,703	(89,421)	166,282	(1,443)	228	(1,215)
Safer Communities	522	(186)	336	1,111	(774)	337	(589)	588	(1)
Public Health	31,944	(31,944)	-	31,944	(31,944)	-	-	-	-
Business Services	47,537	(25,255)	22,282	46,448	(24,837)	21,611	1,089	(418)	671
Children's Services	319,554	(250,927)	68,627	326,220	(254,282)	71,938	(6,666)	3,355	(3,311)
Communities, Economy & Transport	115,751	(53,551)	62,200	115,082	(53,655)	61,427	669	104	773
Governance Services	8,156	(938)	7,218	8,302	(1,084)	7,218	(146)	146	-
Total Service Spend	**777,724**	**(451,994)**	**325,730**	**784,810**	**(455,997)**	**328,813**	**(7,086)**	**4,003**	**(3,083)**
Centrally Held Budgets (CHB)									
Treasury Management	23,236	(1,800)	21,436	21,920	(2,382)	19,538	1,316	582	1,898
Capital Programme	5,231	-	5,231	5,231	-	5,231	-	-	-
Unfunded Pensions	9,554	-	9,554	9,579	-	9,579	(25)	-	(25)
General Contingency	3,500	-	3,500	-	-	-	3,500	-	3,500
Contrib to Reserves	2,878	-	2,878	2,878	-	2,878	-	-	-
National Living Wage	3,021	-	3,021	3,021	-	3,021	-	-	-
Apprenticeship Levy	600	-	600	568	-	568	32	-	32
Levies, Grants and Other	830	(58)	772	861	(73)	788	(31)	15	(16)
Total CHB	**48,850**	**(1,858)**	**46,992**	**44,058**	**(2,455)**	**41,603**	**4,792**	**597**	**5,389**
Corporate Funding									
Business Rates	-	(76,181)	(76,181)	-	(77,614)	(77,614)	-	1,433	1,433
Revenue Support Grant	-	(14,966)	(14,966)	-	(14,966)	(14,966)	-	-	-
Council Tax	-	(280,344)	(280,344)	-	(280,344)	(280,344)	-	-	-
New Homes Bonus	-	(1,231)	(1,231)	-	(1,231)	(1,231)	-	-	-
Total Corporate Funding	**0**	**(372,722)**	**(372,722)**	**0**	**(374,155)**	**(374,155)**	**0**	**1,433**	**1,433**
Total	**826,574**	**(826,574)**	**0**	**828,868**	**(832,607)**	**(3,739)**	**(2,294)**	**6,033**	**3,739**
Treasury Management underspend to capital programme	-	-	-	1,898	-	1,898	(1,898)	-	(1,898)
Balance of General Contingency to reserves	-	-	-	1,841	-	1,841	(1,841)	-	(1,841)
FINAL TOTAL	**826,574**	**(826,574)**	**0**	**832,607**	**(832,607)**	**0**	**(6,033)**	**6,033**	**0**

APPENDIX 1

Revenue Savings Summary 2018/19					
	2018/19 (£'000) – Q3 Forecast				
Service description	**Original Target [1]**	**Target including items c/f from previous year(s)**	**Achieved**	**Slipped**	**Unachieved**
Savings					
ASC	2,245	3,567	2,165	1,402	-
ASC – ESBT	7,386	7,386	2,648	4,738	-
BSD / Orbis	1,396	1,046	1,046	-	-
CS	4,029	4,840	1,541	2,559	740
CET	1,942	1,942	1,655	287	-
GS	84	109	109	-	-
Total Savings	**17,082**	**18,890**	**9,164**	**8,986**	**740**
Variations to Planned Savings					
Permanent Variations	-	-	740	-	(740)
Total Permanent Savings & Variations	**17,082**	**18,890**	**9,904**	**8,986**	**0**
Temporary Variations - use of reserve approved at Cabinet Feb 18	-	-	1,586	(1,586)	-
Temporary Variations - other	-	-	7,367	(7,367)	-
Total Savings with Variations	**17,082**	**18,890**	**18,857**	**33 [2]**	**0**

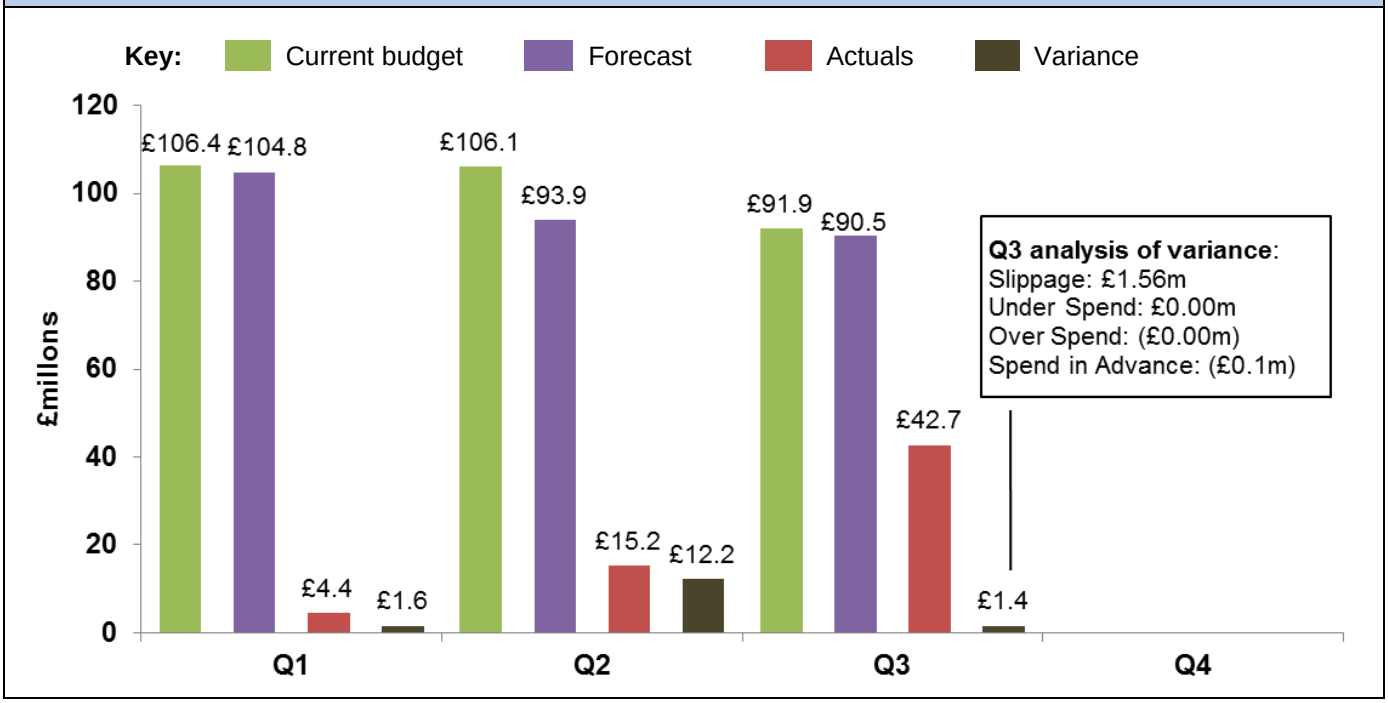
[1] For ASC/ESBT the revised savings target was approved at Cabinet in June 18. All other targets are as per Cabinet in February 18.

[2] The unmitigated slipped savings of £33k sit in CSD and form part of the forecast overspend of £3.3m for that department.

Savings RAGs	
Achieved / Green	on track to deliver in the year
Slipped / Amber	on track to deliver but not in the year, and there may be an offset variation
Unachieved / Red	will not be delivered but there may be an offset variation

APPENDIX 1

Capital programme (gross £ millions) – approved projects



Capital programme summary (£000)

Approved project	Total project – all years*		2018/19 (£000)						
			In year monitor Q3				Analysis of variation		
	Budget	Projected	Budget	Actual to date	Projected 2018/19	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance
ASC	10,409	10,409	850	299	887	(37)	-	-	(37)
BSD	276,990	276,990	29,783	17,763	28,482	1,301	-	1,341	(40)
CS	15,334	15,334	1,113	739	1,043	70	-	70	-
CET	592,096	592,096	60,203	23,883	60,089	114	-	147	(33)
GS	-	-	-	-	-	-	-	-	-
Total	**894,829**	**894,829**	**91,949**	**42,684**	**90,501**	**1,448**	**0**	**1,558**	**(110)**
Scheme Specific Income			31,630		31,630	-			
Capital Reserves			10,000		10,000	-			
Non Specific Grants			27,149		27,149	-			
Capital Receipts			3,242		3,052	190			
Revenue Contributions			8,902		8,902	-			
Borrowing			11,026		9,768	1,258			
Total			**91,949**		**90,501**	**1,448**			

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

As the Capital Programme is fully financed, the variation of £1.5m has resulted in an opportunity foregone in the region of £25,000 per annum (based on an investment rate of 1.7% (Link Asset Services investment rates)).

APPENDIX 1

Centrally held budgets (CHB) and Corporate Funding

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 marginally improved as a result of the BofE bank rate increase to 0.75% on the 2 August 2018. The average level of Council funds available for investment purposes during the quarter was £230m. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, external debt repayments, receipt of grants and progress on the Capital Programme.

The total amount received in short term interest for the quarter to 31 December 2018 was £581k at an average rate of 1.00%. Since the 1 August 2018 the Council has invested in the CCLA Local Authority Property Fund, a pooled property vehicle. The second payment of dividends was paid in January 2019, and brought in an additional £51k of investment income for the quarter.

At 31 December 2018, the majority of the Council's external debt was held as long term loans (£241.9m). A restructuring opportunity arose in October 2018 with one of the council's market lenders (RBS) offering to allow the council to repay £23m loans on attractive terms. No short or long term borrowing was undertaken in the quarter to cover the loan repayment which was repaid from cash investments. No cost effective opportunities have arisen during quarter 3 to restructure the existing PWLB debt portfolio

The TM budget is currently forecast to underspend by £1.9m at quarter 3 (£0.8m in quarter 2): this is based on the position on the capital programme removing the need to borrow externally in 2018/19; the in-year interest paid saving on the early repayment of the RBS market loan in October 2018, as reported at Cabinet in January 2019; additional investment income from the increase in bank rate at 2 August 2018; and investment in the pooled property fund (CCLA LAPF) raising additional income. The underspend will be used to offset borrowing in the capital programme.

Centrally Held budgets include a general contingency provision of £3.5m. This will be used in the first instance to offset the service overspend. If there is remaining provision it would be transferred to reserves for use in future years, in line with the Reserves Policy.

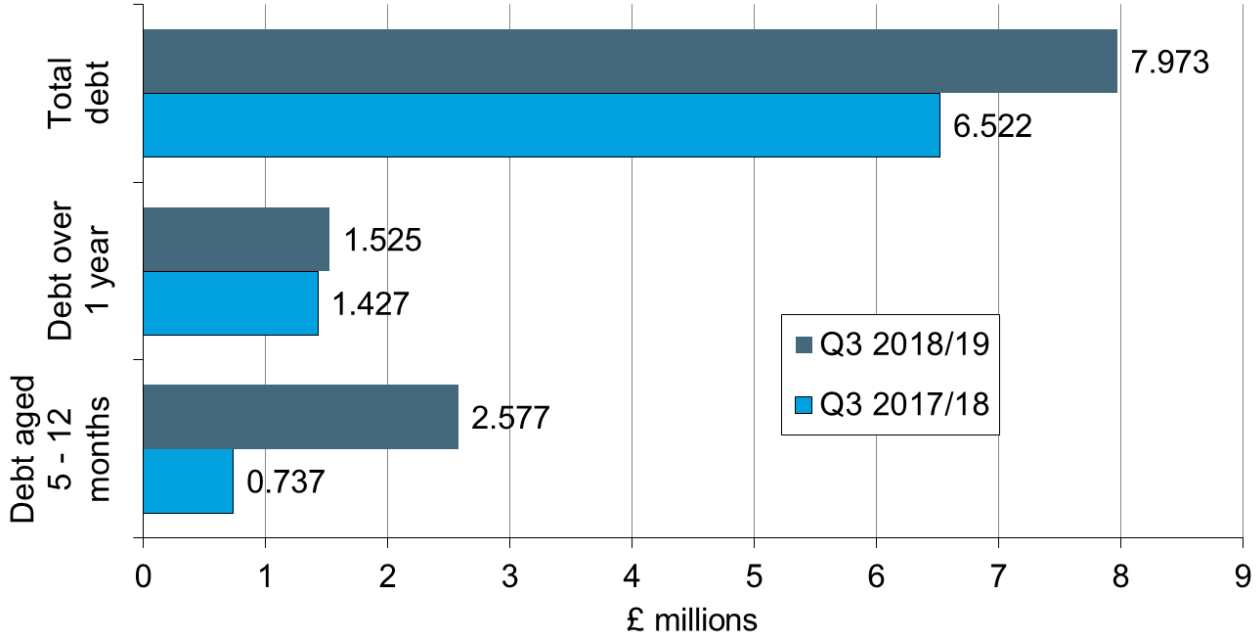
General balances

The General Fund balance was £10.0m as at 31 March 2018. General balances allow the Council to manage unforeseen financial circumstances without the need to make immediate savings.

The Schools balances as at 31 March 2018 were £10.7m.

APPENDIX 1

Outstanding debt analysis (£ millions)



The value of debt over 5 months at Quarter 3 has increased by £1.779m to £4.102m, compared to the 2017/18 outturn of £2.323m. This is due to a rise in Clinical Commissioning Group (CCG) outstanding debt.

On-going and constructive discussions with High Weald Lewes Havens CCG about the level of outstanding debts resulted in the repayment of £1m last quarter. We have reached an initial agreement with the CCG regarding the remaining £1.7m unpaid debt from Q4 2017/18 and the debt will be settled in February 2019.

Age Debt continues to be a high priority focus area with a continuous improvement approach to continually re-engineer systems and processes. ASC debt case review meetings continue to ensure that the most appropriate steps are taken to recover debt promptly, with full consideration of the residents' circumstances and in accordance with the Care Act.

Adult Social Care and Health – Q3 2018/19

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

Adult Social Care

Health and Social Care Integration – During Q3 we began implementing Home First, a national NHS and Social Care initiative that is being implemented across the country. Home First changes the way discharge processes are managed from hospitals. The main change is that patients are discharged home or to an intermediate care bed from A&E or an in hospital admission, before their ongoing care or health needs are assessed. Evidence shows this process to be beneficial, with needs assessed at a lower level when patients are seen in their own environment or a less medicalised environment. The Integrated Community Health and Care programme is currently piloting this pathway and early indications are that the benefits are realised. The pilot is due to end in March when recommendations for mainstreaming will be made.

The NHS 10 year plan, published on 7 January 2019, states the aim of ensuring that at least a third of all emergency attendances at hospital are discharged within one day. East Sussex Healthcare NHS Trust have recently introduced Frailty Practitioners and Geriatric Consultants into A&E to immediately assess attendees who are frail and whose strength would deteriorate very quickly if admitted to a bed. Assuming it is clinically safe to do so, these patients are now resettled back home with extra support, to ensure their frailty is managed in the community.

Better Care Fund (BCF) – There continues to be improvement against the key metrics outlined in the Improved Better Care Fund (iBCF):

- Delayed Transfers of Care (DToC) (delayed days) from hospital per 100,000 population (aged 18+) has improved from 12.7 in November 2017 to 10.3 in November 2018.
- Performance of permanent admissions of older people per 100,000 population (65+) to residential / nursing care for April to December 2018 is 351.0. Current forecasted performance is 467.7, meeting the 2018/19 target of 504.1 or less.
- Performance for the proportion of older people (aged 65+) who are still at home 91 days after discharge from hospital into reablement / rehabilitation services for April to September 2018 is 92.7%, therefore the target of 90% or more is being met.

Delayed Transfers of Care (DToC) – Between April and November 2018 there were an average 46.8 delayed transfers from hospital care per day **(ref i)** this has improved from 81.6 in the same period last year (a 43% reduction). This can be broken down as follows:

- An average 35.5 delayed transfers from hospital care per day due to local NHS **(ref ii)**, this has improved from 47.6 in the same period in 2017 (a 25% reduction).
- An average 10.1 delayed transfers from hospital care per day due to Council social services, this has improved from 31.4 in the same period in 2017 (a 68% reduction).
- An average 1.2 delayed transfers were jointly attributable to ASC and NHS.

We will be continuing to implement a number of actions to reduce DToC in the county.

Dementia – Capacity to achieve a diagnostic rate of 67% of the estimated local prevalence of dementia was commissioned in 2017/18, and we have consistently met this target. Work to diagnose dementia in East Sussex will continue, however NHS England has recently changed the way Dementia Diagnostic Rate (DDR), data is presented. It is therefore no longer possible to accurately calculate a countywide DDR %. Data is now presented as a CCG specific DDR%. The national DDR target remains the same at 67% and CCG's in East Sussex are performing as follows: Eastbourne, Hailsham and Seaford CCG - 68.6%; Hastings and Rother CCG - 67.0%; High Weald, Lewes and Havens CCG - 62.6%. Given it is no longer possible to calculate the county wide outturn, it is proposed that this measure is deleted from the Council Plan **(ref iii)**.

Support With Confidence – The current membership at the end of December 2018 is 199 Support With Confidence members **(ref iv)**. This includes 146 Personal Assistants and 53 Businesses of which 10 businesses are CQC registered. The scheme currently has 77 live applications pending approval (67 PA applications and 10 business applications).

Whilst membership figures have only increased by nine in Q3, this does not reflect the work undertaken, as a number of new approvals have been offset by members withdrawing from the scheme. (There have been 93 approvals since April 2017). Providers may chose not to renew their membership for a variety of reasons, most often this is due to a change in their personal or working arrangements, for example, they have found other paid employment and no longer choose to work as a self-employed personal assistant. The scheme continues to promote the benefits of being an accredited member of Support with Confidence. There is an active ‘turnover’ of providers in this market place

despite which the scheme continues to attract new applicants and steadily increase its membership. Despite this, there is a risk at this stage that membership may not increase significantly enough to reach the target of 217 by the end of March 2019.

Health and Social Care Connect (HSCC) – Activity is only available for April to September at this stage. This is due to a backlog in referrals being recorded. 86% of Health and Social Care Connect referrals were triaged and progressed to required services within required timescales (against a target of 90%). 92.6% of Health and Social Care Connect contacts were appropriate and effective, (i.e. lead to the provision of necessary additional services) against a target of 95%.

As previously reported this shortfall in performance is mainly due to HSCC previously holding 12 FTE vacancies for redeployment following the RPPR consultation process. A number of staff transferred to HSCC at the end of October 2018, it is anticipated that this will increase capacity and improve performance in order to meet the targets, however, as data is currently only available up until the end of September this impact is not yet shown.

Safer Communities – The refresh of the Strategic Assessment of Community Safety 2018 is now complete and the priorities for the forthcoming year have been agreed by the Safer Communities Board. Work has commenced on the refresh of the East Sussex Safer Communities Partnership Business Plan 2018/19. This plan will not only describe the chosen priorities, but will reflect on achievements over the course of the year, and focus on what needs to happen next.

Vulnerable Victims of Fraud & Scams – By the end of Q3, 105 organisations had joined the East Sussex Against Scams Partnership (ESASP) Charter and, with the assistance of other East Sussex 'SCAM champions', 2,979 residents have participated in Friends Against Scams awareness sessions which will hopefully reduce the likelihood of them, or people they know or care for, becoming vulnerable victims of fraud and scams.

Cyber Crime, Cyber bullying and online safety – 22 Think Protect Connect sessions were delivered to East Sussex Schools in Q3. This year the services of South East Regional Organised Crime Unit Cyber Crime Unit: Prevent Team are available to East Sussex Schools. The team can deliver presentations to multiple schools at a time in one location to encourage the schools to come together in order to work with young people with the aim of identifying those who are gifted in the world of cyber, as well as those who are vulnerable or at risk of cyber exploitation and committing cyber-crime, so that they can work to educate and divert them.

Domestic, Sexual Violence & Abuse and Violence Against Women and Girls – 16 Days of Action for the Elimination of Violence Against Women ran from 25 November 2018 (the UN International Day of Elimination of Violence Against Women) to 10 December 2018 (Human Rights Day). Over the 16 days, a range of agencies, groups and individuals came together to work to end all forms of violence against women. The 16 Days of Action also included other significant dates like Worlds Aids Day (1 December), as well as the White Ribbon Campaign, which calls on men to make a pledge to never commit, condone or remain silent about violence and abuse.

Recommissioning of Substance Misuse Service – Part of the evaluation process for potential providers includes an interview panel made up of individuals who have lived experience of substance misuse. Work was undertaken with the panel in preparation for this. The panels were held on the 6 and 7 December 2018, and potential providers were asked to produce a 10 minute presentation, before being asked three questions. Feedback from potential providers and the panel themselves was very positive. All of the potential providers noted how good the questions were and the panel fed back how supportive and positive the process was.

Recovery Communities – During Q3 a rural outreach event, 'Pathways to Recovery and Wellbeing', was developed to raise awareness of services available to those with alcohol and substance misuse issues, as well as their families and carers, and provide advice and signposting towards other services that might be of benefit. The event was run in conjunction with our Mutual Aid Projects and other local partners. Advice and guidance was available along with shared experiences through a 'Living Library', wellbeing sessions, including shiatsu massage, and artistry. 100% of those asked, explained that they had better knowledge of recovery and the availability of local services following the event.

Public Health

Infection Prevention – Infection prevention and control is vital for the care and safety of residents of care settings, their carers, visitors and staff. The East Sussex Infection Prevention Champions (IPC) Programme was commissioned to deliver training to prevent infection in care settings and to help improve the knowledge and skills of carers. IPC accreditation certificates were awarded to 70 IPC Champions during Q3. An accredited IPC Champion will help care homes to receive and work towards a CQC 'Outstanding' rating and participate in and promote networks for care homes. These networks will help IPC Champions to gain advice and support to keep their practice up-to-date and improve the care and quality of life for residents in care settings.

Revenue Budget Summary

ASC – The current forecast outturn is an overspend of £1.215m **(ref viii)**, comprising a £0.514m overspend in the Independent Sector **(ref vi)** and an overspend of £0.701m within Directly Provided Services and Assessment and

Care Management **(ref vii)**.

The net budget of £165.067m includes in year savings of £10.953m **(ref v)**. This includes £1.322m carried forward from previous years and £9.631m agreed for 2018/19. The savings will be delivered in part in 2018/19, however, the full year impact will not be realised until 2019/20, because proposals will need to be implemented in line with statutory and contractual responsibilities and duties. The part year impact of the savings proposals will be managed within the authority's overall Medium Term Financial Plan and the appropriate use of reserves and contingency funds including the use of the one-off Adult Social Care Support Grant from the Ministry for Housing, Communities and Local Government in 2018/19 of £1.616m. This will be used to offset the required savings.

In October, the Government announced £240m of additional funding for councils to spend on adult social care services to help councils alleviate winter pressures on the NHS, get patients home quicker and free up hospital beds across England. East Sussex has been allocated £2.586m for 2018/19; This additional funding is being utilised to alleviate the cost of increased demand in the Integrated Community Equipment Services and Telecare Service and to provide services to vulnerable adults discharged from hospital within the Independent Sector.

Public Health – The Public Health (PH) budget of £27.390m comprises the PH grant allocation of £27.270m and £0.120m of CCG income. In addition to the PH Grant £4.554m is being drawn from reserves to meet one off projects of £2.953m including Nurseries of £0.170m **(ref ix)**, and £1.601m to fund Early Help **(ref x)** for children.

Capital Programme Summary

The ASC Capital Programme for 2018/19 is currently projected to outturn at £0.887m. This reflects a small spend in advance of £0.032m on the older people's service and £0.005m on the learning disabilities service opportunities schemes.

NHS England has agreed to put forward £1.250m towards the capital development of the Greenacres site, with a further £1.100m to be met from capital receipts from Crowborough sites, bringing total agreed project budget to £2.350m. An additional £0.248m has been applied for from NHS England, and has been agreed in principle which would bring the total to £2.598m. Following further feedback arising from reviews of the site and project design, the costs of the proposed development are being reviewed and finalised prior to work commencing on site, in parallel with which, formal agreement from NHS England has now been received.

Performance exceptions
(See How to read this report for definition)

Performance measure	Outturn 17/18	Target 18/19	18/19 RAG				Q3 2018/19 outturn	Note ref
			Q1	Q2	Q3	Q4		
Priority – Helping people help themselves								
Number of hospital bed days lost due to delayed transfers from hospital care	69.8	39.8	G	AD	A		46.8	i
Number of hospital bed days lost due to delayed transfers from hospital care due to local NHS	42.4	24.4	G	AD	A		35.5	ii
Measure proposed for deletion ~~Commission new service capacity to achieve diagnostic rate of 67% of the estimated local prevalence of dementia~~	67.4%	67%	G	G	AD		Proposed deletion as countywide outturn is no longer available	iii
217 providers registered with Support With Confidence	197	217	G	G	A		199	iv

APPENDIX 2

Savings exceptions (Projected - Red = will not be delivered but may be mitigated; Amber = on track to deliver but not in the year (& may be mitigated); Green = on track to deliver in the year)					
Service description	**Q3 2018/19 (£'000)**				**Note ref**
	Target	**Achieved**	**Slipped**	**Unachieved**	
Savings					
Supporting People	3,300	735	2,565	-	
Assessment and Care Management	1,958	774	1,184	-	
Learning Disability Services	1,530	585	945	-	
Older People Services	1,274	271	1,003	-	
Strategy, Commissioning and Supply Management	590	428	162	-	
Discretionary East Sussex Support Service (DESSS)	390	213	177	-	
All Other Savings	1,911	1,807	104	-	
Total Savings	**10,953**	**4,813**	**6,140**	**0**	
Variations to Planned Savings					
	-	-	-	-	
Permanent Variations	**0**	**0**	**0**	**0**	
Total Permanent Savings & Variations	**10,953**	**4,813**	**6,140**	**0**	
Use of ASC Support Grant 2018/19	-	1,616	(1,616)	-	
Use of One-off Funding	-	4,524	(4,524)	-	
Temporary Variations	**0**	**6,140**	**(6,140)**	**0**	
Total Savings with Variations	**10,953**	**10,953**	**0**	**0**	**v**

Revenue budget										
Divisions	**Planned (£000)**			**Q3 2018/19 (£000)**						**Note ref**
				Projected outturn			**(Over) / under spend**			
	Gross	**Income**	**Net**	**Gross**	**Income**	**Net**	**Gross**	**Income**	**Net**	
Adult Social Care:										
Physical Support, Sensory Support and Support for Memory & Cognition	109,635	(42,408)	67,227	104,289	(41,184)	63,105	5,346	(1,224)	4,122	
Learning Disability Support	53,942	(4,307)	49,635	58,591	(4,386)	54,205	(4,649)	79	(4,570)	
Mental Health Support	7,091	(1,043)	6,048	7,163	(1,049)	6,114	(72)	6	(66)	
Subtotal Independent Sector	**170,668**	**(47,758)**	**122,910**	**170,043**	**(46,619)**	**123,424**	**625**	**(1,139)**	**(514)**	**vi**
Physical Support, Sensory Support and Support for Memory & Cognition	15,418	(4,780)	10,638	16,270	(5,049)	11,221	(852)	269	(583)	
Learning Disability Support	7,555	(888)	6,667	8,150	(1,566)	6,584	(595)	678	83	
Mental Health Support	211	(187)	24	309	(187)	122	(98)	-	(98)	
Substance Misuse Support	591	(115)	476	573	(97)	476	18	(18)	-	
Equipment & Assistive Technology	7,240	(3,930)	3,310	7,027	(3,777)	3,250	213	(153)	60	
Other	5,150	(3,745)	1,405	4,324	(2,870)	1,454	826	(875)	(49)	
Supporting People	7,499	(518)	6,981	8,430	(1,469)	6,961	(931)	951	20	
Assessment and Care Management	25,071	(2,787)	22,284	25,717	(3,338)	22,379	(646)	551	(95)	
Management and Support	14,566	(24,485)	(9,919)	13,578	(23,622)	(10,044)	988	(863)	125	
Service Strategy	291	-	291	682	(227)	455	(391)	227	(164)	
Subtotal Directly Provided Services and Assessment and Care Management	**83,592**	**(41,435)**	**42,157**	**85,060**	**(42,202)**	**42,858**	**(1,468)**	**767**	**(701)**	**vii**
Total Adult Social Care	**254,260**	**(89,193)**	**165,067**	**255,103**	**(88,821)**	**166,282**	**(843)**	**(372)**	**(1,215)**	**viii**
Safer Communities	**522**	**(186)**	**336**	**1,111**	**(774)**	**336**	**(589)**	**588**	**0**	

APPENDIX 2

Revenue budget										
Divisions	**Planned (£000)**			**Q3 2018/19 (£000)**						**Note ref**
				Projected outturn			**(Over) / under spend**			
	Gross	**Income**	**Net**	**Gross**	**Income**	**Net**	**Gross**	**Income**	**Net**	
Public Health										
Health Improvement services	4,717	-	4,717	4,715	-	4,715	2	-	2	
Drug and alcohol services	6,101	-	6,101	6,101	-	6,101	-	-	-	
Sexual health services	4,160	-	4,160	4,160	-	4,160	-	-	-	
Health Visiting & School Nursing	8,769	-	8,769	8,769	-	8,769	-	-	-	
NHS Health Checks	823	-	823	823	-	823	-	-	-	
Management support and Public Health programmes	2,820	-	2,820	2,822	-	2,822	(2)	-	(2)	
Public Health Grant income	-	(27,270)	(27,270)	-	(27,270)	(27,270)	-	-	-	
Public Health CCG and Reimbursement income	-	(120)	(120)	-	(120)	(120)	-	-	-	
Sub Total for Core Services	**27,390**	**(27,390)**	**0**	**27,390**	**(27,390)**	**0**	**0**	**0**	**0**	
One Off Projects funded from PH Reserves	2,953	(2,953)	-	2,953	(2,953)	-	-	-	-	**ix**
Early Help funding	1,601	(1,601)	-	1,601	(1,601)	-	-	-	-	**x**
Total Public Health	**31,944**	**(31,944)**	**0**	**31,944**	**(31,944)**	**0**	**0**	**0**	**0**	

Capital programme										
Approved project	**Total project – all years (£000)**		**2018/19**							**Note ref**
			In year monitor Q3 (£000)				**Analysis of variation (£000)**			
	Budget	**Projected**	**Budget**	**Actual to date**	**Projected 2018/19**	**Variation (over) / under budget**	**(Over) / under spend**	**Slippage to future year**	**Spend in advance**	
OP Service Improvements	-	-	-	17	32	(32)	-	-	(32)	
Greenacres	2,598	2,598	750	178	750	-	-	-	-	
LD Service Opportunities	5,092	5,092	95	100	100	(5)	-	-	(5)	
Continuing Programme:										
House Adaptations for People with Disabilities	2,719	2,719	5	4	5	-	-	-	-	
Total ASC Gross	**10,409**	**10,409**	**850**	**299**	**887**	**(37)**	**0**	**0**	**(37)**	

Business Services – Q3 2018/19

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

Summary of successes and achievements – GovWiFi is a service designed by Government Digital Services, providing instant guest WiFi services to any public sector worker (with a .gov.uk email address who has registered with the service), to allow easier internet access across public sector sites. In Q3, we deployed GovWiFi to the Council's core sites along with Link-WIFi, which will provide network connectivity to Brighton & Hove City Council (BHCC) staff, participating district and borough councils and the NHS.

IT&D supported the Children's Digital Conference in November. The Digital Leads and the Children's Principal Social Worker work closely together and this was a chance to increase awareness for the attending social workers of what IT&D do, who they are and how they work with Children Services. We discussed future developments such as the device refresh project and iPhone rollout and then were available throughout the day to demonstrate new kit and to take questions from the 50+ delegates. This was successful and IT&D will attend annually.

Apprenticeships – The Department for Education have published the data regarding public sector engagement and uptake from the first year of the Apprenticeship Levy (April 2017 to March 2018). In terms of progression against the Government target of 2.3% of the workforce undertaking apprenticeship training, the Council achieved 1.1%, meaning we are placed fourth nationally out of all county councils. Figures for 2018/19 activity will be submitted in the autumn.

Engagement within schools remains strong. Corporately, the higher end 'professional' apprenticeships remain popular. Professional apprenticeships tend to be low in number and high in value and generally the schools uptakes are high in number and lower in value. This leaves room for development corporately within entry level qualifications such as customer service and administration. With this in mind the apprenticeship team have been working with the Local Government Association on its 'Apprentice Accelerator' programme with the aim to stimulate growth in certain areas of apprentice activity.

Social Value – The Council has spent £194.5m with local suppliers over the past 12 months. 867 local suppliers were used, which equates to 55% of our total spend, exceeding our target of 52%.

In Q3, two contracts awarded were in scope of the Social Value Measurement Charter (SVMC). These contracts had a total value of £10.2m and they secured £533,000 in social value commitment, which equates to an outturn of 5.2%. We also awarded five contracts that were out of scope because we accessed existing pre-approved lists of suppliers (frameworks) with pre-defined contractual terms, to which the SVMC could not be retrospectively applied. However, through negotiations with two of the 'out of scope' suppliers, we have also secured an additional £116,000 in social value commitment. The social value benefits committed to during Q3 include local volunteering initiatives, work experience opportunities and environmental benefits. One of the contracts was delivered via the Orbis Construction Framework, with a contract value of £2.35m. This framework has a key focus of delivering services through local supply chains and SMEs. The outturn for the year to date is 5%. Taking into account activity planned for Q4, we do not expect to achieve the 10% target by the end of the year **(ref i)**, however we do expect to see an overall increase on the current total of 5%.

During Q3 work has taken place between the Council and Voluntary Organisations with the aim for East Sussex to exhibit best practice when it comes to cross sector working. Senior leaders from the Council and the Voluntary Organisations have explored the current context, areas for collaboration and a 'reset' of the relationship between the organisations (further detail is available in Appendix 6).

Property operations – Strategic Property Asset Collaboration in East Sussex (SPACES) has submitted a £1m bid for One Public Estate (OPE) Phase 7 for projects involving ESCC, Eastbourne & Lewes councils, Hastings Borough Council, Wealden District Council, South East Coast Ambulance Service (SECAmb), East Sussex Fire & Rescue Service (ESFRS) and East Sussex Colleges Group (ESCG) amongst others. Two of the projects from OPE phase 5 and 6 in Heathfield and Uckfield have been approved for delivery; in Uckfield Sussex Police will move in with ESFRS; and in Heathfield both SECAmb and Sussex Police will move in with ESFRS. These are now being planned and will lead to reduced revenue costs, capital receipts and an opportunity for aligned service delivery as well as potential for housing development on surplus sites. An area of focus for 2019/20 will be developing an asset management strategy for SPACES. The strategy will consider the management of specialist skills between partners to make best use of the skills available to the public sector. The total value of benefits delivered by SPACES (a total across all SPACES partners) to the end of Q3 was over £16m.

We aim to reduce our cost of occupancy of corporate buildings to £175 per square metre. The outturn at Q3 is £184.14/m2 **(ref ii)** which reflects the risk of increased rental costs at two of our hub buildings. Excluding these estimated increased rental costs, the outturn would be £170.23/m2, achieving our target.

IT & Digital infrastructure – 99.83% of key services were available during core hours (08.00 – 17.00 Monday to Friday except the Local Area Network, where availability has been extended to be 24/7) during Q3. Weekend and planned unavailability is excluded.

The Windows mobile phones used by staff and Councillors are now out of date and unsupported by Microsoft.

Following an options report recommending the iPhone SE and a successful pilot, the Digital Strategy Board agreed to adopt the iPhone SE as the default mobile device for the Council. The project to replace the 3,000 Windows phones with iPhones started delivery on the 29 October 2018. During Q3, deployment took place in County Hall, Ocean House, St Mary's House and St Marks House, with over 1,400 iPhones deployed by the 14 December 2018. Rollout of the iPhones continues and is due to be completed in March 2019.

Wellbeing – The 2018/19 Q1-3 sickness absence outturn for the whole authority (excluding schools) is 6.37 days lost per FTE, a decrease of 6.4% since the previous year.

The larger departments CSD and ASC have both seen a decrease in absence in Q1-3; there has been a broad range of dedicated activities in order to support this including; additional training sessions for managers to provide targeted support and coaching. The most significant increase is in CET in both short and long term absences and HR have met with relevant managers to set up targeted action plans as required.

Stress continues to be the primary driver for absence and targeted activities have included hosting wellbeing roadshows and raising awareness through yammer campaigns and newsletters. Funding has been secured from Public Health to train 80 members of staff as Mental Health First Aiders. This will form part of a dedicated campaign to promote being mentally healthy at work and to remove the stigma surrounding mental health.

More broadly, 931 members of staff have now had an onsite health check; the reduced sickness rate would indicate this has had a positive difference on supporting employees to be healthy at work.

Revenue Budget Summary – The 2018/19 Business Services net revenue budget is £22.3m including the £14.7m contribution to the Orbis budget, and efficiency savings of £1.4m. Orbis services achieved £0.4m of the 2018/19 efficiencies last year, so the savings table shows the savings against the in-year savings target of £1m **(ref iii)**. The net budget has increased by £1.3m compared to the Medium Term Financial Plan as the Council's printing and franking budgets have been centralised into IT&D and Property respectively. The full year underspend forecast is £0.7m (**ref v)**, an increase of £0.6m since Q2.

The Orbis operating budget now includes service delivery to BHCC and is in the final year of the initial three year programme to deliver £9.7m of efficiencies. Each partner contributes to the Orbis Operating Budget in proportion to their service delivery requirements, the contributions are currently 21% (BHCC), 24% (ESCC) and 55% (Surrey County Council). Services have delivered ongoing annual savings of £5.1m to date, and are implementing changes to deliver a further £4.6m of savings this year. Overall Orbis is on track to deliver its savings and some services are forecasting additional savings, mainly where they hold vacancies ahead of further efficiencies. As a result, the ESCC contribution to the Orbis budget is likely to be £0.3m less than anticipated **(ref vi)**. This is an increased underspend of £0.27m since Q2.

The budgets managed by Orbis are likely to underspend by £0.4m, an increased underspend of £0.35m compared to Q2. The largest variance is Property, £0.4m **(ref iv)** which is largely a £0.7m underspend on building maintenance offset by higher than anticipated rent payments, £0.3m. There have been delays to the St Anne's car park capital project causing a £0.4m delay to planned maintenance at the site. In addition, there are no planned building improvement works, leading to a further £0.1m underspend. As referenced above, Property services has challenged recent rent increases for two our hub buildings and is awaiting the outcome of an arbitration meeting in December. The forecast includes a potential overspend of £0.3m on rents however this is subject to the outcome of the review so could materially change. It should be noted that there is no provision in the 2019/20 budget if the Council's challenge is unsuccessful.

Capital Programme Summary – The 2018/19 capital budget is £29.8m and includes the £16m Schools Basic Need Programme and the £8.2m Building Improvements programme. The full year forecast variance is £1.3m **(ref x)**. Property has carried out a full review of the condition of buildings which has led to delays of £0.8m to the building improvement programme **(ref vii)**. This forecast assumes that £2.7m will be spent on maintenance in Q4. Three schools basic need schemes are slightly delayed so Property is forecasting a £0.2m underspend at year end **(ref ix)**. Part of the spend on IT&D's Office 365 and secure email projects is now expected in 2019/20, £0.2m **(ref viii)**.

APPENDIX 3

Performance Exceptions (See How to read this report for definition)								
Performance measure	**Outturn 17/18**	**Target 18/19**	**18/19 RAG**				**Q3 18/19 outturn**	**Note Ref**
			Q1	**Q2**	**Q3**	**Q4**		
Priority – Driving sustainable economic growth								
Economic, social and environmental value committed through contracts, as a percentage of our spend with suppliers	SV Charter launched and baseline established	10% of value of annual contracts awarded	G	G	R		5%	i
Priority – Making best use of resources								
Cost of occupancy of corporate buildings per sq. metre	£179 / sq. metre	£175 / sq. metre	G	G	A		£184.14/ m2 (reflects risk of increased rental costs at 2 hub buildings). Excluding estim-ated increased rental costs, outturn £170.23/ m2. Outcome of rent review and effect on outturn not known until end of 2018/19.	ii

Savings exceptions (Projected - Red = will not be delivered but may be mitigated; Amber = on track to deliver but not in the year (& may be mitigated); Green = on track to deliver in the year)					
Service description	**Q3 2018/19 (£'000)**				**Note ref**
	Target	**Achieved**	**Slipped**	**Unachieved**	
Savings					
All planned savings	-	-	-	-	
Total Savings	**1,046**	**1,046**	**0**	**0**	**iii**
Variations to Planned Savings					
	-		-	-	
	-	-	-	-	
Permanent Variations	**0**	**0**	**0**	**0**	
Total Permanent Savings & Variations	**1,046**	**1,046**	**0**	**0**	
	-	-	-	-	
	-	-	-	-	
Temporary Variations	**0**	**0**	**0**	**0**	
Total Savings with Variations	**1,046**	**1,046**	**0**	**0**	

The 2018/19 MTFP savings are £1.4m however £0.4m of this was achieved last year so the in-year target is £1m.

The table below represents the East Sussex 2018/19 Revenue Budget, and includes a line which is the contribution to Orbis Partnership. The second table shows the total Orbis Partnership 2018/19 Revenue Budget; of which East Sussex make a contribution to shared costs of 24%.

APPENDIX 3

Revenue Budget										
Divisions	**Planned (£000)**			**Q3 2018/19 (£000)**						**Note ref**
				Projected outturn			**(Over) / under spend**			
	Gross	**Income**	**Net**	**Gross**	**Income**	**Net**	**Gross**	**Income**	**Net**	
Business Operations	-	-	-	-	-	-	-	-	-	
Finance	2,533	(2,235)	298	2,523	(2,215)	308	10	(20)	(10)	
HR & OD	286	(451)	(165)	371	(536)	(165)	(85)	85	-	
IT & Digital	5,307	(3,028)	2,279	5,281	(3,002)	2,279	26	(26)	-	
Procurement	-	(80)	(80)	-	(80)	(80)	-	-	-	
Property	24,761	(19,461)	5,300	23,914	(19,004)	4,910	847	(457)	390	**iv**
Contribution to Orbis Partnership	14,650	-	14,650	14,359	-	14,359	291	-	291	
Total BSD	**47,537**	**(25,255)**	**22,282**	**46,448**	**(24,837)**	**21,611**	**1,089**	**(418)**	**671**	**v**

Orbis Partnership Revenue Budget										
Divisions	**Planned (£000)**			**Q3 2018/19 (£000)**						**Note ref**
				Projected outturn			**(Over) / under spend**			
	Gross	**Income**	**Net**	**Gross**	**Income**	**Net**	**Gross**	**Income**	**Net**	
Business Operations	12,745	(6,210)	6,535	12,945	(6,810)	6,135	(200)	600	400	
Finance	12,744	(2,127)	10,617	12,449	(2,132)	10,317	295	5	300	
HR	7,581	(1,154)	6,427	7,655	(1,178)	6,477	(74)	24	(50)	
IT	23,032	(2,997)	20,035	22,932	(3,197)	19,735	100	200	300	
Management	2,268	-	2,268	1,988	-	1,988	280	-	280	
Procurement	5,679	(231)	5,448	5,213	(165)	5,048	466	(66)	400	
Property	12,785	(1,444)	11,341	12,890	(1,499)	11,391	(105)	55	(50)	
Total Orbis	**76,834**	**(14,163)**	**62,671**	**76,072**	**(14,981)**	**61,091**	**762**	**818**	**1,580**	
ESCC Contribution			**14,650**			**14,359**			**291**	**vi**

Capital programme										
Approved project	**Total project – all years (£000)**		**2018/19**							**Note ref**
			In year monitor Q3 (£000)				**Analysis of variation (£000)**			
	Budget	**Projected**	**Budget**	**Actual to date**	**Projected 2018/19**	**Variation (over) / under budget**	**(Over) / under spend**	**Slippage to future year**	**Spend in advance**	
SALIX Contract	3,868	3,868	369	374	379	(10)	-	-	(10)	
Property Agile Works	9,713	9,713	20	50	50	(30)	-	-	(30)	
Capital Building Improvements	82,093	82,093	8,209	4,654	7,400	809	-	809	-	**vii**
Libraries Core Need (New to Programme)	2,244	2,244	366	102	270	96	-	96	-	
IT & Digital Strategy Implementation	31,543	31,543	2,472	1,450	2,282	190	-	190	-	**viii**
Schools Basic Need	135,548	135,548	16,032	10,106	15,786	246	-	246	-	**ix**
Early Years	2,480	2,480	905	873	905	0	-	-	-	
Universal Infant Free School Meals	1,901	1,901	10	5	10	0	-	-	-	
Other Schools & CSD Projects	7,600	7,600	1,400	149	1,400	0	-	-	-	
Total BSD Gross	**276,990**	**276,990**	**29,783**	**17,763**	**28,482**	**1,301**	**0**	**1,341**	**(40)**	**x**

Children's Services – Q3 2018/19

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

Summary of successes and achievements

In November we held our third annual Children and Young People's Trust (CYPT) partnership event which was attended by representatives from a range of partnership organisations. The event included table discussions focused on partner contributions and potential development opportunities in relation to the CYPT priorities. This has been used to inform the development of a new Children and Young People's Plan which was published in February 2019. Representatives of current and previous apprentices provided an interactive session sharing information from the 2017/19 State of Child Health in East Sussex; the Pupil, Health and Wellbeing Survey 2017; and the 2018 Make your Mark results.

On 23 November 2018, over 50 young people took part in our Annual Takeover Day to discuss mental health and emotional wellbeing. Workshops included 'Your views on where to go for help', 'Identity and belonging' and 'Learning how to build your own resilience'. The event was attended by children from a diverse range of backgrounds: including several local youth voice groups; disabled young people; the Children in Care Council; and the East Sussex Youth Cabinet, who worked together to voice their views. Young people were able to discuss with senior decision-makers what they think is missing from the world of mental health, as well as highlight positive examples of current services and attitudes to mental health. There are plans for more collaboration between the youth voice groups and conversations about mental wellbeing and emotional wellbeing between young people and service providers/decision-makers.

Between April and December 2018 88% (1,220 out of 1,386) children and young people have given their views and/or participated in their annual Special Educational Needs and Disability (SEND) review meeting.

The East Sussex Secondary School Improvement Board has been established as a next step in the development of the school-led system of improvement. The Board builds on the work undertaken by the Secondary Leadership Support Group over the last three years which has helped to build capacity across the county for system leadership and school-to-school support. The Board is providing overall strategic leadership for all secondary schools and is helping to bring greater coherence impact to the range of improvement work happening across the county. It is also helping to join-up the work of teaching schools, subject networks and the new area based groups.

Operation Encompass is a police and schools early information sharing partnership enabling schools to offer immediate support for children and young people experiencing domestic abuse. Information is shared by the police with a school's trained key adult, prior to the start of the next school day after officers have attended a domestic abuse incident. Operation Encompass went live in the Hastings Opportunity Area in December 2018; with 26 out of 28 schools in the area signed up to the project in December, and an aim have all 28 schools signed up. Schools have been trained in how to respond, and access to advice from Children's Services is in place. Our SWIFT service will be creating a resource pack to help school staff work with children. Operation Encompass will be rolled out countywide in the coming months.

The Council has worked with colleagues in the five district and borough councils to set up a new scheme which offers up to 100% Council Tax discounts to Care Leavers aged 18-24, using a single protocol and process. The scheme has been backdated to 1 April 2018 and eligible Care Leavers will receive 100% discount on their Council Tax bill without the need to apply. We are one of only nine shire counties in England to adopt a scheme and one of only four to have adopted a countywide scheme.

Participation in education, training or employment with training – 95.7% **(ref i)** of young people at academic age 16 (Year 12) and 87.8% **(ref ii)** of young people at academic age 17 (year 13) are participating in education, training or employment with training or undertaking re-engagement provision. This is currently ahead of the national and south east rates based on the most recent comparison data from November 2018.

86.1% (31/36) of Looked After Children (LAC) at academic age 16 and 87.0% (60/69) of LAC academic at age 17 are participating in education, training or employment with training.

Average Progress 8 score for LAC – Provisional data for the average Progress 8 figure for LAC in East Sussex **(ref iii)**, shows that for academic year 2017/18 the outturn, of -1.42, will be red, as it is more than 0.05 points below the national average of -0.93. The data is for a cohort of 25 pupils which is a subset of 36 (LAC who have been continuously in care for one year). Six (24%) of the 25 pupils, were in provisions directly related to their social, emotional and mental health needs which prevented them from accessing mainstream education and therefore taking national exams. Their negative progress score impacts on the average progress score. This is the first year provisional data has been made available before March and its robustness has not yet been tested. This data sits outside the main dataset for attainment data, and confirmed data will available at Q4.

Revenue Budget Summary – The £68.627m net budget is forecast to be overspent at year end by £3.311m **(ref ix)**. This is an increase of £0.041m on the forecast position at Q2.

Within the overall position, £3.645m overspend is forecast within Early Help and Social Care **(ref vi)**, a deterioration of £0.275m from the Q2 position. This is primarily due to £0.202m increased spend in Looked After Children (LAC) because there continues to be significant pressures on agency placements for children with complex needs and from a growing number of Unaccompanied Asylum Seeking Children (UASC) where the funding received is less than the costs of supporting them. A further £0.145m is attributable to Specialist Services where external funding increases have not been commensurate with inflation. The above pressures have been countered by additional £0.059m funding for the Single Point of Advice (SPoA), and by a reduction of £0.047m in the forecast for new cases and vacancy control across Locality.

Education and ISEND are forecasting an overspend of £0.218m **(ref vii)**, a reduction of £0.368m from Q2. This has been achieved through a reduction in demand for the resources available under Direct Payments which we forecast will continue to the end of the year and also continued efficiencies around vacancy control.

Communication, Planning and Performance **(ref viii)** is forecasting an overspend of £0.570m for the year. This represents an increase of £0.252m from the Q2 position and is primarily attributable to extra Home to School Transport statutory costs, £0.246m. The number and cost of the new cohort of SEN pupils was higher than previously forecast but work is continuing to understand the increases and to identify any opportunities to reduce costs, such as seeking efficiencies in travel routes. A business case proposing the development of specialist facilities at mainstream schools with good public transport links has recently been approved and will go some way to alleviate expensive travel in the future.

Central Resources underspend of £1.122m **(ref v)** has decreased by £0.100m on Q2 due to a decrease in forecast legal recharge volumes and related costs.

Within the above forecast outturn position, £4.807m **(ref iv)** of the £4.840m planned 2018/19 savings are forecast to be achieved or to slip but be mitigated by variations. £0.033m will slip and is not currently expected to be mitigated. These savings figures also include £0.773m of savings brought forward from 2017/18.

Capital Programme Summary – Spending for the year is on track and forecast to stay within budget other than for the Conquest Centre project which will slip £0.070m into next year due to a delay in starting the work on site **(ref x)**.

Performance exceptions
(See How to read this report for definition)

Performance measure	Outturn 17/18	Target 18/19	18/19 RAG				Q3 2018/19 outturn	Note Ref
			Q1	Q2	Q3	Q4		
Priority – Driving sustainable economic growth								
The percentage of young people meeting the duty of Raising the Participation Age (RPA) by either participating in education, training or employment with training or undertaking re-engagement provision at academic age 16 (Year 12)	95%	93%	G	A	G		95.7%	i
The percentage of young people meeting the duty of RPA by either participating in education, training or employment with training or undertaking re-engagement provision at academic age 17 (Year 13)	88%	86%	G	A	G		87.8%	ii
Average Progress 8 score for Looked after Children (LAC)	Ac year 2016/17 ESCC: - 0.87 Nat.: -1.18	Ac year 2017/18 0.05 points or less below the national average for LAC	G	A	R		Provisional Data ESCC -1.42 Nat. -0.93	iii

APPENDIX 4

Savings exceptions (Projected - Red = will not be delivered but may be mitigated; Amber = on track to deliver but not in the year (& may be mitigated); Green = on track to deliver in the year)					
Service description	**Q3 2018/19 (£'000)**				**Note ref**
	Target	**Achieved**	**Slipped**	**Unachieved**	
Savings					
Support Services, including Admissions, Buzz and Music service	322	312	10	-	
Home to School Transport	567	567	-	-	
SWIFT and YOT	182	48	134	-	
LAC	740	-	-	740	
SLES	614	614	-	-	
ISEND and ESBAS	831	-	831	-	
Early Help	1561	-	1561	-	
Safeguarding and QA unit	23	-	23	-	
Total Savings	**4,840**	**1,541**	**2,559**	**740**	
Variations to Planned Savings					
LAC – Pressure Funding	-	740	-	(740)	
Permanent Variations	**0**	**740**	**0**	**740**	
Total Permanent Savings & Variations	**4,840**	**2,281**	**2,559**	**0**	
ISEND and ESBAS grant	-	831	(831)	-	
Early Help – use of reserve approved at County Council Feb 2018	-	1,561	(1,561)	-	
SWIFT and YOT – use of other reserves	-	134	(134)	-	
Temporary Variations	**0**	**2,526**	**(2,526)**	**0**	
Total Savings with Variations	**4,840**	**4,807**	**33**	**0**	**iv**

Revenue budget										
Divisions	**Planned (£000)**			**Q3 2018/19 (£000)**						**Note ref**
				Projected outturn			**(Over) / under spend**			
	Gross	**Income**	**Net**	**Gross**	**Income**	**Net**	**Gross**	**Income**	**Net**	
Central Resources	2,923	(2,575)	348	2,782	(3,556)	(774)	141	981	1,122	**v**
Early Help and Social Care	57,234	(10,166)	47,068	63,219	(12,506)	50,713	(5,985)	2,340	(3,645)	**vi**
Education and ISEND	83,050	(8,414)	74,636	82,941	(8,087)	74,854	109	(327)	(218)	**vii**
Communication, Planning and Performance	19,584	(4,408)	15,176	20,515	(4,769)	15,746	(931)	361	(570)	**viii**
DSG non Schools	-	(68,601)	(68,601)	-	(68,601)	(68,601)	-	-	-	
Schools	156,763	(156,763)	-	156,763	(156,763)	-	-	-	-	
Total Children's Services	**319,554**	**(250,927)**	**68,627**	**326,220**	**(254,282)**	**71,938**	**(6,666)**	**3,355**	**(3,311)**	**ix**

Capital programme										
Approved project	**Total project – all years (£000)**		**2018/19**							**Note ref**
			In year monitor Q3 (£000)				**Analysis of variation (£000)**			
	Budget	**Projected**	**Budget**	**Actual to date**	**Projected 2018/19**	**Variation (over) / under budget**	**(Over) / under spend**	**Slippage to future year**	**Spend in advance**	
Family Contact	188	188	14	13	14	-	-	-	-	
House Adaptations for Disabled Children's Carers	1,468	1,468	145	77	145	-	-	-	-	
Schools Delegated Capital	13,304	13,304	852	636	852	-	-	-	-	
Exceat Canoe Barn Changing Rooms	24	24	2	2	2	-	-	-	-	
Conquest Centre	350	350	100	11	30	70	-	70	-	
Total CSD Gross	**15,334**	**15,334**	**1,113**	**739**	**1,043**	**70**	**0**	**70**	**0**	**x**

Communities, Economy & Transport – Q3 2018/19

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

Summary of successes and achievements – Site preparation ahead of construction of the Newhaven Port Access road started at the end of October 2018; construction will start in the new year and is expected to take 19 months to complete. At the end of November 2018 (the latest data available) 7,989 additional premises were able to be connected to superfast broadband as part of our second contract of works. Businesses were assisted to create 11 jobs in Q3 through business support programmes; Locate East Sussex also assisted 11 businesses to move into, or relocate within, the county. 68 carriageway asset improvement schemes were completed in Q3, to maintain and improve the condition of the county's roads. Trading Standards provided three training workshops to businesses in Q3, with 79 delegates attending; there were also 54 positive interventions to protect vulnerable people, including visiting 44 victims of rogue trading or financial abuse, installing nine call blockers to protect people from telephone scams, and one intervention from the rapid response team. A major project to reconstruct Heathfield High Street was completed two days ahead of schedule in November, the scheme also saw parts of the pavement resurfaced and new street lights installed. All 151 of our old parking machines in Eastboune have been replaced with new, state-of-the-art equipment, which accepts credit, debit and contactless card payments; this is part of a programme to replace all of the old machines in the county.

Terminus Road Eastbourne – Construction of the scheme, to modernise the town centre and improve the pedestrian environment, has continued in Terminus Road, Cornfield Road and Gildredge Road during Q3. The pavement works in Terminus Road were co-ordinated to meet the opening of The Beacon shopping centre extension in October 2018, and to provide some respite for shoppers and traders in the run up to Christmas. The works are expected to be complete in summer 2019.

Queensway Gateway Road – Construction of the first phase of the road, to the middle roundabout, was complete in December 2018; however due to the need to install safety barriers and street lighting it won't be open to traffic until March 2019. The contract for the second phase of the road, which would extend it to the end of Whitworth Road, is being finalised. The final phase, which will see the relocation of Bartletts SEAT and completion of the connection to the A21, is due to begin in 2019/20.

Employability and Skills – Apprenticeships East Sussex has been officially recognised as an additional sub-group of Skills East Sussex (SES). Together with the six established sector task groups, their action plan has been signed off by SES and key performance indicators have been agreed. 44 Industry Champion businesses took part in the 'Open Doors' event in November 2018 and received workplace visits from over 500 students from schools and colleges in the county.

Road Safety – Trials of behavioural change initiatives, as part of the Council's £1m Road Safety scheme, have continued in Q3. These include the Notice of Intended Prosecution (NiP) trial which has seen a new, simplified, NiP being tested in a Randomised Control Trial, with the aim of reducing speeding re-offending. In addition the development of the trial for Operation Crackdown, which involves changing the letter sent to drivers reported through Community Speedwatch, has continued. Initial results of the trials are expected to be available from winter 2019, with a full analysis of the outcomes available in summer 2020.

Phase 1 of social media campaign has been completed. Facebook, You Tube, Instagram and Snapchat were used to promote the campaign to the target audience of 22,500 young male drivers, resulting in 5,600 interactions, equating to 25% of the target audience. We are however unable to confirm whether all of the interactions were from unique users, so there may be some users who interacted with the campaign more than once. The 2018/19 target is now red as the campaign encompassing the behavioural change element will now happen in 2019/20. This element of the campaign has taken longer to develop than first envisaged as we are committed to ensuring a robust methodology is in place to ensure we can evaluate the impact of phase 2 of the pilot **(ref ii)**.

Three infrastructure schemes, on routes identified as high risk, have been completed in Cooksbridge, Ticehurst and Blackham. A further four schemes have been confirmed and are awaiting scheduling The final three identified schemes for 2018/19 are awaiting cost estimates. Completion of the 10 schemes identified for 2018/19 may be impacted by weather conditions over the winter **(ref iii)**.

The total number of people killed or seriously injured (KSI) on our roads between July and September 2018 was 90, with 10 of these fatalities. Of these 77 (eight fatalities) occurred on county roads, with 13 (two fatalities) on Trunk Roads. This is a 17.4% reduction in the number of KSI compared to the same period in 2017, when there were 109 KSI (10 fatalities).

Online learning in libraries – 18 courses were completed in our libraries in Q3, including Learn My Way courses, and courses offering maths and English qualifications. The total number of courses delivered for the first three quarters of 2018/19 is 145, we are still hopeful of meeting the target of 250 courses for the year, and additional promotion is taking place to drive take up **(ref i)**.

Waste Disposal Service – Charging for the disposal of non-household waste at our Household Waste Recycling Sites (HWRS) was successfully implemented at the beginning of October, and Wadhurst and Forest Row HWRS were closed at the end of September. It is estimated that these changes will result in an annual saving of £720k.

Revenue Budget Summary – The net budget at Q3 is £62.200m and at this stage the budget is expected to be underspent by £773k. The Waste Service will underspend, £399k, due to better than expected results from the Lewes District Council roll out of comingled recycling, and positive movements in waste tonnage and leachate volumes. There will be a further underspend of £300k as a result of a negotiated nil increase to the fixed reimbursement concessionary fares contract **(ref vii)**. Both the waste disposal and concessionary fares budgets are affected by a number of external impacts such as weather, customer behaviour and the broader economic climate which are outside our direct control. Of the savings target, £287k will slip into 2019/20 and will be mitigated by waste disposal cost reductions and additional income **(ref iv)**. There is an underspend on salaries resulting from a staff secondment now being made permanent and the cost of departmental staff welfare and training is lower than expected **(ref v)**. The part year pre-closure costs of the seven closed libraries, mobile library, school library service and the requirement to hold a 90 day consultation on staff reductions has been partially offset by the implementation of effective cost controls, cost reductions in Emergency Planning and energy savings at the Keep **(ref vi)**.

Capital Programme Summary – The capital programme has a gross budget of £60.203m at Q3. There is slippage of £147k and spend in advance of £33k. Additional CCTV surveys, topographical surveys and road safety audits have been undertaken for the Bexhill to Hastings Link Road Complimentary Measures scheme, £13k **(ref viii)**. Applications for funding to develop stalled business sites is lower than expected this year, £47k **(ref ix)**. The installation of a number of real time passenger information boards has been reprogrammed for delivery next year £100k **(ref x)**. And it has been necessary to make urgent repairs to a number of footbridges £20k **(ref xi)**.

Performance exceptions
(See How to read this report for definition)

Performance measure	Outturn 17/18	Target 18/19	18/19 RAG				Q3 2018/19 outturn	Note Ref
			Q1	Q2	Q3	Q4		
Priority – Driving sustainable economic growth								
In partnership with funding organisations provide online learning (including skills for life and ICT courses) in libraries (subject to contract)	251	250 courses (subject to external funding)	G	G	A		Q3: 18 courses Q1-3: 145 courses	i
Priority – Helping people help themselves								
Road Safety: Percentage of young male drivers who were aware of the social media campaign who report they changed their behaviour	N/A	15%	G	G	R		Up to 25% of the target audience is aware of the campaign (5,600 responses from a potential audience of 22,500 young men)	ii
Road Safety: Implement infrastructure schemes on identified high risk routes to improve road safety	N/A	10 schemes	G	G	A		3 schemes completed 4 further schemes confirmed Impact of poor winter weather may affect completion of 10 schemes	iii

APPENDIX 5

Savings exceptions (Projected - Red = will not be delivered but may be mitigated; Amber = on track to deliver but not in the year (& may be mitigated); Green = on track to deliver in the year)					
Service description	**Q3 2018/19 (£'000)**				**Note ref**
	Target	**Achieved**	**Slipped**	**Unachieved**	
Savings					
Waste Disposal Service	558	558	-	-	
Waste	162	-	162	-	
Grass Cutting	400	400	-	-	
Review fees & charges across the Planning Service.	25	25	-	-	
Library and Information Service Transformation	125	125	-	-	
Library and Information Service Strategic Commissioning	653	528	125	-	
The Keep	19	19	-	-	
Total Savings	**1,942**	**1,655**	**287**	**0**	**iv**
Variations to Planned Savings					
	-	-	-	-	
Permanent Variations	**0**	**0**	**0**	**0**	
Total Permanent Savings & Variations	**1,942**	**1,655**	**287**	**0**	
Waste – Positive tonnage movements	-	162	(162)	-	
Libraries – use of reserve approved at Cabinet Feb 18	-	25	(25)	-	
Libraries – additional income	-	100	(100)	-	
Temporary Variations	**0**	**287**	**(287)**	**0**	
Total Savings with Variations	**0**	**1,942**	**0**	**0**	

Revenue budget										
Divisions	**Planned (£000)**			**Q3 2018/19 (£000)**						**Note ref**
				Projected outturn			**(Over) / under spend**			
	Gross	**Income**	**Net**	**Gross**	**Income**	**Net**	**Gross**	**Income**	**Net**	
Management and Support	2,897	(150)	2,747	2,807	(162)	2,645	90	12	102	**v**
Customer and Library Services	7,082	(2,198)	4,884	7,124	(2,121)	5,003	(42)	(77)	(119)	**vi**
Communities	3,897	(2,414)	1,483	3,965	(2,482)	1,483	(68)	68	-	
Transport & Operational Services	77,056	(40,231)	36,825	76,908	(40,873)	36,035	148	642	790	**vii**
Highways	16,621	(2,274)	14,347	16,112	(1,765)	14,347	509	(509)	-	
Economy	5,315	(4,216)	1,099	5,023	(3,924)	1,099	292	(292)	-	
Planning and Environment	2,883	(2,068)	815	3,143	(2,328)	815	(260)	260	-	
TOTAL CET	**115,751**	**(53,551)**	**62,200**	**115,082**	**(53,655)**	**61,427**	**669**	**104**	**773**	

APPENDIX 5

Capital programme										
Approved project	Total project – all years (£000)		2018/19 (£000)							Note ref
			In year monitor Q3 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2018/19	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
Registration Ceremonies Website	30	30	22	15	22	-	-	-	-	
Hastings Library	9,503	9,503	335	238	335	-	-	-	-	
Southover Grange	1,214	1,214	5	23	5	-	-	-	-	
Library Refurbishment	1,314	1,314	8	8	8	-	-	-	-	
Broadband	33,800	33,800	1,985	(2,196)	1,985	-	-	-	-	
Bexhill and Hastings Link Road	126,247	126,247	1,555	(278)	1,555	-	-	-	-	
BHLR Complementary Measures	1,800	1,800	266	168	279	(13)	-	-	(13)	viii
Reshaping Uckfield Town Centre	2,500	2,500	13	17	13	-	-	-	-	
Economic Intervention Fund	9,791	9,791	908	209	908	-	-	-	-	
Stalled Sites Fund	916	916	100	3	53	47	-	47	-	ix
EDS Upgrading Empty Commercial Properties	500	500	200	-	200	-	-	-	-	
EDS Incubation Units	1,000	1,000	750	50	750	-	-	-	-	
North Bexhill Access Road	18,600	18,600	2,000	-	2,000	-	-	-	-	
Queensway Gateway Road	10,000	10,000	2,460	-	2,460	-	-	-	-	
East Sussex Strategic Growth Package	8,200	8,200	4,650	1,177	4,650	-	-	-	-	
LGF Business Case Development	196	196	166	115	166	-	-	-	-	
Newhaven Port Access Road	23,271	23,271	6,325	851	6,325	-	-	-	-	
Real Time Passenger Information	2,728	2,728	301	128	201	100	-	100	-	x
Parking Ticket Machine Renewal	1,670	1,670	1,042	377	1,042	-	-	-	-	
Hastings and Bexhill Movement & Access Package	9,718	9,718	927	551	927	-	-	-	-	
Eastbourne/South Wealden Walking & Cycling Package	7,017	7,017	721	337	721	-	-	-	-	
Hailsham/Polegate/Eastbourne Movement & Access Corridor	2,350	2,350	196	28	196	-	-	-	-	
Terminus Road Improvements	8,250	8,250	5,981	3,045	5,981	-	-	-	-	
Eastbourne Town Centre Movement & Access Package Phase 2	3,486	3,486	160	-	160	-	-	-	-	
A22/A27 Junction Improvement Package	1,500	1,500	160	20	160	-	-	-	-	
Other Integrated Transport Schemes	36,240	36,240	2,255	1,257	2,255	-	-	-	-	
Community Match Fund	1,500	1,500	103	163	103	-	-	-		
Exceat Bridge	2,633	2,633	408	70	408	-	-	-	-	

APPENDIX 5

Capital programme										
Approved project	Total project – all years (£000)		2018/19 (£000)							Note ref
			In year monitor Q3 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2018/19	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
Queensway Depot Development	1,956	1,956	100	44	100	-	-	-	-	
Core Programme - Highways Structural Maintenance	235,743	235,743	23,071	15,447	23,071	-	-	-	-	
Core Programme - Bridge Assessment Strengthening	13,310	13,310	1,285	887	1,285	-	-	-	-	
Core Programme - Street Lighting	10,133	10,133	1,335	793	1,335	-	-	-	-	
Core Programme - Rights of Way	4,883	4,883	410	336	430	(20)	-	-	(20)	**xi**
Total CET	**592,096**	**592,096**	**60,203**	**23,883**	**60,089**	**114**	**0**	**147**	**(33)**	

Governance – Q3 2018/19

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

Reconciling Policy, Performance and Resources (RPPR) – The Government's budget was announced on 29 October 2018, with the Local Government Settlement following on 13 December 2018. As part of the announcements East Sussex was chosen to be a business rates retention pilot area for 2019/20 and this is projected to provide £1.6m in additional income. There was also additional one off funding, which in East Sussex will provide, £4.4m for social care; £1.1m of redistributed business rates income which had previously been held by Government; and £2.6m for Adult Social Care to help address increased winter pressures. This additional funding is very welcome, and helps to deal with the immediate financial pressures the Council is facing, however it is all one off funding so won't address the long term challenges. The Government also announced additional SEND funding for 2018/19 and 2019/20 to help meet challenges in the High Needs block, this will provide £1.1m funding in each year. The full final funding settlement from Government is expected in February. We have continued to develop the draft Council Plan and Portfolio Plans during Q3, the Council Plan sets out our ambitions, what we hope to achieve, and the challenges we face up to 2022. The draft 2019/20 Portfolio Plans were reviewed by Scrutiny Boards in December 2018. A Whole Council Forum was held in November 2018 to provide members with the latest position. Consultation and engagement meetings have been held with partners, Business Ratepayers, Trade Unions and young people. On 22 January 2019 Cabinet reviewed an RPPR report on the new budget, final savings plans, capital programme, and Council Plan for 2019/20. At County Council on 5 February 2019 the Council agreed the budget for 2019/20.

Transport for the South East (TfSE) – Following the Shadow Partnership Board on 10 December 2018 TfSE has commenced a period of engagement with its constituent authorities and other key stakeholders to gain their views on its proposal to Government to secure statutory status. A formal consultation will be launched in May 2019. Work has also commenced on the development of the Transport Strategy. A series of stakeholder workshops took place in early January 2019 to obtain stakeholders' views on their priorities for the strategy.

Corporate Lobbying – We continued lobbying for fair funding in Q3, alongside others in the sector and with the assistance of our MPs:

- In the run up to the Autumn Budget, the Leader wrote, on behalf of all Council Group Leaders, to the Prime Minister, the Chancellor of the Exchequer, and the Secretary of State for Housing, Communities and Local Government, restating the urgent need for transitional funding up to the next Spending Review. Liz Truss, Chief Secretary to the Treasury, responded confirming that our case had been noted; additional one-off funding streams were subsequently announced in the Budget.
- The Leader and Deputy Leader met Rishi Sunak, Minister for Local Government, to discuss the pressures that required urgent funding in the Autumn Budget.
- Officers have also met with civil servants in the Ministry for Housing, Communities and Local Government (MHCLG), including the Permanent Secretary, and the Department for Education (DfE) to assist in building an evidence base of the pressures which need to be appropriately funded in the Spending Review. Following the meeting with DfE officials the Leader invited Nadhim Zahawi, Minister for Children's Services, to visit East Sussex and discuss how the work and approaches we have in place, that delivered the Outstanding Ofsted outcome, can be maintained with appropriate funding.
- In December, The Leader and Deputy Leader met with Liz Truss, alongside Norfolk and Kent County Councils. The meeting was an opportunity to explain how, due to local factors, the measures taken by the Government had not improved ESCC's financial position, and what measures would make a real difference. The Minister recognised the difficult position Local Authorities were in and confirmed that they would be a focus of the Spending Review.
- We launched a six week public engagement exercise on the Core Offer to inform and support our lobbying.
- The Leader continued to meet with local MPs to discuss local issues and explore all avenues available to make our case for adequate funding across Government departments.
- We continued to refine our messages and review opportunities for lobbying presented by national developments.

Supporting democracy – During Q3 we supported 44 meetings including: two County Council meetings; two Cabinet meetings; 11 Lead Member meetings; 17 Scrutiny Committees and Review Boards; and 12 other committees and panels. We also published agendas for a further 18 meetings. 50 school admission appeals and one exclusion review request were received. The number of unique page views on the Members' Intranet site in Q3 was 1,457.

The Council's reconfigured Scrutiny Committees continue to progress a range of Scrutiny Reviews, Reference Groups and other work designed to provide constructive challenge and recommendations on service delivery and policy development. During Q3 there has been an emphasis on providing scrutiny input to the ongoing (RPPR) process.

In Q3, a survey was undertaken to identify key Member training needs. With oversight from the Member ICT and

Development Reference Group, training to support the top five identified areas is being developed for delivery in Q4. Individual Members have been provided with information and support to meet more specific needs. Additional work has been undertaken in Q3, with IT & Digital, to ensure Members' ICT support remains up to date and appropriate.

The East Sussex School Appeals Service continues to be in demand. The service is likely to retain all of its current range of single academies and multi-academy trusts (42 academies in total), and is currently discussing the provision of its services to two other trusts. During Q3 a recruitment process has been underway for volunteers to sit on the independent appeal panels and we have started to deliver training to the recruits. This will help us ensure we are able to manage increased demand during the main round of appeals. There is an ongoing focus on developing the team's digital appeal management system, with a new iteration of the system having recently been deployed, helping to deliver further efficiencies and improvements in customer service. Further work is being undertaken to look into the potential to provide the appeals management system to other local authorities, including a project to deliver a third iteration of the system which will have features that will be of particular interest to third parties (and will therefore help ensure the system is market ready). The project will also deliver further improvements in customer service and efficiency for East Sussex parents and admission authorities.

Legal Services – The Orbis Public Law (OPL) Interim Leadership Team have agreed the design principles for the new single service structure and have been working on a first iteration which we are aiming to implement in 2019/20. Work is ongoing to identify areas of best practice across the service and we are also looking at any gaps in resources, including workforce expertise and skills, which need to be developed, particularly where work is currently being undertaken externally. Work is continuing to effectively join up the digital case management systems, which will facilitate sharing of legal work files between partners across the service. We plan to have the single case management system in place by summer 2019.

During Q3 we assisted Trading Standards in the prosecution of a trademark infringement and counterfeit tobacco case, which resulted in a confiscation order of £2,660 and a default sentence of two months imprisonment. In addition, we carried out 151 prosecutions for failing to send a child to school and secured an education supervision order. We also collected debts totalling £162,616 and agreed repayment plans totalling a further £59,600.

In Q3, we completed four S106, five S278, and one S38 Agreement, including one Deed of Dedication, helping secure contributions for the Council. We continued to represent the Council in relation to the clearance of surplus assets, including the completion of the sale of Woolards Field Brighton to South East Coast Ambulance NHS Trust. We also advised on the acquisition of two new school sites, Park Road/New Road Hellingly and Reef Way Hailsham.

We continued to advise and assist Children's Services on vulnerable children both in pre-proceedings and court applications with the ultimate aim of keeping children within their families, if it is safe to do so. We have maintained a quality service in what is a fast moving and challenging area of law. In Q3, 21 new care proceedings were issued, a reduction from the 28 issued in Q2.

We have also become members of the Quality Circle which has been set up locally by professionals working in child protection/family law with the aim of improving practice in family law.

There was an increase in contentious vulnerable adult cases from 15 in Q2 to 22 in Q3. We also saw an increase in Community Deprivation of Liberty Safeguards applications in the Court of Protection from 32 in Q2 to 51 in Q3.

Coroner Services – On average, 178 deaths per month were reported to the coroner in Q3, which is similar to Q2. Of these 36% required a post mortem; which is a 10% reduction on the Q2 rate. In October and November 47 deaths required an inquest, and 85 inquests were closed in Q3. The availability of pathologists is an ongoing risk; the Council continues to work closely with the East Sussex Hospital Trust's Mortuary Managers and the Senior Coroner to manage this.

Regulation of Investigatory Powers Act (RIPA) – On 26 October 2018 a RIPA application for directed surveillance was authorised by the Authorising Officer, and received judicial approval on 30 October 2018. The surveillance concerned a joint investigation by Trading Standards and HMRC into a person suspected of being involved in the wholesale supply of illegal tobacco. The application was reviewed and cancelled on 14 January 2019 after the objectives of the operation were achieved.

Local Government Ombudsman (LGO) complaints – 14 decisions were issued in Q3; with five of these closed before a full investigation. The Ombudsman referred one of these five back to the Council to conduct a Stage 2 Children's Services complaint (with fault found that we had not previously undertaken this stage). Of the nine fully investigated, two were closed with no fault and the following seven were closed with the complaint partly or fully upheld:

Adult Social Care (ASC) – Fault was found with the Council's communication with the complainant about care fees for her father. We have agreed to apologise to the complainant and pay £150 in recognition of any distress caused.

ASC – Financial Assessment: The Council was at fault with how it applied the relevant regulations and guidance on deprivation of assets and incorrectly attributed the gift of the client's property to her daughter as a deliberate deprivation of assets. The Council agreed to apologise; conduct a revised financial assessment, in which the value of the property is disregarded, refunding any care charges for the complainant's mother charged in error; and reimburse

legal costs of £2,550. Whilst accepting the recommendations from the Ombudsman, we intend to seek clarification from the Department of Health and National Assessment of Financial Officers as there appears to be a contradiction in the wording between the Care and Support Statutory Guidance and the Care and Support Regulations.

ASC – Moving and Handling Assessment: The Council was at fault for failing to evidence that we had considered the customer's moving and handling plan when completing her risk assessment, but no injustice was caused.

ASC – Safeguarding Investigation: The Council was at fault for not making it more clear in the safeguarding investigation report that there were founded concerns in relation to the actions of both care staff and the complainant. The Council agreed to apologise to the complainant for the impression given in the safeguarding conclusion meeting report and to add her comments to the safeguarding investigation records.

ASC – Care Fees: The Council was a fault for failing to correct the complainant's stated belief that her father would be entitled to six weeks free care and for failing to provide appropriate financial information in a timely manner. We have agreed with the LGO recommendation to apologise and reimburse the sum of £1,310, which is half the cost of the first six weeks care.

Children's Services (CS) – The Council was at fault for failing to discuss the social services team's closure record with the complainant when the involvement with his daughter ended. However, no injustice was caused.

Communities, Economy and Transport – Street Lighting: The Council was at fault for the time it took to fit a shield to a street light outside the complainants' home and for poor communication with the complainants. We agreed to apologise for the delay and pay £200 in recognition for the time and trouble incurred pursuing the complaint.

Effective publicity and campaigns – Publicity for the Council's survey on the Core Offer helped drive take-up, the video summary was viewed more than 7,500 times and there were more than 1,300 click-throughs to the survey from social media and online publicity. The 'Stoptober' campaign, to help people looking to give up smoking, drew more than 800 people to visit the One You East Sussex site for more information.

Media work – The press office dealt with 196 media enquiries during Q3 and there were 451 media stories about the Council, 330 of which were positive or neutral. The team issued 38 press releases, which resulted in 127 media stories, including 23 news stories about the Core Offer.

Web activity – There were almost 4.2 million page views of the Council's main website in Q3, from 452,000 users. Of these, 38 per cent were from mobile devices, up from 36 per cent in the same period a year ago.

Third Sector support – During Q3 we procured Crowdfunder UK to provide the new Crowdfund East online platform and provide training and support to groups and organisations across the county over the next three years. Crowdfund East will be launched during Q4 with a Projects that Matter campaign, that will identify five local not-for-profit projects to receive training and support to use the platform to raise funds. Each of the five projects will also receive £1,000 from Building Stronger Communities, sponsored by East Sussex Better Together and Connecting 4 You. A full training and support programme for other groups and organisations across the county will also be launched during Q4.

Healthwatch East Sussex published the Listening to The Havens Report in Q3. The report covered two weeks of conversation with local people about health and care services, with people speaking positively about staff, describing them as 'helpful' and 'understanding'. However the report also included views from young people about their frustration in accessing mental health services and their unhappiness with the proposal to stop some services.

During Q3 Healthwatch East Sussex were highly commended by Healthwatch England's National Network Awards for their work in championing diversity and inclusion.

During Q3 meetings between the Council's Chief Executive and Director of Adult Social Care, and the Chief Executives from some of the county's Voluntary Organisations have taken place. The discussions explored the current context which informs relations between the Council and the Voluntary Sector, areas for collaboration; and a 'reset' of the relationship between the Council and the Voluntary Sector. The aim is for East Sussex to exhibit best practice when it comes to cross sector working. A joint statement has been issued to bring this stage of the debate to a close, and to broaden the discussion so that other colleagues can offer views, with further cross sector discussions taking place in Q4.

South East 7 (SE7) – The SE7 Leaders Board met in Q3 and discussed recent developments in each Authority area; how the SE7 could support TfSE to achieve its priorities and legal status; and the Local Enterprise Partnership Review. Future priorities for the partnership and priorities to be taken up at the meeting with Lord Henley, Minister for Local Industrial Strategies were also agreed. At the meeting with the Minister on 15 October, the value of the SE7 to the national exchequer was recognised, particularly in the context of Brexit, and it was agreed that the Minister would remain a contact for the SE7 on economic development issues.

The SE7 Chief Executives' Group continue to meet regularly and senior civil servants from the MHCLG attended their December meeting to discuss Local Government funding and the Spending Review.

World War 1 (WW1) commemorations – In Q3 both the First World War centenary and the East Sussex WW1 projects ended. 47,057 users viewed the East Sussex First World War website 81,469 times in Q3; four times the

number of views in Q3 2017/18. On the final day of the centenary (11 November) alone the website received 5,258 views. Although the project had ended, the website continued to receive visitors, with 8,877 views on 4 December, the anniversary of the birth of British nurse Edith Cavell who is the subject of a story on the website. In total, from the launch of the project on 4 August 2014 to 31 December 2018 the website had 415,711 views from 211,718 users.

A final story looking back over the project and summarising its achievements was added to the website in Q3, with testimonies on the success of the project from partners and members of the public. In total across the centenary, 256 stories and events were published on the website with 65% submitted by members of the public. The website is in the process of being archived on the Council's server and will remain accessible to the public in a reduced format.

Following the conclusion of the project, the East Sussex WW1 Twitter account will be closed, having sent 2,331 tweets and gained 1,606 followers. Other users liked our tweets 3,500 times and we were retweeted 3,200 times. The success of the Twitter account was central to the success of the website and the project.

Health and Wellbeing Board (HWB) – The HWB endorsed proposed changes for membership; meeting structure; governance; and strategy arising from the review and workshop in December. These proposals will now go to Governance Committee and Council for consideration and to approve the changes to the terms of reference and constitution of the HWB.

In December the HWB also considered the annual report of the Safeguarding Adults board. The report outlines safeguarding activity and performance in East Sussex during 2017/18, as well as some of the main developments that have taken place to prevent abuse from occurring. The report also sets out the progress made against key priorities for 2017/18 and demonstrates the continued effort of all partner agencies to work together to safeguard adults from abuse and neglect.

Revenue budget summary – The net budget of £7.218m is expected to come in on-line.

Performance exceptions
(See How to read this report for definition)

Performance measure	Outturn 17/18	Target 18/19	18/19 RAG				2018/19 outturn	Note ref
			Q1	Q2	Q3	Q4		
There are no Council Plan targets								

Savings exceptions
(Projected - Red = will not be delivered but may be mitigated; Amber = on track to deliver but not in the year (& may be mitigated); Green = on track to deliver in the year)

Service description	Q3 2018/19 (£'000)				Note ref
	Target	Achieved	Slipped	Unachieved	
Savings					
Communications	54	54	-	-	
3rd Sector	30	30	-	-	
Legal Services (slippage from previous year)	25	25	-	-	
Total Savings	**109**	**109**	**0**	**0**	
Variations to Planned Savings					
	-	-	-	-	
Permanent Variations	**0**	**0**	**0**	**0**	
Total Permanent Savings & Variations	**109**	**109**	**0**	**0**	
	-	-	-	-	
Temporary Variations	**0**	**0**	**0**	**0**	
Total Savings with Variations	**109**	**109**	**0**	**0**	

Revenue budget

Divisions	Planned (£000)			Q3 2018/19 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Corporate Governance	5,217	(672)	4,545	5,242	(616)	4,626	(25)	(56)	(81)	
Corporate Support	2,939	(266)	2,673	3,060	(468)	2,592	(121)	202	81	
Total Governance	**8,156**	**(938)**	**7,218**	**8,302**	**(1,084)**	**7,218**	**(146)**	**146**	**0**	

APPENDIX 6

Capital programme										
Approved project	Total project – all years (£000)		2018/19							Note ref
			In year monitor Q3 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2018/19	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
No current programme for Governance	-	-	-	-	-	-	-	-	-	
Total Governance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	

APPENDIX 7

Strategic Risk Register – Q3 2018/19			
Ref	**Strategic Risks**	**Risk Control / Response and Post Mitigation RAG score**	
12	**CYBER ATTACK** The National Cyber Security Centre (NCSC) has highlighted the substantial risk to British web infrastructure with elevated levels of Cyber Crime being reported against all areas of government. Cyber-attacks often include multi vector attacks featuring internet based, social engineering and targeted exploits against hardware, software and personnel. The remote nature of the internet makes this an international issue and an inevitable risk. Examples of the impact of a Cyber Attack include: • Financial fraud related to phishing of executives and finance staff; • Loss of Personally Identifiable Information and subsequent fines from Information Commissioner's Office (4% of global revenue under the new General Data Protection Regulations); • Total loss of access to systems that could lead to threat to life. A successful cyber-attack can shut down operations - not just for a few hours, but rather for multiple days and weeks. The collateral damage, such as information leaks and reputational damage can continue for much longer. Added to that, backup systems, applications and data may also be infected and therefore, of little usable value during response and recovery operations - they may need to be cleansed before they can be used for recovery. This takes time and consumes skilled resources reducing capacity available to operate the usual services that keep the Council working.	Most attacks leverage software flaws and gaps in boundary defences. Keeping software up to date with regular patching regimes; continually monitoring evolving threats and re-evaluating the ability of our toolset to provide adequate defence'. Ongoing discussion and communication with the Info Sec industry to find the most suitable tools and systems to secure our infrastructure. Expanding Security Information and Event Management (SIEM) system capabilities to align with SCC and leverage latest standards of automation, detection and prevention. Development of “Security Advocates”. Trained staff that can cascade and share cyber security insights and highlight potential issues into the workforce. Promoting a visible approachable business based security team; Enhancing user awareness - Expanding E-Learning and policy delivery mechanisms to cover Cyber threat, educating staff around the techniques and methods used by active threats. With 77% of all malware installed via email, users to be given learning experiences of phishing at point of use in a safe and secure environment; Providing GDPR training and workshops to cascade vital skills and information to those affected by new Data Protection laws; ESCC servers moved to the Orbis Primary Data Centre for resilience – An accredited Tier 3 environment certified to these standards: • ISO 27001 - IT Governance and Information Security Management • ISO 9001 - Quality Standard in Customer Service, Customer Processes, Product Process and Service, Efficiency and Continuous Improvement • ISO 14001 - Environmental Management and Best Practices for Corporate Environmental Responsibility. Disaster Recovery services now to similarly be relocated to a Tier 3 Data Centre environment (Orbis Secondary Data Centre in Guildford).	**R**

APPENDIX 7

Strategic Risk Register – Q3 2018/19			
Ref	**Strategic Risks**	**Risk Control / Response and Post Mitigation RAG score**	
4	**HEALTH** Failure to secure maximum value from partnership working with the NHS. If not achieved, there will be impact on social care, public health and health outcomes and increased social care cost pressures. This would add pressures on the Council's budget and/or risks to other Council objectives.	Proposals for a new streamlined system of governance arrangements are being developed to work in partnership with the local NHS. With accountability to the Health and Wellbeing Board, this supports a transition to a proposed reset health and social care transformation programme to make further progress on integration, including community health and social care services, as well as strategically managing business as usual and financial recovery across our health and care system. The new arrangements will be formally proposed to Cabinet for decision on 5th March. NHS England has applied formal directions both to NHS Hastings and Rother CCG and NHS Eastbourne, Hailsham and Seaford CCG which require them to develop and implement a financial recovery plan that contributes to achieving financial balance across the whole East Sussex system and ensures services are clinically sustainable as well as financially so. Leadership capacity, governance and wider capacity and capability of the CCGs will also be reviewed. Financial recovery will therefore be the focus of CCG and partnership attention for the rest of the financial year. The ambition of East Sussex remains the same; however the pace of change will inevitably slow due to the need to achieve financial balance.	**R**
5	**RECONCILING POLICY, PERFORMANCE & RESOURCE** 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.	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 and manage demand. The Council Plan sets out targets for a 'One Council' approach to deliver our priorities and is monitored quarterly. The plans take account of known risks and pressures, including demographic changes and financial risks, to design mechanisms to deliver the Council's priorities. Central Government's plans for the future funding of local government services remain undeveloped. It is prudent therefore to continue to plan on the basis of current assumptions.	**R**

APPENDIX 7

Strategic Risk Register – Q3 2018/19			
Ref	**Strategic Risks**	**Risk Control / Response and Post Mitigation RAG score**	
7	**SCHOOLS** Failure to manage the expected significant reduction in resources for school improvement from 2017/18 and the potential impacts of changing government policy on education, leading to reduced outcomes for children, poor Ofsted reports and reputational damage	• Work closely with schools to build a sustainable system across East Sussex, in order to ensure that the capacity and expertise is available to provide oversight of educational performance and to offer appropriate support and challenge where it is required. • Provide an opportunity for every school to be part of a local Education Improvement Partnership to support their ongoing improvement and for all partnerships to develop to the point where they provide a sustainable network through which all schools and other providers take responsibility for improvement in their local area. • Continue to develop commissioning model of school improvement including reviewing the level of trading by SLES to ascertain what is sustainable within reducing capacity and to identify core services that can be traded. • Continue to build relationships with academies and sponsors, including the Diocese of Chichester; ensure a dialogue about school performance, including data sharing. • Work with academies and maintained schools through the Education Improvement Partnerships to develop system leadership, school to school support and to broker partnerships to reduce pressure on SLES services. • Broker support to academies to address any performance concerns and investigate the feasibility of trading some LA school improvement services with all schools on a full cost recovery basis. • Where academies do not appear to be accessing appropriate support, bring this to the attention of the DfES, who may exercise their intervention powers. • Work with the Regional Schools Commissioner to ensure the work of the RSC and the LA is aligned and that schools have the support they need. • Review SLES activity in relation to our statutory responsibilities. • In 2019 the Department will be preparing a refreshed Excellence for All strategy for publication in September 2019. This will take account of the core offer proposals and the areas of work we plan to reduce subject to the outcome of the core offer consultation.	**R**

APPENDIX 7

Strategic Risk Register – Q3 2018/19			
Ref	**Strategic Risks**	**Risk Control / Response and Post Mitigation RAG score**	
1	**ROADS** Wet winter weather, over recent years has caused significant damage to many of the county's roads, adding to the backlog of maintenance in the County Council's Asset Plan, and increasing the risk to the Council's ability to stem the rate of deterioration and maintain road condition.	The additional capital maintenance funding approved by Cabinet in recent years has enabled us to stabilise the rate of deterioration in the carriageway network and improve the condition of our principle road network. However a large backlog of maintenance still exists and is addressed on a priority basis. The County Council's asset management approach to highway maintenance is maintaining the overall condition of roads, despite recent year's winter weather. However, severe winter weather continues to be a significant risk with the potential to have significant impact on the highway network. The recently approved five year capital programme for carriageways 2018/19 to 2022/23, and the six year additional capital programme for drainage and footways 2017/18 to 2022/23 provide the ability to continue to improve condition and build resilience into the network for future winter events. The past winter (2017/18) has been more severe than previous years. We gritted 52,584 km last year and gritted over 98,000 km this year. There were also two periods of snowfall this year. Whilst this was manged well it has led to an increase in carriageway potholes, which will put some additional pressure on the revenue budget as a result. Changes to the grass cutting policy could have an impact on the efficiency of the drainage system, with more material in the drains if it is not managed effectively.	**A**
13	**DEDICATED SCHOOLS GRANT** Failure to manage the loss of flexibility in the allocation of the Dedicated Schools Grant and High Needs (HN) Block funding and the potential increased risk to the Council's budget.	The County Council has agreed an approach to mitigate and fund DSG reductions. Through the RPPR process, and building on previous work to offset DSG reductions, funding to offset expected reductions to the highest risk areas has been planned over the next 3 years. For HN block in particular, a significant amount of work has been undertaken, working with schools, to reduce the pressure in this area. The funding of DSG reductions as described above, will also help with this. The on-going RPPR process will continue to part-mitigate this risk.	**A**

APPENDIX 7

Strategic Risk Register – Q3 2018/19			
Ref	**Strategic Risks**	**Risk Control / Response and Post Mitigation RAG score**	
New	**NO-DEAL BREXIT** The UK withdraws from the EU with no agreed deal, transition or implementation period leading to disruption in the county, failure to deliver Council services and/or increasing existing areas of risk. Key areas at risk of disruption: - Disruption at Newhaven port and across the ESCC road network; - Disruption to waste collection and disposal; - Disruption to fuel supply; - Disruption to service delivery due to staff availability; - Communication with staff, partners and public; and - Procurement and the effect on the supply chain.	Relevant Council teams are actively monitoring Brexit discussions and developments, considering potential implications/ disruption and developing contingency plans. This work takes place as part of business as usual activity to identify how the national and local context impacts on services. Many of the key areas at risk of disruption are already on the Strategic risk register (Workforce, Recruitment) or departmental risk registers and are subject to business as usual risk management. The Communities, Economy and Transport (CET) Department is leading the assessment of a no deal Brexit from an Emergency Planning and Resilience perspective. Chief Officers are involved in regional and national information and developments in relation to Brexit. To ensure a coordinated response, Brexit planning is a regular item at Corporate Management Team (CMT) meetings, and a short life Brexit Task Group has been set up to avoid unnecessary impact on the Council's usual business. The task group will share actions that are being taken; monitor progress on agreed actions; and identify any common ground to avoid duplication. The task group is comprised of a representative from each department and lead officers from HR, Procurement and Emergency Planning.	**A**
8	**CAPITAL PROGRAMME** As a result of current austerity, the capital programme has been produced to support basic need only and as a result of this there is no resource for other investment that may benefit the County e.g. that may generate economic growth. Additionally there is a risk, due to the complexity of formulas and factors that impact upon them, or changes in these, that the estimated Government Grants, which fund part of the programme, are significantly reduced. There is also a risk that the move from S106 contributions to Community Infrastructure Levy will mean that Council has reduced funding from this source as bids have to be made to Districts and Boroughs. Slippage continues to occur within the programme, which has an impact on the effective use of limited resources.	Governance arrangements have been reviewed and developed with Property for the delivery of Schools Basic Need and capital property works in support of the robust programme delivery of the basic need programme. The Education Sub Board, which in part focuses on future need for schools places, continues to inform the Capital Strategic Asset Board of key risks and issues within the School Basic Need Programme. Regular scrutiny by the Capital Strategic Asset Board, of programme and project profiles (both in year and across the life of the programme) occurs on a quarterly basis. Financial regulations have been updated to reflect the revised governance arrangements. The Board also proactively supports the seeking and management of all sources of capital funding, including; grants, S106, CIL, Local Growth Fund and European grants. A working group has been set up to develop the process for bidding for CIL and work continues with Districts and Boroughs to maximise the Council's receipt of this limited resource. There continues to be Finance representation at the cross departmental Local Growth Fund Oversight group. A review is underway to strengthen capital programme reporting and project profiling with a view to driving down the amount of slippage within the capital programme. Actions from this review will be implemented across Q2 and Q3.	**A**

APPENDIX 7

Strategic Risk Register – Q3 2018/19			
Ref	**Strategic Risks**	**Risk Control / Response and Post Mitigation RAG score**	
9	**WORKFORCE** Stress and mental health are currently the top two reasons for sickness absence across the Council, potentially leading to reduced staff wellbeing, reduced service resilience, inability to deliver efficient service and / or reputational issues.	The 2018/19 Q1-3 sickness absence outturn for the whole authority (excluding schools) is 6.37 days lost per FTE, a decrease of 6.4% since the previous year. Although stress/mental health remains the primary reason for absence, time lost due to stress/mental health during this period fell by 8% compared to Q1-3 last year. Interestingly, during that period whilst days lost due to stress have fallen by 21.7%, Mental Health has increased by 26.4% A range of initiatives to address mental health absences have been implemented, including: • Training 80 Mental Health First Aiders across the organisation between March – April 2019 • Launching an ESCC Mental Health Awareness Campaign • Managers 'Mental Health Awareness' workshops have now been introduced as part of the corporate training programme. • The Return to Work forms are being developed to include more guidance for managers on mental health conditions such as depression and bi-polar	**A**
10	**RECRUITMENT** Inability to attract high calibre candidates, leading to limited recruitment choices and therefore lack of the expertise, capacity, leadership and/or innovation required to deliver services and service transformation.	An analysis of our current workforce demographics and recruitment and retention 'hotspots' has been completed and has been considered by CMT. Two workstreams have been agreed of 'attracting and recruiting the future workforce' and 'leading the workforce'. A new e-Recruitment system is due to be implemented during 2019 and work to support this is currently on-going.	**A**

APPENDIX 7

Strategic Risk Register – Q3 2018/19			
Ref	**Strategic Risks**	**Risk Control / Response and Post Mitigation RAG score**	
6	**LOCAL ECONOMIC GROWTH** Failure to deliver local economic growth, and failure to maximise opportunities afforded by Government proposal to allocate Local Growth Funding to South East Local Enterprise Partnership, creating adverse reputational and financial impacts.	The County Council and its partners have been successful in securing significant amounts of growth funding totalling £110m, via both the South East and Coast 2 Capital Local Enterprise Partnerships, to deliver a wide range of infrastructure projects in East Sussex. We have also secured outgoing EU funding for complementary economic development programmes supporting businesses to grow, including South East Business Boost, LoCASE, SECCADS and inward investment services for the county. The County Council is working with Wealden DC and developing a business case to secure Housing Infrastructure Funding (HIF) of approximately £30m. It will be submitted by March 2019. The aim is to accelerate housing development in Wealden, with the proposal if successful helping to unlock significant funding for county transport and school infrastructure improvements in one of our key Growth Corridors. The business case will also include an environmental mitigation package in recognition of the impact on the Ashdown Forest. Government is working on a new Shared Prosperity Fund, which seeks to combine growth funding and outgoing EU funding into one, and as a consequence we are working with partners to develop a pipeline of projects to ensure we are well-placed to capitalise when the fund is released, and calls for projects are issued. Government has also instigated a review of LEPs across the country, and we have contributed to the SE LEP response to Government to ask that the current SE LEP geography be retained.	**G**