Leader Portfolio (including Economy) - Summary

Performance Summary

1. The Portfolio has the following performance highlight to report this quarter:

    •   All six growth deals remain in place with our District and Borough Council partners. In the last quarter, we have continued to assess all six deals against our economic recovery plans with our growth deal stakeholders and have progressed refresh conversations where appropriate. The refreshing of the deals will be underpinned by the following key outputs, sustaining and increasing jobs, freeing up land for development creating new homes and employments space as well as supporting the council's climate change and economic recovery strategies.

Our Council Performance Measures

	Leader	2021/22 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis	Actions	Year End Forecast
15	Enterprises supported to start, revive, innovate and grow Reporting Frequency: Quarterly, Accumulative. Reported a quarter in arrears.	1,500	Mar-21	Jun-21	Sep-21	↗	Q3 results due in March 2022. A key focus of the Council's Economy Reset Plan is to provide support to enterprises; encouraging successful start-ups and helping established businesses to revive, innovate and grow. Existing support programmes have been refocussed to provide responsive and relevant backing to businesses at this critical time. Of the 6 projects supporting this KPI, 3 are in delivery, The Track, Experience West Sussex and Business Hothouse, all progressing on target. The Digital Support Programme, Research and Innovation in Sussex Excellence (RISE) and Low Carbon Across the South East (LoCASE) projects are in final stages of preparation, with delivery on track to start in Q2. Despite the challenges of the pandemic, a strong start to the projects has achieved successful Q1 results and is encouraging for the year end projection.	No further actions currently required.	G
			950	833	1,253				
20	Percentage of premises able to access gigabit-capable connectivity by 2025 (working towards government target of 85% by the end of 2025) Reporting Frequency: Annually	20.0%	2018/19	2019/20	2020/21	↗	Next update due March 2022. Working with DCMS (Department for Digital, Culture, Media & Sport) and suppliers within the county with commercial plans or Voucher schemes. Currently undergoing a detailed review of the Open Market Review (OMR) to prepare for the Public Review stage of the process.	No further actions currently required.	G
			4.5%	8.8%	21.2%				
24	Number of growth deals in place with district and boroughs Reporting Frequency: Annually	6	2018/19	2019/20	2020/21	→	All six growth deals remain in place with our District and Borough Council partners. In the last quarter we have achieved the following outcomes: • Contractors appointed to deliver Burgess Hill Place and Connectivity phase one. • County building demolition in Crawley has been completed. • Eastern gateway in Crawley continues to progress well • Portland road in Worthing remains on tract for delivery in spring 22 – Green • Manor Royal highways works are progressing to delivery	No further actions currently required.	G
			6	6	6				

Finance Summary

Portfolio In Year Pressures and Mitigations

Pressures	(£m)	Mitigations and Underspending	(£m)	Year end budget variation (£m)
		Minor variations	(£0.050m)	
Leader Portfolio - Total	**£0.000m**		**(£0.050m)**	**(£0.050m)**

Significant Financial Issues and Risks Arising

2. There are no significant issues to raise within this section.

Financial Narrative on the Portfolio's Position

3. The Leader Portfolio is currently projecting a £0.050m underspend.

Savings Delivery Update

4. The portfolio has the following 2021/22 savings included within the budget. Details of these savings are included in the table below:

Saving Activity	2021/22 Savings £000	December 2021		Narrative	2022/23
Review of Economy project budgets	100	100	G		B
Review of agency staff	1	1	B		B

Savings Key:

R	Significant Risk	A	At Risk	G	On Track	B	Delivered

Capital Programme

5. Following a review of the Capital Programme, a number of Economy projects have been re-assigned to the Leader Portfolio from the Support Services and Economic Development Portfolio.

Performance Summary

6. There are 11 schemes within the portfolio and all 11 schemes in delivery are rated green, indicating that the schemes are progressing as planned.

Finance Summary – Capital

7. The capital programme; as approved by County Council in February 2021, agreed a programme totalling £2.184m for 2021/22. £2.659m of expenditure, originally profiled to spend in 2020/21, was slipped into 2021/22, revising the capital programme to £4.843m.

8. Since this time, the profiled spend has increased overall by £1.796m, to give a current year end projection for 2021/22 of £6.639m. Of this increase, £2.090m relates to projects where funding has been accelerated from future years and -£0.294m relates to in-year slippage.
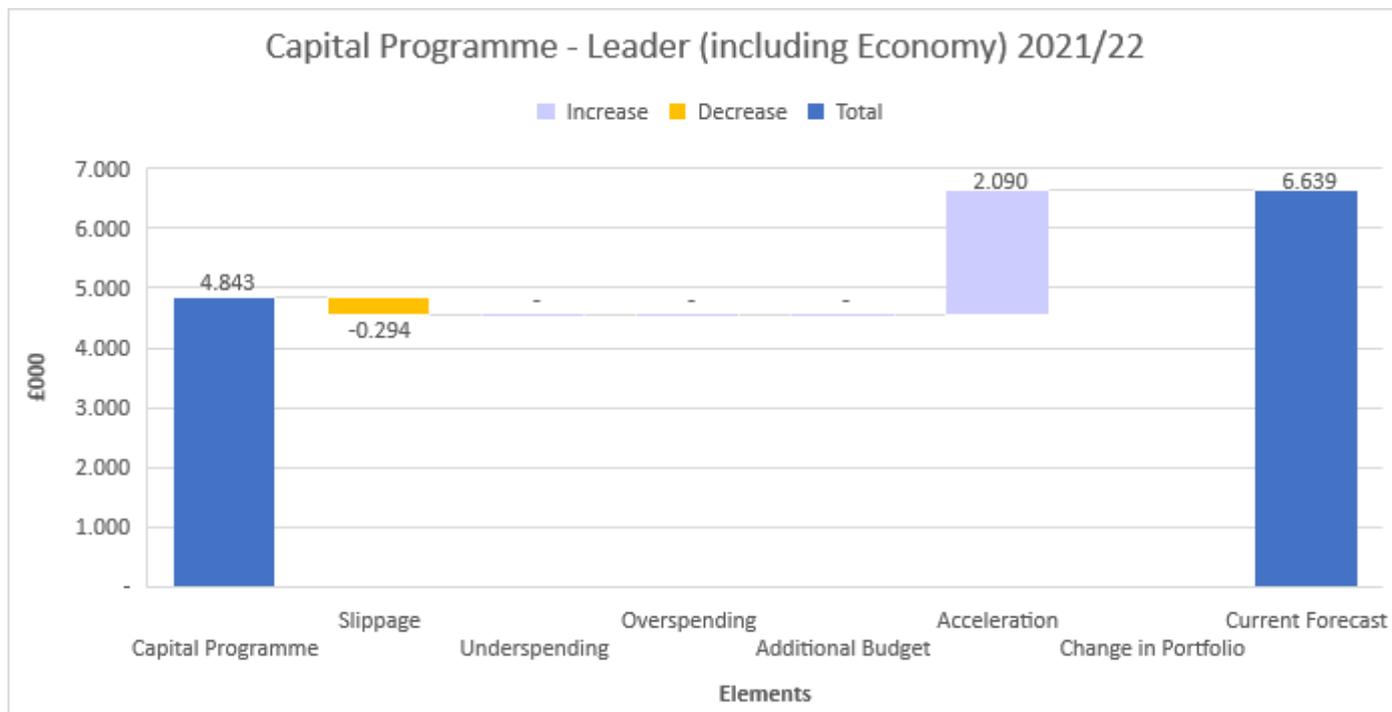
Key:
Capital Programme – The revised planned expenditure for 2021/22 as at 1st April 2021.
Slippage – Funding which was planned to be spent in 2021/22 but has since been reprofiled into future years.
Underspending – Unused funding following the completion of projects.
Overspending - Projects that require further funding over and above the original approved budget.
Additional Budget – Additional external funding that has entered the capital programme for the first time.
Acceleration – Agreed funding which has been brought forward from future years.
Current Forecast – Latest 2021/22 financial year capital programme forecast.

9. Details of movements of the financial profiling within the capital programme between October and December are as follows:

- **Slippage: -£0.294m. Movement since Q2 report: -£0.294m.**

  - o **Manor Royal Highway Improvements: -£0.294m.** Profiling has been reviewed by the project team against the project milestones with £0.294m being reprofiled into future years.

- **Acceleration: £2.090m. Movement since Q2 report: £2.090m.**

  - o **Eastern Gateway: £2.000m.** Project is progressing much quicker than initially anticipated as the previous spending profile allowed for uncertainties around the Covid-19 pandemic. Funding has been accelerated accordingly.

  - o **Railway Approach: £0.090m.** £0.284m has been approved to develop preliminary design and cover costs associated with the Railway Approach project. £0.090m is profiled to be spent in 2021/22 with the remainder in 2022/23.

Risk

10. The following table summarises the risks on the corporate risk register that would have a direct impact on the portfolio. Risks to other portfolios are specified within the respective appendices to this report.

Risk No.	Risk Description	Previous Quarter Score	Current Score
CR68	The government have placed restrictions and imposed requirements on Local Authorities to support in the management of the Covid-19 pandemic. If local (county or district) responsibilities are prolonged or additional measures imposed, there is a risk **services will fail to deliver existing work plans** due to staff responding to the impact of the pandemic, or staff shortages due to sickness.	15	15
CR70	There is an **increasing demand placed on the senior officers** due to the ongoing threat of Covid-19 and additional burdens due to devolved responsibilities. This may lead to a continued **lack of capacity to deal with strategic/organisational issues**, leading to poor decision making.	12	12
CR7	There are governance systems which inhibit effective performance and a culture of **non-compliance** and also a lack of standardisation in some **systems and processes**. Skills and knowledge of systems inadequate and excessive effort required for sound decisions and outcomes.	8	8
CR65	The review of **corporate leadership, governance and culture** recommended in the Children's Commissioner's report is not fully undertaken or effectively implemented leading to a lack of necessary improvement and further service failures or external intervention.	6	6

11. Further details on all risks can be found in **Appendix 5** - Corporate Risk Register Summary.