

# Public Document Pack

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1 July 2020

## Performance and Finance Scrutiny Committee

A virtual meeting of the Committee will be held at **10.30 am** on **Thursday, 9 July 2020**.

**Note:** In accordance with regulations in response to the current public health emergency, this meeting will be held virtually with members in remote attendance. Public access is via webcasting.

**The meeting will be available to watch live via the Internet at this address:**

<http://www.westsussex.public-i.tv/core/portal/home>

**Tony Kershaw**  
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## Agenda

### 10.30 am 1. **Declarations of Interest**

Members and officers must declare any pecuniary or personal interest in any business on the agenda. They should also make declarations at any stage such an interest becomes apparent during the meeting. Consideration should be given to leaving the meeting if the nature of the interest warrants it. If in doubt please contact Democratic Services before the meeting.

### 2. **Minutes of the last meeting of the Committee** (Pages 5 - 16)

The Committee is asked to agree the minutes of the meeting held on 22 May 2020 (cream paper).

### 3. **Urgent Matters**

Items not on the agenda which the Chairman of the meeting is of the opinion should be considered as a matter of urgency by reason of special circumstances, including cases where the Committee needs to be informed of budgetary or performance issues affecting matters within its terms of reference which have emerged since the publication of the agenda.

4. **Requests for Call-in**

There have been no requests for call-in to the Scrutiny Committee and within its constitutional remit since the date of the last meeting. The Director of Law and Assurance will report any requests since the publication of the agenda papers.

10.40 am 5. **Financial Implications of Covid-19** (Pages 17 - 22)

A report by the Director of Finance and Support Services updating the committee of the financial implications and pressures for the year 2020/21 as a result of the current pandemic situation.

The Committee is asked to review, comment on and make any relevant recommendations for action to the Cabinet Member for Finance.

11.25 am 6. **Treasury Management Annual report** (Pages 23 - 56)

Report by the Director of Finance and Support Services setting out the performance of the Treasury Management function in 2019/20.

The committee is asked to review and comment on the Treasury Management Annual Report and make any relevant recommendations for action to the Cabinet Member for Finance in relation to Treasury Management activity.

**COMFORT BREAK - approx. 11.55 to 12.25**

12.25 pm 7. **2019/20 Scrutiny Annual Report and 2020/21 Work Programme** (Pages 57 - 76)

Report by the Director of Law and Assurance providing an evaluation of the impact of scrutiny at the County Council during 2019/20 and the work programme for July 2020 – September 2021.

The Committee is asked to scrutinise and comment on the report, with a particular focus on:

- a) reviewing scrutiny performance and making any recommendations for improvements. It should also consider its role in improving scrutiny practice and, if appropriate, identify any training or development needs for scrutiny members;
- b) ensuring that the highest priority areas for scrutiny are included within the work programme for this committee (see Appendix 2);
- c) supporting the work programmes of the service scrutiny committees (see Appendix 3) and recommending that

County Council in July approves the scrutiny work programme for all committees;

- d) considering whether the capacity and resources available for scrutiny are sufficient to ensure the work programmes can be achieved; and
- e) giving an early indication of any topics from the work programme for debate at future County Council meetings.

1.15 pm      8.      **In-sourcing financial services from Support Services  
Outsource Contract** (Pages 77 - 86)

Pre-decision scrutiny of the decision to in-source financial services from the Support Services Outsource (SSO) Contract.

The Committee is asked to scrutinise the decision report and make any relevant recommendations to the Cabinet Member for Economy and Corporate Resources ahead of the decision being taken.

1.45 pm      9.      **Forward Plan of Key Decisions** (Pages 87 - 128)

Copy of the Forward Plan dated 22 June 2020.

An extract from any Forward Plan entries published between the date of despatch of the agenda and the date of the meeting will be tabled at the meeting.

The Committee is asked to consider whether it wishes to enquire into any of the forthcoming decisions within its portfolio.

1.55 pm      10.      **Possible Items for Future Scrutiny**

Members to raise any items which they believe to be of relevance to the business of the Scrutiny Committee and suitable for scrutiny, e.g. raised with them by constituents, arising from central government initiatives, etc.

If any member puts forward such an item the Committee's role at this meeting is to assess, briefly, whether to refer the matter to its Business Planning Group (BPG) to consider in detail.

1.25 pm      11.      **Date of Next Meeting**

The next meeting of the Committee will be held on 10 September 2020 at 10.30am. Probable agenda items are to be confirmed.

Any member wishing to place an item on the agenda for the meeting must notify the Director of Law and Assurance by 28 August 2020.

**To all members of the Performance and Finance Scrutiny Committee**

## **Performance and Finance Scrutiny Committee**

22 May 2020 – At a meeting of the Performance and Finance Scrutiny Committee held at 10.30 am by virtual meeting with restricted public access.

Present: Cllr J Dennis (Chairman)

Cllr Catchpole	Cllr M Jones	Cllr Turner
Cllr Barling, left at 12.30pm	Cllr Kitchen	Cllr Waight
Cllr Barrett-Miles	Cllr Montyn	Cllr Walsh, left at 1.52pm
Cllr Boram	Cllr Smytherman	
Cllr Edwards, left at 12.36	Cllr Sparkes	

Apologies were received from Cllr Bradford and Cllr Urquhart

Also in attendance: Cllr Crow, Cllr Elkins, Cllr Hunt, Cllr A Jupp, Cllr N Jupp, Cllr Lanzer, Cllr Marshall and Cllr Russell

### **Part I**

#### **57. Declarations of Interest**

57.1 Cllr Walsh declared a personal interest in relation to Response to recommendations made at the 22 January meeting [xiii and xix One Public Estate] and in relation to the Capital Programme [Littlehampton One Public Estate scheme] as Leader of Arun District Council.

57.2 Cllr Boram declared a personal interest in relation to the TPM as Senior Advisor to the Cabinet Member for Environment.

57.3 Cllr Sparkes declared a personal interest in relation to the TPM as a member of Worthing Borough Council.

#### **58. Minutes of the 15 April meeting of the Committee**

58.1 Resolved – That the Minutes of the meeting held on 15 April 2020 be approved as a correct record and that they be signed by the Chairman.

#### **59. Part I minutes of the 22 January meeting of the Committee**

59.1 Resolved – That the Part I minutes of the meeting held on 22 January 2020 be approved as a correct record and that they be signed by the Chairman.

#### **60. Part II Minutes of the 22 January meeting**

60.1 Resolved – That the Part II minutes of the meeting held on 22 January 2020 be approved as a correct record and that they be signed by the Chairman.

**61. Part II Response to Recommendations from the 22 January meeting**

61.1 Resolved – That the Part II response to recommendations from the meeting held on 22 January 2020 be noted.

**62. Response to recommendations to the Children and Young People's Services Scrutiny Committee**

62.1 Resolved – That the response from the Chairman of the Children and Young People's Services Scrutiny Committee to recommendations made on 25 March and 24 May 2019 be noted.

**63. Response to recommendations made at the 22 January meeting**

63.1 Further to response iii, the Leader updated the Committee that the West Sussex Plan will be revisited; the priorities will be reset in line with the Improvement Plans and governance changes. It is anticipated that a draft updated West Sussex Plan will be complete by July 2020, following which it will need to be shared with Members for feedback, finalised, and then any realignment made to the budget.

63.2 Resolved – That the response to Part I recommendations from the 22 January 2020 meeting be noted.

**64. Response to recommendations made at the 15 April meeting**

64.1 Resolved – That the response from the Cabinet Member for Finance to the recommendations made at the 15 April 2020 meeting be noted.

**65. Response to recommendations made by the Business Management Solution TFG**

65.1 Resolved – That the response from the Director of Finance and Support Services to recommendations made by the Business Management Solution Task and Finish Group be noted.

**66. Total Performance Monitor - Qtr 4 End of Year 2019/20**

66.1 The Committee considered the Quarter 4 End of Year 2019/20 Total Performance Monitor (TPM) report from the Director of Finance and Support Services (copy appended to the signed minutes).

66.2 The Cabinet Member for Finance introduced the report and informed the Committee that the financial outturn was in line with that forecasted, ending the year with £0.5m less overspend than predicted. The overspend will be funded by a draw down from reserve funds as outlined in the report. 2019/20 has been a testing year due to the £17m fund provided for the Children's Services Improvement Plan and £1.4m for the Fire & Rescue Service Improvement Plan; interim reports show both Plans are on course to deliver the expected improvements. The outbreak of Covid-19 has been a further budget challenge at the end of year 2019/20, and all 2020/21 budget assumptions will be reviewed in light of Covid-19.

The Cabinet Member welcomed comments from the Committee ahead of the decision report being considered by Cabinet on 26 May 2020.

66.3 The Director of Finance and Support Services introduced the finance aspect of the report and highlighted that the forecasting for the year was realistic. Capital receipts flexibility was used in October 2019 to fund the overspend. The failure to deliver savings in-year is significant and officers understand why that occurred. The current challenge regarding Covid-19 leads to uncertain demands for the year 2020/21 and a more fragile financial position; the reset West Sussex Plan will reconsider the resource implications for the current year.

66.4 The Committee made comments in relation to the TPM finance report including those that follow. It:

- Recognised that 2019/20 has presented financial challenges, that the eventual outturn was forecast in the first half of the year and brought under control during the second half of the year resulting in further potential overspends being avoided. The Committee noted that the report largely reflects the position prior to the effects attributable to the Covid-19 pandemic.
- Highlighted the £15m overspend for 2019/20, the current £85m Covid-19 spend, and the £34m fund provided by central Government towards the additional cost, and queried whether the Council will face future financial difficulties. Queried whether further funds will come from central government to help fund the Covid-19 response and how our financial situation compares to that of other authorities. *The Leader explained the situation is being closely monitored, the Council has received £36m from central government already, and further funds have been committed by the Minister for Housing, Communities and Local Government. The Leader meets weekly with West Sussex MPs who support the Council and represent to central Government, in addition to regular County Council Network (CCN) meetings which represent the Council's needs and presses for further funding.*
- Noted the significant budget funding uplift required in 2019/20 due to the Children's Services and Fire & Rescue Service Improvement Plans needed to bring the services up to standard. Noted that work is continuing and both Improvement Plans are on the right course, however the improvements made are yet to be demonstrated in the TPM report.
- Recognised the financial challenges to achieve savings and will closely monitor the situation through future TPM quarterly reports in 2020/21. A balance between savings, service delivery and future financial resilience is required; the outfall of Covid-19 effects will be seen in the 2020/21 Quarter 1 TPM report.
- Queried whether the Council has the necessary skills and capabilities to deliver planned savings whilst maintaining an appropriate level of performance, and also replenish its reserves. *The Cabinet Member for Finance stated the Council has a prudent financial record, with a history of replenishment of reserves since 2010, and is confident that it can be achieved despite Covid-19 challenges. The Leader explained that the reset of the West Sussex Plan and governance arrangements will create the ability to deliver*

*savings and that the effectiveness of the savings plan will also be reviewed.*

- Commented that the risk of failure of social care providers is a concern during the pandemic. *The Director of Finance and Support Services commented that the risk in this area is increased, but officers are looking at how to support providers and how to deal with care homes that fail as a result of Covid-19.*
- Queried why there are a disproportionate number of people in residential care in West Sussex compared to nationally accepted good practice and what is being done to mitigate this. *The Cabinet Member for Adults and Health explained that local levels were much higher than national levels prior to 2013 however officers are working to reduce this. April 2020 saw a 20% increase in domiciliary care provision attributable to Covid-19, so the aim is to accelerate this in future by encouraging more elderly residents to remain in their own homes and maximise their independence.*
- Expressed concern regarding the potential “cliff edge” of social care staff leaving the authority as a result of reaching the end of their tie-in period and queried what steps are being taken to mitigate this risk. *The Cabinet Member for Children and Young People explained a Transformation Director has been appointed to oversee and mitigate against this risk, reduce the cost pressures, and look at the overall recruitment and retention offer to social workers. The Interim Director of Human Resources and Organisational Change confirmed the HR team are supporting the Director of Children’s Services to address any potential shortfall and plans to move away from the current recruitment/retention model.*
- Expressed concern at the effect on the budget of continued increase in school transport costs, and queried whether it is comparable to other authorities and if providing the service offers value for money. *The Cabinet Member for Education and Skills commented that children with an Education Health Care Plan (EHCP) are the major cost driver for the school transport budget, but West Sussex levels are comparable to other authorities.*
- In relation to the extended mortuary services to prepare for the pandemic, queried whether the previously abandoned plans to build a permanent extra mortuary within the county will be reconsidered. *The Cabinet Member for Adults and Health explained that ordinarily mortuary provision for the county is adequate, however the paused project will be reconsidered following Covid-19.*
- Commented in relation to the £20.5m business rates pilot funds reserved for the Gigabit project, that following the Covid-19 outbreak this project may not be a priority and queried whether the funds could be given to local councils or small businesses to help plug the funding gap. *The Cabinet Member for Economy and Corporate Resources commented that the numbers of residents having to work from home during the current pandemic underlines the importance of the gigabit project, especially to residents in rural areas where poor connectivity can prevent them from working remotely. Some of the funding is ringfenced and cannot be reallocated, however as the project is very important to the county and supports Government priorities it is likely to continue.*

66.5 The Head of Intelligence and Performance introduced the performance aspect of the TPM report and highlighted that the outturn performance was in line with the expectations forecast. Half of the 2019/20 performance measures have been met (33), with 16 of the 67 measures not achieved and the remaining 18 measures partly achieved.

66.6 The Committee made comments in relation to the TPM performance report including those that follow. It:

- Highlighted that 24% of the performance measures were not met, and noted there are many contributing factors behind this.
- Commented that the West Sussex economy and communities have changed substantially as a result of the Covid-19 pandemic, strongly supported a reset of the West Sussex Plan priorities and re-evaluation of the TPM performance indicators, and requested these come before the Committee for scrutiny before they are formally approved. *The Leader agreed that the measures should be reconsidered in line with his earlier comments regarding resetting the West Sussex Plan and supporting policies. It is hoped draft documents will be produced in July and these will come forward for scrutiny at an appropriate time.*
- Recognised performance improvements have been made that have not yet fed through to successful key performance indicator measures in the TPM report. Noted that improvement will be difficult to gauge once the effect of the Covid-19 pandemic is also shown in the next quarterly report and impacts on the rest of 2020/21.
- Commented that measure 22 – Business Survival rates - were down in 2018/19, and can be expected to be further reduced due to Covid-19 which will be shown in the 2020/21 quarter 1 TPM report. *The Cabinet Member for Economy and Corporate Resources agreed and informed Members that he is currently reviewing an economic recovery document received from the Government and will address business survival rates in the next TPM report.*
- Expressed concern that resident's level of satisfaction for services received achieved 46% against the target of 75% for 2019/20. *The Cabinet Member for Finance commented that in light of budget challenges clear messaging is needed to manage the expectations of residents towards a reasonable statutory expectation.*
- In relation to measure 31 - Adults with learning disabilities who are in paid employment - commented that an element missing from the good work already complete is a list of disability friendly employers within West Sussex and suggested this be considered. *The Cabinet Member for Adults and Health welcomed this suggestion and will take this onboard.*
- Highlighted the poor performance of measure 19 – Reoffending rates for children and young people. *The Cabinet Member for Children and Young People commented that the poor performance shown is due to a lag in the figures for reoffending and will provide updated information to the Committee.*
- Queried whether the performance of measure 16a – Countywide take up of free early education and childcare (age 3-4) - was poor compared with our neighbouring authorities. *The Cabinet Member for Children and Young People will provide this information to the Committee.*

66.7 The Cabinet Member for Economy and Corporate Resources introduced the Workforce section of the TPM, highlighting that the measure previously requested by the Committee for managers completing formal appraisal training is included in the report. A reduction has been seen in the rate of completed Staff Inductions which is attributed to Covid-19, as is an increase in staff sickness in quarter 4.

66.8 The Committee made comments in relation to the TPM workforce report including those that follow. It:

- Commented that given the rate of completed staff inductions has fallen to 64% compared with a target of 90%, how are officers ensuring new starters complete their work safely and in compliance with Council policies, and have remote training sessions been considered to replace face to face sessions. *The Cabinet Member for Economy and Corporate Resources commented that the induction programme is being converted to a virtual programme where possible, and potential safety issues are addressed by line managers. The Interim Director of Human Resources and Organisational Change commented that for all new staff recruited during the Covid-19 pandemic measures have been put in place to ensure safe working practices and Health and Safety Act compliance.*
- Commented that Managers have a responsibility to ensure their staff work in a safe way, and sought reassurance that this obligation was being actioned given the rates of long and short term sickness outlined in the report [para 111.]. Queried if the sickness figures were included in the RIDDOR statistics and requested the information be made available to the Committee. *The Cabinet Member for Economy and Corporate Resources confirmed the bulk of the sickness statistics are included within the RIDDOR report and this will be made available to the Committee. The Interim Director of Human Resources and Organisational Change confirmed staff are currently working in a risk-based way and that the health and safety team are ensuring safe working is implemented.*

66.9 The Director of Finance and Support Services introduced the Transformation, Risk and Covid-19 aspects of the report, noting that the risk register was provided for information and the financial cost of Covid-19 is still in progress.

66.10 The Committee made comments in relation to the TPM Transformation, Risk and Covid-19 sections including those that follow. It:

- Queried what measures are being taken to minimise expenditure on transformation projects considered at risk of being curtailed or not delivering the planned outcomes. *The Cabinet Member for Economy and Corporate Resources confirmed the transformation programme is being kept under review and projects will be remodelled or curtailed as required.*
- Queried when the results of the post-Covid service led improvement plan would be available for scrutiny by this Committee. *The Cabinet Member for Economy and Corporate Resources will confirm an expected timeline to the Committee.*

- Queried why a large and costly transformation project was allowed to continue with little Member oversight, and how this will proceed in future. Members suggested that future governance and Member oversight arrangements around the transformation programme are reviewed and brought to the committee for future scrutiny, and that an Access Panel be considered to provide the approval to access ongoing funds. *The Cabinet Member for Economy and Corporate Resources noted that the spend on consultants for the project was not wasted as it has carried over into the service led improvement programme, the benefits of which are outlined in that report [see item 68.]. The necessary transformation can be delivered and scrutiny has been encouraged. The Cabinet Member welcomed suggestions on improvements to the programme's governance, will consider the measures suggested, and will report back to a future meeting of the Committee.*
- In relation to corporate risk no.22 which considers the impact of Covid-19 and other issues on the cost of Council services and the financial impacts on the Council arising from the pandemic emergency, queried why the general economic risks to the community have not been identified as a risk and given due consideration. *The Director of Finance and Support Services confirmed the Covid impact on the wider community was being considered as it affects the Council's receipt from business rates, council tax, house building etc., and work to encourage the local economy will form part of the discussions in resetting the West Sussex Plan and supporting policies.*
- Commented that the lessons learned following the Covid-19 pandemic should be reviewed for all services, along with resident's future expectations of Council services.
- Commented that the Secretary of State for Transport recently detailed an 'emergency action travel fund' of £250m, and sought confirmation of the amount the Council expects to receive and what action can be taken to ensure identified projects are able to progress quickly.

66.11 The Committee agreed that the recommendations in the decision report to utilise reserves to meet the expenditure requirement and to allocate the contingency budget as set out in paragraph 1.8 of the decision report be supported.

66.12 Resolved:

- 1) That the Committee recognise 2019/20 has been a difficult year, the eventual outturn was forecast in the first half year, however this was brought under control during the second half of the year resulting in further potential overspends being avoided. Noted that the report is prior to the effects attributable to Covid-19;
- 2) That the committee recognises the ongoing financial challenges of Covid-19 and supports the work of the Leader in liaising with Government, local MPs and the LGA in order to recognise the challenges being faced by the County Council;

- 3) That the Committee notes the significant budget funding uplift required due to the Children's Services and Fire & Rescue Service Improvement Plans required to bring the services up to standard, that both Improvement Plans are on the right course and work is continuing, and that the improvements made are not seen straight away in the TPM;
- 4) That the committee recognises the financial challenges to achieve savings and will closely monitor the situation through future TPM quarterly reports in 2020/21. It acknowledges the balance needed between savings, service delivery and future financial resilience, and anticipates seeing the outfall of Covid-19 in the 2020/21 Quarter 1 TPM report;
- 5) That the Committee recognises the lessons learned following the Covid-19 pandemic should be reviewed for all services, along with resident's expectations of Council services;
- 6) That the committee strongly supports an urgent reset of the West Sussex Plan, priorities and relevant Council policies and requests that the Committee scrutinise these at the appropriate time;
- 7) That the Committee recognises performance improvements have been made that have not yet fed through to successful key performance indicator measures in the TPM report, however also recognises that this will be difficult to gauge once the effect of the Covid-19 pandemic is shown in the next quarterly report and impacts on the rest of the year's performance;
- 8) That the committee recommends the governance arrangements around the transformation programme be reviewed, to include Member oversight, and that this is brought to the committee for future scrutiny;
- 9) The committee requests information in relation to the 'emergency travel fund' and what action can be taken to ensure identified projects are able to progress quickly; and that
- 10) The committee supports:
  - a. the requirement to utilise reserves to meet the expenditure requirement, and
  - b. support the allocation of the contingency budget set out in paragraph 1.8 of the decision report presented to the Committee.

**67. Capital Programme Performance Monitor Report - Qtr 4 End of Year 2019/20**

67.1 The Committee considered the Quarter 4 End of Year 2019/20 Capital Programme Performance Monitor report by the Director of Property and Assets (copy appended to the signed minutes).

67.2 The Cabinet Member for Finance introduced the report and confirmed the Covid-19 pandemic has impacted the progress of the capital

programme. Most sites are now beginning to re-open and the Director of Property and Assets is driving progress. A complete review of the capital programme will be required in line with wider reviews of the Council's priorities.

67.3 The Capital Programme Manager introduced the report which confirms the position at 31 March 2020, and provides updated exceptions to mid-May.

67.4 The Committee made comments in relation to the Capital Programme performance report including those that follow. It:

- Commented that the Experience West Sussex project was removed from the pipeline in 2019/20 as no case was made for investment, however as the Culture Secretary has recently announced an ambitious plan to refresh the domestic tourism sector and the Council has declared its intention to boost tourism in West Sussex, should the project be re-prioritised and re-introduced in the current year 2020/21. Requested that the Committee be updated on this scheme at an appropriate time. *The Cabinet Member for Finance confirmed all projects will be reviewed for suitability in the reset of the capital programme. The Cabinet Member for Economy and Corporate Resources noted that the chance of a boost to domestic tourism would be a factor considered in the refresh.*
- Commented that the reset or reassessment of the capital programme is required urgently, may need to be undertaken alongside the Local Enterprise Partnership (LEP), requested a timescale for this work to be completed, and commented that the Committee should be involved in the reset. *The Director of Finance and Support Services explained this will be undertaken alongside the reset of the West Sussex Plan as outlined by the Leader.*
- Commented that the delay on the Horsham Bluelight Project was attributable to internal officer scrutiny of the programme and not formal Member scrutiny, noted that a joint scrutiny Task and Finish Group (TFG) by this Committee and the Fire & Rescue Service Scrutiny Committee is planned to scrutinise this decision in due course, and queried whether the project will proceed or be cancelled. *The Cabinet Member for Finance stated that all projects will be subject to assessment. The project business case was over budget which necessitated the delay to further value-engineer the project, and it is expected the project will come to the public Cabinet meeting in July.*
- Expressed disappointment that the Littlehampton One Public Estate (OPE) scheme has been deemed not viable due to a lack of external capital contributions. *The Cabinet Member for Finance reiterated that there is no capital funding in the OPE programme therefore as funding from partners was withdrawn the project became unviable.*
- Encouraged surveying of the A284 Lyminster Bypass site if possible during Covid restrictions, and expressed concern the larger project will fail if this section is not delivered.
- Requested an update on the timescale for the Rowans scheme and the redesign/relocation of the gym. *The Cabinet Member for Adults and Health confirmed works were currently halted due to Covid-19 however it is hoped to move the gym to alternative premises.*

67.5 Resolved:-

- 1) That the Committee recognises the need to reset the Capital Programme in line with the reassessed West Sussex Plan and priorities, and reiterates that the Committee be a part of that reset;
- 2) That the Committee recognises, given the Covid-19 pandemic, that the Council needs to look again at the capability and capacity needed to continue to deliver the Capital Programme; and that
- 3) The Committee requests that the Experience West Sussex project is included within the review of the Capital Programme and included within a report on the local economy to be presented to a future meeting.

**68. Service Led Improvement**

68.1 The Committee considered a report by the Director of Finance and Support Services (copy appended to the signed minutes). The Chairman reminded the Committee that the report was due to be presented at the 19 March meeting which was cancelled due to the outbreak of Covid-19, that the report was written prior to the pandemic, and that the priorities for the project reflect the position in March and may now be slightly different.

68.2 The Cabinet Member for Economy and Corporate Resources introduced the report and summarised key information. The Step-Up programme produced good initial outcomes for the Council and was followed up by the Whole Council Design (WCD) programme which drew on the involvement of consultants PricewaterhouseCoopers (PwC) to further develop the redesign programme. The Service Led Improvement programme now seeks to address key areas for improvement including customer digital enablement, support focus, and smart core IT systems for which a recent decision has been made. The need for an engaged culture of collegiate collaboration with Council services was highlighted.

68.3 The Committee made comments in relation to the service led improvement report including those that follow. It:

- Commented that in light of the significant impact of Covid-19 on the economy generally and the Council's services specifically, and any subsequent amendment needed, should this risk arising from the SLI programme be noted in its risk implications and mitigation assessment. *The Cabinet Member for Economy and Corporate Resources agreed that the information on the corporate risk register should be reconsidered in light of the Covid-19 impact, however there is no excessive risk to the programme.*
- Highlighted the impact of the pandemic in shaping ongoing behavioural change and driving residents to contact the Council via digital channels, and queried whether the Council are prepared for this change in behaviour. *The Cabinet Member for Economy and Corporate Resources commented that the increase in residents seeking to engage digitally with the Council presents a key opportunity to further develop digital enablement, however this may not remain across all areas of Council business. The SLI*

*programme will aim to address this and manage the 'new normal'. The numbers of staff working from home is being monitored and the Cabinet Member recognised and commended the work of the IT department in responding to the increased level of demand.*

- A Member commented that previous Member oversight of the programme could be viewed as not adequate and asked the Committee to consider how confidence in the governance of the programme can be assured. It was suggested that consideration be given to whether future transformation projects over an agreed value should have their governance arrangements agreed by the Cabinet Member, be subject to scrutiny, and whether an Access to Resources Panel should oversee access to expenditure. The Chairman noted that recommendations regarding the governance of the transformation programme had been made in the TPM item.

68.4 Resolved:-

- 1) That the Committee recognises there has been a programme of improvements over the previous few years in order to improve service delivery and value for money;
- 2) That the Committee recommends the Service Led Improvement Plan now be reset in order to realign with the reset West Sussex Plan and the Council's future expectations, and that the Committee be included in this process; and that
- 3) The Committee reiterates the previous recommendation that the governance arrangements be reviewed to ensure Member oversight of the project is maintained.

**69. Date of Next Meeting**

69.1 The Committee notes its next meeting will take place on 9 July 2020, commencing at 10.30am.

The meeting ended at 2.06 pm

Chairman

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## **Performance and Finance Scrutiny Committee**

**9 July 2020**

### **Financial Implications of Covid-19**

#### **Report by Director of Law and Assurance**

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#### **Summary**

The attached report has been requested by the committee's Business Planning Group to provide an update on the financial implications of the Covid-19 pandemic. The report is provided by the Director of Finance and Support Services and outlines the current situation in relation to the current and estimated budget position.

#### **Focus for scrutiny**

The Committee is asked to scrutinise the content of the report setting out the financial implications of the Covid-19 situation on the County Council. Key areas for scrutiny include:-

- the forecast position for the end of the current financial year and predictions for future years,
- where the budget gaps exist and how these could potentially be met,
- recognition of the service areas impacted most and the actions being taken to address the pressures.

If appropriate the committee to make any relevant recommendations for action to the Cabinet.

The Chairman will summarise the output of the debate for consideration by the Committee.

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#### **Details**

The attached report provides a summary of the estimated financial implications of the Covid-19 pandemic. The report shows that there is an estimated cost to the Council of £70m in 2020/21. The Government has, to date, provided funding of £36.4m. If no further funding is received the gap will need to be met through service reductions or reserves.

The report also provides a breakdown of budgets and costs in order to show the financial impact by service area. This breakdown shows that Adults and Health and Education and Skills are the services most affected.

The background and context to this item for scrutiny are set out in the attached Appendix. As it is a report dealing with internal financial matters only the Equality,

## Agenda Item 5

Human Rights, Social Value, Sustainability, and Crime and Disorder Reduction Assessments are not required.

### **Tony Kershaw**

Director of Law and Assurance

**Contact Officer:** Susanne Sanger, Senior Advisor (Democratic Services)  
033 022 22550

**Contact for financial implications** Katharine Eberhart, Director of Finance and Support Services

**Appendix A** Covid-19 Financial Update

### **Background papers**

None

<b>Performance and Finance Scrutiny Committee</b>
<b>9 July 2020</b>
<b>Report by Director of Finance and Support Services</b>
<b>Covid-19 Financial Update</b>

1. The financial pressure on the council's finances was summarised in a report to this committee in May 2020. We outlined potential pressure of about £85m, noting the likely continual pressure impacting in future years.
2. The council is continually reviewing the expected costs and on-going pressures arising from the pandemic and has completed three monthly returns to government (known as Delta returns). Government has utilised these returns to ascertain the need of local authorities and develop funding strategies.
3. The latest estimate of the financial impact of the Covid-19 emergency upon West Sussex County Council was submitted to the Ministry of Housing, Communities and Local Government (MHCLG) on 19<sup>th</sup> June 2020. In the past month, since the previous estimate was submitted, there have been a number of significant changes, both in terms of the continuing reduction in the overall number of new infections and deaths arising from the pandemic, alongside the easing of some of the social distancing restrictions.
4. There has also been some additional funding streams being provided by Government, most significantly in relation to Infection Control and the local support provided to the national Test, Track and Trace system. In light of these changes, the estimated financial impact has started to reflect these changing circumstances and the expected impact of the future proposed recovery phase in response to the national emergency, for example the anticipated return to schools for pupils in September.
5. Our current financial modelling currently indicates that the estimated costs arising from the pandemic will be in the region of **£70** million in 2020/21, this would represent excess expenditure of **£33.6m** above the funding provided by the Government of **£36.4m**. In the absence of additional funding from the Government, this would have to be funded by either serious service reductions or through use of reserves. The unplanned use of reserves will reduce the financial resilience of the Council. Potentially, if the economic downturn is significant, it is likely

the income take from council tax will be significantly lower than currently projected figure, resulting in our pressures increasing to c**£85m**.

6. As explained previously to the committee the likely cost to the Council falls into the following areas:

- Direct costs from Covid-19 activities – Increased Adults Social Care costs including; accelerated hospital discharge, increased demand for residential care, supporting the domiciliary care markets, 20% and 10% payment in advance to domiciliary care providers and residential homes, staff working additional hours supporting the 8am-8pm service now being provided, cost of personal protective equipment, and additional cost of updating the IT infrastructure to enable the workforce to work from home.
- Cost associated from being in lockdown – Pressure on services including Children’s Social Care as the number of vulnerable children increases, a reduction of fees and charges and commercial income.
- Impact of the Council’s planned activities – Savings plans will be impacted in 2020-21 as efforts have been refocused on Covid-19 measures. Also, the capital programme delivery and cost avoidance projects will be impacted as the construction industry has paused during this time.
- Cost of recovery – Looking at how we will emerge will bring additional costs including:
  - dealing with a backlog of work where activity has been paused
  - costs to ensure social distancing can be maintained in our buildings
  - costs of transporting students to school while maintaining social distancing
  - costs incurred in developing cycle and footway initiatives.
- Cost related to the local economy including:
  - significant fall in anticipated income arising from business rates, particularly as a result of impact of Gatwick on the local area
  - a loss in Council Tax collection due to increased levels of hardship
  - loss of ‘growth’ in Council Tax base due to very little, if any housing development
  - a potential reduction in LEP funding necessary to deliver significant road schemes in the county.

7. The estimated costs to the Council fall into the following portfolio areas.

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>
by portfolio	2020/21 Budget	Covid-19 2020/21 Exp Pressures	Covid-19 Income Losses	Potential Unachieved Savings	Total Estimated Cost of Covid 19 (Col. B+C+D)	Estimated Cost as a % of Net Budget (Col. E/A)
Adults & Health	£209.42m	£21.42m	£1.62m	£4.59m	£27.64m	13%
Children and Young People	£129.57m	£7.86m			£7.86m	6%
Economy and Corporate Resources	£52.81m	£0.89m		£2.40m	£3.29m	6%
Education & Skills	£20.82m	£1.17m	£1.54m		£2.70m	13%
Environment	£60.38m	£0.17m	£0.13m		£0.30m	0%
Finance	£13.89m	£0.30m			£0.30m	2%
Fire & Rescue and Communities	£35.73m	£0.38m	£2.05m		£2.43m	7%
Highways and Infrastructure	£35.40m	£0.44m	£2.85m		£3.29m	9%
Leader	£1.45m				£0.00m	0%
<b>Total portfolios</b>	<b>£559.47m</b>	<b>£32.63m</b>	<b>£8.19m</b>	<b>£6.99m</b>	<b>£47.81m</b>	
Non portfolio	£34.39m	£1.07m	£1.20m		£2.27m	7%
Income Losses Collection Fund & Business Rates		£20.00m			£20.00m	
<b>Total Net Expenditure</b>	<b>£593.86m</b>	<b>£53.70m</b>	<b>£9.39m</b>	<b>£6.99m</b>	<b>£70.09m</b>	<b>12%</b>

8. It is likely that the pressures resulting from the pandemic will impact the financial planning over the medium-term as the longer-term economic impacts is understood. The reset and reboot plan to be presented for consideration at Council on the 17<sup>th</sup> of July 2020 will include an updated estimate of the gap over the next three years.

9. It is important that WSCC continues to lobby Government for sufficient funding to ensure that the Council can play an active role in the County's recovery from lockdown, ensuring communities are able to access employment and continue to lead healthy and happy lives. The Government has indicated that there will be a further spending review in the Autumn, which will provide some invaluable context for financial planning over the medium term.

**Katharine Eberhart**  
**Director of Finance and Support Services**

**Contact:** Alistair Rush, Interim Deputy Director of Finance, 033 022 22002

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## **Performance and Finance Scrutiny Committee**

**9 July 2020**

### **Treasury Management Annual Report (2019/20)**

#### **Report by Director of Law and Assurance**

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#### **Summary**

The attached report by the Director of Finance and Support Services provides the committee with details of the borrowing and investment activity during 2019/20 compared to the approved Treasury Management Strategy. It provides the outturn position for treasury activities and highlights compliance with approved County Council policies.

PFSC has the responsibility to review and scrutinise Treasury Management policies and activities through regulatory and governance requirements.

#### **Focus for scrutiny**

The Committee is asked to scrutinise the content of the attached report. Key areas for scrutiny include:

- the security of investments and borrowing activity compared to the Treasury Management Strategy,
- compliance with approved County Council policies, and
- the impact of Covid-19 on future treasury management activities.

If appropriate the committee to make any relevant recommendations for action to the Cabinet Member for Finance in relation to Treasury Management activity.

The Chairman will summarise the output of the debate for consideration by the Committee.

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#### **Details**

The report sets out the performance of Treasury Management for the year 2019/20. It highlights the year end position which shows the volatility of markets at the end of the financial year due to Covid-19. This had minimal impact on investment returns but resulted in an unrealised loss of £2.1m on externally managed pooled funds. The implications of the continued pandemic crisis for treasury activities in 2020/21 are summarised in Appendix 3 of the report.

The background and context to this item for scrutiny are set out in the attached Annex. As it is a report dealing with internal or procedural matters only, the Equality, Human Rights, Social Value, Sustainability, and Crime and Disorder Reduction Assessments are not required.

**Tony Kershaw**

Director of Law and Assurance

**Contact Officer:** Susanne Sanger, Senior Advisor (Democratic Services)  
033 022 22550

**Contact for Treasury Management** Vicky Chuter, 033 022 23414

**Annex** Treasury Management Annual report 2019/20  
**Appendices** Appendix 1 – Prudential and Treasury Indicators (Compliance)  
Appendix 2 – Investments held as at 31 March 2020  
Appendix 3 – Impact of Covid-19 on Future Treasury  
Management Activities

**Background papers**

None

<b>Performance and Finance Scrutiny Committee</b>
<b>9 July 2020</b>
<b>Treasury Management Annual Report (2019/20)</b>
<b>Director of Finance and Support Services</b>

### **Executive Summary**

The Council is required by regulations issued under the Local Government Act 2003 to review an annual treasury management report detailing borrowing and investment activity (*as compared with the approved Treasury Management Strategy*) and actual prudential and treasury indicators for 2019/20 (*as contained within the approved Budget Report*). The attached report meets the requirements of both the Chartered Institute of Public Finance and Accountancy (CIPFA) "Code of Practice on Treasury Management" (the Code) and the CIPFA "Prudential Code for Capital Finance in Local Authorities" (the Prudential Code).

The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. The annual treasury management report is therefore important in that it provides details of the outturn position for treasury activities and highlights compliance with policies previously approved by County Council.

Due to the timing of the Covid-19 pandemic, significant market volatility was evident towards the end of the financial year. Whilst there is only minimal impact on the Council's investment returns in 2019/20, the market valuations of the Council's externally managed pooled funds were significantly affected with an unrealised loss at 31 March 2020 of £2.1m.

### **Treasury Management Strategy (2019/20)**

The Council has substantial amounts of borrowings and investments and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The Council's risk procedures regarding its treasury management activities focus on the unpredictability of financial markets and implementing restrictions to minimise these risks. Additionally, the Council has regard to the Ministry for Housing, Communities and Local Government's (MHCLG) "Investment Guidance" that:

- Emphasises the need for investments to focus on security and liquidity, rather than yield;
- Recommends that treasury management strategies include details of assessing credit risk;
- Details reasons for borrowing in advance of need (if appropriate); and
- Details the use of treasury management advisors in undertaking treasury management activities.

Financial risks (including credit and liquidity risks) are minimised through compliance with the annual Treasury Management Strategy, which incorporates

the prudential and treasury indicators, approved for 2019/20 by County Council in February 2019. During 2019/20 the Council complied with all statutory and regulatory requirements which require officers to identify and where possible quantify the levels of risk associated with its treasury management activities.

The Council confirms the following borrowing and investment activity in 2019/20:

- Borrowing: Given the significant borrowing need in the approved capital programme (up to March 2024) the Council took advantage of the very low borrowing rates offered by the Public Works Loan Board (PWLB) and borrowed an additional £100m during the first quarter of 2019/20; 50-year PWLB maturity loans at an average rate of 2.22%. Furthermore, £7m (plus interest) was repaid to the PWLB as per the terms and conditions of the £70m borrowing taken during April 2011. As a consequence of the PWLB activity during 2019/20, the Council's level of internal borrowing (the use of internal resources in lieu of external borrowing) fell to £28.7m at 31 March 2020 (£125.3m at 31 March 2019).
- At 31 March 2020 the Council's PWLB borrowing (external borrowing for capital purposes) was £481.8m (£388.8m at 31 March 2019). The Council's total external debt at 31 March 2020 remained within the "Authorised Borrowing Limit" approved by County Council in February 2019 (£553.7m; excluding PFI schemes and finance leases).
- Interest payable to PWLB during 2019/20 was £19.5m at an average rate of 4.09%. The additional revenue cost resulting from the £100m new PWLB debt taken was met from service contributions towards the cost of borrowing relating to income generating initiatives and increased interest receipts due to higher investment balances than originally forecast.
- Additionally, the Council's treasury management strategy allows occasional short-term borrowing to cover day-to-day cash flow shortages. During 2019/20 no external borrowing was required for such occasions as they were funded either by way of overdraft facilities in place with the Council's main provider of banking services (Lloyds Bank Plc) or met from balances held in the Council's instant access bank accounts and short-term Money Market Funds.
- Investments: The Council's investment strategy was maintained by following the approved counterparty policy as set out in its Treasury Management Strategy for 2019/20. Security of capital remained the primary objective for all of the Council's internally managed investments. The Director of Finance and Support Services confirms that there were no breaches of the approved investment strategy during the period. Externally managed investments (pooled funds) continued to be approved to help mitigate the effects of low investment returns.
- At 31 March 2020 the Council's investments totalled £338.1m (£204.8m at 31 March 2019). Gross investment interest received during 2019/20 was £4.0m, representing a return of 1.27% on an average investment portfolio of £313.2m.

<b>WSSC Average Investments</b>	Mar-19 £'m	Mar-19 %	Mar-20 £'m	Mar-20 %
UK Banks: Unsecured Deposits	57.1	20.5	71.3	22.8
UK Banks: Secured Deposits	8.2	2.9	7.2	2.3
Non-UK Banks: Unsecured	45.4	16.3	32.1	10.2
Local Authority	59.3	21.3	59.4	19.0
Housing Associations	0.0	0.0	5.7	1.8
Non-Bank Corporates	2.2	0.8	0.7	0.2
Money Market Funds	68.5	24.6	73.5	23.5
Externally Managed Pooled Funds	37.9	13.6	63.3	20.2
<b>Total</b>	<b>278.6</b>	<b>100.0</b>	<b>313.2</b>	<b>100.0</b>

### **Focus for Performance and Finance Scrutiny Committee**

The Committee is asked to review and comment on the Treasury Management Annual Report.

## **Treasury Management Annual Report (2019/20)**

### **1. Introduction**

- 1.1 The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and report on the actual prudential and treasury indicators for 2019/20. This regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report therefore summarises the following:
- UK economic overview and interest rate movements during 2019/20 (*Section 2*)
  - Capital activity during 2019/20 (*Section 3*)
  - The Council's overall treasury position (*Section 4*)
  - Borrowing activity during the year (*Section 5*)
  - Activity of treasury investments made under statutory "power to invest" provisions granted to the Council by the Local Government Act 2003 (*Section 6*)
  - Actual performance of treasury investments as compared with budgeted returns (*Section 7*)
  - A schedule of non-treasury investments (*Section 8*)
  - The actual prudential and treasury indicators (*Appendix 1*)
  - A list of the Council's treasury investments as at 31 March 2020 (*Appendix 2*)
  - The impact of Covid-19 on future treasury management activities (*Appendix 3*)
- 1.2 The Council's Treasury Management Strategy for 2019/20, originally approved by County Council on 15 February 2019 (Agenda Item 5; Annex

2b) can be accessed on:

<https://westsussex.moderngov.co.uk/mgChooseDocPack.aspx?ID=618>

## **2. UK Economy and Interest Rates**

- 2.1 Brexit remained a key issue throughout 2019 with repeated battles in the UK Parliament failing to agree a way forward for the UK over the issue of leaving the European Union (EU); resulting in the December 2019 general election. The decisive victory for the Conservative Party enabled the UK to leave the EU on 31 January 2020, however this still left much uncertainty as to whether there would be a reasonable trade deal achieved by the target deadline of the end of 2020; it is also unclear as to whether the coronavirus outbreak may yet impact on this deadline.
- 2.2 UK economic growth in 2019 was very volatile with the first quarter unexpectedly strong at +0.5%, the second quarter down at -0.2%, the third quarter bouncing back up to +0.5% and the fourth quarter flat at 0.0% (+1.1% year-on-year). The year 2020 started with optimistic business surveys pointing to an upswing in growth; however the monthly Gross Domestic Product (GDP) statistics in January 2020 were disappointing being stuck at 0.0% growth. Since then the whole world has changed as a result of the coronavirus outbreak. Preliminary forecasts indicated that the closedown of whole sections of the economy would result in a fall in GDP of at least 15% in the quarter ending June 2020. What remains uncertain is the extent of the damage that will be done to businesses by the end of the lockdown period, whether there could be a second wave of the outbreak and how soon a vaccine will be created and then how quickly it can be administered to the population. This leaves huge uncertainties as to how quickly the UK economy will recover.
- 2.3 UK Consumer Price Index (CPI) inflation posed little concern for the Bank of England's Monetary Policy Committee (MPC) during 2019/20, ranging between 2.1% (April 2019) and 1.5% (March 2020). It is also not going to be an issue in the near future with the world economy heading into a recession which is already causing a glut in the supply of oil which fell sharply in price during April 2020. Other prices will also be under downward pressure while wage inflation has also been on a downward path over the last half year and is likely to continue that trend in the current environment. While inflation could even turn negative in the Eurozone, this is currently not forecast in the UK.
- 2.4 Against this economic background the MPC maintained the Bank Rate at 0.75% through to March 2020; at this point however it was abundantly clear that the coronavirus outbreak posed a huge threat to the economy of the UK. Two emergency cuts in Bank Rate from 0.75% occurred in March, first to 0.25% and then to 0.10%. These cuts were accompanied by an increase in quantitative easing (QE) by the Bank of England of £200bn. The Government and the Bank were also very concerned with stopping people losing their jobs during the lockdown period. Accordingly, the Government introduced various schemes to subsidise both employed and self-employed jobs, initially for the three months that the country was expected to remain in lockdown. They also put in place a raft of other measures to help businesses access loans from their banks (with the Government providing

guarantees to the banks against losses) to tide them over the lockdown period when some firms may have little or no income.

- 2.5 The measures to support jobs and businesses already taken by the UK Government will result in a huge increase in the annual budget deficit in 2020/21 (from 2% to nearly 11%). The ratio of debt to GDP is also likely to increase from 80% to around 105%. In the March 2020 Budget the Government announced a large increase in spending on infrastructure helping the economy to recover once the lockdown is ended. Provided the coronavirus outbreak is brought under control relatively swiftly and lockdown measures are eased it was hoped that there would be a sharp recovery; but currently it is forecast that recovery will take a prolonged time to fully recover previous lost momentum.
- 2.6 Investment Rates: Investment returns remained low during 2019/20. Rising concerns over the possibility that the UK could leave the EU at the end of October 2019 caused longer term investment rates to be on a falling trend for most of April to September. They then rose after the end of October deadline was rejected by the UK Parliament but fell back again in January before recovering again after the 31 January departure of the UK from the EU. When the coronavirus outbreak hit the UK in February/March investment rates initially plunged but then sharply rose back up again by the end of March due to a shortage of liquidity in financial markets.
- 2.7 A summary of the London Interbank Bid Rates (LIBID) throughout 2019/20 is shown in the table below:

Date	Bank Rate	O/N LIBID (%)	7-day LIBID (%)	1-month LIBID (%)	3-month LIBID (%)	6-month LIBID (%)	1-year LIBID (%)
01/04/2019	0.75	0.55	0.57	0.60	0.72	0.83	0.93
30/04/2019	0.75	0.56	0.57	0.61	0.69	0.82	0.97
31/05/2019	0.75	0.56	0.58	0.60	0.67	0.75	0.87
30/06/2019	0.75	0.55	0.56	0.60	0.65	0.73	0.83
31/07/2019	0.75	0.54	0.56	0.59	0.65	0.69	0.73
31/08/2019	0.75	0.56	0.56	0.58	0.63	0.66	0.71
30/09/2019	0.75	0.54	0.57	0.59	0.63	0.70	0.76
31/10/2019	0.75	0.55	0.57	0.59	0.68	0.75	0.85
30/11/2019	0.75	0.55	0.56	0.58	0.67	0.73	0.82
31/12/2019	0.75	0.55	0.57	0.58	0.67	0.76	0.86
31/01/2020	0.75	0.55	0.56	0.58	0.64	0.69	0.75
29/02/2020	0.75	0.56	0.56	0.55	0.55	0.56	0.63
31/03/2020	0.10	-0.07	0.01	0.12	0.47	0.60	0.74
Minimum	0.10	-0.07	0.00	0.11	0.26	0.31	0.39
<b>Average</b>	<b>0.72</b>	<b>0.52</b>	<b>0.53</b>	<b>0.56</b>	<b>0.63</b>	<b>0.70</b>	<b>0.80</b>
Maximum	0.75	0.56	0.58	0.61	0.72	0.83	0.98

- 2.8 Borrowing Rates: During 2019 global bond market prices rose and yields fell to very low levels on heightened expectations that the US could be heading for a recession and a general background of a downturn in world economic growth, especially due to fears around the impact of the trade war between the US and China. Together with inflation generally at low levels in most countries (and expected to remain subdued) these conditions were conducive to very low bond yields.

- 2.9 In line with global bond markets, UK Gilt yields were on a falling trend during 2019/20 making local authority borrowing attractive if needs could be demonstrated. Following the coronavirus crisis hitting western economies Gilt yields fell sharply to unprecedented lows, as investors were panicked into selling shares and moved cash back into safe haven assets (government bonds) in anticipation of impending recessions in western economies. Fiscal policy responses to the crisis have seen a huge and quick expansion of government expenditure financed by issuing government bonds (which would normally cause bond yields to rise); however at the same time major western central banks have also started significant quantitative easing purchases of government bonds which will act to maintain downward pressure yields.
- 2.10 Public Works Loan Board (PWLB) borrowing rates are determined by UK Gilt yields through HM Treasury determining a specified margin to add to gilt yields. In October 2019 and without any prior warning, HM Treasury imposed a change in the margins over gilt yields for PWLB borrowing rates by adding an additional 1% margin over gilts to all PWLB rates. This was seen by many market commentators as a way of stopping the significant amount of government backed funding for local authority commercial investments. As a result from October 2019 the PWLB Certainty Rate available to the Council was set at Gilt plus 180 basis points (previously Gilt plus 80 basis points).
- 2.11 Prevailing PWLB borrowing rates for maturity loans (including the 0.2% "Certainty Rate" discount available to UK local authorities) during 2019/20 are shown below:

Date	PWL Notice	1-Year PWL (%)	5-Year PWL (%)	10-Year PWL (%)	20-Year PWL (%)	25-Year PWL (%)	50-Year PWL (%)
01/04/2019	128/19	1.46	1.52	1.84	2.35	2.41	2.24
30/04/2019	167/19	1.55	1.68	2.02	2.49	2.54	2.38
31/05/2019	209/19	1.42	1.41	1.70	2.23	2.30	2.16
30/06/2019	249/19	1.43	1.41	1.68	2.23	2.30	2.16
31/07/2019	295/19	1.26	1.20	1.50	2.13	2.22	2.12
31/08/2019	338/19	1.24	1.09	1.21	1.74	1.82	1.68
30/09/2019	380/19	1.28	1.07	1.27	1.77	1.83	1.67
31/10/2019	426/19	2.41	2.21	2.41	2.93	3.00	2.85
30/11/2019	468/19	2.41	2.26	2.45	2.97	3.03	2.88
31/12/2019	506/19	2.42	2.43	2.67	3.16	3.22	3.05
31/01/2020	044/20	2.36	2.20	2.33	2.81	2.86	2.71
29/02/2020	084/20	2.22	2.08	2.23	2.71	2.77	2.59
31/03/2020	128/20	1.90	1.95	2.14	2.61	2.65	2.39
Minimum	n/a	1.17	1.00	1.13	1.65	1.73	1.57
<b>Average</b>	<b>n/a</b>	<b>1.83</b>	<b>1.77</b>	<b>2.00</b>	<b>2.49</b>	<b>2.56</b>	<b>2.40</b>
Maximum	n/a	2.47	2.45	2.76	3.20	3.25	3.05

- 2.12 There is likely to be little upward movement in PWLB rates over the next two years as it will take national economies a prolonged period to recover all the momentum they will lose in the sharp recession that will be caused during the coronavirus shut down period. Inflation is also likely to be very

low during this period and could even turn negative in some major western economies during 2020/21.

- 2.13 Additionally, in March 2020 the UK Government announced that there would be a consultation with local authorities (ending on 31 July 2020) on possibly amending the 'increased' PWLB borrowing margins (as set out in paragraph 2.1). However it remains clear that HM Treasury intends to put a stop to local authorities borrowing money from the PWLB to purchase commercial property if the aim is solely to generate an income stream.

### 3. Capital Expenditure and Financing

- 3.1 The Council undertakes capital expenditure on its long-term assets; additionally the capital programme includes schemes aimed at generating income and promoting economic growth. These capital activities may either be:

- Financed immediately through the application of capital or revenue resources (including capital receipts, capital grants, external contributions and revenue contributions) which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need, which may be sourced either through external borrowing or internal borrowing (in lieu of external borrowing).

- 3.2 Actual capital expenditure and how this was financed in 2019/20 (as compared with the original capital budget approved in February 2019) is shown in the tables below:

Capital Expenditure	2019/20 Budget £'m	2019/20 Actual £'m
Core Programme	92.8	84.5
Income Generating Initiatives (IGIs)	16.2	7.0
<b>Total Capital Expenditure</b>	<b>109.0</b>	<b>91.5</b>

Capital Financing	2019/20 Budget £'m	2019/20 Actual £'m
Capital Receipts	-3.8	-7.9
Government Grants	-70.7	-69.1
External Contributions (including S106)	-5.8	-6.8
Revenue Contributions to capital outlay	-2.1	-0.3
Borrowing (unfinanced capital expenditure)	-26.6	-7.4
<b>Total Financing</b>	<b>-109.0</b>	<b>-91.5</b>

- 3.3 Actual capital expenditure forms one of the prudential indicators required by the Chartered Institute of Public Finance and Accountancy (CIPFA) Codes. A summary of the Council's prudential and treasury indicators (as approved

within 2019/20 treasury management strategy; and revised within the 2020/21 treasury management strategy) are reported at **Appendix 1.**

#### 4. Overall Treasury Position

- 4.1 Throughout 2019/20 the Council maintained a cautious approach in regards to its internally managed investments, whereby investments continued to be dominated by low counterparty risk considerations resulting in relatively low returns throughout the period. However, exposure to both externally managed pooled funds (property and multi-asset income funds) and longer-term investments (bank secured bonds, local authority loans and housing association loans) continued to help mitigate the effects of such low investment returns during the financial year.
- 4.2 Given the significant borrowing need in the approved capital programme (up to March 2024) the Council took advantage of the low borrowing rates offered by the PWLB (see paragraph 2.11) and borrowed an additional £100m during the first quarter of 2019/20; 50-year PWLB maturity loans at an average rate of 2.22%. The Council's resulting PWLB borrowing at 31 March 2020 (£481.8m) remained within the "Authorised Borrowing Limit" approved by County Council in February 2019 (£553.7m).
- 4.3 At the beginning and the end of 2019/20 the Council's actual treasury positions (excluding borrowing by PFI and finance leases) were as follows:

Borrowing (Excluding PFI and Finance Leases)	31/03/19 Actual £'m	31/03/20 Actual £'m
<b>Borrowing Requirement</b>	<b>519.1</b>	<b>515.5</b>
Less: Long-Term Debt (PWLB)	-388.8	-481.8
Less: Short-Term Debt (Non-PWLB) - <i>Paragraph 4.4</i>	-5.0	-5.0
<b>Internal Borrowing</b>	<b>125.3</b>	<b>28.7</b>

Investments	31/03/19 Actual £'m	31/03/20 Actual £'m
<b>Total Investments</b>	<b>204.8</b>	<b>338.1</b>

- 4.4 Throughout 2019/20 the Council continued to hold cash on behalf of the Chichester Harbour Conservancy as part of the Harbour's own investment strategy. This is presented as short-term debt on the Council's Balance Sheet as the amount is available for repayment on any given notice.
- 4.5 The movement in the Council's internal borrowing during 2019/20 is detailed below:

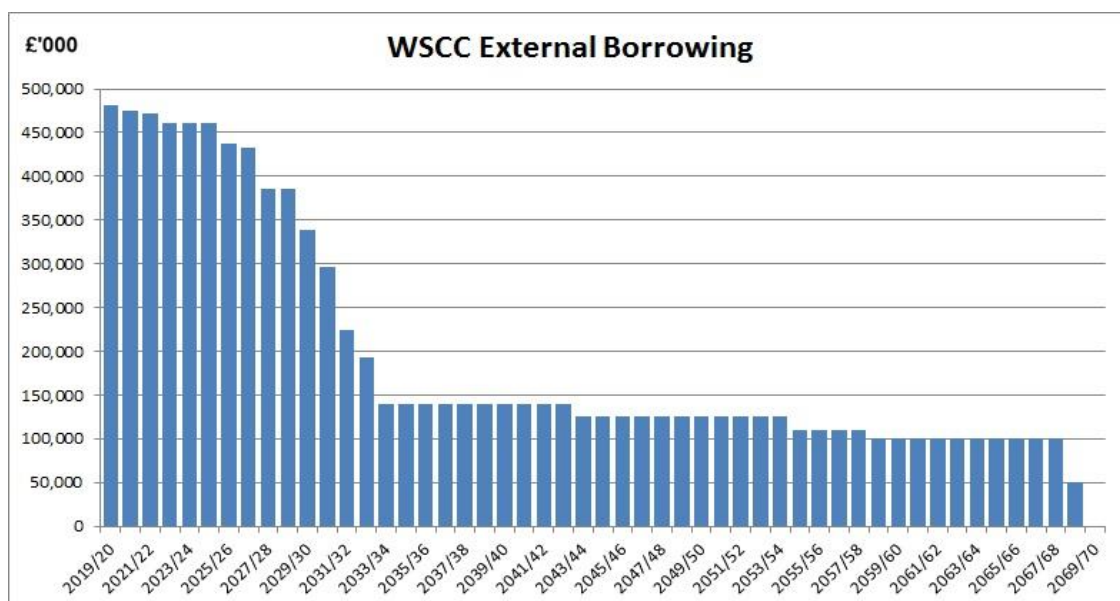
Internal Borrowing Movement	£'m
<b>Internal Borrowing (at 31 March 2019)</b>	<b>125.3</b>
Capital expenditure ( <i>to be funded through borrowing</i> )	7.4
New PWLB Debt ( <i>approved Q1 2019/20</i> )	-100.0
Repayment of PWLB Debt (EIP Loans)	7.0

Short-Term Debt ( <i>movement</i> )	0.0
Revenue Provision for Repayment of Debt	-11.0
<b>Internal Borrowing (at 31 March 2020)</b>	<b>28.7</b>

- 4.6 Total investments as reported in paragraph 4.3 (and throughout this report) differ slightly from the totals presented in the Council's Financial Statements. Tables contained within this Annual Report exclude technical accounting entries in accordance with UK Accounting Standards that require investments be shown inclusive of accrued interest and expected credit losses (where appropriate) on the Council's Balance Sheet.
- 4.7 The ongoing impact of the Covid-19 pandemic on the Council's future treasury management activities is currently under review. An initial assessment of the impact on the Council's 2020/21 borrowing and investment strategies is reported in **Appendix 3**; with these to be continually reviewed over the coming months as further developments become known.

## 5. Borrowing

- 5.1 As reported in Section 4, the Council approved £100m new PWLB borrowing in 2019/20; additionally £7.0m (plus interest) was repaid to the PWLB relating to the £70m borrowing taken during April 2011 (leaving £10.5m to be repaid by April 2021). Following the new borrowing the Council maintained an internal-borrowing position, but at a far reduced amount to that reported at 31 March 2019 (see paragraphs 4.3 and 4.5).
- 5.2 As a result the Council's total external borrowing at 31 March 2020 (the funding of previous years' capital programmes; all arranged via the PWLB) including the loan undertaken on behalf of the Littlehampton Harbour Board in March 2015 (all related costs recoverable from the Harbour Board) was £481.8m (£388.8m at 31 March 2019) with the following maturity profile:



- 5.3 Interest payable to the PWLB relating to the Council's long-term borrowing amounted to £19.5m in 2019/20 (£17.8m in 2018/19); representing an

average interest rate of 4.09%. Taking into account service contributions towards the cost of new borrowing relating to commercial property and Your Energy Sussex initiatives, the Council forecast a £0.6m revenue budget shortfall as a result of the additional £100m PWLB borrowing in 2019/20. The Director of Finance and Support Services approved funding this shortfall through additional income generated from higher investment balances arising from the new borrowing. As a consequence, actual interest payable was in line with the Council's revised 2019/20 budget as set out below:

Interest Payable: Revised Budget (2019/20)	£'m
Approved Budget (February 2019)	17.6
Services Contributions – Commercial Property	0.9
Services Contributions – Your Energy Sussex	0.4
Budget transfer from Investment Income	0.6
<b>Revenue Budget 2019/20 (Interest Payable)</b>	<b>19.5</b>

- 5.4 Given the significant borrowing requirement that remains approved within the Council's capital programme, the Director of Finance and Support Services continues to evaluate alternative funding sources to the PWLB including forward starting commercial loans whereby the interest rate is agreed in advance (fixed in context with current rates) but the cash is received in later years. The arrangement of such debt will therefore enable certainty of cost to be achieved without suffering an investment 'cost of carry' in the intervening period. As at 31 March 2020 however, no such forward starting loans had been approved.

## **6. Investments (Treasury)**

- 6.1 The Council's investment policy has regard to MHCLG guidance, and is implemented through the Council's "Annual Investment Strategy" (as contained within the approved 2019/20 Treasury Management Strategy); all treasury investments were made under statutory provisions granted to the Council by the Local Government Act 2003 (Section 12; 'Power to Invest').
- 6.2 MHCLG Investment Guidance governs that the security and liquidity of the Council's internally managed investments remained primary investment objectives. The Council's investment strategy therefore approved limits regarding the monetary amounts and time durations of deposits arranged with individual counterparties. Additionally the strategy required that internally managed investments were not made with organisations unless they met identified minimum credit criteria; in particular counterparty credit quality was assessed and monitored with reference to credit ratings as provided by the three main credit rating agencies, supplemented by additional market data (including credit default swap prices, bank share prices and general media alerts).
- 6.3 The Council defined 'high credit quality' as institutions and securities having a long-term credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher (non-UK banks holding a credit rating of A+ or higher). The 2019/20 investment strategy further approved investments in BBB+ rated corporate (non-bank) organisations up to a maximum duration of 100 days; and the National

Westminster Bank Plc (ring-fenced part of the bank) up to a maximum of one year given the part nationalised status of the bank. The total level of internally managed investments with corporates (non-bank) rated below A- was limited to a maximum of £30m (£10m maximum per organisation).

- 6.4 Throughout 2019/20 the Council complied with all of the relevant statutory and regulatory requirements related to its treasury management activities. The Director of Finance and Support Services confirms that there were no breaches of the approved Treasury Management Strategy (including the Annual Investment Strategy) as set out above.
- 6.5 UK (and other country) banking legislation continued to place the burden of rescuing failing banks disproportionately onto unsecured creditors (including local authority investors) through the potential bail-in of unsecured bank deposits. While the Council has taken a cautious approach to investing, it is also fully appreciative of the changes to the regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the 2008 financial crisis. These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how banks are now more able to cope with extreme stressed market and economic conditions. As a consequence, the use of unsecured bank deposits, short-term Money Market Funds and short term loans to other UK local authorities remained an integral part of the investment strategy in maintaining adequate cash-flow liquidity as well as enhancing short-term investment returns.
- 6.6 Long term investment rates (greater than one year) were however higher than short term rates during the period meaning that value remained in placing longer term investments where cash balances were sufficient to allow this. In line with the Council's usable reserve forecasts (in particular long-term PFI reserve balances) and in accordance with the approved investment strategy, the Council maintained its long-term investments in approved property funds (CCLA, Hermes and Lothbury) and multi-asset income funds (Fidelity and NinetyOne [formerly Investec]). Additionally, given the maximum limit for investments greater than one year (£75m) the Council approved two-year loans with a UK local authority (Barnsley Metropolitan Borough Council) and a UK housing association (Metropolitan Housing Trust Ltd) and a three-year secured bond with Nationwide Building Society.
- 6.7 Therefore, in accordance with the approved treasury management strategy, investments held during 2019/20 included:

Non-Bank:

- Short-term investments (up to a maximum of one year) with other UK local authorities including: Aberdeen City Council, Blackpool Council, Cambridgeshire County Council, Croydon Council, Derbyshire County Council, Doncaster Metropolitan Borough Council, Dundee City Council, Glasgow City Council, Hackney Council, Haringey Council, Highland Council, Hull City Council, North Lanarkshire Council, Plymouth City Council, Salford City Council, Slough Borough Council, Southwark

Council, Stockport Metropolitan Borough Council, Surrey County Council and Thurrock Council.

- Fixed-rate bonds with Corporates (assigned a BBB+ credit rating or above): National Grid Gas Plc (UK).
- Long-term investments (greater than one year) with other UK local authorities including: Barnsley Metropolitan Borough Council (maturing November 2021) and Plymouth City Council (approved in 2018 and maturing April 2020).
- Long-term investments (greater than one year) with UK housing associations: Metropolitan Housing Trust Ltd (maturing September 2021); the Council has the right to request repayment within 100 days if the Metropolitan Housing Trust Ltd credit rating falls below its current A-long-term rating.

Bank Secured:

- Long-term covered bond (3-year floating rate note) with Nationwide Building Society (maturing August 2022).

Bank Unsecured:

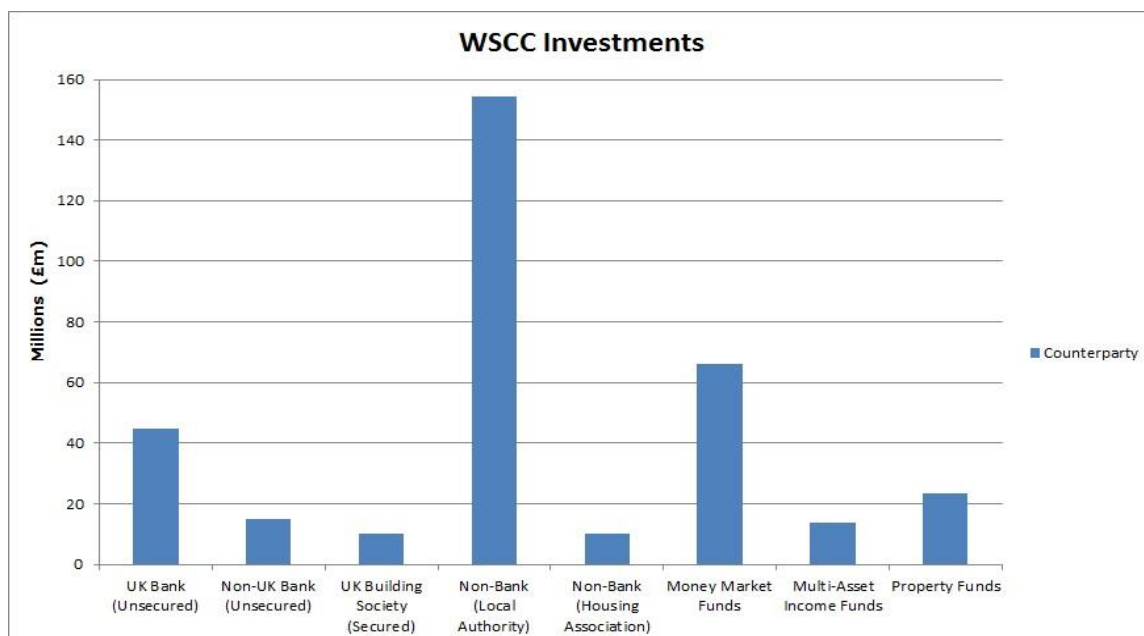
- Certificate of deposits, fixed-term deposits, instant access accounts, notice accounts and senior unsecured bonds with UK banks including: Goldman Sachs International Bank, Handelsbanken Plc, Lloyds Bank Plc, Nationwide Building Society, National Westminster Bank Plc, Santander UK Plc and Standard Chartered Bank.
- Fixed-term deposits with high credit quality non-UK Banks including: Australia & New Zealand Banking Group and Commonwealth Bank of Australia (Australia); and United Overseas Bank (Singapore).
- Money Market Funds holding a AAA credit rating, operating a low volatility net asset valuation and holding underlying assets in excess of £1bn: Aberdeen Standard, Blackrock, Deutsche, Federated (UK), Goldman Sachs and State Street sterling liquidity funds.

Externally Managed (Pooled Funds):

- Ultra-short dated bond funds (one year investment horizon): Federated (UK) Cash Plus Fund.
- Multi-asset income funds (three year investment horizon): Fidelity Multi-Asset Income Fund and NinetyOne (formerly Investec) Diversified Income Fund.
- Property Funds (minimum five year investment horizon): CCLA Local Authorities' Property Fund, Hermes Property Unit Trust and Lothbury Property Trust.

- 6.8 Internally managed investments in 2019/20 were arranged either through approved London money market brokers or by direct dealing with the relevant counterparty. Corporate bonds, covered bonds and certificate of deposits were held via a HSBC custodian service administered by King and Shaxson Ltd. Additionally, investments arranged with other UK local authorities were protected by statutory provisions set out in the Local Government Act 2003 that prevent default; due to these statutory provisions local authorities were viewed as similar to the UK Government.

- 6.9 At 31 March 2020 the Council's investments amounted to £338.1m as compared with £204.8m as at 31 March 2019. The full list of the Council's investments held at 31 March 2020 (£338.1m) is shown in **Appendix 2**. Additionally a breakdown of the Council's investments by counterparty type at this point in time is shown below:



- 6.10 At 31 March 2020 the Council was holding significantly higher cash balances in short-term loans (six to twelve months) with other UK local authorities, as compared with similar duration bank unsecured fixed-term deposits. This was a consequence of increased local authority borrower demand during the second half of 2019/20 outweighing supply; thereby increasing rates to levels higher than those offered by banks. The increased exposure to UK local authorities had the additional benefit of improving the credit profile of the Council's overall investment portfolio.
- 6.11 The cash movement in the Council's internally managed investments during 2019/20 is shown below:

Investment Activity in 2019/20	Balance on 1st April £'m	Investments Made £'m	Investments Sold £'m	Balance on 31st March £'m
UK Banks: Unsecured Deposits	31.5	145.2	-131.5	45.2
Non-UK Banks: Unsecured	15.0	40.0	-40.0	15.0
UK Banks: Secured Deposits	7.9	10.0	-7.9	10.0
Local Authority	31.0	179.5	-56.0	154.5
Housing Associations	0.0	10.0	0.0	10.0
Corporates (Non-Bank)	0.0	6.7	-6.7	0.0
Money Market Funds	80.1	1,062.9	-1,076.8	66.2
<b>Total (Internally Managed)</b>	<b>165.5</b>	<b>1,454.3</b>	<b>-1,318.9</b>	<b>300.9</b>
Multi-Asset Income Funds	15.3	0.0	-1.4 (i)	13.9
Property Funds	24.0	0.0	-0.7 (i)	23.3
Ultra-Short Dated Bond Funds	0.0	24.7	-24.7	0.0

<b>Total Investments</b>	<b>204.8</b>	<b>1,479.0</b>	<b>-1,345.7</b>	<b>338.1</b>
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(i) *Unrealised loss in fund valuations at 31 March 2020.*

- 6.12 Credit Risk: In demonstrating compliance with the Council's creditworthiness policy (as contained within the approved 2019/20 "Annual Investment Strategy") the movement in the Council's investment portfolio (actual cash position) by the credit rating of the financial institution, or the credit rating of the specific investment (for example covered bonds) if higher than the individual counterparty rating, is shown below:

Institution / Investment Credit Rating	Mar-19 £'m	Jun-19 £'m	Sep-19 £'m	Dec-19 £'m	Mar-20 £'m
AAA (i)	88.0	90.3	56.2	49.8	76.2
AA- (ii)	47.7	75.0	100.0	122.1	169.5
A+	14.8	14.9	14.9	15.1	15.2
A	0.0	44.9	59.9	63.2	30.0
A-	15.0	0.0	10.0	10.0	10.0
<b>Internally Managed</b>	<b>165.5</b>	<b>225.1</b>	<b>241.0</b>	<b>260.2</b>	<b>300.9</b>
Externally Managed (AAA)	0.0	24.5	24.6	24.6	0.0
Externally Managed (Other)	39.3	39.6	39.4	39.3	37.2
<b>Total Investments</b>	<b>204.8</b>	<b>289.2</b>	<b>305.0</b>	<b>324.1</b>	<b>338.1</b>

(i) *Includes short-term Money Market Funds and Covered Bonds.*

(ii) *Includes all non-rated UK local authorities (assumed AA- rating).*

- 6.13 Furthermore, the 2019/20 treasury management strategy approved that a maximum of £90m may be invested in non-UK organisations (excluding investments held in short-term Money Market Funds and externally managed Pooled Funds); with a maximum of £30m invested in any one sovereign (non-UK) state. The Council's investment portfolio split by sovereign is shown below:

Deposits by Sovereign	Mar-19 £'m	Jun-19 £'m	Sep-19 £'m	Dec-19 £'m	Mar-20 £'m
Australia	15.0	30.0	30.0	25.0	15.0
Singapore	0.0	10.0	15.0	0.0	0.0
<b>Internally Managed</b>	<b>15.0</b>	<b>40.0</b>	<b>45.0</b>	<b>25.0</b>	<b>15.0</b>
UK (including Local Authority)	70.4	94.8	149.8	195.4	219.7
Money Market Funds	80.1	90.3	46.2	39.8	66.2
Externally Managed Funds	39.3	64.1	64.0	63.9	37.2
<b>Total Investments</b>	<b>204.8</b>	<b>289.2</b>	<b>305.0</b>	<b>324.1</b>	<b>338.1</b>

- 6.14 Counterparty credit quality can be further demonstrated by a benchmarking analysis of the Council's investment portfolio (*excluding the Council's multi-asset income and property fund investments*) undertaken by the Council's treasury management advisor-Link Group (Link Asset Services):

<b>Benchmarking Date: 31 March 2020</b>	<b>Weighted Average Rate of Return</b>	<b>Weighted Average Time to Maturity (days)</b>	<b>Weighted Average Total Time (days)</b>	<b>Weighted Average Credit Risk</b>
---------------------------------------------	----------------------------------------------------	-----------------------------------------------------------------	-----------------------------------------------------------	-------------------------------------------------

Link Client Population Average	0.71%	71	153	2.81
English Counties (Link Clients)	0.74%	72	137	2.51
West Sussex County Council	0.87%	171	297	1.87

- 6.15 The Link Asset Services weighted average credit risk score ranges between 1 (low credit risk) to 7 (high credit risk). The analysis demonstrates that the Council's internally managed investment portfolio compares favourably against the average for all Link clients and remains comfortably within their recommended credit risk score range.
- 6.16 Liquidity Risk: As required by the CIPFA Code of Practice, the Council uses purpose built cash flow forecasting software (SAP Treasury Management Module) to determine the maximum period for which funds may prudently be invested. The maturity profile of County Council investments throughout 2019/20 is shown below:

Period to Maturity	Mar-19 £'m	Jun-19 £'m	Sep-19 £'m	Dec-19 £'m	Mar-20 £'m
Instant Access Accounts	81.8	90.4	46.2	40.0	66.4
Up to one month	43.9	20.0	19.9	25.0	25.0
One month to 3 months	10.0	0.0	50.0	25.3	45.0
3 months to 6 months	14.8	64.7	49.9	84.9	60.0
6 months to 1 year	5.0	50.0	55.0	60.0	79.5
Ultra-Short Dated Bond Fund	0.0	24.5	24.6	24.6	0.0
Greater than 1 year	49.3	39.6	59.4	64.3	62.2
<b>Total Investments</b>	<b>204.8</b>	<b>289.2</b>	<b>305.0</b>	<b>324.1</b>	<b>338.1</b>

- 6.17 Short-term Borrowing (for cash flow purposes): The Council has ready access to short-term borrowings from the money markets to cover any day-to-day cash flow needs. During 2019/20 however, daily cash flow shortages were funded either by way of overdraft facilities in place with the Council's main provider of banking services (Lloyds) or met from balances held in the Council's instant access bank accounts and Money Market Funds.

## 7. Investment Performance

- 7.1 The Council's budgeted investment income as approved in the 2019/20 Revenue Budget amounted to £2.0m; increased from £1.9m in 2018/19. The income budget reflected the Council's original forecast that Bank Rate would average around 1% during the period, together with the full year effect of higher yielding externally managed pooled funds for which investment commenced between September and December 2018.
- 7.2 During the second quarter of 2019/20 investment income forecasts for the year were updated to reflect both the expectation that Bank Rate would remain at 0.75% throughout the period and that additional cash balances were available for investments as a result of the £100m PWLB borrowing undertaken in April and June 2019. As a consequence, the revised estimate of 2019/20 gross investment income (before any adjustments for internal interest transfers) was £3.7m, based on the assumption that the Council would achieve an average interest rate of 1.32% on an assumed investment portfolio of £275m. Additionally, the investment income forecast included a

reduced estimate of £0.8m (£1.0m originally forecast) in respect of interest transfers to internal and external reserve balances held by the Council; including school accumulating funds, PFI/MRMC reserves and cash held on behalf of the Chichester Harbour Conservancy.

Investment Income: Revised Forecast (2019/20)	£'m
Original gross forecast: Interest receipts (February 2019)	3.0
Reduced interest: No change to Bank Rate in 2019/20	-0.3
Increased interest: Higher investment balances	1.0
<b>Gross Interest Receipts</b>	<b>3.7</b>
Budgeted transfer (revised) to/from specific reserves	-0.8
Interest received re monies held by Biffa West Sussex Ltd	0.2
<b>Investment Income – Revised Forecast</b>	<b>3.1</b>

- 7.3 Following this review the Director of Finance and Support Services approved increasing the investment income budget by an additional £0.7m in order to cover the forecast shortfalls in both 2019/20 interest payments (£0.6m; see paragraph 5.3) and other capital financing charges (£0.1m). The revised 2019/20 revenue budget as reported within the December 2019 Total Performance Monitor (TPM) is set out below. This includes £0.2m received in respect of the Materials Resource Management Contract (representing accrued interest on monies held by Biffa West Sussex Ltd as trustee of the Council since commencement of the contract) together with an additional £0.2m investment income surplus:

Investment Income: Revised Budget (2019/20)	£'m
Original Budget: Approved February 2019	2.0
Approved budget transfer (to capital financing charges)	0.7
<b>2019/20 Revenue Budget (Revised)</b>	<b>2.7</b>
Investment income surplus	0.4
<b>Investment Income – Revised Forecast</b>	<b>3.1</b>

- 7.4 As a result of several factors affecting cash balances, including capital programme slippage (£18m) and additional capital grants unapplied (£12m) the Council actually maintained average investment balances of £313.2m throughout 2019/20 (£278.6m in 2018/19). At 31 March 2020 the Council's gross investment income amounted to £4.0m (£3.0m in 2018/19) at an average rate of return of 1.27% (1.09% in 2018/19).
- 7.5 In accordance with the approved Treasury Management Strategy performance can be shown by three separate investment types representing liquidity, short-term investments (up to one year duration) and long-term investments (greater than one year). The performance of these investment types during 2019/20 is shown below:

Investment Type	Average £'m	Interest £'m	Rate of Return
Liquidity	73.7	0.5	0.70%
Short-Term Investments	174.2	1.6	0.93%
Long-Term Investments	65.3	1.9	2.84%

<b>Total</b>	<b>313.2</b>	<b>4.0</b>	<b>1.27%</b>
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- 7.6 In line with revised forecasts, £0.8m interest was paid to third parties and other internal balances held by the Council during 2019/20. As a result the actual performance of investment income throughout 2019/20 as compared against the revised Revenue Budget forecast (paragraph 7.3) is summarised below:

Interest Receipts (2019/20)	£'m
<b>Expected Gross Interest Receipts</b>	<b>3.7</b>
Lower rate of return than revised budgeted rate (-0.05%)	-0.2
Higher average investment portfolio than assumed (at 1.32%)	0.5
<b>Actual Interest Received</b>	<b>4.0</b>
Interest paid to third parties and internal reserves	-0.8
Interest received re monies held by Biffa West Sussex Ltd	0.2
<b>Net Interest Received (2019/20)</b>	<b>3.4</b>
Revenue Budget 2019/20 (Paragraph 7.3)	2.7
<b>Additional Interest/Shortfall(-)</b>	<b>0.7</b>

- 7.7 The total investment income surplus was used to partially mitigate the Council's revenue budget overspend in 2019/20; as a consequence no transfers were made to the Interest Smoothing reserve during the year (£1.1m balance at 31 March 2020). This reserve continues to be set aside to help mitigate the impact of any future investment income shortfall due to ongoing periods of low interest rates and economic uncertainties weighing down on returns.
- 7.8 Externally Managed Pooled Funds: At 31 March 2020 the Council held investments within the following pooled funds:

Fund	Type	Original Investment	Market Valuation (Mar-19)	Market Valuation (Mar-20)
Fidelity	Multi-Asset Income	£7.5m	£7.7m	£7.0m
Ninety-One (i)	Multi-Asset Income	£7.5m	£7.6m	£6.9m
CCLA	Property	£10.0m	£9.8m	£9.5m
Hermes	Property	£10.0m	£9.5m	£9.3m
Lothbury	Property	£5.0m	£4.7m	£4.5m

(i) Formerly Investec Asset Management; following demerger from Investec Group in March 2020.

- 7.9 An overview of the investment activity in the Council's externally managed pooled funds (including ultra-short dated bond funds) during 2019/20 is shown below:

Fund	Invested (£'m)	Sold (£'m)	Unrealised Gains / Losses(-) (£'m)	Market Valuation 31/03/20 (£'m)	Dividends & Realised Gains (£'000)	Rate of Return (%)
Fidelity	0.0	0.0	-0.7	7.0	338.1	4.51

Ninety-One	0.0	0.0	-0.7	6.9	311.4	4.15
CCLA	0.0	0.0	-0.3	9.5	425.7	4.26
Hermes	0.0	0.0	-0.2	9.3	298.9	2.99
Lothbury	0.0	0.0	-0.2	4.5	147.8	2.96
Federated	24.5	-24.7	0.0	0.0	187.4	0.80

- 7.10 The Council's investments in Property Funds (paragraphs 7.8 and 7.9) are valued on an ongoing basis at the "bid/redemption price"; the price at which units can be sold back to the fund manager. The resulting market valuation of the Council's total externally managed pooled fund investments at 31 March 2020 (£37.2m) is lower than the original invested amount (£40m). This includes a £2.1m unrealised loss at 31 March 2020 as a result of the significant year-end market volatility arising due to the Covid-19 global pandemic (impacting bond markets, equities and commercial property valuations).
- 7.11 Statutory regulations currently in force allow the Council to account for the impact of unrealised pooled fund gains and losses through a Financial Instruments Revaluation reserve held on the Balance Sheet. Whilst these long-term investments remain under review, the Council continues to forecast that when viewed over a long-term (5-year) horizon that capital growth within the individual funds will increase the Council's holding to at least par when compared against the original invested sums.

## 8. Non-Treasury Investments

- 8.1 A schedule of the Council's non-treasury investments is attached below:

Non-Treasury (Commercial) Activity	£'m
Historic Investment Property (i)	31.1
2 City Park, Hove (Commercial Property)	24.0
Churchill Court, Crawley (Commercial Property)	11.4
Tangmere Solar Farm	10.7
Westhampnett Solar Farm	14.2
<b>Investment Property (as per 2019/20 Balance Sheet)</b>	<b>91.4</b>
Horsham Enterprise Park	13.5
Solar Panels (Installed 2014/15 to 2019/20)	6.5
West Sussex Gigabit (Asset Under Construction)	6.5
<b>Total (31 March 2020)</b>	<b>117.9</b>

- (i) As per the Council's 2019/20 Balance Sheet; including smallholdings and other land/properties held for investment return.

- 8.2 During 2019/20 rental income in respect of the Council's investment property (£1.7m) and income generated by solar farms and other Your Energy Sussex schemes (£1.5m) were both recognised in the Council's revenue budgets (as reported in the 2019/20 Statement of Accounts).

**9. Resource and Value for Money Implications**

Covered in main body of report.

**10. Risk Management Implications**

Covered in main body of report.

**11. Human Rights Act Implications**

Not applicable.

**12. Crime and Disorder Act Implications**

Not applicable.

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**Background Papers**

None

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## Prudential and Treasury Indicators (Compliance)

### 1 Gross Debt and the Capital Financing Requirement

- 1.1 In order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external debt does not, except in the short-term if borrowing in advance of need has been approved, exceed the total of the 2019/20 Capital Financing Requirement plus the estimates of any additional Capital Financing Requirement for 2020/21 and the next two financial years; this essentially demonstrates that the Council is not borrowing to support revenue expenditure. The table below shows that at 31 March 2020 the Council's gross external debt has not exceeded its Capital Financing Requirement:

<b>Prudential Indicators (Capital)</b>	<b>Estimate 2019/20 £'m</b>	<b>Actual 31 Mar 20 £'m</b>
Capital Expenditure (2019/20)	109.0	91.5
Capital Financing Requirement (i)	609.6	609.9
Gross External Debt; including short/long-Term Borrowing, PFI and Finance Leases (i)	583.8	581.2

(i) Revised estimates for 2019/20 Prudential Indicators approved as part of the 2020/21 Budget (February 2020).

### 2 Authorised Limit and Operational Boundary for External Debt

- 2.1 The Authorised Borrowing Limit is a statutory limit determined under Section 3 of the Local Government Act 2003 (referred to in the legislation as the "Affordable Limit"). This limit sets the maximum level of external debt on a gross basis (excluding all investments) for the Council. It is measured on a daily basis against all external debt items on the Council's Balance Sheet, including:

- Long-term borrowing
- Short-term borrowing
- Overdrawn bank balances
- Other long-term liabilities (PFI / Finance Leases)

<b>Authorised Borrowing Limit</b>	<b>Original Estimate 2019/20 £'m (TMSS-19/20)</b>	<b>Revised Estimate 2019/20 £m (TMSS-20/21)</b>	<b>Actual 31 Mar 20 £'m</b>
External Borrowing (Capital)	504.4	508.2	481.8
External Borrowing (Other)	45.5	45.5	5.0
PFI Schemes & Finance Leases	100.2	96.5	94.4
Authorised Borrowing Limit	650.1	650.1	581.2

- 2.2 The Operational Boundary (borrowing limit) links directly to the Council's estimates of the Capital Financing Requirement. This indicator is based on the same estimates as the Council's Authorised Borrowing Limit and reflects the maximum borrowing required to meet capital spending plans, without an additional £40m headroom included within the Authorised Limit required in meeting unusual (short-term) cash flow movements.

<b>Operational Boundary</b>	<b>Original Estimate 2019/20 £'m (TMSS-19/20)</b>	<b>Revised Estimate 2019/20 £m (TMSS-20/21)</b>	<b>Actual 31 Mar 20 £'m</b>
External Borrowing (Capital)	381.8	481.8	481.8
External Borrowing (Other)	5.5	5.5	5.0
PFI Schemes & Finance Leases	100.2	96.5	94.4
Operational Borrowing Limit	487.5	583.8	581.2

- 2.3 The Council confirms that there were no breaches of the Authorised Borrowing Limit during 2019/20.

### 3 Ratio of Financing Costs to Net Revenue Stream

- 3.1 This indicator identifies the trend in the corporately funded cost of capital (excluding costs met from income generating initiatives) against the net revenue stream.

<b>Financing Costs</b>	<b>Original Estimate 2019/20 £'m (TMSS-19/20)</b>	<b>Revised Estimate 2019/20 £m (TMSS-20/21)</b>	<b>Actual 31 Mar 20 £'m</b>
Capital Financing Costs	27.3	28.2	28.2
Net Revenue Expenditure	574.9	575.5	600.7
% Ratio	4.8%	4.9%	4.7%

### 4 Upper Limits for Fixed and Variable Interest Rate Exposure

- 4.1 This indicator allows the Council to manage the extent to which it is exposed to changes in interest rates; the Council calculates these limits on principal outstanding borrowed sums. The upper limits for variable interest rate exposure have been set with regard to current economic forecasts, to ensure that the Council is not exposed to interest rate rises which could adversely impact the revenue budget.

<b>Interest Rate Exposure</b>	<b>Approved Limits 2019/20</b>	<b>Actual Position 31 Mar 20</b>
Maximum % Borrowing at Fixed Rates	100%	99%
Maximum % Borrowing at Variable Rates	25%	1%

- 4.2 The Council confirms that there were no breaches of these limits during 2019/20.

## 5 Maturity Structure of External Borrowing

- 5.1 This indicator highlights the existence of any large concentrations of external debt needing to be replaced at times of uncertainty over interest rates, and is designed to protect against excessive exposures to interest rate changes in any one period, in particular over the course of the next ten years.

<b>Maturity Structure</b>	<b>Lower Limit 2019/20 (%)</b>	<b>Upper Limit 2019/20 (%)</b>	<b>Actual Borrowing 31-Mar-20 (£'m)</b>	<b>Fixed Rate Borrowing 31-Mar-20 (%)</b>
Over 30 Years	0%	40%	125.0	26%
Over 25 to 30 Years	0%	25%	0.0	0%
Over 20 to 25 Years	0%	25%	15.0	3%
Over 15 to 20 Years	0%	25%	0.0	0%
Over 10 to 15 Years	0%	65%	199.2	41%
Over 5 to 10 Years	0%	45%	122.0	25%
Over 1 to 5 Years	0%	35%	13.6	3%
Under 12 Months (i)	0%	25%	12.0	2%
<b>Total</b>	<b>n/a</b>	<b>n/a</b>	<b>486.8</b>	<b>100%</b>

(i) Includes short-term (Non-PWLB) borrowing.

- 5.2 The Council confirms that there were no breaches of these limits during 2019/20.

## 6 Upper Limit for Principal Sums Invested over 365 Days

- 6.1 The purpose of this limit is to contain exposure to the possibility of loss that may arise as a result of the Council having to seek early repayment of the sums invested.

	<b>Upper Limit 2019/20</b>	<b>Actual Position 31 Mar 20</b>
Maximum invested for longer than a year (£)	£75m	£72.2m

- 6.2 The above limit reports on investments with expected maturities in excess of one year on commencement of the investment. This limit may therefore differ to the "greater than one year" investment total shown in paragraph 6.16 of the Annual Report which details the remaining period until actual maturity dates. The Council confirms that there were no breaches of this limit during 2019/20.

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## **Investments held as at 31 March 2020**

Investments held with counterparty's approved within the Council's 2019/20 Treasury Management Strategy (together with prevailing credit ratings and maximum monetary and duration limits) at 31 March 2020, are set out below:

**Total Investments for period = £338.1m**

**Table 1: UK Banks (Unsecured) – Total £45.2m**

Counterparty	Credit Rating	Monetary Limits	Duration Limits	Start Date	Maturity Date	No. of Days	Days to Maturity	Interest Rate	Amount
Goldman Sachs International Bank	A	£15m	6 Months	07/11/19	07/05/20	182	37	1.02%	£10.0m
Lloyds Bank Plc: Business Account(s)	A+	£15m	1 Year	n/a	n/a	n/a	n/a	0.00%	£0.2m
Lloyds Bank Plc: 175-Day Notice Account	A+	£15m	1 Year	n/a	n/a	n/a	n/a	0.48%	£14.5m
Lloyds Bank Plc: 175-Day Notice Withdrawal	A+	£15m	1 Year	03/02/20	27/07/20	175	118	0.48%	£0.5m
National Westminster Bank Plc	A	£15m	1 Year	01/10/19	30/09/20	365	183	0.91%	£5.0m
National Westminster Bank Plc	A	£15m	1 Year	02/01/20	29/12/20	362	273	0.96%	£5.0m
Standard Chartered Bank (CD)	A	£15m	6 Months	05/11/19	05/05/20	182	35	0.88%	£10.0m

**Table 2: Non-UK Banks (Unsecured) – Total £15.0m**

Counterparty	Credit Rating	Monetary Limits	Duration Limits	Start Date	Maturity Date	No. of Days	Days to Maturity	Interest Rate	Amount
Australia and New Zealand Bank (Australia)	AA-	£15m	1 Year	12/04/19	09/04/20	363	9	1.14%	£5.0m
Australia and New Zealand Bank (Australia)	AA-	£15m	1 Year	21/05/19	20/05/20	365	50	1.14%	£5.0m
Commonwealth Bank of Australia (Australia)	AA-	£15m	1 Year	12/04/19	09/04/20	363	9	0.98%	£5.0m

**Table 3: UK Banks (Secured) – Total £10.0m**

Counterparty	Credit Rating	Monetary Limits	Duration Limits	Start Date	Maturity Date	No. of Days	Days to Maturity	Interest Rate	Amount
Nationwide Building Society (Covered Bond)	AAA	£25m	10 Years	02/08/19	02/08/22	1,096	854	0.50%	£10.0m

**Table 4: UK Local Authorities – Total £154.5m**

Counterparty	Credit Rating	Monetary Limits	Duration Limits	Start Date	Maturity Date	No. of Days	Days to Maturity	Interest Rate	Amount
Aberdeen City Council	AA-	£25m	20 Years	19/12/19	24/09/20	280	177	0.95%	£5.0m
Barnsley Metropolitan Borough Council	AA- (i)	£25m	20 Years	05/11/19	05/11/21	731	584	1.45%	£5.0m
Blackpool Council	AA- (i)	£25m	20 Years	30/01/20	30/07/20	182	121	0.90%	£10.0m
Cambridgeshire County Council	AA- (i)	£25m	20 Years	11/04/19	09/04/20	364	9	0.98%	£5.0m
Croydon Council	AA- (i)	£25m	20 Years	05/11/19	03/11/20	364	217	0.95%	£10.0m
Doncaster Metropolitan Borough Council	AA- (i)	£25m	20 Years	15/08/19	13/08/20	364	135	0.88%	£5.0m
Dundee City Council	AA- (i)	£25m	20 Years	29/10/19	27/10/20	364	210	0.98%	£5.0m
Hackney Council	AA- (i)	£25m	20 Years	27/02/20	25/02/21	364	331	0.97%	£10.0m
Haringey Council	AA- (i)	£25m	20 Years	13/03/20	12/03/21	364	346	0.98%	£10.0m
Highland Council	AA- (i)	£25m	20 Years	10/02/20	08/02/21	364	314	0.98%	£4.5m
Hull City Council	AA- (i)	£25m	20 Years	15/11/19	15/05/20	182	45	0.90%	£5.0m
North Lanarkshire Council	AA- (i)	£25m	20 Years	09/12/19	09/11/20	336	223	0.93%	£5.0m
Plymouth City Council	AA- (i)	£25m	20 Years	09/04/18	09/04/20	731	9	1.40%	£10.0m
Plymouth City Council	AA- (i)	£25m	20 Years	25/03/20	24/03/21	364	358	1.30%	£10.0m
Salford City Council	AA- (i)	£25m	20 Years	13/12/19	11/12/20	364	255	0.95%	£5.0m
Slough Borough Council	AA- (i)	£25m	20 Years	29/11/19	29/05/20	182	59	0.86%	£5.0m
Southwark Council	AA- (i)	£25m	20 Years	22/01/20	20/01/21	364	295	1.00%	£5.0m
Stockport Metropolitan Borough Council	AA- (i)	£25m	20 Years	31/03/20	30/03/21	364	364	0.98%	£10.0m
Surrey County Council	AA- (i)	£25m	20 Years	24/12/19	24/06/20	183	85	0.90%	£10.0m
Thurrock Council	AA- (i)	£25m	20 Years	03/07/19	02/07/20	365	93	0.95%	£10.0m
Thurrock Council	AA- (i)	£25m	20 Years	05/08/19	04/08/20	365	126	0.92%	£10.0m

(i) Assumed UK Local Authority credit rating if no actual rating exists (as per 2019/20 Treasury Management Strategy "Creditworthiness Policy").

**Table 5: UK Housing Associations (RSLs) – Total £10.0m**

Counterparty	Credit Rating	Monetary Limits	Duration Limits	Start Date	Maturity Date	No. of Days	Days to Maturity	Interest Rate	Amount
Metropolitan Housing Trust (MTVH Group)	A-	£15m	5 Years	05/09/19	06/09/21	732	524	1.40%	£10.0m

**Table 6: Short-Term Money Market Funds – Total £66.2m**

Counterparty	Credit Rating	Monetary Limits	Duration Limits	Start Date	Maturity Date	No. of Days	Days to Maturity	Interest Rate	Amount
Aberdeen Standard Sterling Liquidity Fund	AAA	£25m	Note (ii)	n/a	n/a	n/a	n/a	0.48%	£25.0m
Blackrock Sterling Liquidity Fund	AAA	£25m	Note (ii)	n/a	n/a	n/a	n/a	0.37%	£16.2m
Federated Prime Sterling Liquidity Fund	AAA	£25m	Note (ii)	n/a	n/a	n/a	n/a	0.41%	£25.0m

(ii) No defined maturity periods for short-term Money Market Funds; withdrawals based on cash flow liquidity requirements.

**Table 7: Pooled Funds (Externally Managed) – Total £37.2m**

Counterparty	Credit Rating	Monetary Limits	Duration Limits	Start Date	Maturity Date	No. of Days	Days to Maturity	2019/20 EIR(%)	Market value
Fidelity Multi-Asset Income Fund	n/a	£15m	Note (iii)	11/12/18	n/a	477	n/a	4.51%	£7.0m
Ninety-One Diversified Income Fund	n/a	£15m	Note (iii)	05/12/18	n/a	483	n/a	4.15%	£6.9m
CCLA (Local Authorities' Property Fund)	n/a	£15m	Note (iv)	28/02/17	n/a	1,128	n/a	4.26%	£9.5m
Hermes Property Unit Trust (HPUT)	n/a	£15m	Note (iv)	28/08/18	n/a	582	n/a	2.99%	£9.3m
Lothbury Property Trust (LPT)	n/a	£15m	Note (iv)	03/09/18	n/a	576	n/a	2.96%	£4.5m

(iii) Three year investment horizon for externally managed multi-asset income funds.

(iv) Minimum five year investment horizon for externally managed property funds.

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## Impact of Covid-19 on Future Treasury Management Activities

The following sets out the impact of Covid-19 on the Council's 2020/21 treasury management activities.

### 1. Prospect for Interest Rates

- 1.1 In light of the economic impact of the Covid-19 pandemic, the Council's treasury management advisor (Link Asset Services) has recently updated their interest rate forecasts (including investment and borrowing rates) up to March 2022. This updated view on interest rates is currently being used by the Council to assess the impact on both its investment and borrowing strategies in 2020/21. The following table gives Link's central forecast:

Rate (%)	Jun 2020	Sep 2020	Dec 2020	Mar 2021	Jun 2021	Sep 2021	Dec 2021	Mar 2022
Bank Rate	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
3-Mth LIBID	0.11	0.40	0.35	0.30	0.30	0.30	0.30	0.30
6-Mth LIBID	0.26	0.55	0.50	0.45	0.40	0.40	0.40	0.40
12-Mth LIBID	0.44	0.70	0.65	0.60	0.55	0.55	0.55	0.55
5-Yr PWLB	1.90	1.90	1.90	2.00	2.00	2.00	2.10	2.10
10-Yr PWLB	2.10	2.10	2.10	2.20	2.20	2.20	2.30	2.30
25-Yr PWLB	2.50	2.50	2.50	2.60	2.60	2.60	2.70	2.70
50-yr PWLB	2.30	2.30	2.30	2.40	2.40	2.40	2.50	2.50

### 2. Council's Investment Strategy

- 2.1 Counterparty creditworthiness: During the period of the Covid-19 pandemic sovereign and organisation credit ratings have been subject to change by all of the three main rating agencies (Fitch, Moody's and S&P); indeed Fitch downgraded the UK's sovereign rating from AA to AA- at the end of March 2020.
- 2.2 For financial institutions rating changes have been limited to the lowering of "Outlooks" to negative; although in some cases "Negative Watches" (warning of an upcoming rating downgrade) have been assigned.
- 2.3 In terms of banks approved by the Council as appropriate for investment, Australia banks have been downgraded from AA- to A+; Close Brothers Ltd (UK) has been downgraded from A to A-; and HSBC Bank plc has been downgraded from AA- to A+. Additionally all Australian, Canadian and UK banks have a negative outlook assigned to their ratings (Singapore banks on negative watch). Rating agencies will continue to assess banks.
- 2.4 **Impact to the Council**: Following rating actions to-date, all banks previously approved continue to meet the approved rating criteria as prescribed in the Council's 2020/21 Annual Investment Strategy and officers continue to monitor developments as they arise. New bank deposits will only be considered on a short-term basis until more certainty on how banks will ultimately be rated becomes known.

- 2.5 **Cash flow:** During the period of the pandemic, the Council has monitored the cash flow position to ensure that there are sufficient funds available. To ensure cash is available should it be required, any surplus cash is being held in instant access bank accounts, Money Market Funds or short-term deposits.
- 2.6 **Impact to the Council:** No cash flow issues have been identified as yet but the position will continue to be closely monitored.

### 3. Council Investments and Returns

- 3.1 Due to the timing of the pandemic, there was minimal impact on the council's investment return in 2019/20. In terms of current market rates, there has been a steady fall in rates since the start of the new financial year across all types of investments with banks and Money Market Funds. Local-to-local authority lending rates have also significantly reduced following the elevated rates seen in late March and early April, such borrowing activity being driven by prevailing cash flow demands.
- 3.2 **Impact to the Council:** The Council will continue to aim to place surplus cash in investments with the most beneficial return, bearing in mind the need to maintain liquidity and security. Due to the circumstances outlined above, there is likely to be a significant impact on the Council's investment income budget and early indications suggest there is likely to be a shortfall in the region of £1.2m.

### 4. Externally Managed Pooled Funds

- 4.1 Market volatility arising from the Covid-19 pandemic has impacted bond markets, equities and commercial property valuations and as a result there has been a significant impact on the externally managed fund valuations which Council has investments in.
- 4.2 The Pooled Fund position as at May 2020 is set out below:

Fund	Type	Original Investment	Market Valuation (Mar-20)	Market Valuation (May-20)
Fidelity	Multi-Asset Income	£7.5m	£7.0m	£7.5m
Ninety-One	Multi-Asset Income	£7.5m	£6.9m	£7.2m
CCLA	Property	£10.0m	£9.5m	£9.2m
Hermes	Property	£10.0m	£9.3m	£9.1m
Lothbury	Property	£5.0m	£4.5m	£4.5m

- 4.3 The table above shows the market valuation of the funds at 31 May 2020 and includes a total unrealised loss of £2.5m when compared against the original invested sums. Given statutory regulations in force, this loss is accounted for in the Financial Instruments Revaluation reserve which is held on the balance sheet and has no impact on the Council's General Fund.

- 4.4 **Multi-Asset Income Funds:** Volatility in equity assets weighed on overall performance at the end of March 2020. Performance in such funds has started to rebound given both the recent improvement in global equity markets and other asset classes utilised by the fund managers to mitigate some of the equity negativity. These continue to be volatile.
- 4.5 **Impact to the Council:** The Council continues to view externally managed pooled funds over a long-term (5-year) horizon and over this period expects that capital growth within the individual funds will increase the Council's holding to at least par when compared against the original invested sums. Under the current circumstances, these long-term investments will remain under constant review with no immediate plans to liquidate these investments.

## 5. Borrowing

- 5.1 The profile for the Council's external borrowing requirement as approved by County Council in February 2020 is shown below:

Borrowing	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m
Approved Borrowing Need (Cumulative)	11.6	110.6	213.4	316.7	406.4
<b>External Borrowing:</b>					
Core Programme	0.0	0.0	0.0	3.7	31.6
Income Generating	0.0	0.0	102.6	82.1	38.9
<b>Total (Cumulative)</b>	<b>0.0</b>	<b>0.0</b>	<b>102.6</b>	<b>188.4</b>	<b>258.9</b>
Internal Borrowing Forecast (Cumulative)	32.8	123.3	119.2	121.3	123.7

- 5.2 The Council will be required to externally borrow in 2022/23, with internal borrowing continuing to be utilised in the intervening periods. In accordance with the approved Authorised Borrowing Limit, and given the Council's existing PWLB debt is forecast to be £474.8m as at March 2021, external borrowing for capital purposes may be arranged in 2020/21 up to a maximum of £80m (with an additional £40m headroom being maintained for cash flow purposes).
- 5.3 Due to the current pandemic, it is very likely that there will be implications in terms of the Council's ability to deliver the capital construction projects in the approved capital programme. The approved programme for 2020/21 for both core and income generating initiatives is £103.4m, although under the current circumstances, actual payments are likely to be less than this. This will potentially delay when the Council will be required to externalise its borrowing beyond 2022/23.

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<b>Performance and Finance Scrutiny Committee</b>
<b>9 July 2020</b>
<b>2019/20 Scrutiny Annual Report and 2020/21 Work Programme</b>
<b>Report by Director of Law and Assurance</b>

## Summary

This Committee has the task of ensuring effective scrutiny at the Council and that the highest priorities are being scrutinised. This report reviews activity during 2019/20 and looks ahead to 2020/21. The Committee's annual report in the form of a newsletter and work programme for the year ahead is attached (Appendix 1) for approval. In addition, each committee's Business Planning Group prepares a work plan with priorities for scrutiny and their approach (Appendices 2 and 3). The impact of the public health emergency is covered, but plans remain adaptable.

## The focus for scrutiny

The Committee is asked to:

- 1) Review scrutiny activity (Appendix 1) and identify areas for improvement;
- 2) Confirm that the highest priority areas are in the work programme for this committee (Appendix 2) and consider how priorities are identified;
- 3) Review how scrutiny of these priorities is most effectively undertaken – when and how and with what aims.
- 4) Consider the best use of member capacity and resources available for scrutiny to meet these aims;
- 5) Examine the proposals of the service scrutiny committees (Appendix 3) and review what to recommend to County Council in July in relation to the scrutiny work programme; and
- 6) Give an indication of any topics from the work programme for debate at future County Council meetings.

The Chairman will summarise the debate for consideration by the Committee.

## Proposal

### 1. Background and Context

- 1.1 This Committee has responsibility for monitoring the performance of the scrutiny function. It evidences this work through the scrutiny newsletter, which should enable members to fulfil this role. The newsletter (appendix 1) provides an annual overview of scrutiny business, shares best practice and highlights any development or training required. The Newsletter's content and format has been updated to be more accessible, as well as to better reflect the scrutiny work in 2019/20.
- 1.2 The newsletter describes the challenges and the review of the function. The findings and recommendations of the review were reported to Governance

Committee and County Council in December 2019. The recommendations for improvement included

- a more focussed approach to priorities and outcomes
- increased training and development
- changing the name of committees
- a dedicated Fire and Rescue committee and
- changes to how chairmen and vice chairmen are appointed.

The review's findings are outlined in the Newsletter.

- 1.3 In January 2020 the County Council commissioned work (the 'good governance review') on all aspects of Council governance, including the procedural and constitutional arrangements for Council business. The outcomes of this programme will be reported to the Governance Committee, to include any implications for the scrutiny process. This Committee will wish to consider its own role in this work. This will be assisted by an all member event on 8<sup>th</sup> July.
- 1.4 Each scrutiny committee develops a work programme for its work for the year ahead. This should be informed by the corporate priorities of the Council, service priorities and major change plans, issues raised by service users and communities and concerns about performance. Work programmes include proposals for task and finish groups and for cross-cutting scrutiny (across the portfolio areas of different committees).
- 1.5 In developing their work programmes, Business Planning Groups (BPGs) focus on the objectives and desired outcomes for any scrutiny work. Sources of information include the Forward Plan, performance and risk data, contract information and input from the executive. Issues taken into account include what the committee can add; what the desired outcomes are from scrutiny; whether the issue is one that matters most to residents and is a corporate priority; whether it is an area where performance, outcomes or budget is a concern. N.B. The newly established Fire and Rescue Service Scrutiny Committee (FRSSC) does not have a BPG and work programme planning is carried out by the whole committee.
- 1.6 The PFSC work programme developed by the BPG is attached at Appendix 2 and the work programmes for the service scrutiny committees are at Appendix 3. PFSC has the responsibility for agreeing the whole scrutiny work programme prior to approval by County Council.
- 1.7 The Scrutiny work programmes attached are based on current plans and priorities but will need to be flexible and reviewed to ensure they reflect changing demands and issues. This flexibility is particularly important due to the current Covid-19 situation which will have longer term effects on the priorities, plans and working arrangements of the County Council. A full review and re-set of these plans is underway and will be reported to the County Council in July.

## **2. Resources**

- 2.1 During the current pandemic scrutiny arrangements have had to be flexible and react to the changing situation to enable scrutiny activity to continue. It has succeeded through virtual meetings and using Task and Finish Groups

(TFGs) for pre-decision scrutiny. The number of TFGs established will be monitored by PFSC to ensure best use of resources and capacity.

- 2.2 The work programmes need to be flexible to enable the highest priority issues to be scrutinised within resources. The Governance Committee will be receiving regular reports on resources and impacts on governance which will need to be considered when determining the capacity of scrutiny.

## **Factors taken into account**

### **3. Issues for consideration by the Scrutiny Committee**

- 3.1 The Annual Newsletter reflects scrutiny in 2019/20. The Committee is asked to consider the outcomes achieved and examples of best practice, as well as national developments and guidance, to identify any areas for improvement.
- 3.2 The draft scrutiny work programmes for 2020/21 reflect current priorities. These may change, particularly due to the current emergency and the need to re-set the plans, targets and working arrangements of the County Council. The framework for this re-set is due to be debated at the County Council meeting in July. PFSC will have a role in monitoring the scrutiny activity and resource to meet the work programme.

### **4. Consultation**

- 4.1 Scrutiny committee members have had the opportunity to input into the development of work programmes. In addition, Cabinet Members and Service lead officers have input into work programme planning.

### **5. Other Options Considered**

- 5.1 None

### **6. Implications**

- 6.1 There are no risk management, Equality, Social Value, Crime and Disorder Act or Human Rights Act implications arising directly from this report. However, many of the substantive reports to the Committee will have some implications and an Equality Impact Report will be included where appropriate to the Committee.

**Tony Kershaw**

Director of Law and Assurance

**Helen Kenny**

Head of Democratic Services

**Contact:** [susanne.sanger@westsussex.gov.uk](mailto:susanne.sanger@westsussex.gov.uk) 033 022 22550

## **Appendices**

Appendix 1 – 2019/20 Annual Scrutiny Newsletter

Appendix 2 – 2020/21 Work Programme for Performance and Finance Scrutiny Committee

Appendix 3 – 2020/21 Work Programme for other service scrutiny committees

**Background Papers**

None

# Annual Scrutiny Newsletter 2019/20

## Introduction

This newsletter gives an overview of scrutiny activity in 2019/20. It was a challenging year, with external inspections identifying some performance issues with the scrutiny function. We had a full review of scrutiny arrangements, including a Centre for Public Scrutiny 'healthcheck', and that led to a number of changes agreed by County Council in December. We are committed to scrutiny as essential to good democracy, a critical friend to the executive, holding decision-makers to account, monitoring service performance and representing the interests of residents. The year ended with the Covid-19 public health emergency and its significant impact on Council business but the Council's scrutiny carried on and the first two virtual meetings were of scrutiny committees. We will build on the lessons and the learning of the past year and the experience of the current public health crisis to continue to deliver robust, transparent effective scrutiny.

**Councillors Joy Dennis, David Barling, Andrew Barrett-Miles, Bryan Turner and Steve Waight, Scrutiny Committee Chairmen**

## Purpose and Value of Scrutiny

### Effective overview and scrutiny should:

- **Provide constructive 'critical friend' challenge**
- **Amplify the voices and concerns of the public**
- **Be led by independent people who take responsibility for their role**
- **Drive improvement in public services.**

**(National Guidance, 2019)**

**"The role that overview and scrutiny can play in holding an authority's decision-makers to account makes it fundamentally important to the successful functioning of local democracy. Effective scrutiny helps secure the efficient delivery of public services and drives improvements within the authority itself"**

**(Minister for Local Government, May 2019)**

## Scrutiny at West Sussex County Council

During the year the committees changed from 'select committees' to 'scrutiny committees' and in March 2020 a new Fire & Rescue Service Scrutiny Committee was set up. As this newsletter focuses on activity during 2019/20 it does not cover the new committee.

Information on [Scrutiny at the Council](#) is available on the Council's website.

For more information on each scrutiny committee, including membership, areas of responsibility, meeting dates, agendas and minutes, use the links below.

- Children and Young People's Services Scrutiny Committee ([CYPSSC](#))
- Environment and Communities Scrutiny Committee ([ECSSC](#))
- Fire and Rescue Service Scrutiny Committee ([FRSSC](#))
- Health and Adult Social Care Scrutiny Committee ([HASC](#))
- Performance and Finance Scrutiny Committee ([PFSC](#))



A scrutiny committee meeting in action

# AT A GLANCE

40 external witnesses attended meetings



27 formal meetings held

4166 webcast views and 100% of meetings webcast live



109 members of the public attended meetings

39 key decisions previewed



**2019/20**

Best Practice



## WITNESSES



Witnesses included teachers, young people, NHS Trusts, trade unions and service users

## GROUND LEVEL



Councillors took part in NHS Trusts' Quality Summits.

## TECHNOLOGY



Witness evidence was provided using film, and more use of video conferencing

## PARTNERSHIP WORKING



Joint scrutiny training sessions were held with other councils

## BUDGET



Scrutiny ensured early engagement in the budget process to better reflect councillor priorities

## COMMUNICATION



Scrutiny was well publicised in the press and social media

## NATIONAL



HASC Chairman was a keynote speaker at a national Health Scrutiny Conference

## TASK AND FINISH



Two TFGs were set up to carry out in depth scrutiny

## INFLUENCE



Councillors felt they had reasonable opportunity to influence their committee's work

## Scrutiny Impact

### a) The value of scrutiny to the Council's business and its role in the County

**Listen and engage:** Across 27 scrutiny committee meetings there were 40 external witnesses - teachers, young people, Public Health England, senior representatives from West Sussex Clinical Commissioning Groups and NHS trusts, trades unions, service users, voluntary and community sector representatives – giving a wider range of voices.

**Open and transparent:** over 100 members of the public attended and all formal meetings were webcast live, with 4,166 views, most meetings attended by the local democracy reporter ensuring good press coverage.

**Keeping in touch:** members engaged with service users through video, more informal meetings used videoconferencing and there was increased use of social media.

**Working well in partnership:** HASC looks outward for its scrutiny of the County's health services and members took part in several NHS trust Quality Summits hosted by the Care Quality Commission.

**Learning and good practice:** The HASC Chairman was a keynote speaker at a Centre for Public Scrutiny conference on health and social care scrutiny. Health scrutiny training was held with members of East Sussex County Council, Brighton & Hove City Council and Healthwatch.

**Influence and impact:** Scrutiny continues to focus on the preview of proposals and key decisions to have most influence (with 39 key decisions previewed during the year), but it also uses call-in when needed. This is a key part of the democratic process enabling scrutiny to challenge and influence decisions before commitments are made. In 2019/20, three call-in requests were received and one was accepted for review.

### b) The value of scrutiny to the Council's service priorities – the focus of scrutiny

#### Children and Young People's Services

- **Children First Improvement Plan:** The measures taken to respond to the Ofsted inspection report of May 2019, hearing from a variety of witnesses, including service users, practitioners and social workers. This work will remain a priority so that scrutiny can influence the Children First Improvement Plan.
- **Small and rural schools:** A very high profile set of proposals for the Council and the communities affected, the Committee kept focus from start to finish and through a task and finish group for in-depth scrutiny, members hearing from governors, teachers and local councillors. Improvements to future consultation have been taken up.
- **Children's In-House Residential Services Strategy:** Pre-decision scrutiny was carried out and the Committee identified changes to make it more understandable for the public.

## Health and Adult Social Care

- **Low Vision Services:** Responding to a request from the RNIB, the Committee supported concerns about service reduction. Various sight-loss charities have now been given a platform to work with NHS commissioners to address the concerns raised.
- **Adult Services Improvement:** A subject for continuous monitoring, the Committee emphasised partnership working, training and development of staff to meet objectives and co-production with customers in service development.
- **West Sussex Suicide Prevention Strategy:** A review following a House of Commons Health Select Committee recommendation. Public Health provided guidance on the local plans, with the Committee influencing the planned review.
- **Local Assistance Network (LAN):** a TFG was set up to review proposals to reduce funding for welfare assistance to households in crisis situations. The Cabinet Member accepted recommendations to work more closely with partners and that any additional funding received in future be used to prioritise these services.

## Environment, Communities and Fire

- **Highways Maintenance Contract:** An issue of interest to members and residents to ensure the safe award of a contract and the right outcomes is needs to deliver.
- **Fire and Rescue Service HMICFRS Inspection:** The committee scrutinised the response to the findings and influenced the proposed improvement plan. Visits were arranged to a Fire Station and Fire Control Centre to extend member understanding of service operations.
- **Highways England Arundel A27 consultation:** Local community groups, parish/town councils, local members and MP provided evidence and this range of views helped the Committee's stance on the Council's response to the consultation.

## Performance and Finance

- **Property Joint Venture:** The Committee has sought to influence this significant initiative for land use through a joint venture. Further scrutiny will consider principles, targets and governance arrangements.
- **2020/21 Budget:** The development of the Medium-Term Financial Strategy and final budget for the Council. The Committee achieved earlier engagement of councillors in the budget process to better reflect their priorities with two well-received member sessions which included a budget simulation exercise.
- **Performance management:** The Committee challenged how performance is tested including workforce, risk and transformation. The Total Performance Monitor now includes more detail on workforce, business planning and risk for a more holistic approach.

## Scrutiny Evaluation 2019/20

Only 19 responses received to the survey – fewer than the usual response rate. More varied ways to get feedback will be explored for the future. Key findings:

- All found good support from staff and were able to commit the necessary time to the role
- Most felt they had reasonable opportunity to influence their committee's work.
- Less than half felt that scrutiny reflects issues of greatest public concern/importance
- Only 26% felt there was adequate input from external witnesses
- Few saw an ability to influence decisions appropriately or to input into policy development
- Few saw clear, measurable outcomes from the scrutiny process.

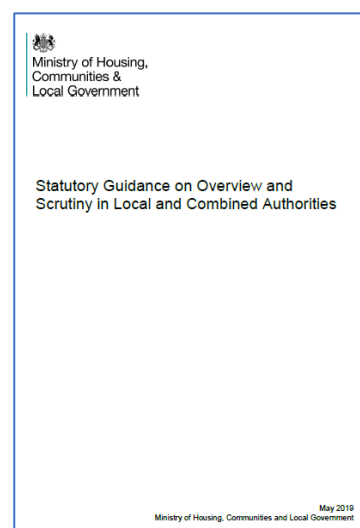
This feedback mirrors the findings of the Scrutiny Review carried out in 2019 and the consequent recommendations for change agreed by the Council (see below).



## New Scrutiny Guidance

New statutory [national scrutiny guidance](#) was published in May 2019 and was considered by Governance Committee in [June 2019](#). It is recognised that every council approaches scrutiny differently. It highlights factors for effective scrutiny, including:

- Good organisational culture, behaviours and attitudes
- Scrutiny being member-led
- Sufficient resources to support scrutiny
- Councillors with expertise, commitment and impartially
- Access to relevant and timely information



## Scrutiny Review

Prompted by external inspection comments and the new national guidance, a review of the scrutiny function was carried out. The comments suggested a lack of rigour and insufficient evidence of scrutiny's effectiveness. The Governance Committee's working group [reported](#) back in December 2019.

A '**healthcheck**' was carried out by the Centre for Public Scrutiny. Its [overall assessment](#) found

- a realisation and commitment that scrutiny could be more effective
- a good platform from which scrutiny can successfully develop.
- Members having a real interest and enjoyment of scrutiny
- Gaps in member skills and to be supported if progress is to be realised.
- That Scrutiny needs to be more strategic and focused on areas of critical importance to be influential in the future.

**Outcomes of the Scrutiny Review**, agreed by County Council in [December 2019](#):

- Better business and agenda planning for more timely and effective influence
- Increased use of time, external evidence and witness input
- More focused reports, with key lines of enquiry for outcomes and measurable impact
- Cabinet members to be the principal focus for scrutiny for democratic accountability and a more strategic approach – helping scrutiny avoid drifting into operational detail
- Improved training and awareness raising on scrutiny (to include chairmanship skills, questioning skills, essential principles of scrutiny, work programme planning/prioritisation techniques and performance management/effective use of data)
- Renamed 'scrutiny' committees to clarify their role
- A new committee dedicated to the scrutiny of the Fire & Rescue Service
- Committees in future to appoint their own chairmen and vice chairmen
- A revised call-in protocol to address any perception of political bias

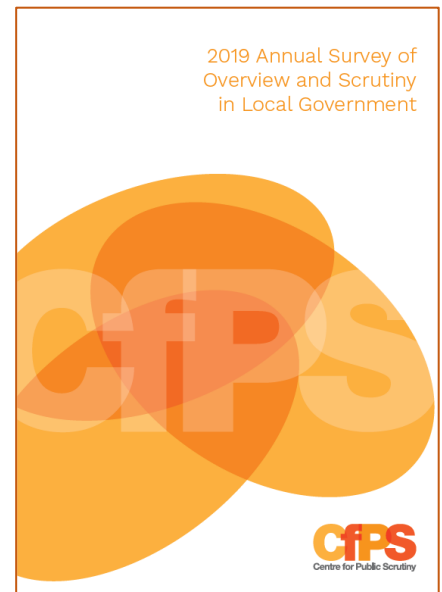
Effective scrutiny was summarised as:

- ✓ **Influencing policy ideas or proposals before they are developed**
- ✓ **Spending time on matters critical to service outcomes for residents**
- ✓ **Meaningful challenge to the performance management of services**
- ✓ **Showing the difference scrutiny makes to service outcomes for residents**

## National Scrutiny Report

The Centre for Public Scrutiny (CfPS) [Annual Report 2019](#) was published in May 2020. It has the results of its annual survey of councils and includes the following suggestions:

- Ensure proper systems for good recommendations and how to monitor them
- Address how to manage executive/scrutiny relationships
- Tighten up work programming and topic selection
- A more systematic approach to budget scrutiny and the use of finance and performance information
- Pilot arrangements for more political balance to chairing



## Future Plans

Scrutiny in 2020/21 will be dominated by the Covid-19 emergency. Scrutiny has continued to operate, with business focusing on decision preview and service improvement plans. Whilst Covid-19 is the most significant thing affecting the Council's services and its communities for the foreseeable future, it will be important for scrutiny of its impact to be timely, focused and to add value. Business Planning Groups will be considering what aspects of the Council's executive actions relating to Covid-19 should be scrutinised, when and how. Opportunities for new ways of working will also be explored, including different methods for engaging with witnesses, gathering evidence and online training and skill development for members.

A project launched in January 2020 to review aspects of County Council governance, including the procedural and constitutional elements of how it does business, are likely to have implications for scrutiny during the year ahead. The project has highlighted the key role scrutiny has to play in helping to improve decision-making and plans through constructive, well-informed challenge. The outcomes of this project, as well as recommendations from the scrutiny review will be key areas of focus for 2020/21 to ensure the effectiveness of scrutiny at the Council.

# Performance and Finance Scrutiny Committee Work Programme Sept 2020 - September 2021

<b>1. Performance and Finance Scrutiny Committee (PFSC)</b>			
<b>West Sussex Plan – resetting service and corporate priorities and outcomes</b> <ul style="list-style-type: none"> <li>Policy development: Scrutiny of the re-set of priorities and performance targets in the light of the impact of Covid-19: <ul style="list-style-type: none"> <li>- Performance framework</li> <li>- Workforce Strategy</li> <li>- Service Improvement Programme</li> <li>- Economic Recovery Plan</li> </ul> </li> </ul>	Corporate	Outcomes	Sept
<b>2021/22 Budget</b> <ul style="list-style-type: none"> <li>Budget - scrutiny of the financial strategy, budget planning (MTFS) Treasury Management and Capital Strategies to meet priorities and implications of budget reductions and saving requirements. To be linked to the reset of Council priorities.</li> </ul>	Corporate	Budget	ongoing
<b>Total Performance Monitor</b> <ul style="list-style-type: none"> <li>Performance, risk and budget monitoring: Ongoing monitoring of finance, performance, workforce, Improvement Plans.</li> </ul>	Corporate	Performance and Budget	quarterly
<b>Capital Programme</b> <ul style="list-style-type: none"> <li>Quarterly monitoring of the capital programme and proposed reset of the Capital Programme and specific proposals for priority schemes relevant to the Committee's responsibilities</li> </ul>	Corporate	Budget	quarterly
<b>Multi-disciplinary Consultant (MDC)</b> <ul style="list-style-type: none"> <li>To scrutinise the effectiveness of the MDC, in its support to projects within the Capital Programme.</li> </ul>	-	Performance	TBC
<b>Treasury Management</b> <ul style="list-style-type: none"> <li>Scrutiny of the 2019/20 Annual Report, mid-year report 2020/21 and Strategy for 2021-22. PFSC is responsible for this as part of Treasury Management Regulations for wider member review.</li> </ul>	Corporate	Budget	Dec20/Jan 21
<b>Property Joint Venture and Development Projects</b> <ul style="list-style-type: none"> <li>To preview the principles of the partnership, governance arrangements and cost/benefit analysis. The Committee may scrutinise individual projects as they arise.</li> </ul>	Corporate	-	TBC

<b>Asset Strategy</b> <ul style="list-style-type: none"> <li>Scrutiny of the progress and actions taken since the Asset Strategy was agreed and any amendments required due to changing work practices resulting from the Covid-19</li> </ul>	Corporate	budget	TBC
<b>Capita Performance</b> <ul style="list-style-type: none"> <li>Scrutiny of the annual performance of Capita in relation to the SSO contract to ensure contract targets and performance are achieved.</li> </ul>	Corporate	budget	TBC
<b>Scrutiny Oversight and Work Programme</b> <ul style="list-style-type: none"> <li>PFSC's overview of the scrutiny function, best practice and development needs of members. The annual scrutiny work programme prior to County Council approval.</li> <li>The Committee is monitoring implementation of recommendations agreed as part of the 2019 Scrutiny Review and will consider any outcomes of the Good Governance project relating to the scrutiny function</li> </ul>	Corporate	Scrutiny performance and outcomes	ongoing

## Scrutiny Work Programmes September 2020 – September 2021

Topic (including focus for scrutiny & focus)	Priorities		
	Corporate or Service Priority	Performance, Outcome or Budget	Timing
<b>1. Cross-cutting Scrutiny (involving more than one Committee)</b>			
<b>Horsham Fire Station and Training Facility</b> <ul style="list-style-type: none"> <li>FRSSC and PFSC: Task and Finish Group to carry out pre-decision scrutiny of the plans for a new station and fire training facility.</li> </ul>	Service Improvement Plan	IRMP and Inspection preparation	Sept 20
<b>Children First Strategic Approach</b> <ul style="list-style-type: none"> <li>CYPSSC and PFSC: Pre-decision scrutiny of the proposed Children First Strategic Approach. Scrutiny approach to be determined.</li> </ul>	Service and Corporate	Service Improvement Plan	Sept/Oct 20
<b>Children's Trust establishment</b> <ul style="list-style-type: none"> <li>CYPSSC: Pre-decision scrutiny of proposals for the establishment of a Children's Trust to deliver Children's Services. Scrutiny approach to be determined.</li> </ul>	Corporate	Ofsted and Commissioner report	Sept/Oct 20
<b>Home to School Transport</b> <ul style="list-style-type: none"> <li>PFSC and CYPSSC: Cross-cutting Task and Finish Group to explore budget pressures. To review service policy and operations, contract arrangements, value for money.</li> </ul>	Service pressures	Budget	TBC
<b>Mental Health</b> <ul style="list-style-type: none"> <li>CYPSSC and HASC: Special meeting with the West Sussex Youth Cabinet, to review emotional health and wellbeing support for children and young people.</li> </ul>	-	Performance and outcomes	Mar 21
<b>Support Service Out-sourcing (SSO) Contract</b> <ul style="list-style-type: none"> <li>All Committees: planning for the delivery of the Council's back-office functions (currently via Capita contract). A Task and Finish Group to include all Scrutiny Chairmen and minority party representation.</li> </ul>	-	Performance	TBC
<b>2. Children and Young People's Services Scrutiny Committee (CYPSSC)</b>			
<b>Children First Improvement Programme</b> <ul style="list-style-type: none"> <li>Performance monitoring: To seek assurance and evidence of progress. Areas of focus include preparation for and outcomes of OFSTED monitoring visits, workforce stability and outcomes for children and families.</li> </ul>	Service	Performance	Ongoing
<b>Early Help Proposals</b> <ul style="list-style-type: none"> <li>Pre-decision scrutiny: Assessing the draft proposals for the Early Help re-design.</li> </ul>	Service	Budget	Sept 20
<b>Education and Skills Annual Report</b> <ul style="list-style-type: none"> <li>Performance monitoring: To review output of the Task and Finish Group of July 2020 to monitor educational attainment.</li> </ul>	Corporate	Performance	Sept 20
<b>Impact of Covid-19 on Educational Outcomes for Children and Young People</b>			

Topic (including focus for scrutiny & focus)	Priorities		
	Corporate or Service Priority	Performance, Outcome or Budget	Timing
<ul style="list-style-type: none"> <li>Assessing the impact of school/college closures on children and young people; measures to support the return to education; preparedness for any future emergencies. External evidence required.</li> </ul>	Corporate	Outcomes	Nov 20
<b>SEND (Special Educational Needs and Disability) and Inclusion Strategy</b> <ul style="list-style-type: none"> <li>Performance monitoring: To review the effectiveness of the Strategy and identify areas for improvement.</li> </ul>	Corporate	Performance	Jan 21
<b>Support for School Governors</b> <ul style="list-style-type: none"> <li>To identify any areas of improvement for the support, training and guidance provided to school governors and to consider recruitment and retention issues.</li> </ul>	-	-	Jan 21
<b>Mental Health</b> <ul style="list-style-type: none"> <li>Performance monitoring: To review emotional health and wellbeing support for children and young people, jointly with the Health &amp; Adult Social Care Scrutiny Committee and the West Sussex Youth Cabinet.</li> </ul>	-	Performance	Mar 21
<b>Fostering and Adoption</b> <ul style="list-style-type: none"> <li>To assess the impact of the new Regional Adoption Agency and input into proposals arising from the Fostering Service Review.</li> </ul>	-	-	TBC
<b>High Cost Residential Placements and Residential Homes</b> <ul style="list-style-type: none"> <li>Service improvement: To review plans for post-16 residential placements and the re-opening of some children's residential homes.</li> </ul>	Service improvement	Outcomes	TBC
<b>3. Environment and Communities Scrutiny Committee (ECSC)</b>			
<b>Highways and Transport Delivery Programme 2020/21</b> <ul style="list-style-type: none"> <li>To scrutinise progress in delivering the programme.</li> </ul>	Service	Outcomes	Mar 21
<b>Serious Violence</b> <ul style="list-style-type: none"> <li>scrutiny of crime and disorder prevention. To be informed by witnesses from districts and boroughs, and Sussex Police</li> </ul>	-	Outcomes	Sept 20
<b>Waste Strategy</b> <ul style="list-style-type: none"> <li>Pre-decision scrutiny: A Task and Finish group, to input into the development of the Strategy and help shape the strategic options, prior to Cabinet Member decision in September 2020.</li> </ul>	Service	Outcomes	TBC
<b>Review of Road Safety Strategy</b> <ul style="list-style-type: none"> <li>Policy development: For the Committee to influence development of the Strategy at an early stage in its preparation, in the context of</li> </ul>	Corporate	Outcomes and Performance	Nov 20

Topic (including focus for scrutiny & focus)	Priorities		
	Corporate or Service Priority	Performance, Outcome or Budget	Timing
recent performance.			
<b>Trading Standards - Proposed Priorities and Workplan 2021/22</b> <ul style="list-style-type: none"> <li>Cabinet Member Referral: The Committee is asked to input into plans for service development and review.</li> </ul>	Operational	Outcomes	Nov 20
<b>Worthing Community Hub</b> <ul style="list-style-type: none"> <li>To review progress in delivering the Community Hub at Worthing Library and assess implications/plans for similar initiatives.</li> </ul>	Corporate	Outcomes	Jan 21
<b>Local Flood Risk Management Strategy</b> <ul style="list-style-type: none"> <li>Pre-decision scrutiny: to scrutinise the decision and make any recommendations to the Cabinet Member prior to implementation.</li> </ul>	-	-	Jan 21
<b>Highways and Transport Improvement Schemes</b> <ul style="list-style-type: none"> <li>to review progress in coordination of different types of highways schemes and how prioritised, and to contribute to development of prioritisation criteria and processes.</li> </ul>	Service	Outcomes	Jan 21
<b>Community Delivery of Highways Services</b> <ul style="list-style-type: none"> <li>to review the new approach to using community groups to deliver Highways Services one year on.</li> </ul>	-	Performance	Mar 21
<b>Electric Vehicle Strategy Progress</b> <ul style="list-style-type: none"> <li>To monitor progress in delivering the Strategy.</li> </ul>	-	Outcomes	Mar 21
<b>4. Fire and Rescue Service Scrutiny Committee (FRSSC)</b>			
<b>Performance &amp; Assurance Framework</b> <ul style="list-style-type: none"> <li>each meeting will assess a suite of performance indicators: fires and fatalities, prevention, protection and response rates.</li> </ul>	Service	Performance	ongoing
<b>Fire &amp; Rescue Service Improvement Programme</b> <ul style="list-style-type: none"> <li>To monitor progress after inspection report ahead of reinspection in February 2021. To assess inspection preparedness and ensure the Service is on track with its priorities.</li> </ul>	Service	Performance	ongoing
<b>Statement of Assurance</b> <ul style="list-style-type: none"> <li>To input into the annual Statement of Assurance for the Fire &amp; Rescue Service and to assess how well it is meeting its obligations.</li> </ul>	Service	Performance	Sept
<b>Risk Assessment</b> <ul style="list-style-type: none"> <li>to monitor how risks relating to the Fire and Rescue Service are being addressed and to identify any specific issues/areas of concern</li> </ul>	Service	-	TBC
<b>Impact of COVID-19 on service delivery</b> <ul style="list-style-type: none"> <li>Focus to be determined – possibly lessons learned and preparedness for future pressures.</li> </ul>	-	-	TBC

Topic (including focus for scrutiny & focus)	Priorities		
	Corporate or Service Priority	Performance, Outcome or Budget	Timing
<b>Joint Call Centre</b> <ul style="list-style-type: none"> <li>A Task and Finish Group to scrutinise the effectiveness of the joint call centre with Surrey County Council.</li> </ul>	-	Performance	TBC
<b>5. Health and Adult Social Care Scrutiny Committee (HASC)</b>			
<b>Covid-19 - Preparedness and Restoration / Recovery Planning in West Sussex</b> <ul style="list-style-type: none"> <li>Task and Finish Group (including representation from Healthwatch) to assess lessons learned and to inform preparedness for future. To review NHS local restoration and recovery plans, the Local Outbreak Plan and plans for ongoing monitoring/assurance through Health and Wellbeing Board.</li> </ul>	Corporate	Outcomes	July - Sept 20
<b>Improved Better Care Fund (iBCF)</b> <ul style="list-style-type: none"> <li>annual review of the improved Better Care Fund Plan (iBCF) for the financial year 2019/20. To monitor outcome, scheme suitability and priority. To seek assurance that outcomes have been achieved in line with funding conditions.</li> </ul>	-	Budget and outcomes	Sept 20
<b>West Sussex response to the NHS Long Term Plan (Sussex Health and Care Partnership)</b> <ul style="list-style-type: none"> <li>Health Scrutiny: the focus for service provision and development as part of the development of the NHS Long Term Plan. To consider the place-based plans and the confirmation of the Integrated Care System (ICS).</li> </ul>	Corporate	Outcomes	Sept 20
<b>Winter Planning</b> <ul style="list-style-type: none"> <li>Service assurance: To consider health and social care plans prior to the winter period 2020/21. Assessing preparation for potential increase in demand for NHS services and impact of Covid-19.</li> </ul>	Corporate	Outcomes	Sept 20
<b>Proposals to Improve Mental Health Services in West Sussex</b> <ul style="list-style-type: none"> <li>Health scrutiny (NHS service change proposal): To consider the outcome of public consultation on proposals by CCGs and the Sussex Partnership NHS Foundation Trust.</li> </ul>	-	Outcomes	Sept/ Nov 20
<b>Primary Care (Inquiry Day)</b> <ul style="list-style-type: none"> <li>A themed meeting to input into the emerging primary care strategy as developed by the CCGs - GP surgery provision across the county, the development of Local Community Networks and learning from Covid-19 regarding virtual working practices. To include input from Healthwatch.</li> </ul>	-	Outcomes	Nov 20

<b>Topic</b> <i>(including focus for scrutiny &amp; focus)</i>	<b>Priorities</b>		
	<b>Corporate or Service Priority</b>	<b>Performance, Outcome or Budget</b>	<b>Timing</b>
<b>Adults Services Improvement (Inquiry Day)</b> <ul style="list-style-type: none"> <li>A themed meeting to assess improvement plans for adult social care, to include progress on prevention and relationships with the care and domiciliary care markets in light of Covid-19.</li> </ul>	Service	Outcomes	Jan 21
<b>Shaw Healthcare Contract</b> <ul style="list-style-type: none"> <li>To review performance against planned outcomes for main contract for the provision of residential care and consider the impact of the contract variation one year on.</li> </ul>	Service	Performance	Jun 21
<b>Social Isolation / Contract arrangements for Social Support Services</b> <ul style="list-style-type: none"> <li>Pre-decision scrutiny: To examine the County Council's work around preventing social isolation and the provision of social support service contracts funded by Public Health.</li> </ul>	Service	Outcomes	TBC
<b>Supported Living</b> <ul style="list-style-type: none"> <li>Pre-decision scrutiny: To examine service plans for supported living services when developed for re-procurement, if likely to alter provision and to ensure best outcomes.</li> </ul>	Service	Outcomes	TBC

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## **Performance and Finance Scrutiny Committee**

**9 July 2020**

### **In-sourcing financial services from Support Services Outsource Contract**

**Report by Director of Law and Assurance**

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#### **Summary**

The attached report by the Director of Finance and Support Services provides the committee with details of the proposed decision in relation to the insourcing of financial services currently provided through the Support Service Outsource contract (SSO) with Capita. The decision will be taken by the Cabinet Member for Economy and Corporate Resources in July.

#### **Focus for scrutiny**

The Committee is asked to scrutinise the content of the attached decision report prior to decision by the Cabinet Member for Economy and Corporate Resources. Key areas for scrutiny include the:-

- financial and staffing implications for the Council,
- ability of the Council to provide the services more flexibly in order to take forward service improvements and implement the Council direction,
- need to adapt to any changes required post Covid-19.

If appropriate the committee to make any relevant recommendations for action ahead of the decision being taken to the Cabinet Member for Economy and Corporate Resources in relation to the insourcing of services.

The Chairman will summarise the output of the debate for consideration by the Committee.

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#### **Details**

The report attached outlines the proposed decision in relation to the insourcing of services to the Council from the Support Services Outsource contract (SSO). The services to be insourced are those currently known as Service Finance, currently delivered by Capita. The services covered by the insourcing are outlined in the Appendix of the report.

The reason for the insourcing is to enable the Council to gain greater control and flexibility in the delivery of the largely statutory services. Adults Services are currently introducing service improvements which need flexibility to implement. The increased flexibility will enable savings and technology or process changes to be realised. The increased flexibility will also mean services are better positioned to adopt any post-Covid-19 needs.

The insourcing is being undertaken by mutual agreement of the County Council and Capita. The insourcing must be contained within the current cost envelope for service delivery. It is currently estimated that sixty-one employees (53.43FTE) will be affected, this may change as the consultation and TUPE arrangements are finalised.

The background and context to this item for scrutiny are set out in the attached report. The report sets out the financial and resource implications, the Equality, Human Rights, Social Value, Sustainability, and Crime and Disorder Reduction Assessments.

**Tony Kershaw**

Director of Law and Assurance

**Contact Officer:** Susanne Sanger, Senior Advisor (Democratic Services)  
033 022 22550

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**Appendix A** Draft Decision Report - In-sourcing financial services from  
Support Services Outsource Contract

**Background papers**

None

<b>Cabinet Member for Economy and Corporate Resources</b>	<b>Ref No:</b>
<b>July 2020</b>	<b>Key Decision:</b>
<b>In-sourcing financial services from Support Services Outsource Contract</b>	<b>Part I</b>
<b>Report by the Director of Finance and Support Services</b>	<b>Electoral Division(s):</b>
<p><b>Summary</b></p> <p>The paper sets out the proposal to insource to the Council from the Support Services Outsource contract ("SSO") the service known as Service Finance, currently delivered by Capita, as this will better support the delivery of these services.</p> <p>The services relate to Adults and Children's Social Care finances, covering welfare benefits assessments including the administrative support function, financial adults' safeguarding services (deputyship), direct payments to adults and children, children's fostering, adoption and Early Years finance activities, invoicing adults' services customers for their contribution towards residential and non-residential services, residential property and residential purchasing and invoicing services.</p>	
<p><b>West Sussex Plan: Policy Impact and Context</b></p> <p>This proposal seeks to support the West Sussex Plan outcomes related to 'A council that works for the community' specifically in respect to achieving value for money. Additionally, as set out in paragraphs 2.4 and 2.5 to enable the Council's transformation activity and new ways of working.</p>	
<p><b>Financial Impact</b></p> <p>The contract payments which the Council currently makes to Capita will be reduced by around £3.3m to reflect the removal of the Service Finance services from the SSO Contract. This becomes the resource available for the Council to fund the costs of the transferred staff.</p>	
<p><b>Recommendation</b></p> <p>The Cabinet Member for Economy and Corporate Resources agrees the proposed in-sourcing of Service Finance from the Support Services Outsource Contract to take effect from 1 August 2020 or as soon after as practicable.</p>	

## **Proposal**

### **1. Background and Context**

- 1.1. In 2012, the County Council entered into a 10-year contract with Capita, known as the Support Services Outsource contract ("SSO"), to deliver a range of back office support functions. In 2014 two services, Financial Adult Safeguarding and Welfare Benefit Advisers, were added. Work is underway to determine future options for the currently outsourced services when the SSO comes to an end in September 2022. These options will be subject to decision making in due course.
- 1.2. In line with good commercial practice, the SSO and the services are reviewed on a periodic basis or when the need arises. This report sets out the rationale to insource Service Finance to the Council now.

### **2. Proposal Details**

- 2.1 Approval is sought to make changes to the scope of the SSO. The specific functions within Service Finance identified as being suitable for transfer to the Council from Capita are set out in detail in the Appendix.
- 2.2 The insourcing of Service Finance will enable the Council to have greater control and flexibility in the delivery of these largely statutory services. The Council is driving a series of improvements in Adult Social Care designed to deliver benefits for residents. The split in ownership between the Council and Capita is shown to be limiting flexibility to implement Council direction due to the constraints of the contract and the mechanisms for agreeing service changes. This is not untypical in a large long- term contract, particularly one nearing its end.
- 2.3 As the Council continues to assess and respond to the longer lasting impacts of the current Covid-19 pandemic the insourcing will enable the Council to be better positioned to adapt these services to changing needs. For example, modernising how assessments are undertaken reflecting the different ways in which the Council engages with residents through technology; redesigning internal processes; responding to changes in Government policy; and adapting to changes in service demand.
- 2.4 The proposed insourcing should also provide enhanced opportunities for integration of working practices and procedures to support improved service delivery to West Sussex residents. As well as supporting more effective collaborative working between Finance, Adult Social Care and Children's Services in a period of rapid change, this proposal recognises that these services are delivered as part of a wider engagement with vulnerable adults and families, including integration of working practices and procedures.
- 2.5 In addition, the Council is undertaking a number of transformation and service change activities, particularly within the Adults Service Improvement Programme, which will affect these services. There are opportunities to better utilise technology from the end users' viewpoint. The current contract does not provide a simple mechanism to achieve these changes.

### **Approach to the insourcing**

- 2.6 The services are to be insourced to the Council by mutual agreement between the Council and Capita through a Deed of Variation.
- 2.7 Both parties agree to ensure a smooth transition of the services. This includes the appointment of appropriate Project Management resource. This approach is very similar to that adopted by both parties previously.
- 2.8 The intention is to transfer the service in its current operating state on 1st August 2020 or as soon after as practicable. The Service Finance function will retain the same roles, processes and tasks in the first instance. Following the move, the services will be reviewed as part of the Improvement Programme. In parallel, the Council is considering the potential novation of two third-party suppliers that are currently used by Capita to provide support for elements of the service delivery. The contracts are both low value and relate to cash collection and a personal alarm system.

### **Factors taken into account**

#### **3. Consultation**

- 3.1 The Cabinet Member for Finance and the Cabinet Member for Adults and Health have been consulted and their comments have been reflected in the proposal.
- 3.2 There will be a formal consultation with affected Capita staff as set out below in paragraphs 4.4 to 4.7.

#### **4. Financial and Resource Implications**

- 4.1 As a result of the insource the Council's contract payments to Capita will be reduced when the service transfers. The total reduction is estimated to be around £3.3m as set out in the table below. This becomes the resource available for the Council to fund the costs of the transferred staff. This is currently an estimated figure because the reduction in contract payments is calculated per month until the contract end date and may vary if the services do not transfer on the date which is currently planned.
- 4.2 In addition, there is a potential cost to the Council currently estimated at around £160k per annum due to staff auto enrolment in the Local Government Pension Scheme. The exact impact will not be known until the list of staff eligible to transfer is finalised. This additional cost will be contained within the current cost envelope for service delivery.

Service	Contract Reduction per annum		
	Contract Year 8 *	Contract Year 9	Contract Year 10
<b>Service Finance</b>	£255k	£1.5m	£1.5m

The table represents Contract Years which run from 1<sup>st</sup> October to 30<sup>th</sup> September.

\* minus one-off costs of transition (e.g. cost of Project Manager estimated at £70k)

- 4.3 The Council and Capita have been in discussion regarding the implementation of the decision to reduce the Minimum Income Guarantee (MIG) rate for working age customers and during this time the annual reassessment work has been delayed. Agreement has been reached that the best way forward is to insource the service. In recognition of the work that the Council will need to undertake following the proposed insource Capita have agreed to reflect this in the contract financial reduction. The insourcing will enable the Council to complete the delayed work enabling the realisation of the estimated savings of £350k per annum. This is separate to the contract reductions set out in the table.

### Implications for Human Resources

- 4.4 The Capita staff proposed to transfer will be a mixture of returning ex-County Council and Capita staff and their employment terms and conditions will be protected under the Transfer of Undertakings (Protection of Employment) legislation (TUPE).
- 4.5 There are a total of 53.43 FTE (61 headcount) affected across the services identified and will be in scope for TUPE. There could be amendments to the final number of staff until the TUPE transfer takes place. The proposed high-level indicative timeline to complete the transfer of the services is set out below:

Phase	Dates
Engagement and Consultation with staff (TUPE)	18/06/20 – 31/07/20
TUPE Transition and implementation plan finalised	25/06/20
TUPE transfer, Service commencement and induction into County Council	01/08/20

- 4.6 The UNISON representatives for Capita and the Council have been engaged in the process and are attending regular meetings and providing support to the staff.

- 4.7 As the intention is to transfer the service in its current operating state the proposal will be for the service to be delivered initially within the Finance and Support Services Directorate.

## **5. Legal Implications**

- 5.1 The Service Finance functions were outsourced to Capita by virtue of the SSO which was completed by the Parties in September 2012. In order to achieve the objectives detailed at section 2 above, advice has been sought from Legal Services and they have been involved in drawing up the Deed of Variation to the SSO. The insourcing by mutually agreed Deed of Variation to the SSO has successfully been utilised by the Council and Capita for the previous transfer of services.

## **6. Risk Implications and Mitigations**

- 6.1

<b>Risk</b>	<b>Mitigating Action (in place or planned)</b>
There is an operational risk to the services transferring which could impact the wider organisation.	The County Council is working closely with Capita to ensure a smooth transition of the services. Detailed implementation plans will be in place for the future of the service.
Staff morale could suffer during the transition which could affect service delivery.	As set out above the process for managing the transfer will include regular staff engagement and consultation with UNISON throughout. The timeframe for the insource also seeks to mitigate this risk.

## **7. Other Options Considered**

- 7.1 The option of retaining the services within Capita was considered, as were the interdependences with other Council services and the remaining term of the contract. This option would not provide the increased control and flexibility sought in order to deliver the Council's current needs or enable the additional service requirements to be fully achieved.

## **8. Equality and Human Rights Assessment**

- 8.1 There will be very limited changes made to the way the services are currently provided as the functions are to be insourced substantially as they are, with no personnel, and very limited process or operational change. As a result of the impact of Covid-19 the services will need to do things differently and following the insourcing the Council will continue to treat staff and customers equitably. If there are future changes to be made to the service, the roles and the processes, it will be the Council's responsibility to assess the impact at that time.

**9. Social Value and Sustainability Assessment**

- 9.1 The improvement of outcomes for local residents is sought through the increased flexibility which the proposed insourcing is expected to deliver, particularly to take up the opportunities identified above and provide a better service to customers as a result. Following the insource the County Council will have sole control over these largely statutory services.

**10. Crime and Disorder Reduction Assessment**

- 10.1 None.

**Katharine Eberhart**

Director of Finance and Support Services

**Contact:** Linda Corn, Strategic Contracts and SRM Lead, 0330 2223 722, and Alistair Rush, Interim Deputy Director of Finance, 0330 222 2002

**Appendices**

Service Finance functions to be insourced

**Background papers**

None

**Appendix: Service Finance functions to be insourced**

<b>Function</b>	<b>Headcount</b>
<b>Residential and Non-Residential Charging</b> - covers the following functions: <ul style="list-style-type: none"> <li>• purchasing residential placements for Adults' Services</li> <li>• invoicing customers for their client contribution towards both residential and non-residential care in line with the Care Act</li> <li>• paying residential homes for care</li> <li>• undertaking annual financial reassessments of the client's contribution.</li> </ul>	11
<b>Welfare Benefits Advisors and Welfare Benefits Advisors Support</b> The WBAs are responsible for undertaking new customer financial assessments for Adults' Services and the support team are responsible for booking appointments for the financial assessments to be undertaken.	19
<b>Financial Adults Safeguarding Team (Deputyship)</b> The Team are responsible for managing, under court order, the finances of customers without mental capacity who have no one to act for them.	15
<b>Direct Payments</b> involves making payments and monitoring the transactions of Direct Payments customers or their representatives via Mosaic, on behalf of Adults' and Children's Services.	8
<b>Children's Payment</b> involves the processing of payments for the Fostering and Adoption Service to Foster Carers and Adoption, Special Guardianship and Residence Order Holders as well as Children's Early Years.	4
<b>Management</b>	4
<b>Total</b>	61

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## Forward Plan of Key Decisions

The County Council must give at least 28 days' notice of all key decisions to be taken by councillors or officers. The Plan describes these proposals and the month in which the decisions are to be taken over a four-month period. Decisions are categorised according to the [West Sussex Plan](#) priorities of:

- **Best Start in Life** (those concerning children, young people and schools)
- **A Prosperous Place** (the local economy, infrastructure, highways and transport)
- **A Safe, Strong and Sustainable Place** (Fire & Rescue, Environmental and Community services)
- **Independence in Later Life** (services for older people or work with health partners)
- **A Council that Works for the Community** (finances, assets and internal Council services)

The most important decisions will be taken by the Cabinet. In accordance with regulations in response to the current public health emergency, Cabinet meetings will be held virtually with councillors in remote attendance. Public access will be via webcasting and the meetings will be available to watch online via our [webcasting website](#). The [schedule of monthly Cabinet meetings](#) is available on the website. The Forward Plan is updated regularly and key decisions can be taken on any day in the month if they are not taken at Cabinet meetings. The [Plan](#) is available on the. [Published decisions](#) are also available via the website.

A key decision is one which:

- Involves expenditure or savings of £500,000 or more (except treasury management); and/or
- Will have a significant effect on communities in two or more electoral divisions in terms of how services are provided.

The following information is provided for each entry in the Forward Plan:

<b>Decision</b>	A summary of the proposal.
<b>Decision By</b>	Who will take the decision - if the Cabinet, it will be taken at a Cabinet meeting in public.
<b>West Sussex Plan priority</b>	Which of the five priorities in the West Sussex Plan the proposal affects.
<b>Date added</b>	The date the proposed decision was added to the Forward Plan.
<b>Month</b>	The decision will be taken on any working day in the month stated. If a Cabinet decision, it will be taken at the Cabinet meeting scheduled in that month.
<b>Consultation/ Representations</b>	How views and representations about the proposal will be considered or the proposal scrutinised, including dates of Scrutiny Committee meetings.
<b>Background Documents</b>	The documents containing more information about the proposal and how to obtain them (via links on the website version of the Forward Plan). Hard copies are available on request from the decision contact.
<b>Author</b>	The contact details of the decision report author
<b>Contact</b>	Who in Democratic Services you can contact about the entry

### Finance, assets, performance and risk management

Each month the Cabinet Member for Finance reviews the Council's budget position and may take adjustment decisions. A similar monthly review of Council property and assets is carried out and may lead to decisions about them. These are noted in the Forward Plan as 'rolling decisions'.

Each month the Cabinet will consider the Council's performance against its planned outcomes and in connection with a register of corporate risk. Areas of particular significance may be considered at the scheduled Cabinet meetings.

Significant proposals for the management of the Council's budget and spending plans will be dealt with at a scheduled Cabinet meeting and shown in the Plan as strategic budget options.

For questions contact Helena Cox on 033 022 22533, email [helena.cox@westsussex.gov.uk](mailto:helena.cox@westsussex.gov.uk).

**Published: 22 June 2020**

## Forward Plan Summary

### Summary of all forthcoming executive decisions in West Sussex Plan priority order

<b>Page No</b>	<b>Decision Maker</b>	<b>Subject Matter</b>	<b>Date</b>
5	Director of Property and Assets	Award of contract for construction of new school hall at Thorney Island Primary School	June 2020
5	Executive Director Children, Young People and Learning	Award of contract for remodelling works at Cissbury Lodge Children's Home, Worthing	June 2020
6	Cabinet Member for Education and Skills	Expansion of Queen Elizabeth II Silver Jubilee School, Horsham	June 2020
7	Cabinet Member for Children and Young People	Children Looked After and Care Leavers' Strategy 2020-2024	June 2020
8	Cabinet Member for Education and Skills	Transfer of Capital Funding for Bohunt, Horsham	July 2020
9	Executive Director Children, Young People and Learning	Award of contract for remodelling works at May House and Seaside Children's Homes	July 2020
10	Cabinet Member for Education and Skills	Change of status for Forest Boys' School, Horsham and St Andrews CE Boys' School, Worthing to co-educational schools	July 2020
11	Cabinet Member for Education and Skills	Expansion of Palatine Primary School, Worthing	July 2020
12	Cabinet Member for Education and Skills	Allocation of Section 106 Funding to Education Capital Projects	July 2020
13	Cabinet Member for Education and Skills	Parklands Primary School, Chichester - Funding for remedial works programme	July 2020
13	Cabinet Member for Education and Skills	Allocation of Section 106 Funding to Provide Additional Furniture, Fittings and Equipment in Schools	August 2020
14	Cabinet	Adoption of the West Sussex Children First Strategic Approach	September 2020
15	Cabinet	Scope of services for a proposed Children's Trust	September 2020
16	Executive Director Children, Young People and Learning	Children's Trust Phase 2 Procurement	October 2020
17	Director of Highways, Transport and Planning	A29 Realignment Scheme - submission of planning application	June 2020

18	Director of Highways, Transport and Planning	Award of contracts for Highway Maintenance Services, Lots 4, 5 & 6 - phase 2	June 2020
18	Cabinet Member for Highways and Infrastructure	Chichester On-Street Parking Management Plan	June 2020
19	Cabinet Member for Highways and Infrastructure	Licensing of Tables and Chairs on the Highway	June 2020
20	Cabinet Member for Highways and Infrastructure	Manor Royal On-Street Parking Management Plan	June 2020
21	Cabinet Member for Highways and Infrastructure	Review of the Integrated Parking Strategy	June 2020
22	Executive Director Place Services	Award of Contract: Converged Fibre Connectivity	July 2020
23	Cabinet Member for Highways and Infrastructure	Highway Infrastructure Asset Management Strategy and Policy	July 2020
23	Cabinet	Endorsement: Horsham Fire Station and Fire and Rescue Training Centre	July 2020
24	Cabinet Member for Highways and Infrastructure	Active Travel Road Space Reallocation Programme	July 2020
25	Director of Highways, Transport and Planning	Award of Contract: Real Time Passenger Information	July 2020
26	Cabinet Member for Highways and Infrastructure	West of Horsham - A24 Robin Hood Roundabout Scheme	July 2020
27	Executive Director Place Services	Award of Contract: Crawley Growth Programme Eastern Gateway Scheme	August 2020
28	Executive Director Place Services	Award of Contract: Crawley Growth Programme Manor Royal Scheme	August 2020
28	Director of Highways, Transport and Planning	Traffic Signals Maintenance Contract Extension	August 2020
29	Interim Executive Director Adults and Health	Procurement Housing Related Support Services	June 2020
30	Cabinet Member for Adults and Health	Supported Living Services Procurement	June 2020

## Agenda Item 9

31	Cabinet	Climate Change Strategy	July 2020
32	Cabinet Member for Adults and Health	Adults In House Day Services Contract Arrangements	June 2020
34	Interim Executive Director Adults and Health	Community Reablement Services Contract Extension	June 2020
34	Interim Executive Director Adults and Health	Allocation of Infection Control Grant	July 2020
35	Leader, Cabinet Member for Finance	Total Performance Monitor (Rolling Entry)	Between April 2020 and March 2021
36	Cabinet Member for Finance	Property Review (Rolling Entry)	Between April 2020 and March 2021
36	Interim Director of Human Resources and Organisational Change	Novation and extension: Agency Worker Recruitment Contract	June 2020
38	Cabinet Member for Adults and Health	Procurement of Mortuary Services	June 2020
38	Director of Property and Assets	Award: Soft Facilities Management Services Contract	July 2020
39	Cabinet Member for Economy and Corporate Resources	Procurement: Construction Framework Arrangement	July 2020
40	Cabinet Member for Economy and Corporate Resources	In-sourcing financial services from Support Services Outsource Contract	July 2020

## Best Start in Life

### Director of Property and Assets

#### Award of contract for construction of new school hall at Thorney Island Primary School

The County Council has a statutory duty to provide sufficient school places for all children who need a place. Over recent years there has been an increase in pupil numbers at Thorney Island Primary School and an enlarged school hall is now required to provide sufficient and suitable accommodation for the additional children.

In June 2020 the Cabinet Member for Education and Skills approved the allocation of capital funding from the Basic Need Capital Programme to enable the project to proceed and delegated authority to the Director of Property and Assets to award the contract for the works (Decision reference [ES01 \(20/21\)](#)).

Following receipt of this approval from the Cabinet Member, the Director of Property and Assets will be asked to award the construction contract to deliver the enlarged school hall.

<b>Decision by</b>	Andrew Edwards - Director of Property and Assets
<b>West Sussex Plan priority</b>	Best Start in Life
<b>Date added</b>	27 April 2020
<b>Month</b>	June 2020
<b>Consultation/ Representations</b>	School  Representations concerning this proposed decision can be made to the Director of Property and Assets via the author or officer contact, by the beginning of the month in which the decision is due to be taken.
<b>Background Documents</b> (via website)	Cabinet Member Decision Report ES01 (20/21)
<b>Author</b>	Liam Hayward Tel: 033 022 22002
<b>Contact</b>	Wendy Saunders Tel: 033 022 22553

### Executive Director Children, Young People and Learning

#### Award of contract for remodelling works at Cissbury Lodge Children's Home, Worthing

The children's in-house residential service is made up of six homes, of which three, including Cissbury Lodge, are currently closed and awaiting refurbishment whilst feasibility studies and design work are undertaken.

A strategy for the residential service was approved by the Cabinet Member for Children and Young People in October 2019 (decision reference CYP03(19/20)). It seeks to ensure that outcomes for vulnerable children are maximised and that long-term care costs are minimised. It is essential that the assets that enable support to children are redeveloped in order to support the delivery of this strategy as a part of the wider 'children first' improvement plan being driven forward by the Council.

Cissbury Lodge's contribution to the delivery of this strategy will come through the remodelling of the home to ensure the most efficient use of the existing footprint of the homes whilst maximising the potential service offering of the site.

As part of a separate decision process, in March 2020, approval was obtained from the Executive Director Children, Young People and Learning for the commencement of a procurement to undertake these remodelling works ([decision reference OKD42 \(19/20\)](#)). Once the procurement process has been completed the Executive Director will be asked to agree the award of contract to the preferred contractor for the delivery of works at Cissbury Lodge.

<b>Decision by</b>	Lucy Butler - Executive Director Children, Young People and Learning
<b>West Sussex Plan priority</b>	Best Start in Life
<b>Date added</b>	19 February 2020
<b>Month</b>	June 2020
<b>Consultation/ Representations</b>	Representations concerning this proposed decision can be made to the Executive Director Children, Young People and Learning via the author or officer contact, by the beginning of the month in which the decision is due to be taken
<b>Background Documents</b> (via website)	Officer Key Decision OKD42 (19/20)
<b>Author</b>	Susan Tanner Tel: 033 022 22002
<b>Contact</b>	Wendy Saunders Tel: 033 022 22553

#### Cabinet Member for Education and Skills

<b>Expansion of Queen Elizabeth II Silver Jubilee School, Horsham</b>
The Special Educational Needs and Disability (SEND) Strategy 2019-2024 aims to provide high quality local education provision for children and young people with SEND and optimise value for money from the High Needs Block of the Dedicated Schools Grant. As part of the development of the SEND Strategy, the County Council has identified an increased demand for extra provision in Special Schools across West Sussex to meet increasing needs There is a requirement to both increase places at certain special schools and to ensure existing school accommodation meets the needs of the pupils on roll.

Following a review of current numbers on roll and the existing accommodation at Queen Elizabeth II Silver Jubilee School in Horsham the need for additional accommodation has been identified, to ensure suitable provision for the needs of the pupils currently on roll. The school caters for a wide-range of Special Educational Needs and Disability for pupils aged between 2 and 19, including children with severe learning difficulties, complex social and communication difficulties, profound and multiple learning difficulties and complex needs.

A proposed project to deliver an increase in space would enable the school to offer suitable accommodation and support spaces for 105 pupils.

The feasibility work for the project to accommodate the pupils is now underway. Following detailed design and associated cost estimates the Cabinet Member for Education and Skills will be asked to approve the allocation of the funds required to enable the project to proceed.

<b>Decision by</b>	Cllr N Jupp - Cabinet Member for Education and Skills
<b>West Sussex Plan priority</b>	Best Start in Life
<b>Date added</b>	19 February 2020
<b>Month</b>	June 2020
<b>Consultation/ Representations</b>	Schools Parents and local residents Parish and District Councils Cabinet Member for Finance and Resources  Representations concerning this proposed decision can be made to the Cabinet Member for Education and Skills via the author or officer contact, by the beginning of the month in which the decision is due to be taken
<b>Background Documents</b> (via website)	None
<b>Author</b>	Leigh Hunnikin Tel: 033 022 23051
<b>Contact</b>	Wendy Saunders Tel: 033 022 22553

### **Cabinet Member for Children and Young People**

<b>Children Looked After and Care Leavers' Strategy 2020-2024</b>
<p>The current Children Looked After and Care Leaver's Strategy (2018-21) is being updated following the Ofsted inspection of 2019 and the appointment of a Commissioner to work with West Sussex County Council</p> <p>The update is necessary to ensure a strategic approach and evidence our commitment to ensuring that children who are looked after by the authority are happy, healthy, and safe and have the opportunity to achieve their full potential.</p> <p>The proposed new strategy is the product of consultation with the Children in Care Council, Corporate Parenting Panel and partners. It will have an annually updated action plan to enable the service to measure delivery against the objectives outlined in the</p>

## Agenda Item 9

strategy and ensure resources are targeted so as to improve the quality of life for children and young people in the care of the local authority.

The Cabinet Member for Children and Young People is asked to support the adoption of the Children Looked After and Care Leavers' Strategy 2020-24.

<b>Decision by</b>	Cllr Russell - Cabinet Member for Children and Young People
<b>West Sussex Plan priority</b>	Best Start in Life
<b>Date added</b>	2 March 2020
<b>Month</b>	June 2020
<b>Consultation/ Representations</b>	Corporate Parenting Panel - 12 March 2020, 25 June 2020 Children in Care Council Health Education Local Safeguarding Partnership Staff and Young People living in County Council Children's Homes  Representations concerning this proposed decision can be made to the Cabinet Member for Children and Young People via the author or officer contact, by the beginning of the month in which the decision is due to be taken.
<b>Background Documents</b> (via website)	Cabinet Member Decision CYP04 (17/18)
<b>Author</b>	Louise Warren Tel: 033 022 24653
<b>Contact</b>	Wendy Saunders Tel: 033 022 22553

### Cabinet Member for Education and Skills

#### Transfer of Capital Funding for Bohunt, Horsham

In April 2017 the Department for Education approved a new Free School for the Horsham area under their Wave 12 Programme. The Sponsor is Bohunt Education Trust and the approved school is Bohunt Horsham. The co-educational all-through school which caters for children from four to sixteen opened in September 2019 on a temporary site in Hurst Road, Horsham.

The school's permanent site will be on land on the East of Rusper Road, Horsham and was secured by the County Council through a Section 106 Agreement as part of the North of Horsham development. On its new site the school will provide for the children that will live at the North of Horsham development and will offer school places for young people in the locality.

Under the Section 106 Agreement, the developer is obligated to mitigate the impact of the development in terms of the increase in school places it will generate, and so financial contributions have been agreed with the County Council. The financial contributions will be paid by the developer at agreed trigger points as the development progresses. As the Department for Education (DfE) will be responsible for delivering the

new school, the County Council will need to transfer these financial contributions to the DfE upon receipt.

The Cabinet Member for Education and Skills will be asked to approve the transfer of the Section 106 funds to the Department for Education to support the funding for the new School.

<b>Decision by</b>	Cllr N Jupp - Cabinet Member for Education and Skills
<b>West Sussex Plan priority</b>	Best Start in Life
<b>Date added</b>	17 June 2020
<b>Month</b>	July 2020
<b>Consultation/ Representations</b>	Representations concerning this proposed decision can be made to the Cabinet Member for Education and Skills via the author or officer contact, by the beginning of the month in which the decision is due to be taken
<b>Background Documents</b> (via website)	None
<b>Author</b>	Leigh Hunnikin Tel: 033 022 23051
<b>Contact</b>	Wendy Saunders Tel: 033 022 22553

### **Executive Director Children, Young People and Learning**

#### **Award of contract for remodelling works at May House and Seaside Children's Homes**

The children's in-house residential service is made up of six homes, of which three, including May House and Seaside, are currently closed and awaiting refurbishment whilst feasibility studies and design work are undertaken.

A strategy for the residential service was approved by the Cabinet Member for Children and Young People in October 2019 (decision reference [CYP03\(19/20\)](#)). It seeks to ensure that outcomes for vulnerable children are maximised and that long-term care costs are minimised. It is essential that the assets that enable support to children are redeveloped in order to support the delivery of this strategy as a part of the wider 'children first' improvement plan being driven forward by the Council.

To support the delivery of this strategy, the May House and Seaside sites will be remodelled to ensure the most efficient use of the existing space whilst maximising the potential service offering of each site.

As part of a separate decision process in May 2020 approval was obtained from the Executive Director Children, Young People and Learning for the commencement of a procurement to undertake these remodelling works ([decision reference OKD09 20/21](#)). Once the procurement process has been completed the Executive Director will be asked to agree the award of a contract to the preferred contractor for the delivery of works at May House and Seaside Children's Homes.

<b>Decision by</b>	Lucy Butler - Executive Director Children, Young People and Learning
<b>West Sussex Plan priority</b>	Best Start in Life
<b>Date added</b>	19 February 2020
<b>Month</b>	July 2020
<b>Consultation/ Representations</b>	Representations concerning this proposed decision can be made to the Executive Director Children, Young People and Learning via the author or officer contact, by the beginning of the month in which the decision is due to be taken.
<b>Background Documents</b> (via website)	Officer Key Decision (OKD09 20/21)
<b>Author</b>	Susan Tanner Tel: 033 022 22002
<b>Contact</b>	Wendy Saunders Tel: 033 022 22553

#### **Cabinet Member for Education and Skills**

<b>Change of status for Forest Boys' School, Horsham and St Andrews CE Boys' School, Worthing to co-educational schools</b>	
<p>The Director of Education &amp; Skills has agreed to consult during June 2020 on the proposed significant change of character to alter Forest Boys' School, Horsham from a single sex boys' school to a co-educational school from September 2021 entry. At the same time the Governing Body of St Andrews CE Boys' School, Worthing will consult on changing from a single sex boys' school to a co-educational school from September 2021 entry.</p> <p>The proposed changes would mean the schools will no longer admit only boys as pupils from September 2021 and each year of entry thereafter would be co-educational. There are no changes proposed to have co-educational provision for any of the existing year groups on roll at both schools. There are also no proposals to alter the single sex girls provision at either Millais School, Horsham or Davison CE High School for Girls, Worthing.</p> <p>Following assessment of the outcome of the consultation the Cabinet Member for Education and Skills will be asked to consider whether to proceed in approving the significant change in character of both schools to co-educational schools from September 2021.</p>	
<b>Decision by</b>	Cllr N Jupp - Cabinet Member for Education and Skills
<b>West Sussex Plan priority</b>	Best Start in Life
<b>Date added</b>	20 May 2020
<b>Month</b>	July 2020

<b>Consultation/ Representations</b>	<p>Members of the Public Parents of current and future pupils Diocese of Chichester Members District &amp; Borough Councils Governing Bodies of local schools</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Education and Skills via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>
<b>Background Documents</b> (via website)	None
<b>Author</b>	Graham Olway Tel: 033 022 23029
<b>Contact</b>	Wendy Saunders Tel: 033 022 22553

### Cabinet Member for Education and Skills

<b>Expansion of Palatine Primary School, Worthing</b>	
<p>The Special Educational Needs and Disability (SEND) Strategy 2019-2024 aims to provide high quality local education provision for children and young people with SEND and optimise value for money from the High Needs Block of the Dedicated Schools Grant. As part of the development of the SEND Strategy, the County Council has identified an increased demand for extra provision in Special Schools across West Sussex to meet increasing needs. There is a requirement to both increase places at certain special schools and to ensure existing school accommodation meets the needs of the pupils on roll.</p> <p>Following a review of current numbers on roll, projected needs and the existing accommodation at Palatine Primary School in Worthing the need for additional accommodation has been identified, to meet a projected increase in pupils from 153 to 178. The school caters for a wide-range of Special Educational Needs and Disability for pupils aged between 4 and 11, including children with moderate and severe learning difficulties, complex social and communication difficulties and profound and multiple learning difficulties.</p> <p>A proposed project to deliver an increase in capacity would enable the school to offer suitable accommodation and support spaces for 178 pupils.</p> <p>The feasibility work for the project to accommodate the pupils has been completed. Following detailed design and associated cost estimates the Cabinet Member for Education and Skills will be asked to approve the allocation of the funds required to enable the project to proceed.</p>	
<b>Decision by</b>	Cllr N Jupp - Cabinet Member for Education and Skills
<b>West Sussex Plan priority</b>	Best Start in Life
<b>Date added</b>	1 April 2020
<b>Month</b>	July 2020

<b>Consultation/ Representations</b>	School, parents and local residents Parish and Borough Councils Cabinet Member for Finance and Resources  Representations concerning this proposed decision can be made to the Cabinet Member for Education and Skills via the author or officer contact, by the beginning of the month in which the decision is due to be taken
<b>Background Documents</b> (via website)	None
<b>Author</b>	Leigh Hunnikin Tel: 033 022 23051
<b>Contact</b>	Wendy Saunders Tel: 033 022 22553

### Cabinet Member for Education and Skills

<b>Allocation of Section 106 Funding to Education Capital Projects</b>	
<p>Developer contributions towards education provision are secured by means of conditions attached to planning permissions under Section 106 of The Town and Country Planning Act 1990 or the Community Infrastructure Levy (CIL). Contributions are sought by the Education and Skills School Organisation and Development Team and collected either direct by the County Council or, in some cases, by the District or Borough Council on the County Council's behalf.</p> <p>The contributions are required to mitigate the impacts of development and/or make the development acceptable in planning terms. When secured, the funding usually has a 10 year 'life' in which funds should be spent, in accordance with the criteria in the Section 106 agreement.</p> <p>Following a detailed review of Section 106 funds received for Education the Cabinet Member for Education and Skills will be asked to approve the block allocation of Section 106 funds to deliver a number of Education capital projects across the County.</p>	
<b>Decision by</b>	Cllr N Jupp - Cabinet Member for Education and Skills
<b>West Sussex Plan priority</b>	Best Start in Life
<b>Date added</b>	22 June 2020
<b>Month</b>	July 2020
<b>Consultation/ Representations</b>	Schools  Representations concerning this proposed decision can be made to the Cabinet Member for Education and Skills via the author or officer contact, by the beginning of the month in which the decision is due to be taken.
<b>Background Documents</b> (via website)	None

<b>Author</b>	Leigh Hunnikin Tel: 033 022 23051
<b>Contact</b>	Wendy Saunders Tel: 033 022 22553

### Cabinet Member for Education and Skills

<b>Parklands Primary School, Chichester - Funding for remedial works programme</b>	
<p>Following the completion in 2018 of the expansion at Parklands Primary School in Chichester to create a 2 form entry (2FE) school a range of defects have been identified within the new school building which require addressing.</p> <p>The Cabinet Member for Education and Skills will be asked to approve the allocation of capital funding from the Basic Need Capital Programme for the remedial works required at Parklands Primary School.</p>	
<b>Decision by</b>	Cllr N Jupp - Cabinet Member for Education and Skills
<b>West Sussex Plan priority</b>	Best Start in Life
<b>Date added</b>	11 June 2020
<b>Month</b>	July 2020
<b>Consultation/ Representations</b>	<p>Legal Services</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Education and Skills via the officer contact, by the beginning of the month in which the decision is due to be taken</p>
<b>Background Documents</b> (via website)	None
<b>Author</b>	Philippa Hind Tel: 033 022 23041
<b>Contact</b>	Wendy Saunders Tel: 033 022 22553

### Cabinet Member for Education and Skills

<b>Allocation of Section 106 Funding to Provide Additional Furniture, Fittings and Equipment in Schools</b>
<p>Developer contributions towards education provision are secured by means of conditions attached to planning permissions under Section 106 of The Town and Country Planning Act 1990 or the Community Infrastructure Levy (CIL). Contributions are sought by the Education and Skills School Organisation and Development Team and collected either direct by the County Council or, in some cases, by the District or Borough Council on the County Council's behalf.</p> <p>The contributions are required to mitigate the impacts of development and/or make the development acceptable in planning terms. When secured, the funding usually has a 10</p>

## Agenda Item 9

year 'life' in which funds should be spent, in accordance with the criteria in the Section 106 agreement.

Following a detailed review of Section 106 funds received for Education the Cabinet Member for Education and Skills will be asked to approve the block allocation of Section 106 funds to deliver furniture, fittings and equipment at a number of Schools across the County.

<b>Decision by</b>	Cllr N Jupp - Cabinet Member for Education and Skills
<b>West Sussex Plan priority</b>	Best Start in Life
<b>Date added</b>	22 June 2020
<b>Month</b>	August 2020
<b>Consultation/ Representations</b>	Schools  Representations concerning this proposed decision can be made to the Cabinet Member for Education and Skills via the author or officer contact, by the beginning of the month in which the decision is due to be taken
<b>Background Documents</b> (via website)	None
<b>Author</b>	Leigh Hunnikin Tel: 033 022 23051
<b>Contact</b>	Wendy Saunders Tel: 033 022 22553

### Cabinet

<b>Adoption of the West Sussex Children First Strategic Approach</b>	
<p>In collaboration with partners across West Sussex the County Council is developing a West Sussex Children First Strategic Approach. This will set out the direction and commitment for how partners in West Sussex will deliver a shared vision for children and young people placing children at the heart of all we do.</p> <p>It will be a single over-arching strategic approach based on the West Sussex Plan, the Health and well-Being Strategy and Children's Services Practice Improvement Plan for Social Care as well as other key strategies where outcomes for children, young people and their families will be improved. It will set out how West Sussex will be a great place for children and young people, where all, including those who are vulnerable or disadvantaged, have the best possible start in life and are supported by the whole community to succeed.</p> <p>Cabinet will be asked to approve the adoption of the West Sussex Children First Strategic Approach.</p>	
<b>Decision by</b>	Cllr N Jupp, Cllr Marshall, Cllr Elkins, Cllr Russell, Cllr Urquhart, Cllr A Jupp, Cllr Lanzer, Cllr Hunt, Cllr Crow - Cabinet
<b>West Sussex Plan priority</b>	Best Start in Life

<b>Date added</b>	27 August 2019
<b>Month</b>	September 2020
<b>Consultation/Representations</b>	<p>Internal (County Council) and external partners including Health and Well-being Board; Local Safeguarding Partnership; Community Safety; Schools (primary and secondary) Health; Police; Children and Young People; District and Borough Councils.</p> <p>Children and Young People's Services Scrutiny Committee</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Children and Young People via the officer contact, by the beginning of the month in which the decision is due to be taken</p>
<b>Background Documents</b> (via website)	None
<b>Author</b>	Ann Marie Dodds Tel: 033 022 29331
<b>Contact</b>	Wendy Saunders - Tel: 033 022 22553

### Cabinet

<b>Scope of services for a proposed Children's Trust</b>	
<p>In order to meet the requirements of the Direction made by the Secretary of State, Department for Education (DfE) on 17th December 2019, the County Council will take steps for a range of its Children's Services to be delivered through an alternative delivery model (referred to as a Children's Trust). The detailed proposals for the establishment and operation of the Trust and its relationship to the County Council will be described in a Memorandum of Understanding between the Council and the DfE.</p> <p>It is expected that this document will be concluded during September 2020, with a view to planning for the operation of the Trust to take effect during 2021.</p> <p>The Cabinet will take a decision on the proposed scope of services to be included in the proposed Trust and the programme of work for the establishment of the Trust and other critical aspects of the project which need to be included in the Memorandum of Understanding.</p>	
<b>Decision by</b>	Cllr N Jupp, Cllr Marshall, Cllr Urquhart, Cllr Russell, Cllr Elkins, Cllr A Jupp, Cllr Lanzer, Cllr Hunt, Cllr Crow - Cabinet
<b>West Sussex Plan priority</b>	Best Start in Life
<b>Date added</b>	25 February 2020
<b>Month</b>	September 2020
<b>Consultation/Representations</b>	<p>Children and Young People's Services Scrutiny Committee</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Children and Young People, via the</p>

	officer contact, by the beginning of the month in which the decision is due to be taken
<b>Background Documents</b> (via website)	None
<b>Author</b>	Vince Clark Tel: 07402 338396
<b>Contact</b>	Wendy Saunders Tel: 033 022 22553

### Executive Director Children, Young People and Learning

<b>Children's Trust Phase 2 Procurement</b>	
<p>In order to meet the requirements of the Direction made by the Secretary of State, Department for Education (DfE) on 17th December 2019, the County Council is taking steps for a range of its Children's Services to be delivered through an alternative delivery model (referred to as a Children's Trust) as set out in the agreed Memorandum of Understanding between the Council and the DfE (due to be agreed during September 2020).</p> <p>The Executive Director Children, Young People and Learning will be asked to approve the commencement of a procurement process to appoint a contractor to manage the process of establishing the West Sussex Children's Trust and the transfer of the agreed services to that Trust (as set out in the Memorandum of Understanding).</p>	
<b>Decision by</b>	Lucy Butler - Executive Director Children, Young People and Learning
<b>West Sussex Plan priority</b>	Best Start in Life
<b>Date added</b>	18 March 2020
<b>Month</b>	October 2020
<b>Consultation/ Representations</b>	Representations concerning this decision should be made to the Executive Director Children, Young People and Learning via the officer contact by the beginning of the month in which the decision is due to be taken.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Vince Clark Tel: 07402 338396
<b>Contact</b>	Wendy Saunders Tel: 033 022 22553

## A Prosperous Place

**Director of Highways, Transport and Planning****A29 Realignment Scheme - submission of planning application**

The A29 Realignment Scheme will deliver a new 4.34 km road to the east of Eastergate, Westergate and Woodgate villages. The scheme will be delivered in at least two phases. The full scheme (phases 1 and 2) has an estimated cost of £54.24m and will provide part of the highway infrastructure needed to support the planned strategic development of the area by providing access to land for residential and commercial development. The scheme will also alleviate traffic congestion along the existing A29, notably at the Woodgate level crossing which causes delays on to a key access route into Bognor Regis.

The Transport Business Case submitted to the Coast to Capital Local Enterprise Partnership (LEP) was approved by their Investment Board on 17 October 2019.

Subsequently, £9.90 million of Local Growth Funding was awarded for the delivery of Phase 1 (between A29 Fontwell Ave and B2233 Barnham Road) subject to entering into a funding agreement. The LEP has also agreed that further funds totalling £2.40 million will be earmarked for the delivery of Phase 2 should additional Government funding become available to the LEP.

In March 2019, the Cabinet Member for Highways and Infrastructure [approved](#) the route, business case, consultation and delegated the finalisation of the funding agreement, the procurement process and award of a design and build contractor for Phase 1 of the scheme to the Director of Highways and Transport.

In December 2019, the Director of Highways, Transport and Planning [entered](#) into a funding agreement with the LEP for Phase 1 of the scheme and awarded the design and build contract for phase 1 of the scheme to Jackson Civil Engineering Group Ltd

The Director of Highways, Transport and Planning will be asked to submit a planning application for Phase 1 of the scheme.

<b>Decision by</b>	Matt Davey - Director of Highways, Transport and Planning
<b>West Sussex Plan priority</b>	A Prosperous Place
<b>Date added</b>	19 February 2020
<b>Month</b>	June 2020
<b>Consultation/ Representations</b>	<p>Consultation took place between 26 February – 26 April 2019 and further consultation will be undertaken as part of the planning application process.</p> <p>Representations concerning this proposed decision can be made to the Director of Highways, Transport and Planning, via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>
<b>Background Documents</b> (via website)	None
<b>Author</b>	Elaine Martin Tel: 033 022 24105
<b>Contact</b>	Judith Shore Tel: 033 022 26052

## Director of Highways, Transport and Planning

### Award of contracts for Highway Maintenance Services, Lots 4, 5 & 6 - phase 2

West Sussex County Council is a designated Highways Authority under the Highways Act 1980 and has a duty to maintain highways maintainable at public expense.

In January 2019, the Cabinet Member for Highways and Infrastructure approved the commencement of a procurement process for a new Highways Maintenance Term Contract or set of contracts and [delegated authority](#) to the Director of Highways and Transport to finalise the terms of and award the Highway Maintenance Term Contract, or set of contracts at the conclusion of the procurement process.

In November 2019, the Director of Highways, Transport and Planning awarded contracts for Lots 1, 2 and 3 (core services, drainage cleansing, hedge and grass maintenance)

A second phase of formal procurement is underway for the delivery of highways improvements under Lots 4, 5 and 6 Frameworks (carriageways, footways and infrastructure works) to be undertaken during the 2020-21 financial year.

On completion, the Director of Highways, Transport and Planning will be asked to approve the award of the contract to the preferred contractors to deliver highways improvements during the 2020-21 financial year.

<b>Decision by</b>	Matt Davey - Director of Highways, Transport and Planning
<b>West Sussex Plan priority</b>	A Prosperous Place
<b>Date added</b>	23 April 2020
<b>Month</b>	June 2020
<b>Consultation/ Representations</b>	Director of Law and Assurance Director of Finance and Support Services  Representations concerning this proposed decision can be made to the Director of Highways, Transport and Planning via the officer contact, by the beginning of the month in which the decision is due to be taken.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Gary Rustell Tel: 033 022 26397
<b>Contact</b>	Judith Shore Tel: 033 022 26052

## Cabinet Member for Highways and Infrastructure

### Chichester On-Street Parking Management Plan

The [decision](#) to formally advertise the proposals for a Chichester (city wide) Parking Management Plan was delegated to the Director for Highways, Transport and Planning by the Cabinet Member for Highways and Infrastructure.

The proposals are subject to a statutory advertisement and public consultation undertaken during February and March 2020.

The Cabinet Member for Highways and Infrastructure will be asked to consider the results of the statutory advertisement, including any representations from the South Chichester County Local Committee, and decide whether, and how, any proposals should be implemented.

<b>Decision by</b>	Cllr Elkins - Cabinet Member for Highways and Infrastructure
<b>West Sussex Plan priority</b>	A Prosperous Place
<b>Date added</b>	9 March 2020
<b>Month</b>	June 2020
<b>Consultation/ Representations</b>	<p>Chichester District Council  South Chichester County Local Committee  Sussex Police  All Parish Councils in the District  Chichester BID  Transport operators  Residents in roads affected  Other Stakeholders</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Highways and Infrastructure, via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>
<b>Background Documents</b> (via website)	None
<b>Author</b>	Miles Davy Tel: 033 022 26688
<b>Contact</b>	Judith Shore Tel: 033 022 26052

### **Cabinet Member for Highways and Infrastructure**

#### **Licensing of Tables and Chairs on the Highway**

It is a legal requirement for businesses to have a licence for tables and chairs positioned on the highway (this includes pavements) and the County Council must be able to assess each location for its suitability. The increasing number of tables and chairs on the highway has led to a significant rise in complaints.

The licence fee, which includes the cost of undertaking site assessments, legal work in preparing the licences, advertising and the on-going management of the scheme must ensure full cost recovery.

Further to the commitment to review the charging mechanism, there was a consultation with traders, stakeholders, the public and Members about the benefits of a scheme which takes into account the size of the area occupied by the tables and chairs. The

Environment and Communities Select Committee considered and supported the proposals at its meeting in March.

The Cabinet Member will be asked to consider the outcome of the consultation and agree a fee structure for the positioning of tables and chairs on the highway.

(On 8 June, all fees relating to licences for tables and chairs on the highway were waived with immediate effect until the end of March 2021. This key decision concerns the proposed new fee structure which will take effect from 1 April 2021.)

<b>Decision by</b>	Cllr Elkins - Cabinet Member for Highways and Infrastructure
<b>West Sussex Plan priority</b>	A Prosperous Place
<b>Date added</b>	29 January 2020
<b>Month</b>	June 2020
<b>Consultation/ Representations</b>	Stakeholder consultation commencing 27 January 2020. Environment and Communities Committee 5 March 2020.  Representations concerning this proposed decision can be made to the Cabinet Member for Highways and Infrastructure, via the officer contact, by the beginning of the month in which the decision is due to be taken.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Michele Hulme Tel: 033 022 23880
<b>Contact</b>	Judith Shore Tel. 033 022 26052

#### Cabinet Member for Highways and Infrastructure

<b>Manor Royal On-Street Parking Management Plan</b>	
<p>The <a href="#">decision</a> to formally advertise the proposals for a Manor Royal Parking Management Plan was delegated to the Director for Highways, Transport and Planning by the Cabinet Member for Highways and Infrastructure.</p> <p>The proposals will be subject to a statutory advertisement and public consultation.</p> <p>The Cabinet Member for Highways and Infrastructure will be asked to consider the results of the statutory advertisement, including any representations from the Crawley County Local Committee, Crawley Borough Council and the Manor Royal BID and decide whether, and how, any proposals should be implemented.</p>	
<b>Decision by</b>	Cllr Elkins - Cabinet Member for Highways and Infrastructure
<b>West Sussex Plan priority</b>	A Prosperous Place
<b>Date added</b>	13 March 2020

<b>Month</b>	June 2020
<b>Consultation/ Representations</b>	<p>Crawley Borough Council Sussex Police Crawley County Local Committee Manor Royal BID Transport operators Other stakeholders</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Highways and Infrastructure, via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>
<b>Background Documents</b> (via website)	None
<b>Author</b>	Miles Davy Tel: 033 022 26688
<b>Contact</b>	Judith Shore Tel: 033 022 26052

### Cabinet Member for Highways and Infrastructure

<b>Review of the Integrated Parking Strategy</b>	
<p>The County Council's Integrated Parking Strategy (IPS) was previously reviewed in 2014 and, in the context of recent changes in national, regional and local conditions, requires a further review.</p> <p>The revised IPS will cover the period to 2024 and will seek to ensure that the County Council's parking policies remain appropriate and effective at meeting the needs of local communities, its traffic management responsibilities and the wider policies and agenda.</p> <p>The IPS will sit within and contribute towards the County Council's wider transport, economic, community, environment, and health strategies.</p> <p>The Cabinet Member for Highways and Infrastructure will be asked to approve the revised Integrated Parking Strategy.</p>	
<b>Decision by</b>	Cllr Elkins - Cabinet Member for Highways and Infrastructure
<b>West Sussex Plan priority</b>	A Prosperous Place
<b>Date added</b>	19 February 2020
<b>Month</b>	June 2020
<b>Consultation/ Representations</b>	<p>All County Councillors, District/Borough Councils, Sussex Police, Transport Operators and other stakeholders</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Highways and Infrastructure, via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>

<b>Background Documents</b> (via website)	None
<b>Author</b>	Miles Davy Tel: 033 022 26688
<b>Contact</b>	Judith Shore Tel: 033 022 26052

### Executive Director Place Services

<b>Award of Contract: Converged Fibre Connectivity</b>	
<p>The County Council recognises the strategic importance of next generation connectivity that can facilitate the delivery of future public services and improve the local economy. Ultrafast (gigabit) broadband is the next generation of connectivity, capable of delivering speeds of 1Gb (1000Mb) or more using pure optical fibre. In partnership with all district and boroughs (through the West Sussex Full Fibre Programme Board), the County Council is working to make this infrastructure more readily available.</p> <p>As an initial governance step, at its meeting on 18 February 2020 the West Sussex County Council Cabinet endorsed the Leader's approval of proposals for the allocation of the West Sussex business rate pool. The District and Borough Chief Executives and Leaders have agreed allocations for funding from the business rates pool for digital infrastructure projects and initiatives in flight and set to begin imminently.</p> <p>The Cabinet decision delegated to the Executive Director of Place Services the authority to implement the programme, including any project level key decisions, in consultation with West Sussex Councils' Chief Executives Group and the Cabinet Member for Economy and Corporate Resources.</p> <p>A project-level key decision is now required to deliver a Converged Fibre Connectivity bid in partnership with Coast to Capital Local Enterprise Partnership.</p> <p>The Executive Director will be asked to award a contract using the Scape Framework via a partnership with Mid Sussex District Council. The contract for network build will deliver open access duct and/or fibre to connect Crawley (including Manor Royal), Horsham and Haywards Heath to the Burgess Hill Fibre Exchange (BHFX).</p>	
<b>Decision by</b>	Lee Harris - Executive Director Place Services
<b>West Sussex Plan priority</b>	A Prosperous Place
<b>Date added</b>	5 February 2020
<b>Month</b>	July 2020
<b>Consultation/ Representations</b>	<p>West Sussex Full Fibre Programme Board; Bob Lanzer, Cabinet Member for Economy and Corporate Resources</p> <p>Representation can be made by via the officer contact prior to the month in which the decision is to be taken.</p>
<b>Background Documents</b> (via website)	None
<b>Author</b>	Sarah Bazen Tel: 033 022 22374

<b>Contact</b>	Suzannah Hill Tel: 033 022 22551
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### Cabinet Member for Highways and Infrastructure

<b>Highway Infrastructure Asset Management Strategy and Policy</b>	
<p>The Asset Management Strategy sets out the approach to efficient and effective Highway Infrastructure Asset Management and how the Asset Management Policy will be delivered</p> <p>The Strategy and Policy, which form part of the Highways Infrastructure Asset Management framework, are being reviewed and updated.</p> <p>The Cabinet Member for Highways and Infrastructure will be asked to approve the revised Highway Infrastructure Asset Management Strategy and Policy.</p>	
<b>Decision by</b>	Cllr Elkins - Cabinet Member for Highways and Infrastructure
<b>West Sussex Plan priority</b>	Prosperous Place
<b>Date added</b>	3 June 2020
<b>Month</b>	July 2020
<b>Consultation/Representations</b>	<p>Internal consultation with County Council officers</p> <p>Borough, district, town and parish councils will be briefed about the Policy and Strategy, through the County Local Committees, once approved.</p> <p>Representation can be made via the officer contact in the month prior to that in which the decision is due to be taken.</p>
<b>Background Documents</b> (via website)	None
<b>Author</b>	Rowan Sheppard Tel: 033 022 23627
<b>Contact</b>	Judith Shore Tel: 033 022 26052

### Cabinet

<b>Endorsement: Horsham Fire Station and Fire and Rescue Training Centre</b>	
<p>The Cabinet will be asked to approve detailed proposals and funding arrangements for the development of a Fire Station and Fire and Rescue Training Centre on County Council land west of Horsham, with a view to submission for planning permission.</p>	
<b>Decision by</b>	Cllr A Jupp, Cllr Lanzer, Cllr Hunt, Cllr Crow, Cllr Marshall, Cllr N Jupp, Cllr Elkins, Cllr Urquhart, Cllr Russell - Cabinet
<b>West Sussex Plan priority</b>	Prosperous Place

## Agenda Item 9

<b>Date added</b>	27 April 2020
<b>Month</b>	July 2020
<b>Consultation/Representations</b>	Local councillors. West Sussex County Council Fire and Rescue Scrutiny Committee/Performance and Finance Scrutiny Committee – dates tbc  Representation can be made via the officer contact.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Nick Burrell Tel: 033 022 23881
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551

### Cabinet Member for Highways and Infrastructure

<b>Active Travel Road Space Reallocation Programme</b>	
<p>On 9 May 2020, the Transport Secretary announced a <a href="#">£2 billion package to put cycling and walking at the heart of the Government's transport policy</a>.</p> <p>The first stage, worth £250 million, is for emergency interventions to make cycling and walking safer. The County Council received an allocation of £784k and submitted a bid, on 5 June 2020, to the Department for Transport (DfT) for seven initiatives in areas which, until the COVID-19 crisis, were heavily reliant on public transport.</p> <p>There is no guarantee the DfT will accept the proposed schemes which include a combination of temporary traffic management, such as cones and signing, light segregation using 'traffic wands', planters, water-filled barriers, road markings and temporary 20mph speed limits.</p> <p>The County Council has been working closely with district and borough partners to look at a range of ways to improve cycling provision as a direct response to the easing of lockdown.</p> <p>The works will be delivered via the County Council's Framework Lot 1 Contractor, Balfour Beatty, and must commence no later than four weeks after the announcement of the funding award. The works must be completed within a further eight weeks. If not, under the DfT criteria, some of the funding may have to be returned.</p> <p>The Cabinet Member for Highways and Infrastructure will be asked to approve the capital allocation and the schemes to be progressed and delegate authority to the Director of Highways, Transport and Planning to make any subsequent amendments to the schemes.</p> <p>Note: due to the DfT's tight timescales for the works to be completed, 28 days' notice for this decision may not be achieved. In this case, the decision will be made using emergency powers.</p>	
<b>Decision by</b>	Cllr Elkins - Cabinet Member for Highways and Infrastructure

<b>West Sussex Plan priority</b>	A Prosperous Place
<b>Date added</b>	22 June 2020
<b>Month</b>	July 2020
<b>Consultation/ Representations</b>	County Council Members District and borough councils  Representations concerning this proposed decision can be made to the Director of Highways, Transport and Planning, via the officer contact, by the beginning of the month in which the decision is due to be taken.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Andy Ekinsmyth Tel: 033 022 26687
<b>Contact</b>	Judith Shore Tel: 033 022 26052

### Director of Highways, Transport and Planning

<b>Award of Contract: Real Time Passenger Information</b>	
<p>The current contract for the operation and maintenance of the Real Time Passenger Information (RTPI) system expires on 30 November 2020.</p> <p>The contract covers the operation and maintenance of the central control system, maintenance of RTPI displays at bus stops, and the supply and installation of new displays.</p> <p>An assessment of available routes to market has been undertaken including the option to access existing contracts let by neighbouring authorities.</p> <p>It is proposed that the County Council accesses Hampshire County Council's RTPI Framework Agreement. This is a sole supplier Framework Agreement with VIX Technology Ltd.</p> <p>The contract will allow the County Council to purchase new displays (until August 2021) as well as organise maintenance and system support for both existing and new displays (under November 2025).</p> <p>The Director for Highways, Transport and Planning will be asked to approve the award of a contract for real time passenger information system via the existing Hampshire County Council RTPI Framework Agreement.</p>	
<b>Decision by</b>	Matt Davey - Director of Highways, Transport and Planning
<b>West Sussex Plan priority</b>	A Prosperous Place
<b>Date added</b>	17 June 2020
<b>Month</b>	July 2020

<b>Consultation/ Representations</b>	Cabinet Member for Highways and Infrastructure Director of Law & Assurance Director of Finance and Support Services  Representations concerning this proposed decision can be made to the Director of Highways, Transport and Planning, via the officer contact, by the beginning of the month in which the decision is due to be taken.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Liz Robbins Tel: 033 022 26383
<b>Contact</b>	Judith Shore Tel: 033 022 26052

### Cabinet Member for Highways and Infrastructure

<b>West of Horsham - A24 Robin Hood Roundabout Scheme</b>	
<p>The West of Horsham highway infrastructure package supports the delivery of the major housing and employment developments to the east and west of the A24.</p> <p>The A24 Robin Hood Roundabout improvement scheme, which forms part of the package, includes alterations to the layouts of the junction with additional approach lanes and traffic signals with improved pedestrian and cycle crossing facilities. The improvements are being funded through developer contributions secured through Section 106 Agreements. To construct the junction improvements, there is a need to drawdown additional S106 funding and to tender for and procure a build contractor.</p> <p>Two major improvement schemes in the package, at the Newbridge Roundabout and Farthings Hill Roundabout, have recently been delivered by the County Council.</p> <p>The remaining major scheme in the package is the A24 Great Daux Roundabout; the delivery of improvements to that junction need to be rephased to take account of: the timing of a developer contribution from the North of Horsham Development, a new study of the A24 corridor, and future major development proposals in the Horsham area.</p> <p>The Cabinet Member will be asked to approve the additional capital allocation of S106 funding, the commencement of the procurement process to secure a build contractor for the A24 Robin Hood scheme and delegation to the Director of Highways, Transport and Planning to appoint the contractor.</p>	
<b>Decision by</b>	Cllr Elkins - Cabinet Member for Highways and Infrastructure
<b>West Sussex Plan priority</b>	A Prosperous Place
<b>Date added</b>	8 April 2020
<b>Month</b>	July 2020
<b>Consultation/ Representations</b>	Local County Council and District Council Members and Parish Councils

	Representations concerning this proposed decision can be made to the Cabinet Member for Highways and Infrastructure, via the officer contact, by the beginning of the month in which the decision is due to be taken.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Stephen Reed Tel: 033 022 27328
<b>Contact</b>	Judith Shore Tel: 033 022 26052

### Executive Director Place Services

<b>Award of Contract: Crawley Growth Programme Eastern Gateway Scheme</b>	
<p>In August 2017 the Leader approved the Crawley Growth Programme <a href="#">LDR04 17.18</a> and following approval of the business case by the Coast to Capital Local Enterprise Partnership, delegated authority to the (then entitled) Executive Director Economy, Infrastructure and Environment to progress the projects.</p> <p>The £8.35m Eastern Gateway scheme is a key project within the growth programme and seeks to improve connectivity between the town and key development sites in the vicinity of the proposals including the Town Hall, County Buildings, Crawley College and Telford Place. In February 2019, the Executive Director approved the commencement of the tender process to secure a design and build Contractor through the WSCC Highways Design and Build framework. The design contract (stage 1) was awarded to Volker Fitzpatrick.</p> <p>The Executive Place Services will now be asked to award the construction phase of the contract and endorse the final budget allocation not exceeding £8.35m. The budget is from within the Crawley Growth Programme total allocations.</p>	
<b>Decision by</b>	Lee Harris - Executive Director Place Services
<b>West Sussex Plan priority</b>	Prosperous Place
<b>Date added</b>	23 April 2020
<b>Month</b>	August 2020
<b>Consultation/ Representations</b>	<p>Community engagement and online feedback opportunities were undertaken May to July 2018. The Crawley Growth Board will be consulted on final designs.</p> <p>Representation can be made via the officer contact prior to the month in which the decision is to be taken.</p>
<b>Background Documents</b> (via website)	None
<b>Author</b>	Marie Ovenden Tel: 033 022 23854

<b>Contact</b>	Suzannah Hill Tel: 033 022 22551
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### Executive Director Place Services

<b>Award of Contract: Crawley Growth Programme Manor Royal Scheme</b>	
<p>In August 2017 the Leader approved the Crawley Growth Programme <a href="#">LDR04 17.18</a> and following approval of the business case by the Coast to Capital Local Enterprise Partnership, delegated authority to the (then entitled) Executive Director Economy, Infrastructure and Environment to progress the projects. The Manor Royal Highways improvement scheme is comprised of two parts: Part 1- Manor Royal County Oak one-way scheme and London road junction improvements; Part 2 – provision of a Bus lane in the Manor Royal road.</p> <p>The Executive Director Place Services will be asked to award the construction phase of the contract and endorse the final/total budget allocation to the highways improvement scheme. The total budget will not exceed £3.308m (bus lane, highways and bus lane extension). The budget is from within the Crawley Growth Programme total allocations.</p>	
<b>Decision by</b>	Lee Harris - Executive Director Place Services
<b>West Sussex Plan priority</b>	Prosperous Place
<b>Date added</b>	23 April 2020
<b>Month</b>	August 2020
<b>Consultation/ Representations</b>	<p>A public engagement exercise ran for four weeks from 5 February 2019 to 5 March 2019. The Crawley Growth Board will be consulted on final designs.</p> <p>Representation can be made via the officer contact prior to the month in which the decision is to be taken.</p>
<b>Background Documents</b> (via website)	None
<b>Author</b>	Marie Ovenden Tel: 033 022 23854
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551

### Director of Highways, Transport and Planning

<b>Traffic Signals Maintenance Contract Extension</b>
<p>To enable the continued delivery of the County Council's traffic signals maintenance and the implementation of any new traffic signals schemes, there is a requirement to extend or replace the existing Traffic Signals Maintenance Contract. This is due to end on 30 September 2021 and must be reviewed by 1 October 2020.</p> <p>The contract may be extended for a further period of five years, subject to the current supplier's performance against the required service levels, key performance indicators and costs and will be compared against the option to replace the contract.</p>

The Director of Highways, Transport and Planning will be asked to consider whether to approve the award of a five-year extension to telent, the current contract supplier.	
<b>Decision by</b>	Matt Davey - Director of Highways, Transport and Planning
<b>West Sussex Plan priority</b>	A Prosperous Place
<b>Date added</b>	15 June 2020
<b>Month</b>	August 2020
<b>Consultation/ Representations</b>	Director of Law and Assurance Director of Finance and Support Services  Representations concerning this proposed decision can be made to the Director of Highways, Transport and Planning, via the officer contact, by the beginning of the month in which the decision is due to be taken.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Barry Edmunds Tel: 033 022 25692
<b>Contact</b>	Judith Shore Tel: 033 022 26052

## A Strong, Safe and Sustainable Place

### Interim Executive Director Adults and Health

<b>Procurement Housing Related Support Services</b>
<p>The current housing related support contractual arrangements from the 1<sup>st</sup> October 2019 were approved by the Executive Director of Adults and Health (<a href="#">Decision Ref: OKD13 19/20</a>).</p> <p>The services were recommissioned based on a revised financial envelope and were prioritised as green, amber and red, based on a strategic fit to the Council's priorities.</p> <p>Amber services, listed within report <a href="#">OKD13/1920</a>, have been remodelled and recommissioned. This commissioning is based on the outcome of a partnership task and finish working group, which included representatives from the County Council and the District and Borough councils. In September 2019, the District and Borough partners committed to co-fund the services from 1<sup>st</sup> October 2020.</p> <p>The extension of contracts for Amber Priority services were agreed until 31<sup>st</sup> March 2020. Following this the Director of Law and Assurance has agreed a Single Tender Waiver for 3 'Amber' Housing Related Support services with contracts to commence 1st April 2020 for a period of 6 months only. These short term single tenders will enable the council to run a full competitive tender, in partnership with District and Borough colleagues, as agreed by the Executive Director of Adults and Health (<a href="#">Decision Ref:</a></p>

[OKD13 19/20](#) starting in March 2020, with new contracts starting on 1<sup>st</sup> October 2020. For this there will be a West Sussex County Council financial envelope of £350k per annum. This equates to £50k per District and Borough area. This funding will be matched by the relevant District or Borough Council.

The Interim Executive Director Adults and Health (DASS) will be asked to approve the commencement of a Procurement for Housing Related Support Services in West Sussex. The tender will be divided into 6 lots:

- Adur/Worthing – Indicative Contract Value = £200,000 per annum
- Chichester - Indicative Contract Value = £100,000 per annum
- Crawley - Indicative Contract Value = £100,000 per annum
- Horsham - Indicative Contract Value = £100,000 per annum
- Mid Sussex – Indicative Contract Value = £100,000 per annum
- Arun – Indicative Contract Value = £100,000 per annum

In Adur/Worthing, Chichester, Crawley and Horsham, the services will be based on a floating support model and will be tenure neutral. In Mid Sussex and Arun, the service will be mainly accommodation based and bidders must be able to provide at least 10 units of accommodation.

<b>Decision by</b>	Alan Adams - Interim Executive Director Adults and Health
<b>West Sussex Plan priority</b>	A Strong, Safe and Sustainable Place
<b>Date added</b>	25 February 2020
<b>Month</b>	June 2020
<b>Consultation/ Representations</b>	<p>Consultation:</p> <ul style="list-style-type: none"> <li>• Partnership task and finish group including district and borough council representatives</li> <li>• Health and Adult Social Care Scrutiny Committee – 12 June 2019</li> </ul> <p>Representations concerning this proposed decision can be made to the Executive Director Adults and Health, via the officer contact.</p>
<b>Background Documents</b> (via website)	None
<b>Author</b>	Sarah L Leppard Tel: 0330 022 23774
<b>Contact</b>	Erica Keegan Tel:0330 022 26050

#### Cabinet Member for Adults and Health

<b>Supported Living Services Procurement</b>
Supported Living services are care, support and accommodation services purchased by the Council on behalf of people who have been assessed as having eligible social care

needs. These services support people to live more independently through the provision of personal care and outreach support.

The council currently commissions the majority of these services from a framework agreement which first commenced in April 2012 (Supported Living & Personal Support for Adults with Learning Disability Framework). In 2016 a new framework was let (Supported Living and Family Support Services for adults with learning disabilities and disabled children and young people in West Sussex Framework). This framework ends in March 2021.

The commissioning of supported living is being reviewed with proposals being developed for new arrangements to be established across the county which will enable the achievement of our strategic aim to support more people to live in settled accommodation, with their family or in their own tenancy, for longer. The council will develop new arrangements considering: the challenges faced in the market - particularly around recruitment and retention of staff; the provision for increasingly complex individuals; the need to strengthen community networks and maximise customer independence; and develop services which meet the expectations of customers and their families.

Following the review and wide-ranging stakeholder engagement, the Cabinet Member for Adults and Health will be asked to approve the commencement of a procurement process to source the future supported living services and delegate authority for Contract Award to the Interim Executive Director Adults and Health (DASS).

<b>Decision by</b>	Cllr A Jupp - Cabinet Member for Adults and Health
<b>West Sussex Plan priority</b>	A Strong, Safe and Sustainable Place
<b>Date added</b>	16 October 2019
<b>Month</b>	June 2020
<b>Consultation/ Representations</b>	<p>Key Stakeholder engagement will inform this procurement including an online survey and market event.</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Adults and Health, via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>
<b>Background Documents</b> (via website)	None
<b>Author</b>	Alison Nuttall Tel: 033 022 25936
<b>Contact</b>	Erica Keegan Tel: 033 022 26050

## Cabinet

### Climate Change Strategy

The County Council agreed a motion on climate change in 2019, calling on the Cabinet to show leadership to combat climate urgency in West Sussex, commit to stepping up the work of the Council to combat climate change and raise awareness of the issues and ways in which residents and businesses can contribute to mitigate climate change, and attempt to make West Sussex County Council carbon neutral by 2030.

The Climate Change Strategy will set out the County Council's vision to 2030 and the commitments to integrate climate change considerations across all aspects of the organisation.

The Cabinet will be asked to approve the Climate Change Strategy.

<b>Decision by</b>	Cllr Hunt, Cllr A Jupp, Cllr Lanzer, Cllr Crow, Cllr Urquhart, Cllr Russell, Cllr N Jupp, Cllr Marshall - Cabinet
<b>West Sussex Plan priority</b>	A Strong, Safe and Sustainable Place
<b>Date added</b>	4 June 2020
<b>Month</b>	July 2020
<b>Consultation/ Representations</b>	<p>Informal engagement with partners Environment and Communities Select Committee, 24 June 2020 Internal consultation with County Council Officers</p> <p>Representation can be made via the officer contact in the month prior to that in which the decision is to be taken.</p>
<b>Background Documents</b> (via website)	
<b>Author</b>	Catherine Cannon Tel: 033 022 25573
<b>Contact</b>	Judith Shore Tel: 033 022 26052

## Independence in Later Life

### Cabinet Member for Adults and Health

<b>Adults In House Day Services Contract Arrangements</b>
<p>The Cabinet Member for Adults and Health is asked to agree to the commencement of a procurement process starting in July 2020 to secure a contract relating to the provision for the redevelopment of Glebelands, Laurels and Rowans Adult day centres in West Sussex for delivery of work in February 2021.</p> <p>The existing centres are under capacity and not suitable, with maintenance and compliance issues. Therefore, the centres can't be used to their full capacity. This redevelopment would allow for an increase in numbers from people currently using the</p>

Pines and Coastal Enterprise day centres, and these sites returned to the West Sussex County Council's Estates team.

This is the second part of the in-house day service rationalisation programme (part B) reducing from 14 to 7 sites by February 2021 whilst maintaining same levels of Adult social care provision. The first part of this programme, part A (the refurbishment of Chestnuts in Bognor, and Judith Adams in Chichester), is now complete.

The change programme is designed to develop sustainable and effective in-house day opportunity provision that support the statutory duties of Adults' Operations, Life-long Services and ensure appropriate supply as part of the Adults and Health strategic commissioning priorities.

The new delivery model is designed so that day services can cater to the local population based on need and not customer categories (i.e. services will be for older people, adults with learning disabilities, adults with an acquired brain injury and adults with physical and sensory impairments.). These sites will offer a range of accessible resources to cater to different needs, a focus on promoting independence and supporting people to access opportunities within their community, space for OT assessment suites and Talk Local sessions, hot desk facilities for WSCC staff, Learning and Development training space and opportunities for leasing space to the wider community.

The procurement will be conducted using an open book tender and a decision will be based on quality and cost. A pre-tender exercise will be undertaken to determine quality of contractors prior to inviting to tender.

The Cabinet Member for Adults and Health will be asked to agree the allocation of funds from 'Choices for the future' capital programme for the total value of the overall project which is estimated at £4.5 Million. The Cabinet Member for Adults and Health will also be asked to agree the commencement of procurement and delegate authority for the award of contract to the Interim Executive Director of Adults and Health.

<b>Decision by</b>	Cllr A Jupp - Cabinet Member for Adults and Health
<b>West Sussex Plan priority</b>	Independence in Later Life
<b>Date added</b>	23 April 2020
<b>Month</b>	June 2020
<b>Consultation/ Representations</b>	Choices for the Future consultation in May 2018 and Health and Adults Social Care Scrutiny Committee on 27th June 2018 and 27th September 2018.
<b>Background Documents</b> (via website)	Adult Services_vision_strategy
<b>Author</b>	Simon Starns Tel: 033 022 23706
<b>Contact</b>	Erica Keegan Tel: 0330 022 26050

**Interim Executive Director Adults and Health**

<b>Community Reablement Services Contract Extension</b>	
<p>West Sussex County Council (WSCC) has a contract with Essex Cares Limited (ECL) for the provision of Community Reablement Services. Reablement is the term to describe services, to support residents following a change in ability, most likely due to a medical condition or episode. A Community Reablement Service (CRS) is essential to prevent people requiring longer term support, enabling people to retain/regain independence and remain at home.</p> <p>The Service was re-procured in 2017 for an initial term of 3 years with an option to extend for up to 2 years. The contract was competitively procured with a total estimated value of £13,240,000. As the initial term of the contract will expire on 30<sup>th</sup> November 2020 authorisation is sought from the Interim Executive Director of Adults and Health to extend the contract for a period of 2 years from 1 December 2020 to 30 November 2022, as per the provision in the previous Cabinet Member decision report <a href="#">ASCH07 (16/17)</a>.</p>	
<b>Decision by</b>	Alan Adams - Interim Executive Director Adults and Health
<b>West Sussex Plan priority</b>	Independence in Later Life
<b>Date added</b>	27 May 2020
<b>Month</b>	June 2020
<b>Consultation/ Representations</b>	A detailed options appraisal, considering the main commissioning options, was undertaken by internal stakeholders in WSCC together with NHS stakeholders.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Stuart Gibbons Tel: 033 022 226218
<b>Contact</b>	Erica Keegan Tel: 0330 22 26050

#### **Interim Executive Director Adults and Health**

<b>Allocation of Infection Control Grant</b>
<p>On 15 May 2020 the government announced a care home support package backed by a £600m <a href="#">infection control fund</a> with the aim of preventing and controlling the spread of COVID-19 in all registered care homes and help improve infection control measures across the care market. The specified purpose of the grant is to provide support to adult social care providers, including those with whom the Council does not have a contract, to reduce the rate of COVID-19 transmission in and between care homes and support wider workforce resilience to deliver infection control. The West Sussex allocation of this money is £13.363m.</p> <p>The expectation from government was that 75% of the money should be passported directly to registered care home providers (including those the Council doesn't already contract with) and the remaining 25% should be allocated based on local need. The grant funding is subject to a number of conditions set by central government, set out in</p>

the grant circular distributed by Government, which the Council is required to comply with.

Due to the need to provide timely financial support to care providers who are facing challenges related to the Covid-19 pandemic an urgent decision was taken to allocate the 75% of Infection Control Funding to care providers ([Report ref:OKD17 20/21](#)). The Interim Executive Director of Adults and Health will now be asked to take a further decision on the allocation of the remaining 25% of Infection Control Funding.

<b>Decision by</b>	Alan Adams - Interim Executive Director Adults and Health
<b>West Sussex Plan priority</b>	Independence in Later Life
<b>Date added</b>	15 June 2020
<b>Month</b>	July 2020
<b>Consultation/ Representations</b>	Representation concerning this proposed decision can be made via the officer contact in the month in which the decision is due to be taken.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Catherine Galvin Tel: 033 022 24869
<b>Contact</b>	Erica Keegan Tel: 0330 022 26050

## A Council that works for the Community

### Leader, Cabinet Member for Finance

Total Performance Monitor (Rolling Entry)	
The Monitor details the Council's performance in relation to revenue and capital spending, savings, workforce projections, performance and risk by portfolio against the Cabinet's key priorities. The Leader and Cabinet Member for Finance and Resources will be recommended to approve the Total Performance Monitor and any items of financial and performance management within the Monitor.	
<b>Decision by</b>	Cllr Marshall, Leader Cllr Hunt, Cabinet Member for Finance
<b>West Sussex Plan priority</b>	A Council that Works for the Community
<b>Date added</b>	1 April 2019
<b>Month</b>	Between April 2020 and March 2021

## Agenda Item 9

<b>Consultation/Representations</b>	Representations concerning this proposal can be made to the Leader/and or the Cabinet Member for Finance via the officer contact.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Fiona Morris Tel: 033 022 23811
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551

### Cabinet Member for Finance

<b>Property Review (Rolling Entry)</b>	
The County Council's Future West Sussex Plan set out its ambition to minimise the burden of local taxation, delivering the best outcomes for residents with the money it spends, whilst living within its means. In 2018 the County Council agreed to adopt an <a href="#">Asset Management Policy and Strategy</a> . An objective of the strategy is to acquire, manage, maintain and dispose of property effectively, efficiently and sustainably, together with optimising financial return and commercial opportunities.	
<b>Decision by</b>	Cllr Hunt - Cabinet Member for Finance
<b>West Sussex Plan priority</b>	A Council that works for the Community
<b>Date added</b>	1 December 2017
<b>Month</b>	Between April 2020 and March 2021
<b>Consultation/Representations</b>	Representation can be made via the officer contact.
<b>Background Documents</b> (via website)	
<b>Author</b>	Elaine Sanders Tel: 033 022 25605
<b>Contact</b>	Suzannah Hill Tel. 033022 22551

### Interim Director of Human Resources and Organisational Change

<b>Novation and extension: Agency Worker Recruitment Contract</b>
Pursuant to the Council's Support Services Outsourcing Contract, Capita provides the Council's temporary agency workers, via a contract with Manpower which the Council is not a party to. The contract with Manpower is due to expire on 30 September 2020.

A key decision was taken in [February 2020](#) (ECR03 19-20) to procure a new temporary agency worker contract to commence on 1 October 2020. The current contract provides temporary agency workers to all departments of the Council, except for schools. The Council requires a contract for the supply of agency workers to cover short term vacancies, absences and to provide additional capability, where there are skills shortages, to deliver responsive services.

Due to the impact of the Covid-19 pandemic on potential bidders for the new contract, mobilising delivery of a new contract at this time and further risk that current high risk and critical services could be disrupted at an unprecedented and challenging time by pursuing the procurement exercise to the original timelines, the Council is delaying commencing the procurement of the new contract until July 2020.

Capita and the Council wish to novate the current contract with Manpower to the Council for the remainder of its term with an additional 6 months to allow for the new procurement exercise to be carried out. The Council currently spends approximately £15 million per annum on agency workers (on and off contract). The value of the extension of the contract between 01 October 2020 and 31 March 2021 will be approximately £7.5 million.

The Interim Director of Human Resources and Organisational Change will be asked to:

1. Agree to the novation of the contract from Capita to a direct contractual relationship between Manpower and the Council.
2. Agree the extension of this novated contract from 01 October 2020 to 31 March 2021 on the same terms and conditions as the current contract with Capita.
3. To delegate entering into the novation and extension of the Contract to the Head of Resourcing Organisational Development & Talent.

<b>Decision by</b>	Sue Evans - Interim Director of Human Resources and Organisational Change
<b>West Sussex Plan priority</b>	A Council that Works for the Community
<b>Date added</b>	
<b>Month</b>	June 2020
<b>Consultation/ Representations</b>	Key internal stakeholders  Representation can be made via the officer contact in the month before the decision is due.
<b>Background Documents</b> (via website)	
<b>Author</b>	Lindsey Hannant Tel: 033 022 22435
<b>Contact</b>	Suzannah Hill Tel. 033 022 22551

**Cabinet Member for Adults and Health**

<b>Procurement of Mortuary Services</b>	
<p>The Council currently has contracts with two NHS Trusts who run our Mortuary and Post-Mortem Services:</p> <ul style="list-style-type: none"> <li>• WSHT - Western Sussex Hospital Trust (covers approx. 75% of requirement)</li> <li>• SASH - Surrey and Sussex Health Trust (covers approx. 25% of requirement)</li> </ul> <p>Both contracts will expire on 22 January 2021 and there is no provision for further extensions.</p> <p>The Council ran a procurement in 2018/19 with a vision of having a dedicated Mortuary – 100% of bodies going into one location and moving away from traditional post-mortems towards digital non-invasive methods. However, the Council only received one bid which was subsequently deemed unaffordable. The bid was later withdrawn and the procurement process abandoned.</p> <p>The Cabinet Member for Adults and Health will be asked to agree the commencement of a procurement that will secure ongoing contracts for the Mortuary and Post-Mortem services from January 2021 and to delegate authority to the Director of Communities to award the contracts following the procurement exercise.</p>	
<b>Decision by</b>	Cllr A Jupp - Cabinet Member for Adults and Health
<b>West Sussex Plan priority</b>	A Council that Works for the Community
<b>Date added</b>	25 February 2020
<b>Month</b>	June 2020
<b>Consultation/Representations</b>	Representations concerning this proposed decision can be made to the Cabinet Member for Adults and Health, via the officer contact.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Lesley Sim Tel: 0330 022 24786
<b>Contact</b>	Erica Keegan Tel: 033 022 26050

**Director of Property and Assets**

<b>Award: Soft Facilities Management Services Contract</b>
<p>The Director for Property and Assets will be asked to award the following single supplier contracts for Soft Facilities Management Services for County Buildings</p>

of four years with the option to extend for 3 x 1-year periods, up to a maximum contract period of seven years, commencing in October 2020:

- Cleaning Services
- Grounds Maintenance Services
- Security Services

<b>Decision by</b>	Andrew Edwards - Director of Property and Assets
<b>West Sussex Plan priority</b>	A Council that Works for the Community
<b>Date added</b>	27 May 2020
<b>Month</b>	July 2020
<b>Consultation/ Representations</b>	Facilities Management teams and a market engagement event to incorporate market expertise into the procurement.  Representation can be made via the officer contact in the month prior to that in which the decision is to be made.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Jeremy Rigby Tel: 033 022 26460
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551

### Cabinet Member for Economy and Corporate Resources

<b>Procurement: Construction Framework Arrangement</b>	
<p>The County Council carries out repair, maintenance and refurbishment work throughout the corporate estate, a construction framework arrangement is required to deliver work around and within the County Council buildings. This will include repairs and refurbishment as well as new build requirements where needed. It will enable the County Council to place works orders with a variety of qualified contractors to deliver works that fall outside of the current maintenance contract.</p> <p>The anticipated spend through the new Framework is approximately £48m over a maximum term of 4 years. The value of the Framework is greater than £4,733,252 ex VAT so, in order to comply with the requirements of EU/UK law (the Public Contract Regulations 2015) and the County Council's Standing Orders on Procurement and Contracts, an OJEU procurement must be run to establish a new Framework Agreement.</p> <p>The Cabinet Member will be asked to agree to the commencement of a procurement process to begin in February 2020, contract to be awarded in June 2020 and commence on 1 July 2020 and to delegate to the Director of Property and Assets, the authority to award contract/contracts. Further forward plan entries and decision reports will be published as appropriate.</p>	
<b>Decision by</b>	Cllr Lanzer - Cabinet Member for Economy and Corporate Resources

<b>West Sussex Plan priority</b>	A Council that works for the Community
<b>Date added</b>	24 January 2020
<b>Month</b>	July 2020
<b>Consultation/ Representations</b>	Internal and external stakeholders, the incumbent supplier and market suppliers.  Representation concerning this proposed decision can be made via the officer contact prior to the month in which the decision is due to be taken.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Stephen Allan Tel: 033 022 25192
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551

### **Cabinet Member for Economy and Corporate Resources**

<b>In-sourcing financial services from Support Services Outsource Contract</b>
<p>It is proposed that the following services currently delivered by Capita through the Support Services Outsource (SSO) Contract be insourced.</p> <p>The services relating to Adults and Children's Social Care Finances, known as Service Finance, covering: welfare benefits assessments including the administrative support function, financial adult safeguarding services, direct payments to adults and children, children's fostering and adoption finance activities, invoicing adults' services customers for their contribution towards the residential and non-residential services, residential property and residential purchasing and invoicing services.</p> <p>This will give the County Council greater control and flexibility in the delivery of largely statutory services, which are anticipated to support more effective collaborative working between Finance, Adult Social Care and Children's Services, recognising that these services are delivered as part of a wider engagement with vulnerable adults and families. In addition, the County Council is adapting to new ways of working made necessary by the COVID-19 situation and undertaking a number of transformation and improvement activities which will affect these services.</p> <p>The split in ownership is limiting flexibility to make changes in some processes and how the County Council responds to fluctuation in demand. The proposed insourcing will provide enhanced opportunities for integration of working practices and procedures to support improved service delivery in the end-to-end Adults' and Children's Services to West Sussex residents.</p> <p>The intention will be for the insource to take place from the start of August 2020.</p> <p>The Cabinet Member for Economy and Corporate Resources, in consultation with the Cabinet Member for Finance, will be asked to endorse the proposed in-sourcing arrangements.</p>

<b>Decision by</b>	Cllr Lanzer - Cabinet Member for Economy and Corporate Resources
<b>West Sussex Plan priority</b>	A Council that works for the community
<b>Date added</b>	22 June 2020
<b>Month</b>	July 2020
<b>Consultation/ Representations</b>	Cabinet Member for Finance Cabinet Member for Adults and Health  Representations concerning this proposed decision can be made to the Director of Finance and Support Services, via the officer contact, by the beginning of the month in which the decision is due to be taken.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Linda Corn
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551

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