

# Public Document Pack

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15 September 2022

## Performance and Finance Scrutiny Committee

A meeting of the Committee will be held at **10.30 am** on **Monday, 26 September 2022** at **County Hall, Chichester, PO19 1RQ**.

**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**

Director of Law and Assurance

### Agenda

**(Papers as per meeting postponed from 9 September 2022)**

#### Part I

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 previous meetings**

The Committee is asked to agree the minutes of the meeting held on 17 June 2022 and the Part I minutes of the meeting held on 13 July 2022 (cream paper).

(a)    **Minutes from 17 June 2022** (Pages 5 - 10)

(b)    **Part I minutes from 13 July 2022** (Pages 11 - 16)

10.45 am    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. **Part II Matters**

Members are asked to indicate at this stage if they wish the meeting to consider bringing into Part I any items on the Part II agenda.

5. **Responses to Recommendations** (Pages 17 - 22)

The Committee is asked to note the responses to recommendations made at the 17 June and 13 July 2022 meetings.

10.50 am 6. **End of June 2022 (Quarter 1) Quarterly Performance and Resources Report** (Pages 23 - 168)

A report by the Chief Executive and Director of Finance and Support Services setting out the corporate performance, finance, workforce, risk and capital programme positions as at the end of June 2022.

The Committee is asked to examine the data and supporting commentary for the Performance and Resources report and make any recommendations for action to the relevant Cabinet Member or Scrutiny Committee.

12.05 pm 7. **Workforce and organisational culture - update** (Pages 169 - 178)

Report by Director of Human Resources and Organisational Development.

The report outlines progress on a range of issues relating to the Council's workforce and details areas which require further attention and development moving forward.

The report also includes details of changes to work practices as a result of the Covid-19 pandemic as Smarter Working is implemented across the Council.

**Lunch**

The Committee will break for lunch for 30 minutes.

1.35 pm 8. **SMARTCORE programme completion and funding** (Pages 179 - 194)

Report by the Director of Finance and Support Services and the Director of Human Resources and Organisational Development.

The report provides an update on the project for the replacement of the Council's Business Management Solution and identifies the required resources to complete the project setting out the remaining milestones to completion.

2.20 pm 9. **Work Programme Planning and possible items for future scrutiny**

The Committee is asked to review its current draft work programme taking into account the Forward Plan of Key Decisions and any suggestions from its members for possible items for future scrutiny.

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 to consider in detail.

(a) **Forward Plan of Key Decisions** (Pages 195 - 202)

Extract from the Forward Plan dated 31 August 2022 – attached.

An extract from any Forward Plan 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.

(b) **Work Programme** (Pages 203 - 210)

The Committee to review its draft work programme taking into consideration the checklist at Appendix A.

2.30 pm 10. **Requests for Call-in**

There have been no requests for call-in to the scrutiny committee 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.

11. **Date of next meeting**

The next meeting of the Committee will be at 10.30am on 28 November 2022 at County Hall, Chichester. Probable agenda items include: -

- Quarter 2 September - Performance and Resources Report (PRR) September
- Medium Term Financial Strategy 2022/23
- Property Joint Venture update report

Any member wishing to place an item on the agenda for the meeting must notify the Director of Law and Assurance by 11 November 2022.

## **Part II**

### **12. Exclusion of Press and Public**

The Committee is asked to consider in respect of the following item whether the public, including the press, should be excluded from the meeting on the grounds of exemption under Part I of Schedule 12A of the Local Government Act 1972, as indicated below, and because, in all the circumstances of the case, the public interest in maintaining the exemption of that information outweighs the public interest in disclosing the information.

Exempt: paragraph 3, Financial or business affairs of any person (including the authority).

### 2.35 pm      **13. Part II Minutes from 13 July 2022 (Pages 211 - 214)**

The Committee is asked to agree the Part II restricted minutes of the meeting held on 13 July 2022 (attached for Members of the Committee only, gold paper).

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

### **Webcasting**

Please note: this meeting is being filmed for live and subsequent broadcast via the County Council's website on the internet. The images and sound recording may be used for training purposes by the Council.

Generally the public gallery is not filmed. However, by entering the meeting room and using the public seating area you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes.

## **Performance and Finance Scrutiny Committee**

17 June 2022 – At a meeting of the Performance and Finance Scrutiny Committee held at 10.30 am at County Hall, Chichester, PO19 1RQ.

Present: Cllr Montyn (Chairman)

Cllr Burrett	Cllr Gibson	Cllr Turley
Cllr Baldwin	Cllr Kerry-Bedell	Cllr Wall
Cllr Britton	Cllr Linehan	Cllr Payne
Cllr Condie	Cllr McDonald	
Cllr Elkins	Cllr Sparkes	

Apologies were received from Cllr Boram

Also in attendance: Cllr Hunt and Cllr Waight

### **1. Election of Chairman**

- 1.1 Cllr Montyn was proposed as Chairman by Cllr Burrett and seconded by Cllr Sparkes – there were no other nominations.
- 1.2 Resolved – that Cllr Montyn is elected as Chairman of the Committee for the year.

### **2. Election of Vice-Chairman**

- 2.1 Cllr Burrett was proposed by Cllr Britton and seconded by Cllr Baldwin. Cllr Condie was proposed by Cllr Turley and seconded by Cllr Gibson. A secret ballot was held.
- 2.2 Resolved – that Cllr Burrett was elected as Vice Chairman by ten votes to four.

### **3. Business Planning Group Membership**

- 3.1 The Business Planning Group membership was agreed as Cllr Montyn (Chairman), Cllr Burrett (Vice Chairman), Cllr Sparkes, Cllr Condie and Cllr Turley.

### **4. Declarations of Interest**

- 4.1 In accordance with the code of conduct, the following personal interest was declared in respect of item 8, Update on Asset Management Policy and Strategy: -
  - Cllr Condie as Director of Brighton Energy Co-operative

## 5. Minutes of the last meeting of the Committee

- 5.1 It was noted that Cllr Elkins attendance was not reflected in the minutes of the last meeting – this would be rectified.
- 5.2 Resolved – that the Minutes of the meeting held on 11 March 2022 be updated to reflect the attendance of Cllr Elkins and be approved as a correct record and signed by the Chairman.

## 6. Responses to Recommendations

- 6.1 Customer Service Centre Function: -
- There was a query regarding the cost of bringing the service back in house (including pensions) – **ACTION:** Lee Harris to provide the cost to the Committee
  - Use of technology in the future could include voice recognition and artificial intelligence. Any new targets would come the Committee in the Performance and Resources Report
- 6.2 Resolved – that the Committee notes the responses.

## 7. Update on Asset Management Policy and Strategy

- 7.1 The Committee scrutinised a report by the Assistant Director of Property and Assets (copy appended to the signed minutes).
- 7.2 Summary of responses to Committee members' questions and comments: -
- IT assets are managed by the IT department – other assets such as fire and security systems are managed by Facilities Management through contracts or cyclical maintenance - maintenance or replacement will be driven by the asset condition survey
  - The asset condition survey has been enabled by the introduction of the new Concerto database– information from this will guide the need for replacement
  - The Council has struggled to appoint property Estate Surveyors, Contract Managers and Project Managers but will work to fill vacant posts by making the roles more attractive through job re-evaluation and more competitive salaries. The Property Team will continue to work closely with the Mult-Disciplinary Consultant partner
  - The shortage of staff was not affecting quality of advice, but is slowing the process
  - The Committee suggested that the Joint Venture partner should be added to objective 3 of the Strategy – this would be considered
  - When new ways of working are introduced, it could be possible that one or two major Council office hubs would be surplus to requirement as less office space would be needed

- The rationalisation of the estate is a by-product of new ways of working, it is not a driver, as things would be done more efficiently with more hybrid working
- All departments had been consulted on their requirements and the best way to deliver their services
- Consultants had been appointed and their report would be completed soon
- Those officers who could not work at home during the pandemic, were able to do so from Council offices, this will continue
- Shared office space could become normal practice between teams
- There was some concern that the sale or transfer of buildings could be affected if only essential maintenance was carried out – a balance had to be struck between capital and revenue demands
- Joint Venture projects were moving ahead at pace and an update would come to the Committee in November
- Special Educational Needs & Disability provision was part of the capital programme, not the Asset Management Strategy
- The Council is open to discussing the disposal of assets with district/borough councils where feasible and appropriate
- The Council had to balance its desire to help communities against what buildings it could afford to run and maintain
- It is a legal requirement for the Council to get the best consideration possible when it grants a lease or disposes of a building
- Developers do not currently build schools to carbon neutral standards as it is not a Department for Education requirement
- Carbon reduction is a priority in all Council decisions, but financial viability has to be a consideration when assessing the business cases

7.3 Resolved – that the Committee: -

- i. Supports the draft Asset Management Policy and Strategy 2022/23 - 2025/26 and agrees that it meets the objectives in the Our Council Plan and is flexible enough to meet the changing needs and work practices of the County Council.
- ii. Requests that the Joint Venture Partnership arrangements should be reflected in the objectives of the Asset Strategy
- iii. Supports the SMARTER working initiatives and requests that the committee is kept up to date on the outcomes
- iv. Recognises the delays caused by recruitment issues and supports the work being done to rectify this situation
- v. Recognises the issues in relation to carbon neutrality

**8. Update on Early Help Asset Plan**

- 8.1 The Committee scrutinised a report by the Assistant Director of Property and Assets, copy appended to the signed minutes.
- 8.2 Summary of responses to Committee members' questions and comments: -

- The nine locations originally required by Public Health were able to be covered by offering seven centres and part use of two others
- The Sure Start Grant conditions are set by the government and determine how assets should be used by the Council. These conditions are usually non-negotiable

8.3 Resolved – that the Committee: -

- i. Supports the Early Help Asset Plan
- ii. Welcomes the update on properties affected and
- iii. Recognises the importance of local Member communication

## **9. Scrutiny Annual Report**

9.1 The Committee scrutinised a report by the Director of Law and Assurance, copy appended to the signed minutes.

9.2 Summary of responses to Committee members' questions and comments: -

- Scrutiny chairmen should consider how to incorporate climate change in their committees' work programmes
- Committee members should challenge the Policy Alignment and Compliance section of committee reports where they consider the content to be inadequate
- A Scrutiny Development Action Plan setting out key areas for future action is monitored by scrutiny chairmen. This is not a public document but can be made available to councillors – **ACTION:** Helen Kenny to circulate the Scrutiny Development Action Plan to members of the Committee
- Committee members should consider opportunities to interact informally
- It was agreed that the following wording in the draft Executive-Scrutiny Protocol – 'The scrutiny process is informed and driven by the political insight of members' – be changed to read 'The scrutiny process is informed and driven by members'

9.3 Resolved – that the Committee: -

- i. Supports presenting the Scrutiny Annual Report to full Council
- ii. Recognises that the Council Plan underpins the work of scrutiny
- iii. Welcomes the ability of individual committees to work flexibly
- iv. Supports the development of an Executive Scrutiny protocol

## **10. Forward Plan of Key Decisions**

10.1 Resolved – that the Committee notes the Forward Plan of Key Decisions.

## **11. Work Programme**

11.1 Resolved – that the Committee notes its Work Programme.



**12. Date of next meeting**

12.1 The Committee notes its next meeting will take place virtually on 13 July 2022 commencing at 10.30am.

The meeting ended at 12.27 pm

Chairman

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## **Performance and Finance Scrutiny Committee**

13 July 2022 – At a virtual meeting of the Performance and Finance Scrutiny Committee held at 10.30 am Virtual meeting with restricted public access.

Present: Cllr Montyn (Chairman)

Cllr Burrett	Cllr Gibson	Cllr Wall
Cllr Boram	Cllr Linehan	Cllr Payne
Cllr Britton	Cllr McDonald	Cllr Walsh
Cllr Condie	Cllr Sparkes	
Cllr Elkins	Cllr Turley	

Apologies were received from Cllr Baldwin and Cllr Kerry-Bedell

Also in attendance: Cllr Hunt, Cllr Marshall and Cllr Waight

### **Part I**

#### **13. Declarations of Interest**

13.1 In accordance with the code of conduct, the following personal interests were declared: -

- Cllr Walsh in respect of item 4, End of March 2022 (Quarter 4/end of year) Quarterly Performance and Resources Report – as a member of Arun District Council
- Cllr Linehan in respect of items 6 and 8, Variation of Contract with Entserv UK Limited (DXC) for a Corporate Business Management Solution (Smartcore) Appendix – as a friend/business partner of someone who works for Oracle

#### **14. Part II Matters**

14.1 The Committee queried why parts of the item could not be held in Part I and was informed that, as advised by the Monitoring Officer, the information contained within the report was commercially sensitive.

#### **15. End of March 2022 (Quarter 4/end of year) Quarterly Performance and Resources Report**

15.1 The Committee considered the End of March 2022 (Qtr 2) Quarterly Performance and Resources report by the Chief Executive and Director of Finance and Support Services (copy appended to the signed minutes).

15.2 Summary of responses to committee members' questions and comments: -

- The relationship between the underspend and the relationship to savings through working from home was because the savings number was embedded in the underspend
- The reduced expenditure on Members' travel, expenses, training and refreshments due to remote working has been included in the budget for 2022/23. If any further savings are realised due to remote working, online meetings, utilities costs and how employees work under the smarter working programme, these will be factored into future budgets ACTION – Katharine Eberhart to provide details on reduction in Member spend
- A certain percentage of aged debtors is set aside for doubtful debt provision, which has been adjusted to be more prudent during covid. This will be considered again for 2022/23
- Officers confirmed that the Council was not expecting to receive more covid grants from the government
- Officers explained that the Oracle Fusion sprint phase was the part of the delivery programme when the design was tested to see if it met expectations
- The report reflects the position up to 31 March 2022 so does not include information on changes to the Smartcore contract which arose later
- There was a request that variance information is included in future Performance and Resources Reports to show the inflationary impact on Capital Programme projects
- The figure for square metres of operational property has increased as it includes both the existing Durrington site (Centenary House) and the new one (Bridge House)
- The percentages quoted in Key Performance Indicator (KPI) 52 are cumulative
- Technical accounting adjustments in 'Portfolio In Year Pressures and Mitigations' are additional expenses on the budget, not an adjustment between accounts
- There was a query as to why some Capital Programme items that have slipped are listed in the Finance and Property Capital Programme rather than service portfolios. This is because the person who administers that part of the Capital Programme sits within Finance & Property
- The aggregated cost of the Council's services compared to its statistical neighbours is based on returns made to the government, then specialist bodies compare councils in various categories
- Statistical neighbours are those closest to each other in profile and demographics
- The benchmarking provides useful information to understand where the Council could improve its value for money, but comparisons are difficult as all Councils operate differently. The information generates questions to ask about service provision but does not provide the answers
- The risk (CR68) to deliver existing work plans has stayed the same due to consequences of the ongoing covid pandemic
- A new fire station for Littlehampton is no longer in the One Public Estate programme – this could be because, after a feasibility exercise, not all partners have the money to progress

the project – **ACTION:** The Leader to arrange a briefing on this for all Members local to Littlehampton

- The percentage of digital services available to support self-service had gone down because more services had been added to the KPI
- The way Smartcore is funded has changed as some aspects of service transformation can now be funded by capital receipts rather than revenue funding if they meet certain criteria
- The committee has previously questioned the low employee disclosure rates for protected characteristics. This has been examined to ensure all sections are now recorded and included within the figures. The data from two systems has also been cleansed and combined leading to the improved rates
- Officers confirmed that there were no health and safety risks as a result of the low completion rates for staff induction training. All mandatory safeguarding training is carefully monitored and managed
- There was a question about prioritising care leavers for apprenticeships – **ACTION:** The Cabinet Member for Support Services and Economic Development offered to look into whether care leavers could be prioritised for appropriate apprenticeship opportunities, but was wary of prioritising one group of people above another
- The Council was using additional resources, social media campaigns and 'meet the team' events to recruit children's care home staff
- Scrutiny chairmen updates included: -
  - The Fire & Rescue Service Scrutiny Committee would be scrutinising the delivery of the Community Risk Management Programme
  - The Community, Highways and Environment Scrutiny Committee would be inviting contractors to a meeting to explain the poor performance in repairing highways defects
  - The Children & Young People's Services Scrutiny Committee had asked county councillors that also sat on other councils to help support care leavers in finding employment or further education and asked for more information on the pilot scheme supporting the inclusion of those with education, health and care plans in their local mainstream school
  - The Health & Adult Social Care Scrutiny Committee will monitor the financial challenges ahead in the care market, access to NHS dentists and GPs and the roll-out of the integrated care system and the Health and Wellbeing Strategy and Adult Care Strategy

15.3 Resolved – that the Committee: -

- i. Requests that variance information is included in future Performance and Resources Reports to show the inflationary impact on Capital Programme projects

- ii. Questions the take-up of the staff induction programme and was satisfied that all mandatory staff training was undertaken and no risk issues arisen
- iii. Requests that the Cabinet Member for Support Services and Economic Development looks into whether care leavers could be prioritised for appropriate apprenticeship opportunities
- iv. Supports the work being done in relation to recruitment

## **16. Treasury Management Annual Report 2021/22**

- 16.1 The Committee considered the Treasury Management Annual Report 2021/22 (copy appended to the signed minutes).
- 16.2 Summary of responses to committee members' questions and comments: -
  - All current borrowing was at fixed rates so was not impacted by inflation
  - The percentage of borrowing on the Capital Programme against the revenue budget increased from 3.5% to nearly 6%
  - The Council did not have an overdraft, if it did it would incur costs
- 16.3 Resolved – that the Committee: -
  - i. Recognises the need to monitor inflationary pressures, specifically on the borrowing requirements in relation to the Capital Programme
  - ii. Thanks officers for the very informative and full report and the work undertaken throughout the year

## **17. Variation of Contract with Entserv UK Limited (DXC) for a Corporate Business Management Solution (Smartcore) - Focus for Scrutiny**

- 17.1 The Committee considered the Part I report, Variation of Contract with Entserv UK Limited (DXC) for a Corporate Business Management Solution (Smartcore), by the Director of Law and Assurance (copy appended to the signed minutes).
- 17.2 The Committee was told that the scope for the project wasn't wrong from the outset and that more detail would come to its September meeting.
- 17.3 The Committee regretted that it had not seen the advice from the Monitoring Officer regarding restricted information before the meeting.
- 17.4 Resolved – that the Committee agrees that the report, Variation of Contract with Entserv UK Limited (DXC) for a Corporate Business Management Solution (Smartcore), by the Head of Procurement & Contract Management and Smartcore Programme SRO would be discussed in closed session (Part II).

**18. Exclusion of Press and Public**

18.1 Resolved – that in respect of the following item the public, including the press, be excluded from the meeting on the grounds of exemption under Part I of Schedule 12A of the Local Government Act 1972, as indicated below, and because, in all the circumstances of the case, the public interest in maintaining the exemption of that information outweighs the public interest in disclosing the information. Exempt: Paragraph 3, financial or business affairs of any person (including the authority).

**PART II**

**19. Variation of Contract with Entserv UK Limited (DXC) for a Corporate Business Management Solution (Smartcore) Appendix**

Summary of discussions in Part II – the Committee learned that the urgent action was necessary due to late agreement with DXC on the way forward and that a further report would come to the Committee in September with more details of the variations to the contract.

Resolved – that the Committee: -

- i. Raises concerns around the scope of the contract and why issues were not foreseen
- ii. Recognises the need to learn from the contract issues for future projects
- iii. Refers detailed questions to officers for further clarity and explanation
- iv. Welcomes a further report to the committee in September

**PART I**

**20. Date of next meeting**

20.1 The Committee notes its next meeting will take place on 9 September 2022, commencing at 10.30am.

The meeting ended at 1.17 pm

Chairman

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**Response to Actions/Resolutions from the meeting on 17 June 2022**

<b>Request</b>	<b>Responder</b>	<b>Response</b>
<p>A query was raised regarding the additional cost of bringing the Customer Service Function back in house (including pensions) due to the lack of tenders received during the recent procurement exercise.</p>	<p>Director of Place Services</p>	<p>It is too early in our insourcing journey to be able to provide a response with any detail. Between October and December we will be refining our roadmap and confirming the different technology products needing to be purchased to deliver the Digital Customer Service Function as presented in the Key Decision Report. In this early stage of our insourcing journey we are focused on purchasing our own technologies to ensure we have a suitable telephony system working for the 1<sup>st</sup> October and successfully completing the staff consultation processes required to TUPE staff across to the County Council.</p> <p>Whilst further detail will be available in time as we do not currently purchase the Customer Service Function as a standalone item (it is part of a portfolio of services included in the current SSO contract) we do not have a direct financial comparator against which to benchmark.</p> <p>BPG to monitor through service up-dates at future meetings.</p>

### Update on Asset Management Policy and Strategy

<b>Request</b>	<b>Responder</b>	<b>Response</b>
The Committee supports the draft Asset Management Policy and Strategy 2022/23 - 2025/26 and agrees that it meets the objectives in the Our Council Plan and is flexible enough to meet the changing needs and work practices of the County Council	Director of Place Services	No response required
That the Joint Venture Partnership should be added to objective 3 of the Asset Management Strategy.	Director of Place Services	An appropriate sentence will be added to cover this request in the Asset Strategy
Requests that the committee is kept up-to-date in relation to the outcome and implications of the Smarter Working Programme	Director of Place Services	It is suggested that how and when this is done is considered with the Business Planning Group

### Update on Early Help Asset Plan

<b>Request</b>	<b>Responder</b>	<b>Response</b>
The Committee supports the Early Help Asset Plan	N/A	No response required
Stresses the importance of keeping local Members up-to-date on assets within their area.	Andrew Edwards and Elaine Sanders	Officers to note

## Scrutiny Annual Report

<b>Request</b>	<b>Responder</b>	<b>Response</b>
The Committee supports presenting the Scrutiny Annual Report to full Council	Head of Democratic Services	Presented to July County Council
Supports the development of an Executive Scrutiny Protocol	Head of Democratic Services	To note for Governance Committee in September 2022
Scrutiny Development Action Plan to be shared with Members of the committee	Head of Democratic Services	Shared via e-mail 11July 2022

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**Responses to actions/resolutions from 13 July committee**

**End of March 2022 (Quarter 4/end of year) Quarterly Performance and Resources Report**

<b>Request</b>	<b>Responder</b>	<b>Response</b>
<p>Look into whether care leavers could be prioritised for appropriate apprenticeship opportunities</p>	<p>The Cabinet Member for Support Services and Economic Development</p>	<p>With our revised recruitment policy, which is due to launch imminently, we are introducing a guaranteed interview scheme for West Sussex care leavers (in the same way as we have for those with a disability and veterans). This will allow us to take some positive action in this space.</p> <p>Additionally, Naomi Williams, Group Manager, Leaving Care Services, has a group looking at a wide-ranging offer for those leaving care, one of the workstreams is around Education, Employment and Training. The apprenticeships team is hooked into this, and so we can then start to build what the offer looks like. One of the challenges is the lack of entry level apprenticeships in the authority – particularly at level 2, they are few and far between, so we also need to work with services to build in these kind of roles. The Council’s Voice and Participation Manager is looking to recruit a couple of apprentices to his team with lived experience of care.</p>

**Part II - Variation of Contract with Entserv UK Limited (DXC) for a Corporate Business Management Solution (Smartcore)**

<b>Request</b>	<b>Responder</b>	<b>Response</b>
The report to the September meeting of the Committee to have more details on the objectives of the programme, hypercare/middleware/data migration, full costs and anticipated benefits (value for money) and learning points from this experience	Director of Finance and Support Services	Officers noted request for the report

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## **Report to Performance and Finance Scrutiny Committee**

**9 September 2022**

### **End of June 2022 (Quarter 1) Quarterly Performance and Resources Report – Focus for Scrutiny**

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

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### **Summary**

The Quarterly Performance and Resources Report (PRR) is the Council's reporting mechanism for corporate performance, finance, savings delivery, risk and workforce. It has been designed to reflect the priorities, outcomes and measures included in Our Council Plan. The report is available to each scrutiny committee on a quarterly basis and each committee will consider how it wishes to monitor and scrutinise performance relevant to their area of business.

The report (Annex B) reflects the position at the end of June 2022 and reports the Quarter 1 2022/23 position.

Of the 53 performance measures, 51% of measures are reporting as 'green', 34% as 'amber' and 15% as 'red'.

The projected outturn forecast for 2022/23 is a £7.554m overspend.

The PRR also includes information which is specifically relevant to the portfolio responsibilities of the scrutiny committee including service transformation and workforce. The service transformation section (Appendix 3) includes updates on the key projects currently being managed and the workforce statistics, (Appendix 6) provides quarterly information on Key Performance Indicators (KPIs).

The current Risk Register (Appendix 5) is included to give a holistic understanding of the Council's current performance reflecting the need to manage risk proactively.

The Cabinet meeting on 13 September will approve the Quarter 1 Performance and Resources Report.

### **Focus for scrutiny**

The Committee is asked to consider the PRR (the Annex report attached). Areas for scrutiny include:

- Whether the report addresses the concerns raised at previous meetings of the Committee, including the inflationary impact on the Capital Programme, the amber rating of the Horsham Enterprise Park and Broadbridge Heath Retail Scheme, HR information in relation to recruitment and expanding the information content for the service transformation projects (benefit realisation and efficiencies to be achieved)

- The continuing impact of the Covid-19 emergency situation on the Council's performance and financial resilience
- Identify any areas of concern within the Committee's portfolio responsibilities relating to the 2022/23 performance indicators and any measures required to address these
- To review the Risk Register and assess plans in place to mitigate key corporate risks
- The effectiveness of measures taken to manage the Council's financial position and any non-delivery of identified savings
- Any areas of concern in relation to the workforce indicators
- Using all the information presented to the committee, identify any issues needing further in-depth scrutiny relevant to the committee's portfolio area of responsibility (where there are outcomes scrutiny may influence/add value);
- Identification of:
  - a) Any specific areas for action or response by the relevant Cabinet Member
  - b) Any issues for further scrutiny by one of the other scrutiny committees as appropriate

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

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## **1. Background and context**

- 1.1 The Performance and Resources Report (PRR) is designed to be used by all scrutiny committees as the main source of the County Council's performance information.
- 1.2 Annex A – How to Read the Performance and Resources Report, provides some key highlights on the structure, content and a detailed matrix of the sections of the report which are expected to be reviewed by the different scrutiny committees.
- 1.3 The County Council is focused on delivering the four priorities as set out in Our Council Plan: keeping people safe from vulnerable situations, a sustainable and prosperous economy, helping people and communities fulfil their potential and making the best use of resources, all underpinned by tackling climate change. In the first quarter, the measures reported:
- 51% (27 measures) as 'Green'
  - 34% (18 measures) as 'Amber'
  - 15% (8 measures) as 'Red'
- 1.4 The **forecast outturn position** for 2022/23 is a £7.554m overspend. This projection assumes all Covid related costs will be funded by Government grants and excludes the use of the general contingency budget which is held separately. The contingency budget held for 2022/23 is £9.156m to assist with unplanned pressures. This includes £2.9m earmarked for inflation.



- 1.5 The report highlights the non-delivery and delay in achieving the **savings target**. There are £23.4m savings to be achieved in 2022/23 which includes £12.4m undelivered savings from 2020/21 and 2021/22. 34% (£7.4m) of the target is judged to be red rated with no expectation of delivery. This has been reflected in the outturn position forecast.
- 1.6 The main **financial risks** from across the portfolios include:
- Increasing inflation price rises on energy, goods and services,
  - Continued increases in the cost of older people care packages,
  - The mix between internal and external placements for children,
  - The cost of children in need of secure or specialist placements,
  - The rising numbers of children requiring high needs education,
  - The non-delivery and delays of savings.
- 1.7 The impact of increasing costs within the **capital programme** continues to be monitored on a project-by project basis. The Capital Programme for 2022/23 is currently £113m with an expected spend of £115.5m.
- 1.8 The committee previously raised questions and asked for further detail in relation to the Horsham Enterprise Park and Broadbridge Heath Retail developments. The extra detail to highlight the current status of the schemes is included in section 6 of the report.
- 1.9 In relation to **corporate risks**, there are four corporate risks with severity above the tolerance threshold, more detail can be found in Appendix 5:
- CR11 Recruitment and retention
  - CR39a Cyber-security
  - CR58 Failure of Social Care Provisions
  - CR22 Financial Sustainability
- 1.10 Nine of the eleven **Workforce Key Performance Indicators** are rated 'Green' and two are amber rated; high level of sickness reported and lower than targeted employee declaration rates (Appendix 6).
- 1.11 The background and context to this item for scrutiny are set out in the attached appendices (listed below). 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

**Appendices**

Annex A – How to Read the Performance and Resources Report

Annex B – Performance and Resources Report – June 2022

Section 1: Adults Services Portfolio – Summary

Section 2: Children and Young People Portfolio – Summary

Section 3: Learning and Skills Portfolio - Summary

Section 4: Community Support, Fire and Rescue Portfolio – Summary

Section 5: Environment and Climate Change Portfolio – Summary

Section 6: Finance and Property Portfolio - Summary

Section 7: Highways and Transport Portfolio - Summary

Section 8: Leader Portfolio (including Economy) - Summary

Section 9: Public Health and Wellbeing Portfolio - Summary

Section 10: Support Services and Economic Development Portfolio -  
Summary

Appendix 1: Revenue Budget Monitor to the end of June 2022

Appendix 2: Service Transformation and Flexible Use of Capital  
Receipts Update – Q1 2022/23

Appendix 3: 2022/23 Capital Monitor as at the end of June 2022

Appendix 4: Corporate Risk Register Summary - Q1 2022/23

Appendix 5: Workforce Information – Q1 2022/23

**Background Papers**





None

## How to Read the Performance and Resources Report

The Performance and Resources Report is separated into three sections:

- a. **Summary Report** – This is an overall summary of the County Council’s performance for the latest quarter, including:
  - Performance highlights of the County Council’s priorities,
  - Overview of the revenue and capital financial outlook across the organisation,
  - Key corporate risks with a severity graded above the set tolerance level,
  - The latest workforce overview.
- b. **Sections by Portfolio (Sections 1-10)** – There is a separate section for each Portfolio:
  - Section 1 – Adults Services
  - Section 2 – Children’s and Young People
  - Section 3 – Learning and Skills
  - Section 4 – Community Support, Fire and Rescue
  - Section 5 – Environment and Climate Change
  - Section 6 – Finance and Property
  - Section 7 – Highways and Transport
  - Section 8 – Leader
  - Section 9 – Public Health and Wellbeing
  - Section 10 – Support Services and Economic Development

Each Portfolio covers the following aspects in detail which enables the Section to be viewed as a stand-alone report:

- Updates of the performance KPIs agreed in Our Council Plan and the action taking place, including Climate Change  performance measures.
- The KPI measures compare the last three periods - this may be quarterly, annually or other time periods (depending on how regularly data is released); however, each measure will explain the reporting period.
- The arrows on the KPI measures represent the direction of travel compared to the previous quarter:
  - A green upward arrow  shows that performance is improving,
  - A red downward arrow  shows performance is worsening, and,
  - An amber horizontal arrow  shows no change to performance.
- Overview of the revenue financial position, risks and issues and savings update.
- Overview of the capital financial position and latest capital performance.
- Details of the corporate risks which have a direct impact on the specific Portfolio.

c. **Supporting Appendices** – Other documents within the report include:

- Appendix 1 – Revenue Budget Monitor and Reserves
- Appendix 2 – Service Transformation
- Appendix 3 – Capital Monitor
- Appendix 4 – Corporate Risk Register Summary
- Appendix 5 – Workforce

## Scrutiny Committee Documents

The relevant elements of the Performance and Resources Report will be made available to Scrutiny Committees and Public Cabinet.

A detailed matrix of the Performance and Resources Report’s Sections and Appendices by Scrutiny Committee responsibility is shown below. The areas in dark green indicate the Scrutiny Committees areas of responsibility and the areas in light green denote areas of the report which should be included in the Committee papers for context and consideration where appropriate.

### PRR Matrix – Documents for Scrutiny Committees

#### Scrutiny Committee Elements of Performance and Resources Report

		CYPSSC	HASC	CHESC	FRSSC	PFSC
Summary Report						✓
Section 1	Adults Services Portfolio		✓			✓
Section 2	Children and Young People Portfolio	✓				✓
Section 3	Learning and Skills Portfolio	✓				✓
Section 4	Community Support, Fire and Rescue Portfolio			✓	✓	✓
Section 5	Environment and Climate Change Portfolio			✓		✓
Section 6	Finance and Property Portfolio					✓
Section 7	Highways and Transport Portfolio			✓		✓
Section 8	Leader Portfolio					✓
Section 9	Public Health and Wellbeing Portfolio		✓			✓
Section 10	Support Services and Economic Development Portfolio					✓
Appendix 1	Revenue Budget Monitor and Reserves					✓
Appendix 2	Service Transformation					✓
Appendix 3	Capital Monitor					✓
Appendix 4	Corporate Risk Register	✓	✓	✓	✓	✓
Appendix 5	Workforce					✓

<b>KEY:</b>
Specific Committee Responsibility
To Be Included In Committee Papers

## **Performance and Resources Report – June 2022**

The County Council's business performance, financial performance (revenue and capital), savings delivery, workforce and risk are monitored through the Quarterly Business Performance Report produced each quarter for consideration by senior officers, Cabinet and all members including Scrutiny Committee members.

### **Introduction**

1. This report provides an overview of the performance across West Sussex County Council for the first quarter of 2022/23 (April - June). It brings together information on performance, finance, workforce and risk management, all of which are reported on an outturn forecast basis and describes how the County Council is delivering on our Council Plan as refreshed in February 2022. The Council Plan sets out four priorities: keeping people safe from vulnerable situations, a sustainable and prosperous economy, helping people and communities fulfil their potential and making the best use of resources, all underpinned by tackling climate change.

### **National Context**

2. The UK economy contracted by 0.1% in the quarter April – June 2022, compared to the previous three quarters of growth; leaving it at 0.6% above the pre-Covid 19 growth level (October- December 2019).
3. The Bank of England raised interest rates by 0.25% to 1.25% in June, after 12-month Consumer Price Index (CPI) inflation rose from 7.0% in March to 9.0% in April with a forecast CPI inflation will average slightly over 10% at its peak by the end of 2022.
4. Since the end of June, the Bank of England has revised its inflation forecasts and in August, increased inflation rates to 1.75% and announced that it was forecasting the UK would enter recession in the final three months of 2022. Key inflationary drivers are rising prices for fuel and energy, impacting on food and materials, together with labour shortages.
5. Many organisations both nationally and locally are experiencing significant problems with staffing recruitment and retention. The Office for National Statistics have reported that number of job vacancies in the UK reached a record high of almost 1.3m in the three months to May 2022, around 425,000 more vacancies when compared to the same period of 2021. This high level of vacancies is causing a significant pressure on many industries and organisations, including councils and those from whom they commission services.
6. The Office for National Statistics has also announced that real household disposable income fell by 0.2% during January - March; the fourth consecutive quarter of real negative growth in disposable income. This position is expected to have worsened during the summer; however, this will not be clear until the data is published in September.

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7. In May 2022, the then Chancellor announced further support for households with increasing costs, the announcement included:
  - Households will receive £400 of support with their energy bills through an expansion of the Energy Bills Support Scheme. This announcement has doubled the £200 of support originally announced in February, with the payment now becoming a grant, which will not be recovered through higher bills in future years.
  - More than eight million households on means-tested benefits will receive a one-off Cost of Living Payment of £650 this year.
  - Pensioner households will receive an extra £300 this year to help cover the rising cost of energy this winter.
8. The first data from the 2021 Census was published on 28<sup>th</sup> June. It showed that the West Sussex population has increased 9.4% since 2011 to 882,700 people. This is a larger increase than for neighbouring counties, the South East (7.5%) and England (6.6%). The largest increase has been in older people (aged 65 and over), but five of our Districts and Boroughs have also seen increases in under 15-year-olds above the England average of 5.0%.
9. In May, the government released a consultation on 'Reforming Our Fire and Rescue Service' which sought views on proposals to introduce system-wide reform that will strengthen fire and rescue services in England. The consultation closed in July, and stakeholders await feedback.
10. On the 23<sup>rd</sup> May 2022, the independent review of children's social care report was published. In response, the government have set out the actions it is taking to improve children's social care and its plans to publish an implementation strategy on children's social care before the end of 2022.

## **Performance Summary - Our Council Plan**

11. This section reports the latest performance position against Our Council Plan measures. **Table 1** displays the performance by priority with details of each measure reported in each respective Portfolio Section. The values within the table refer to the number of KPI measures included within each portfolio.

**Table 1 – Performance by Portfolio/ Priority**

Portfolio / Priority	RAG Status	Keeping People Safe from Vulnerable Situations	A Sustainable and Prosperous Economy	Helping People and Communities to Fulfil Their Potential	Making the Best Use of Resources
Adults Services	R	1	N/A	2	N/A
	A	1	N/A	4	N/A
	G	2	N/A	N/A	N/A
Children and Young People	R	2	N/A	N/A	N/A
	A	2	N/A	N/A	N/A
	G	1	N/A	N/A	N/A
Learning and Skills	R	N/A	N/A	N/A	N/A
	A	N/A	N/A	3	N/A
	G	N/A	1	3	N/A
Community Support, Fire and Rescue	R	1	N/A	N/A	N/A
	A	N/A	N/A	N/A	N/A
	G	2	N/A	4	N/A
Environment and Climate Change	R	N/A	N/A	N/A	N/A
	A	N/A	1	N/A	N/A
	G	N/A	1	N/A	N/A
Finance and Property	R	N/A	N/A	N/A	1
	A	N/A	1	N/A	N/A
	G	N/A	N/A	N/A	2
Highways and Transport	R	N/A	N/A	1	N/A
	A	N/A	1	N/A	N/A
	G	N/A	2	N/A	N/A
Leader	R	N/A	N/A	N/A	N/A
	A	N/A	N/A	N/A	N/A
	G	N/A	3	N/A	N/A
Public Health and Wellbeing	R	N/A	N/A	N/A	N/A
	A	N/A	N/A	3	N/A
	G	3	N/A	N/A	N/A
Support Services and Economic Development	R	N/A	N/A	N/A	N/A
	A	N/A	N/A	N/A	2
	G	N/A	N/A	N/A	3

**Key:**

	Cells highlighted in blue indicate the KPIs which include a <b>Climate Change (CC)</b> measure. Overall, there are three Climate Change measures.
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12. The quarter one position shows the following split:

- 51% (27 of 53) – meeting target or on track to meet the target (Green)
- 34% (18 of 53) – close to meeting their target (Amber)
- 15% (8 of 53) – not meeting their target (Red)

**Performance Summary by Priority**

13. The Council has continued to progress various improvement programmes as well as responding to on-going events and challenges this quarter which have impacted the operations and priorities of the council. Supporting the fallout of the on-going war

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in Ukraine, the cost-of-living crisis and national recruitment issues all impact how we deliver services.

### **Keeping People Safe from Vulnerable Situations**

14. Following the successful implementation of the Family Safeguarding model in February 2022, Children's Services have been focused on the dip in performance that such a major change inevitably entails. They are seeing it return to expected levels, despite the continuing high demand within Children's Social Care and Early Help. The service is now working on implementation of phase two of the model in the Autumn of 2022 and the implementation of the phase two Fostering Service Redesign. The next Ofsted Monitoring visit will be in September and the service is focussing on being able to evidence ongoing and consistent progress in this.
15. The report of the Youth Justice inspection undertaken in the previous quarter was published in June, confirming the service is judged good with some outstanding features.
16. The Adult Social Care service are continuing to implement their strength-based approach through the review of care packages, with some early indications that this is having an impact as average weekly costs are not rising despite an average uplift for providers of 9% for 2022/23. In the face of rising pressures at the front-door, robust triage systems are enabling teams to respond immediately to critical situations and deal with other cases on the basis of urgent, normal or low need.
17. An extra care housing development has been opened in East Grinstead, promoting and enabling independence for West Sussex residents.
18. Workforce recruitment and retention is proving increasingly difficult in both Children's and Adults' Services and is putting pressure on our services and those we commission. Both services are undertaking a range of recruitment and retention activities to ensure that levels of service remain strong now and into the future. A package of improved pay and rewards has been implemented and successful overseas recruitment drive in Adult Services has seen a number of new posts filled across the county in community, hospital, learning disability and mental health teams.
19. The West Sussex Fire and Rescue Service's Community Risk Management Plan 2022 – 2026 was launched in April, setting out the direction of the Fire and Rescue Service over the next four years. This plan was developed in consultation with residents, staff, our emergency service partners and other interested stakeholders, to ensure West Sussex remains a safe place to live and work.

### **A Sustainable and Prosperous Economy**

20. Development continues on our infrastructure to improve safety and promote sustainable travel. A countywide road safety review is underway, with the County Council leading a cross-party group to review the county's road safety framework, including the speed limit policy and exploring other traffic management measures that could help reduce serious-injury accidents.



21. 178 of over 600 projects have been completed within the Highways, Transport and Planning Delivery Programme for 2022/23. Preliminary works have also started on the project to build the northern section of the A284 Lyminster Bypass which will ease traffic congestion and will boost the local economy.
22. Some significant milestones within the Growth Deals that are supporting our economic strategy have also been achieved, with the A2300 improvements scheme, Portland Road public realm improvements, demolition of the former school site in Chichester and the Manor Royal phase one works all being completed.
23. The £23 million A2300 improvements scheme was officially opened at the start of April, which included widening 2.4km of single-lane road to dual carriageway near Burgess Hill providing infrastructure to support new homes and employment. It also provides opportunities for people to make active/sustainable travel choices, with provision for pedestrians and people who cycle.

### **Helping People and Communities Fulfil Their Potential**

24. At 89.1% the proportion of West Sussex schools that are judged good or outstanding by Ofsted equalled an all-time high. This means 90.1% of West Sussex pupils are in schools judged thus.
25. In April, the percentage of 16–17-year-olds Not in Education, Employment or Training or whose activity is not known was still higher than those for the South East or England overall, but the gap was narrowing. Our career advisors continue to offer targeted support to help young people who are struggling to fulfil their career potential.
26. Teams across the council are working together to respond to the 'Homes for Ukraine' Scheme. This has included assisting Ukrainians on arrival, carrying out checks and working with District and Boroughs to complete property visits for residents offering accommodation and providing practical support. The Community Hub is managing all initial contact and enquiries from Sponsors.
27. The Community Hub have also been working closely with internal teams, partners and District and Borough Councils distributing the Household Support Fund to support over 9,363 individuals across 3,297 households during the quarter. This assistance has been focused on those requiring support with food, energy, water bills and who are experiencing hardship for reasons not necessarily linked to Covid-19.
28. West Sussex County Council's Admissions Team handled 8,842 primary applications this year and 91.2% of those who applied to start primary school will be offered their first preference school, with 98.7% offered one of their three preferences. The team also managed a total of 1,444 applications for children transferring from infant to junior school. Of those, 100% will be offered one of their three preferences, with 99.9% offered their first preference school.

### **Making the Best Use of Resources**

29. The construction of West Sussex Fire and Rescue Service's new multi-million-pound fire station and training centre continues at pace. The project represents a significant investment in the service. The training centre will be the first of its type in the county and will allow firefighters to train in a wide range of realistic scenarios.
30. The overall square meterage of operational property continues to improve, and we have already met this year's target as a result of the closure of one of the large corporate office hubs, Centenary House Durrington.

### **Responding to the Challenges Posed by Climate Change**

31. West Sussex County Council has adopted the West Sussex Transport Plan (WSTP) 2022-2036. The key change made to the Plan following consultation on a draft in summer 2020, was the inclusion of a commitment to set a decarbonisation target. The Plan will guide the County Council's approach to the improvement and maintenance of the transport network to address key challenges, including transport emissions and impacts on climate change, road safety and rural isolation.
32. Recorded carbon emissions for the quarter totalled 5,107 tonnes, a 25% decrease against the 2019/20 baseline. A reduction in operational buildings, reduced demand from offices and maintenance works have all contributed to these savings, as have comparatively warmer temperatures reducing gas demand. Transport related emissions remain at less than 60% of pre-Covid levels, though this gap is closing as transport emissions trends are increasing.
33. The County Council-led Solar Together Sussex scheme to encourage residents to install domestic solar PV and battery systems reached 1,000 installations in June. This amounts to approximately 4MW of total installed generation capacity and a 1,000-tonne reduction in annual CO2 emissions compared to non-renewable generation. The scheme is on track to deliver a further 500 installations by the end of quarter two.
34. By the end of June, facilities for the deposit of hard plastic items were available at five of the eleven County Council Recycling Centres. This new waste stream, which includes garden furniture, children's toys, plant pots and plastic containers, will add c500 tonnes per annum to the recycling effort. Five further sites will be added in by September 2022.
35. The year-long '1-2-3 Collections Trial' in partnership with Arun District Council finished in May. The trial system which included food waste collection, effectively halved the amount of residual waste for disposal and demonstrated recycling levels that would exceed the Government's 2030 target.

## Finance Summary

### National Financial Overview and Potential Impacts

36. Global inflationary pressures have continued to intensify during the first quarter of 2022/23. The persistent increasing energy prices, which is also affecting the cost of general goods and services, is fuelling rises in inflation. This is alongside supply and demand pressures following the disruption caused by the conflict in Ukraine, but also the continued impact of the Covid-19 pandemic in China and other countries. These global events are directly attributable to the cost-of-living crisis which is increasing household expenses for families. These factors have also led to a deterioration in the outlook for UK growth.
37. The UK's unemployment rate continues to be at a low level, with the unemployment rate between February and April remaining at 3.8%. Experts predict that this will fall slightly further in the coming months as the supply within the labour market tightens adding further pressure to wage inflation. In West Sussex, the unemployment rate in June was 2.8%, slightly lower than the South East average of 2.9%.
38. The latest figures from the Office for National Statistics (ONS) on the Consumer Price Index (CPI) and Retail Price Index (RPI) are shown in **Table 2** below.

**Table 2 – Inflation Table CPI and RPI**

	April 2022	May 2022	June 2022
Consumer Price Index (CPI)	9.0%	9.1%	9.4%
Retail Price Index (RPI)	11.1%	11.7%	11.8%

39. The Bank of England's Monetary Policy Committee (MPC) sets its monetary policy to meet a 2% inflation target. Since the 30<sup>th</sup> June, the Committee has decided to raise interest rates from 1.25% to 1.75%, in a move which is intended to help curb inflation. The Bank has warned that the UK is expected to fall into recession in the final three months of the year and predicts that inflation will peak at 13.3% in October, the highest level since December 1980.
40. Looking at the financial landscape in 2022/23 and beyond, the impact of the increasing cost of goods and services remains a significant concern. With wage increases likely to be agreed at a higher than planned increase and the cost of services also continuing to rise, there is much financial uncertainty. Ongoing economic implications on services and the impact on the medium-term financial strategy and budget for 2023/24 and beyond, remains under review. However, there is uncertainty with regard to the continuing inflation rises, the effect this will have on the value of our service contracts and funding available to deliver essential services over the short-to-medium term.
41. There also remains significant uncertainty around Local Government funding from 2023/24 onwards. The Fair Funding Review and changes to the business rates

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retention scheme, originally planned to be implemented from April 2020, has been postponed for a number of years and has, therefore, delayed the impact on local authorities' funding assumptions. It was assumed that Fair Funding would be implemented in 2023/24 but it now seems likely this will be further delayed. The previous Secretary of State for the Department for Levelling Up, Housing and Communities promised to give local authorities greater 'financial certainty' and had indicated a 'two-year financial settlement' would be introduced next year. It is expected that a consultation will follow the conclusion of leadership elections and our assumptions will be kept under review as more details emerge.

## County Council Financial Overview

### Financial Summary

42. The forecast outturn position for 2022/23, as at the end of June, is currently **projecting a net £7.554m overspend**. This overall position assumes that any in-year costs related to the Covid-19 pandemic will be fully funded from government grants received. Also, this position excludes the use of the general contingency budget which is held separately.
43. **Table 3** details the revenue outturn position by Portfolio.

**Table 3 –Year End Outturn Position and Variation**

PORTFOLIO	CURRENT NET BUDGET (£'000)	PROJECTED OUTTURN VARIATION (£'000)	VARIATION %
Adults Services	215,853	0	0.0%
Children & Young People	139,753	4,200	3.0%
Learning & Skills	28,810	1,109	3.8%
Community Support, Fire & Rescue	45,110	242	0.5%
Environment & Climate Change	62,078	500	0.8%
Finance & Property	25,131	-180	-0.7%
Highways & Transport	41,372	1,500	3.6%
Leader	2,892	0	0.0%
Public Health & Wellbeing	0	0	0.0%
Support Services & Economic Development	41,487	183	0.4%
<b>Total</b>	<b>602,486</b>	<b>7,554</b>	<b>1.3%</b>

Key: ■ and ■ - Reports the Q1 Projection

## Inflation Pressures

44. Within the net revenue overspend position, there is £7.8m of service specific inflationary pressures, largely in relation to energy prices and contract inflation increases. **Table 4** details the specific items for closer review. Please note, some portfolios are not reporting an overall overspend projection because other mitigation opportunities have been identified to offset the pressure.

**Table 4 – Projected Inflation Costs Over and Above Budgeted Assumption (Excluding Pay)**

Estimated Additional Inflationary Pressures 2022/23 (Revenue)		Overspend Reported
Learning & Skills	Mainstream Home to School Transport – Inflation pressures on coach and public transport contracts.	£0.630m
Learning & Skills	SEND Home to School Transport – Increasing Alternative Provision transport costs.	£0.135m
Learning & Skills	Crawley Schools PFI – Inflation and unitary charge price rise.	£0.500m
Environment & Climate Change	Waste contracts- Inflation increases from 5% allocated in budget setting to 8.3%.	£1.826m
Environment & Climate Change	Corporate Utilities – Forecast energy price rise.	£1.700m
Environment & Climate Change	Solar Energy – Additional income generated from forecast energy price rise.	(£1.000m)
Highways & Transport	Street Lighting PFI - Forecast energy price rise.	£3.000m
Highways & Transport	Traffic Signals - Forecast energy price rise.	£0.300m
Highways & Transport	Highways Maintenance – Inflation price rise.	£0.600m
Highways & Transport	Countryside Services – Inflation price rise.	£0.100m
<b>Total Additional Inflation Pressures Identified (Revenue)</b>		<b>£7.791m</b>

## Latest Staffing Pay Award Position

45. The 2022/23 budget included a pay award provision of 2.5% for 2021/22 and of 3% for 2022/23. The final 2021/22 NJC and HAY pay award, which was settled in February 2022, after the creation of the 2022/23 budget, was agreed at 1.75%. This has resulted in the remaining 0.75% from the 2021/22 staffing inflation provision being added to the 2022/23 allocation held in service budgets in anticipation of an in-year settlement.

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46. On the 25<sup>th</sup> July 2022, the local government national employers announced their final pay offer for NJC staff, which included:
  - An increase of £1,925 on all NJC pay points,
  - An increase of 4.04% on all allowances
  - An increase of one day annual leave for all employees (with effect from 2023/24).
47. Reaction from the unions to this announcement has been mixed and it is not currently known whether this offer will be accepted.
48. In June 2022, fire and rescue employers offered firefighters and control staff a 2% pay award for 2022/23. The Fire Brigades Union (FBU) are recommending a rejection of the pay offer to its members. Other employer pay bodies, including Soulbury, are still considering their offers at this time.
49. A high-level calculation estimating the potential financial impact of the NJC employer proposal and assumed similar stance for other pay bodies has been undertaken. It is anticipated that a further £4.5m will be required in 2022/23, however the actual value will be dependent on the outcome of the current pay negotiations taking place and number of staff within each cohort.

### **Contingency Budget Overview**

50. The County Council's Contingency Budget is reported within the Non-Portfolio Budget section of the accounts. For 2022/23, a **£9.156m Contingency Budget** is available to assist with unplanned in-year pressures, including £2.9m earmarked for inflation.
51. Following the increasing uncertainty with regard to inflation, a Decision was taken within the 2021/22 Outturn Performance and Resources Report (PRR) to create an **Inflation Contingency Reserve** using £4.969m of unspent 2021/22 Contingency funds.
52. **Table 5** details the total available contingency funds for 2022/23 alongside the current projected overspend position and the estimated additional funding which may be required for the 2022/23 staffing pay award.

**Table 5 – Projected Impact of Contingency Budget – Impact of Projected Overspend and Pay Inflation**

<b>Contingency Budgets in 2022/23</b>	<b>Funding Available 2022/23</b>
Contingency Budget 2022/23 (Including £2.9m earmarked for inflation)	£9.156m
Inflation Contingency Reserve	£4.969m
<b>Total Contingency/ Inflation Funding Available</b>	<b>£14.125m</b>
<b>Less</b> - Estimated funding required to cover proposed NJC offer (assumes inclusion of HAY) plus funding requirements for other pay bodies at 4%.	£4.500m
<b>Subtotal – Remaining Contingency</b>	<b>£9.625m</b>
<b>Less</b> – Current projected revenue outturn overspend – as at June 2022	£7.554m
<b>Remaining Uncommitted Contingency Funding</b>	<b>£2.071m</b>

### Covid-19 Grant Overview

53. The costs of the Covid-19 pandemic to the County Council have been monitored separately from the portfolio budgets agreed by County Council. It is expected that all the costs of the pandemic incurred in 2022/23 will be funded from existing government grants.
54. **Table 6** details the remaining Covid-19 grants carried forward into 2022/23 and value of known commitments. The remaining grants are expected to be fully utilised in 2022/23. Details on planned expenditure are reported in each portfolio section.

**Table 6 - Listing of Revenue Covid-19 Grants Transferred into 2022/23 and Current Known Commitments.**

<b>Covid-19 Grant</b>	<b>Details</b>	<b>Grant Carried Forward 2022/23 (£)</b>	<b>Current Known Commitments (£)</b>
Local Authority Non-Ringfenced Grant	Non-Ringfenced Grant – Supporting pressures created by the pandemic	£12.976m	£5.005m
Local Council Tax Support	Non-Ringfenced Grant – To support the continuation of the local council tax hardship scheme	£3.000m	£3.000m
Contain Outbreak Management Fund	Ringfenced Grant – To help reduce the spread of coronavirus and support local public health.	£3.651m	£3.651m
Emergency Active Travel Fund	Ringfenced Grant – To protect and increase travel services.	£0.170m	£0.170m
Travel Demand Management	Ringfenced Grant – Support in developing travel demand management programme.	£0.021m	£0.021m
<b>Total</b>		<b>£19.818m</b>	<b>£11.847m</b>

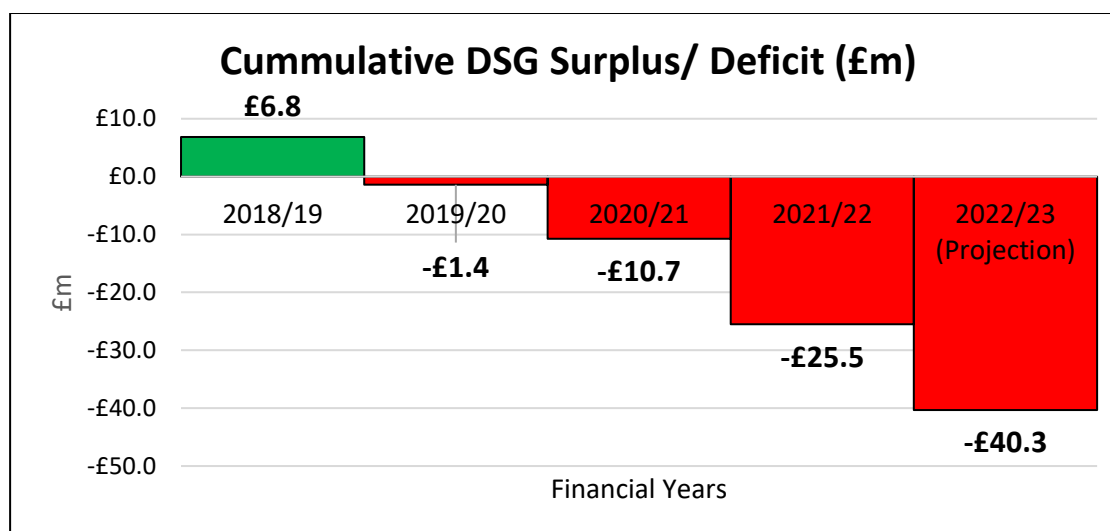
## Financial Outturn – Portfolio Risks

55. The individual portfolio sections within the report explain the key movements which have occurred during the year, however the main areas which have arisen within and across portfolios include:
- Increasing inflation price rises on energy, goods and services,
  - Continued increases in the cost of older people care packages,
  - The mix between internal and external placements for children,
  - The cost of children in need of secure or specialist placements,
  - The rising numbers of children requiring high needs education,
  - The non-delivery and delays of savings.
56. Although the **Adults Services Portfolio** is reporting a balanced budget, the challenge for 2022/23 is to deliver £15.8m of savings; of which £14.5m require action to enable delivery. Currently £7.0m of these savings are judged as 'at significant risk' and are not expected to be delivered in 2022/23; this pressure is being offset by other service opportunities. The remaining £7.5m is currently judged to be 'at risk' which will continue to be monitored during the year.
57. In addition, the **reforms to Adult Social Care** that are scheduled to take place in October 2023 expose the County Council to significant financial risks. In part, this is because of the additional expenditure that they will bring as a result of more residents engaging with the council for their social care needs. The other element is that there is a possibility that the formula which Government will use to allocate funding will target insufficient resources towards local authorities in relatively wealthier areas of the country, despite that these areas are likely to be where the cost impact of the reforms will be greatest. To help mitigate the financial risk, the County Council repurposed the Adult and Health Pressures and Recovery Reserve into the Adult Social Care Reform Risk Reserve. This means that funding of £5m is currently available to manage adverse financial implications, particularly in relation to the one-off spending which will be incurred in 2023/24 from the surge in activity that is expected as self-funders approach the County Council for an assessment so that they may benefit from the reforms.
58. The **Children and Young People Portfolio** is projecting a £4.2m overspend. This largely due to the mix of placement types, with more external placements, which are more costly, being required than internal provision. The external residential placement proportion is being exacerbated by the difficulties in recruiting sufficient staff within the County Council's in-house residential services. There have also been a small number of unique high-cost care and support arrangements which are adding financial pressure within the service.
59. Also, it had been expected that the in-year implementation and service funding for the phase two Family Safeguarding model would be supported by £1.9m of transformation funding from the Department for Education (DfE). Disappointingly, the DfE have informed the County Council that they have not awarded the grant required, therefore the cost will fall within the Children and Young People Portfolio.



60. The pressure on the **Dedicated Schools Grant** (DSG) High Needs block has grown since the implementation of the Children and Families Act 2014 which has resulted in increased requests for:
- Education Health and Care Needs Assessments,
  - Pre-16 specialist placements,
  - Post 16 High Needs placements in special schools, colleges and Independent Specialist Providers,
  - Personal budgets and exceptional needs expenditure to meet very complex needs.
61. The Dedicated Schools Grant (DSG) Reserve is currently reporting a £25.5m deficit, with a further £14.8m projected overspend in 2022/23 currently forecast. This will increase the DSG overspending position to £40.3m by the end of the financial year.
62. In March 2023, the DSG statutory override, which has required local authorities to separate DSG deficits from local authority reserves, will cease. Whilst we await clarify on the future accounting treatment, it is likely that it will result in the DSG deficit being included within the County Council’s reserves total from 2023/24, reducing the overall reserves balance.
63. **Graph 1** shows the cumulative DSG surplus and deficit which has amounted over the last five year. Further details are reported in **Section 3** – Learning and Skills Portfolio.

**Graph 1 - Five Year DSG Reserve Balance (Included 2022/23 Estimate).**



### Revenue Grant Update

64. Since the creation of the 2022/23 Budget, agreed by County Council in February 2022, a number of new grants have been awarded or known grant allocations have been confirmed at higher values than initially expected. **Table 7** provides details these grants; which have been added to the relevant portfolio budget.

**Table 7 - Listing of Revenue Grants Which Have Been Awarded Since Creation of 2022/23 Budget**

Portfolio	Grant	Value (£)	Narrative
Adults Services	Adult Social Care Charging Reform: Implementation Support Funding	£98,649	To contribute towards the cost of the required preparations for the Social care Charging Reform.
Children and Young People	Youth Justice Grant	£115,800	There has been an uplift to the Youth Justice Core Grant and Ring-Fenced Funding for Early Intervention. The total grant award for 2022/23 is £678,400.
Children and Young People	Supporting Families Grant	£154,000	Previously known as the Troubled Families Programme, this funding is used to provide help to vulnerable families with multiple and complex problems to prevent them from escalating into crises. The total core grant award for 2022/23 is £1,344,000.
Children and Young People	Reducing Parental Conflict Grant	£9,300	The funding is to enable councils to train frontline staff who regularly come into contact with families facing conflict. The total grant award for 2022/23 is £84,100.
Children and Young People	Staying Put Grant	£13,100	Funding to support young people to continue to live with their former foster carers once they turn 18. The total grant award for 2022/23 is £371,800.
Children and Young People	Rough Sleeping Grant	£21,400	Funding to provide intensive support to care leavers at highest risk of homelessness/ rough sleeping. The total grant award for 2022/23 is £21,400.
Children and Young People	Social Work Teaching Partnership Programme Funding	£73,704	Funding to support social worker training. The total grant award for 2022/23 is £73,704.
Learning and Skills	Extended Rights for Home to School Travel Grant	£106,600	Increase in grant award from £635,000 included within 2022/23 Budget to £741,600 in 2022/23.
Community Support, Fire and Rescue	Fire and Rescue – Protection Grant	£160,793	To drive improvement in the capability and capacity to deliver the protection function to support a safer built environment.
Community Support, Fire and Rescue	Fire and Rescue – Fire Pensions Grant	£55,710	Funding received to contribute towards costs associated with the additional administration work in reviewing pension records (McCloud). Grant to be held within the Statutory Duties Reserve.

Portfolio	Grant	Value (£)	Narrative
Community Support, Fire and Rescue	Community Support - Household Support Fund – (April – September 2022)	£4,870,362	To provide support directly to households who would otherwise struggle to buy food or pay essential utility bills or meet other essential living costs or housing costs.
Community Support, Fire and Rescue	Community Support - Homes for Ukraine Tariff Grant- (Q1 March 2022 – May 2022)	£13,030,500	To enable local authorities to deliver their requirements in supporting Ukrainian nationals arriving under the Homes for Ukraine Scheme.  (Individual based tariff).
Community Support, Fire and Rescue	Community Support - Hong Kong Welcoming Programme Grant - (Regional Partnership Funding)	£107,692	Enabling funds for local authorities welcoming Hong Kong British nationals.
Community Support, Fire and Rescue	Community Support - Afghan Bridging Hotel Funding - (Current Claim)	£1,018,200	Funds to deliver wrap around support for local authorities delivering bridging accommodation.  (Individual based tariff).
Community Support, Fire and Rescue	Community Support - Afghan Relocation and Assistance Scheme	£44,241	To enable local authorities to support Afghan nationals resettling.  (Individual based tariff).
Community Support, Fire and Rescue	Community Support - Syrian Refugee Grant	£10,899	To enable local authorities to support Syrian nationals resettling.  (Individual based tariff).
Highways and Transport	Local Transport Fund Grant	£463,645	This is a successor grant to the Bus Recovery and Light Rail and Tram Recovery Grant and is to be spent in accordance with set conditions.
Public Health and Wellbeing	Public Health Grant	£990,000	The 2022/23 allocation has been uplifted by 2.7%.

## Savings Update

65. The 2022/23 savings target across all portfolios is £11.0m. In addition to these planned savings, there remains £12.4m of 2020/21 and 2021/22 savings which were not delivered on an on-going basis; largely due to the Covid-19 pandemic. Therefore, the **overall savings to be achieved in 2022/23 totals £23.4m.**
66. To ensure that all savings are monitored with the same robustness and urgency, **Table 7** has amalgamated all the savings which need to be delivered; including a number of savings within the Adults Services Portfolio which have been re-cast to reflect revised saving plans. These amended plans have been created and

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supported by an external service provider, and have been developed for each individual workstream, however delivery of savings to date has been limited.

67. Of the total £23.4m savings:

- £4.9m (21%) is currently judged as on track and has either been delivered as originally envisaged or the saving has been achieved via a different mechanism,
- £11.1m (47%) is judged as amber where further work is required to ensure the saving can be achieved, and
- £7.4m (32%) is judged as red with no expectation of delivery in year. Red savings are reflected within the forecast outturn position.

68. The savings area of highest concern relates to Adult Services where £7.0m of savings are no longer expected to be achieved in year and a further £7.5m are judged as 'at risk' due to setbacks in the ability to instigate saving plans to deliver a full year effect.

69. **Table 8** summarises the savings position by Portfolio. Details of each saving is included in the separate portfolio sections.

**Table 8 – Savings by Portfolio**

	RED	AMBER	GREEN	BLUE	
Total Savings 2022/23	Significant Risk Not Delivered (£000)	At Risk (£000)	On Track Delivery In Year (£000)	Delivered On an On-Going Basis (£000)	Total (£000)
Adults Services	7,000	7,500	448	890	15,838
Children & Young People	0	2,600	300	300	3,200
Learning & Skills	187	0	188	525	900
Community Support, Fire & rescue	0	70	0	0	70
Environment & Climate Change	0	20	1,600	0	1,620
Finance & Property	0	150	0	0	150
Highways & Transport	0	376	0	0	376
Leader	0	0	0	0	0
Public Health & Wellbeing	0	0	0	0	0
Support Services & Economic Development	200	400	100	338	1,038
Non-Portfolio	0	0	250	0	250
<b>TOTAL</b>	<b>7,387</b>	<b>11,116</b>	<b>2,886</b>	<b>2,053</b>	<b>23,442</b>

**Savings Key:**

**R** Significant Risk    **A** At Risk    **G** On Track    **B** Delivered

## Reserves Position

70. The County Council's Useable Reserve balance as at 31<sup>st</sup> March 2022 was £277.4m. The County Council is and will continue face many challenges which includes areas of funding, social care reforms and transforming services. To reflect these, it is proposed that £31.1m of funding currently held in the Budget Management Reserve is re-allocated to other specific reserves as detailed in the table below.

**Table 9 – Proposed Reserve Table**

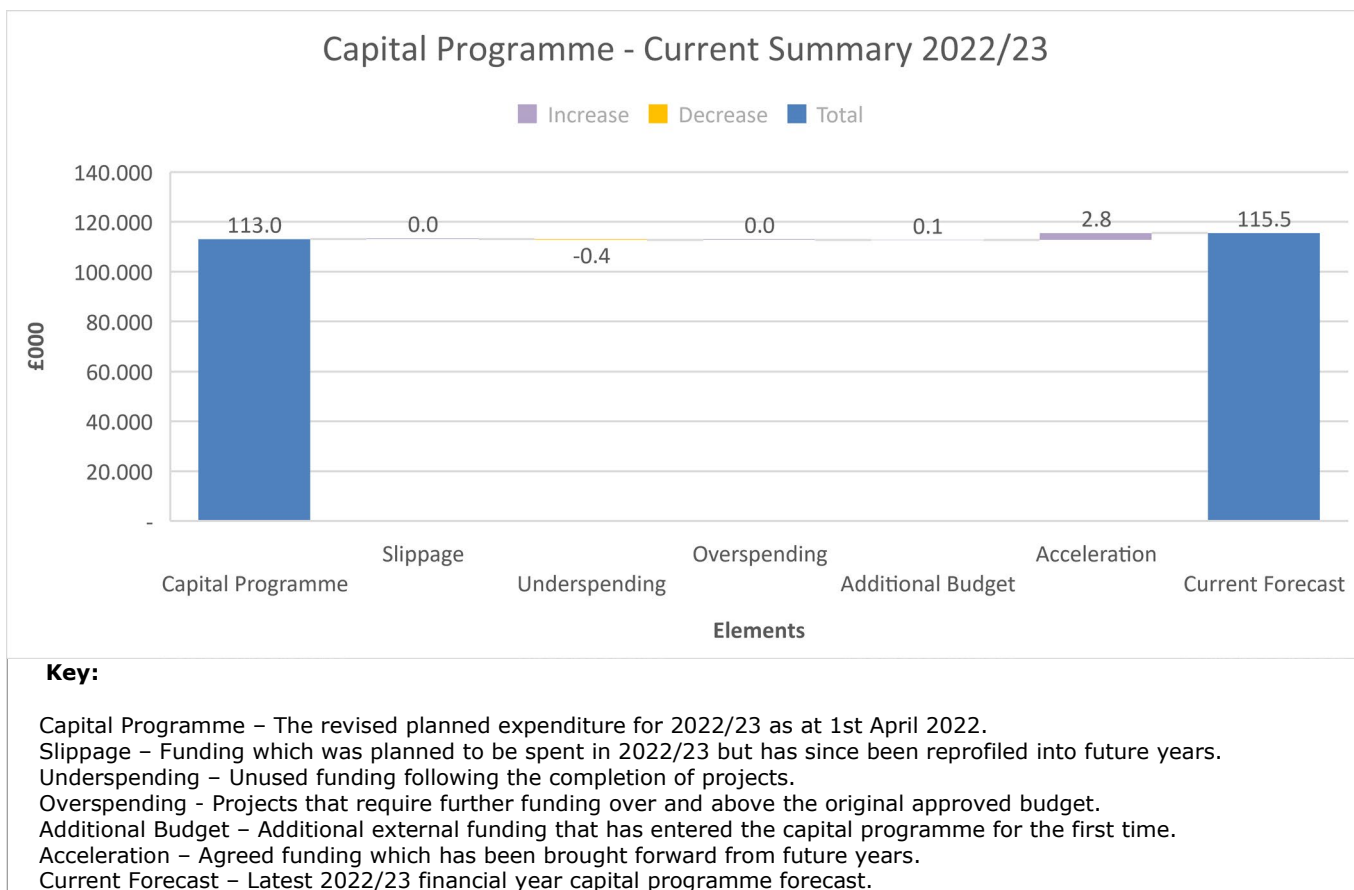
Reserve	Reason of Transaction	Value (£m)
Budget Management Reserve	Transfer funding to other specific reserves.	(£31.1m)
Adult Social Care Reform Risk Reserve	Increase reserve balance to assist anticipated future financial pressures.	£15.0m
Business Rates Appeals and Collection Fund Smoothing Reserve	Increase reserve balance to protect against shortfalls in council tax and business rate income.	£10.0m
Insurance Reserve	Increase reserve balance following a review of funding required in future years.	£5.0m
Service Transformation	Increase reserve balance to enable funding for future transformation schemes.	£1.1m
<b>Total</b>		<b>£0</b>

71. These proposals are included within the **Appendix 1** Reserves Monitor.

## Capital Programme Summary

72. The capital programme; as approved by County Council in February 2022, agreed a programme totalling £120.3m for 2022/23. £7.3m of this expenditure, originally profiled to spend in 2022/23, was accelerated into 2021/22, revising the capital programme to £113.0m.
73. Since this time, profiled spend has increased overall by £2.5m, to give a forecast spend for 2022/23 of £115.5m. **Graph 2** demonstrates movements from the revised capital programme to the current forecast.

**Graph 2 – Capital Programme**



**Capital Programme Inflation Risk**

74. Inflationary pressures are also impacting on the Capital Programme; however, the impact varies by project and is dependent on the stage of each scheme and the type of material required.
75. The Department of Business, Energy and Industrial Strategy (BEIS) publish monthly statistics on the cost of key areas of business, including the cost of building materials and components. The BEIS reported material price index for 'All Work' increased by 26.4% in June 2022, compared to the same month the previous year.
76. Some in-flight projects have contingency or inflation provision built-in to their agreed funding allocation. Also, block maintenance and annual works programmes could be managed through delivering less schemes in the short-term, but this is likely to compound the problem in future years and would require funding at a later date.
77. Any projects which require additional funding to cover inflation will continue to go through the County Council's set governance procedure which ensures all aspects are assessed on a case-by-case basis. The Capital Programme contains a £7m inflation budget, earmarked to specifically support inflation pressures.

78. The impact of inflation on the capital programme will be considered during the budget process for 2023/24.
79. The Capital Programme Budget Monitor, as at June 2022, is presented in **Appendix 3**.

### Capital Programme – Grants Update

80. Since the approval of the Capital Programme in February 2022, a number of grants have been awarded. **Table 10** details the value of these grants which will be available for future projects. The use of these grants will be included in the updated five-year Capital Programme when it is refreshed and considered by County Council in February.

**Table 10 - Listing of Capital Grants Which Have Been Awarded Since Creation of 2022/23 Budget**

Portfolio	Grant/ Contribution	Value (£)	Narrative
Learning and Skills	High Needs Capital Funding (2022/23 & 2023/24)	£21.050m	Funding will be added to the SEND Programme, with the planned £20m borrowing in the 2022/23 Capital Programme returned to the Capital Improvements budget.
Learning and Skills	Basic Need Funding (2023/24 & 2024/25)	£21.962m	Grant to be added to the existing capital allocation and included in future Capital Programme.
Learning and Skills	Schools Condition Allocation (Schools Capital Maintenance)	£1.159m	Confirmed funding of £8.789m. Assumed £7.630m allocation in February Capital Programme. Additional grant allocation to be added to the existing capital allocation and included in future Capital Programme.
Highways and Transport	Department for Transport – A284 Lyminster Bypass	£11.792m	Additional funding has been secured from the Department for Transport. Funds will be added to the scheme once governance has been completed.

### Corporate Risks

81. The County Council’s risks are reviewed regularly to ensure risks are understood and appropriate mitigation takes place. Risks are scored considering the likelihood and impact.
82. During the quarter, the Corporate Risk Register has been updated with four changes which are described in **Table 11**.

**Table 11 – Changes to the Corporate Risk Register When Compared to Previous Quarter Report**

Risk Number	Risk	Action	Reason	Current Score
CR11	As a result of skill shortages across various sectors, and less attractive employment offers in comparison to other organisations and locations (amplified by the current cost of living situation), there is a risk that we will not be able to <b>recruit and retain sufficient numbers of skilled staff</b> to manage and deliver quality services.	Risk severity increased	To reflect current situation across services with recruitment and retention of staff	25
CR22	The <b>financial sustainability of council services</b> is at risk due to uncertain funding from central government, level of inflation impacting on service delivery, and/or failure to make the required decisions to ensure the budget is balanced. This has been compounded further with the Covid-19 crisis.	Risk severity increased	To reflect uncertainty over Dedicated Schools Grant (DSG) funding and impact of Care Act reforms  Risk increased from 12 to 20	20
CR68	The government have relaxed Covid-19 restrictions, however there are still requirements for Local Authorities to support the management of the Covid-19 pandemic. If there is a resurgence in Covid-19 infections and local (county or district) responsibilities are prolonged or additional measures imposed, there is a risk <b>services will fail to deliver existing work plans</b> due to staff responding to the impact of the pandemic, or staff shortages due to sickness.	Risk severity reduced and tolerated	Specific Covid-19 activity/ response has reduced significantly.  Risk reduced from 15 to 10	10
CR70	There is an increasing <b>demand placed on the senior officers</b> due to the ongoing threat of Covid-19 and additional burdens due to devolved responsibilities. This may lead to a continued <b>lack of capacity to deal with strategic/ organisational issues</b> , leading to poor decision making.	Risk severity reduced and tolerated	Specific Covid-19 activity/ response has reduced significantly.  Risk reduced from 12 to 8	8
CR74	The overdue re-procurement of care and support at home services has been further postponed, meaning the <b>contractual arrangements are non-compliant</b> , inefficient to manage, difficult to enforce and present a risk of challenge and CQC criticism. The delay is to enable more time for the market to stabilise, to complete service reviews and to allow imminent legislative changes to take effect.	New risk		15

83. There are four corporate risks with severity above the tolerance threshold reported in **Table 12**:



**Table 12 – Corporate Risks with Severity Above Tolerance Threshold**

Risk Number	Risk	Score - Previous Quarter	Score
CR11	Recruitment and Retention	12	25
CR39a	Cyber-security	25	25
CR58	Failure of Social Care Provisions	25	25
CR22	Financial Sustainability	12	20

84. The latest Corporate Risk Register can be found in **Appendix 4**.

## Workforce

85. The Workforce Key Performance Indicators, detailed in **Appendix 5**, report that of the 11 KPIs with a RAG status indicator, nine are green and two are amber.
86. The amber measures relate to a continuing high-level of sickness recorded on the rolling 12-month average calendar days lost to sickness and lower than targeted employee declaration rate.

## Sections and Appendices

Section 1: Adults Services Portfolio  
 Section 2: Children and Young People Portfolio  
 Section 3: Learning and Skills Portfolio  
 Section 4: Community Support, Fire and Rescue Portfolio  
 Section 5: Environment and Climate Change Portfolio  
 Section 6: Finance and Property Portfolio  
 Section 7: Highways and Transport Portfolio  
 Section 8: Leader (including Economy) Portfolio  
 Section 9: Public Health and Wellbeing Portfolio  
 Section 10: Support Services and Economic Development Portfolio

Appendix 1: Revenue Budget Monitor and Reserves  
 Appendix 2: Service Transformation and Flexible Use of Capital Receipts Summary  
 Appendix 3: Capital Monitor  
 Appendix 4: Corporate Risk Register Summary  
 Appendix 5: Workforce

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## Adults Services Portfolio – Summary

### Performance Summary

1. The Portfolio has a number of performance highlights to report this quarter:
  - Despite ongoing demand at the 'front door', the County Council is continuing to stay within target in respect of the percentage of contacts to adult social care that progress to a social care assessment; reflecting the impact of interventions throughout the customer journey to meet people's needs. Work to further improve this performance has begun, with an access programme to enable the service to have a greater understanding of the complexity of need being presented at the 'front door'.
  - Directors of Adult Social Services (ADASS) published a report in May 2022 that set out a summary of an ADASS survey carried out in April 2022. Between November 2021 and February 2022, there had been:
    - 28% increase in the number of people awaiting assessment, care or direct payment, or review,
    - 71% increase in the number of people awaiting care and support or a direct payment to begin,
    - 26% increase in the proportion of people who are awaiting an assessment and have been waiting for six months or more.
    - The number waiting for an assessment on the Community Social Work Teams waiting list increased by 46%.

The County Council has robust triage systems in place, which enable teams to respond immediately to critical situations and deal with other cases on the basis of urgent, normal or low need.

- An extra care housing development in East Grinstead has been opened, promoting and enabling independence for West Sussex residents. Extra care housing schemes allow people to stay in their own home wherever possible, with extra care and support available when needed. This scheme also delivers on key priorities as set out in the Adult Social Care Strategy 2022-25.
- Staffing pressures are having an impact on the service achieving a number of performance measures. However, to address vacancy gaps for qualified social workers and occupational therapists, improved pay and reward has been implemented, using the additional £2m allocated for this purpose in the County Council's 2022/23 agreed budget. In addition, a number of qualified social workers from overseas have been arriving in West Sussex and are taking up posts across the county in community, hospital, learning disability and mental health teams.



### Our Council Performance Measures

2. The following section provides updates of the performance KPIs agreed in Our Council Plan and the action taking place, comprising a wider performance view, with KPI measures comparing performance over the last three periods - this

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may be quarterly, annually or other time periods (depending on how regularly data is released); however, each measure will explain the reporting period.

Adults Services		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
			Dec-21	Mar-22	Jun-22			
11	Percentage of contacts to adult social care that progress to a social care assessment  Reporting Frequency: Quarterly	20% - 30%	19.3%	18.1%	23.6%	↓	<p><b>Performance Analysis:</b> Jun-22: Performance is within target reflecting the impact of interventions throughout the customer journey to meet people's needs through information and advice as well as provision of preventative services.</p> <p><b>Actions:</b> The Access Review Programme will assess the impact of the dissolved Section 75 mental health agreement, which has increased the percentage of contacts that progress to social care assessments, as well as providing a better understanding of the complexity of need being presented at the front door.</p>	G
12	Percentage of adult social care assessments that result in a support plan  Reporting Frequency: Quarterly	65% - 75%	76.3%	74.8%	40.0%	↓	<p><b>Performance Analysis:</b> Jun-22: Currently reporting low, but as the year progresses, additional assessments will be completed and reported performance will be retrospectively updated, with performance increasing. Previous quarter data will always be subject to change because the outcome of the assessment and the need for a support plan or not may not yet have been determined. Current results are better than Q1 for 2021-22 which reported 30.8% and still met the year-end target.</p> <p><b>Actions:</b> This measure will be continually monitored, and performance will be updated throughout the year to reflect the additional assessments.</p>	G
13	Outcomes of safeguarding risk – where a risk was identified, the outcome/expected outcome when the case was concluded for Section 42 enquires (% where risk remains).  Reporting Frequency: Quarterly	7.0%	2020/21 8.9%	2021/22 8.4%	Jun-22 7.4%	↓	<p><b>Performance Analysis:</b> Jun-22: This new measure is based on outcomes of safeguarding risk reduction for concluded section 42 enquiries and better aligns with adults' outcomes measures and can be benchmarked against other local authorities annually. The key measure is where the risk remains even after the section 42 enquiry has been concluded. This should be as low as possible, and the target is 7% as there will be appropriate circumstances when the authority has considered all risk reducing strategies but risk will</p>	G

Adults Services		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
							<p>remain. This is in line with the key principles of making safeguarding personal and acknowledges that despite all practical efforts made by the Local Authority, people with capacity can, and will make unwise decisions. Performance is improving and currently just above the target, although final results can only be confirmed once the system issues have been resolved.</p> <p><b>Actions:</b> There are mechanisms in place to monitor and review safeguarding plans and actively promote strength based and risk enablement practice. This new measure will be monitored by the Adults Directorate Leadership Team and via the Performance, Quality and Practice Board, both chaired by the Director for Adults and Health.</p>	
14	<p>Time to complete outstanding 'deprivation of liberty' cases</p> <p>Reporting Frequency: Quarterly</p>	4.4 Months	Dec-21	Mar-22	Jun-22		<p><b>Performance Analysis:</b> Jun-22: Performance has been impacted by staff sickness and reduced administrative support, which hinders work being processed and completed in a timely manner. This should improve as staff return from sick leave.</p> <p><b>Actions:</b> Continue to monitor and utilise external agency resource to undertake work.</p>	G
			3.4 Months	3.4 Months	4.1 Months			
36	<p>Percentage of adults that did not receive long term support after a period of reablement support</p> <p>Reporting Frequency: Quarterly</p>	85.5%	Mar-21	Jun-21	Sep-21		<p><b>Performance Analysis:</b> Jun-22: Council data is not available this quarter due to ongoing system issues that are impacting reporting. In the absence of County Council's data source, the provider has reported that the service is currently (June 22) achieving 69% of customers that have no on-going care needs following an episode of reablement and the aggregated percentage from July 2021 – July 22 is 71%. Due to a number of challenges during 2022-23 financial year the reablement provider has not delivered the 38 contractual reablement starts each week. The average during this period has been 26 per week.</p> <p><b>Actions:</b> The reablement provider is currently working to an improvement plan to increase the number of starts per week and is monitored on a daily, weekly and monthly basis via existing processes. The reablement provider</p>	A
			85.5%	85.4%	81.3%			

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Adults Services		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
							has conducted an extensive recruitment drive and uplifted the Community Care Assistants salary by 33% per annum which is now realising benefits with six new members of staff in the recruitment pipeline awaiting start dates.	
37	Percentage of adults that purchase their service using a direct payment	27.4%	Dec-21	Mar-22	Jun-22		<p><b>Performance Analysis:</b> Jun-22: Performance is marginally below target, so intervention is not required at this stage.</p> <p><b>Actions:</b> This measure will be monitored by the Adults Directorate Leadership Team and via the Performance, Quality and Practice Board, both chaired by the Director for Adults and Health.</p>	G
	Reporting Frequency: Quarterly		28.5%	28.4%	27.3%	↓		
38	Percentage of users of adult services and their carers that are reviewed and/or assessed in the last 12 months	77.0%	Dec-21	Mar-22	Jun-22		<p><b>Performance Analysis:</b> Jun-22: The percentage of reviews undertaken within a 12-month period is expected to improve over 2022/23. A dedicated project is in place to manage reviews for older people and Lifelong Services customers with a focus on embedding a strength based approach.</p> <p><b>Actions:</b> The project will be monitored on a monthly basis with a project management approach by the Adults Directorate Leadership Team and via the Performance, Quality and Practice Board, both chaired by the Director for Adults and Health, with an expectation that the ongoing work will improve the performance of this measure.</p>	R
	Reporting Frequency: Quarterly		63.4%	60.0%	54.2%	↓		
39	The percentage of adults with a learning disability in paid employment	3.8%	Sep-21	Dec-21	Mar-22		<p><b>Performance Analysis:</b> Jun-22: Q1 data will be reported in Q2 PRR following a detailed exercise to understand the data collection methodology used by comparative local authorities, to ensure that the County Council is collecting data to accurately measure this performance indicator.</p> <p><b>Actions:</b> A project to focus on completing reviews/assessments continues throughout 2022/23, which is expected to see an increase in performance over the coming year. Work is also underway to establish better ways of working with the market and other stakeholders to increase the number of people in employment and/or engaged in meaningful activities.</p>	R
	Reporting Frequency: Quarterly		0.4%	0.6%	1.1%	↗		

Adults Services		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
40	The percentage of adults in contact with secondary mental health services living independently with or without support	71.0%	Dec-21	Mar-22	Jun-22		<p><b>Performance Analysis:</b> Jun-22: Performance remains stable and close to target.</p> <p><b>Actions:</b> Like last year, work is on-going in relation to promoting a strength-based approach and reducing new admissions to residential care for customers with a mental illness.</p>	A
			69.0%	69.0%	69.0%	→		
44	Percentage of people affected by domestic violence and abuse who feel safe upon leaving the service	85.0%	Dec-21	Mar-21	Jun-22		<p><b>Performance Analysis:</b> Jun-22: Only a limited number of completed returns from victims leaving the service were received this period, lower than previously and lower than expected. As a result, the sample size is too small to provide meaningful results. The RAG status has been set to amber to reflect this.</p> <p><b>Actions:</b> We have continued to fund the Insights system until we are confident that any new recording will capture the information we need and also briefed staff via service managers, on the need to continue to use and complete the required forms. WORTH services has undergone a restructure with some activities relocated to the Communities directorate. The relocation project has ensured that residents in West Sussex continue to have access to a high-risk domestic abuse advocacy service, alongside specialist domestic abuse support provision within the family safeguarding model, where families are provided with statutory social care support. Due to the significant impact of relocating the service, including system migration there has been uncertainty and discussion around service evaluation and how this is best determined across the services.</p>	G
			86.0%	91.3%	-	↓		

## Finance Summary

### Portfolio In Year Pressures and Mitigations

Pressures	(£m)	Mitigations and Underspending	(£m)	Year end budget variation (£m)
Older People – Underlying overspend pressure brought forward from 2021/22.	£4.000m	Older People – Delays and reduction in admissions.	(£4.000m)	
Older People – Delays in delivering savings due to timing and capacity restraints.	£2.600m	Adults – Staffing vacancies within the service.	(£2.300m)	
Lifelong Services – Underlying overspend pressure brought forward from 2021/22.	£1.400m	Adults – In year staffing budget surplus generated from the implementation of the new pay grades for social workers and occupation therapists.	(£1.300m)	
Lifelong Services – Delays in delivering savings due to timing and capacity restraints.	£4.400m	Adults – Deferral of the use of the Market Management Fund.	(£2.200m)	
		Adults – Reduction in the reablement block contract – lower level of service than sought is being delivered.	(£0.600m)	
		Adults – Other funding opportunities – including additional Better Care Funding.	(£2.000m)	
<b>Adults Services Portfolio - Total</b>	<b>£12.400m</b>		<b>(£12.400m)</b>	<b>(£0.000m)</b>

### Significant Financial Issues and Risks Arising

Key Financial Issues and Risks Arising	Narrative	Cost Driver	Q1	Action	Trajectory	
Older People's Care Budget	Key cost driver data influencing the trajectory of the Older People's care budget	No. of older people with a care package	4,391	↘	Customer numbers are around 300 lower than June 2021, mainly due to reducing admissions.	↘
		% increase in the average gross weekly cost of a care package for older people	5.4%	↘	Waiting lists are growing, so, if these cannot be managed, some rebounding is likely.	
		% increase in the average net weekly cost of a care package for older people	8.4%	↘	Although average costs are rising, the rate is lower than the uplifts agreed for providers in 2022/23, which is in line with the savings target for customer reviews.	

**Key:**

<b>Arrow:</b>	Decreasing	↘	Increasing	↗	Static	↔
<b>Colour:</b>	Improving	Green	Worsening	Red	Static	Yellow

### Financial Narrative on the Portfolio's Position

- Although the Adults Services Portfolio is projecting a balanced budget, the challenge for 2022/23 is to deliver £15.8m of savings; of which, £14.5m require action to enable delivery. Progress to date has been limited, so the



budget is already under significant pressure. That risk is concentrated in the Older People and Lifelong Services budget.

### **Older People Care Costs**

4. The number of older people with a care package continues to fall and is now over 110 lower than in March and almost 300 below the comparative figure for June 2021. This is not an outcome for which the County Council had planned, because it was expected that demand would rise in line with population growth, for which additional funding has been provided.
5. That position is not attributable to excess deaths as the number of people who have passed away per month since January 2022 has been close to the long-term average. Instead, it is a reflection of a pronounced reduction in admissions. These averaged around 200 per month in the first half of last year, before falling to approximately 150 in the second half. Amongst the main explanations for this are rising waiting lists (at all levels from initial contact to assessment) and market shortages of available care. Consequently, management of those waiting lists over the coming months will be key to determining whether the current position can be sustained.
6. Average weekly costs remain largely in line with budget assumptions. Key to note is that the amount being paid in June was lower than in April, despite an average uplift for providers of 9% having been agreed for 2022/23. That fall is a leading indicator of the initial impact that the review of customer packages is achieving. This aims to embed a strength-based approach whilst delivering an average reduction in cost of 10% as part of the savings target from community care.
7. In other circumstances the combination of falling demand and stable prices would free the growth funding allocated for 2022/23 to cover the underlying £4m overspending pressure in the older people's budget carried forward from 2021/22. However, the picture is less favourable, due to delays in the delivery of savings. Although plans have been prepared, the return on these is building more slowly than required. In part this is because of workforce constraints, which are putting a cap on the amount of activity which can take place.
8. Another complicating factor is that there is often a time-lag in arising benefits thus are not immediately visible in the accounts; so, it is on this caveat that an overspending risk of £2.6m exists. That figure assumes that plans for the remainder of the year will be delivered in full. Since there is an amount of £3.4m attached to these, even a small variation will materially worsen the outturn.

### **Lifelong Services Care Costs**

9. There is even greater risk facing the Lifelong Services budget. If measured by weekly expenditure and allowing for the price uplifts agreed by the County Council for 2022/23, outwardly there is an appearance of stability.
10. That presentation masks the absence of any contribution of note towards a savings target of £8.5m. Nevertheless, additional capacity has recently been recruited which should lead to impetus being created. Delivery plans have also

been confirmed that will put momentum around other workstreams. If delivered in line with service forecasts, £4.1m of benefits will be secured in the last three quarters. When added to underlying overspending pressures of £1.4m brought forward from 2021/22, this leaves a projected overspend in Lifelong Services of £5.8m.

### **Summary Position**

11. Between the Older People and Lifelong Services budgets, the cumulative overspending pressure is £8.4m. As things stand this can be mitigated from opportunities available elsewhere in the budget:
  - £2.3m of vacancy savings. Within parts of the social work teams and occupational therapy, turnover is currently running at 20%. In addition, in-house day services have yet to return to pre-Covid activity levels.
  - £2.2m from the market management fund created as part of the fees uplift decision report. Use of this could be deferred until 2023/24.
  - £1.3m funding available from the new pay grades for social workers and occupational therapy. The budget recognises the potential full cost of the arrangements that were introduced in May. Since staff will reach the top of their new pay scales over time, there will be underspending during the intervening years.
  - £0.6m reduction in the reablement block contract because a lower level of service than was sought is being delivered by the provider.
  - £2.0m from other funding opportunities, including in relation to the Better Care Fund where there has been an increase in the County Council's allocation for protection of social care.
12. This enables a balanced budget forecast to be made for Adults. However, it is contingent on £7.5m of savings being realised in the rest of the year and on effective management of waiting lists for older people. Whilst it would be premature to see either of those outcomes as being certain, it demonstrates the extent to which the outturn will depend directly on service actions. If delivered successfully, the timing delays to date will be manageable within the limits of existing resources. It will also ensure that full year benefits will be available from 2023/24 onwards. If that is not the result, the budget will overspend and will require a draw-down from the £6m of uncommitted resources carried forward from 2021/22 through the Improved Better Care Fund. That would make for second best use of funding that otherwise would be available for transformational purposes as well as jeopardising the ability of the service to balance its budget in 2023/24.

### **Revenue Grant Update**

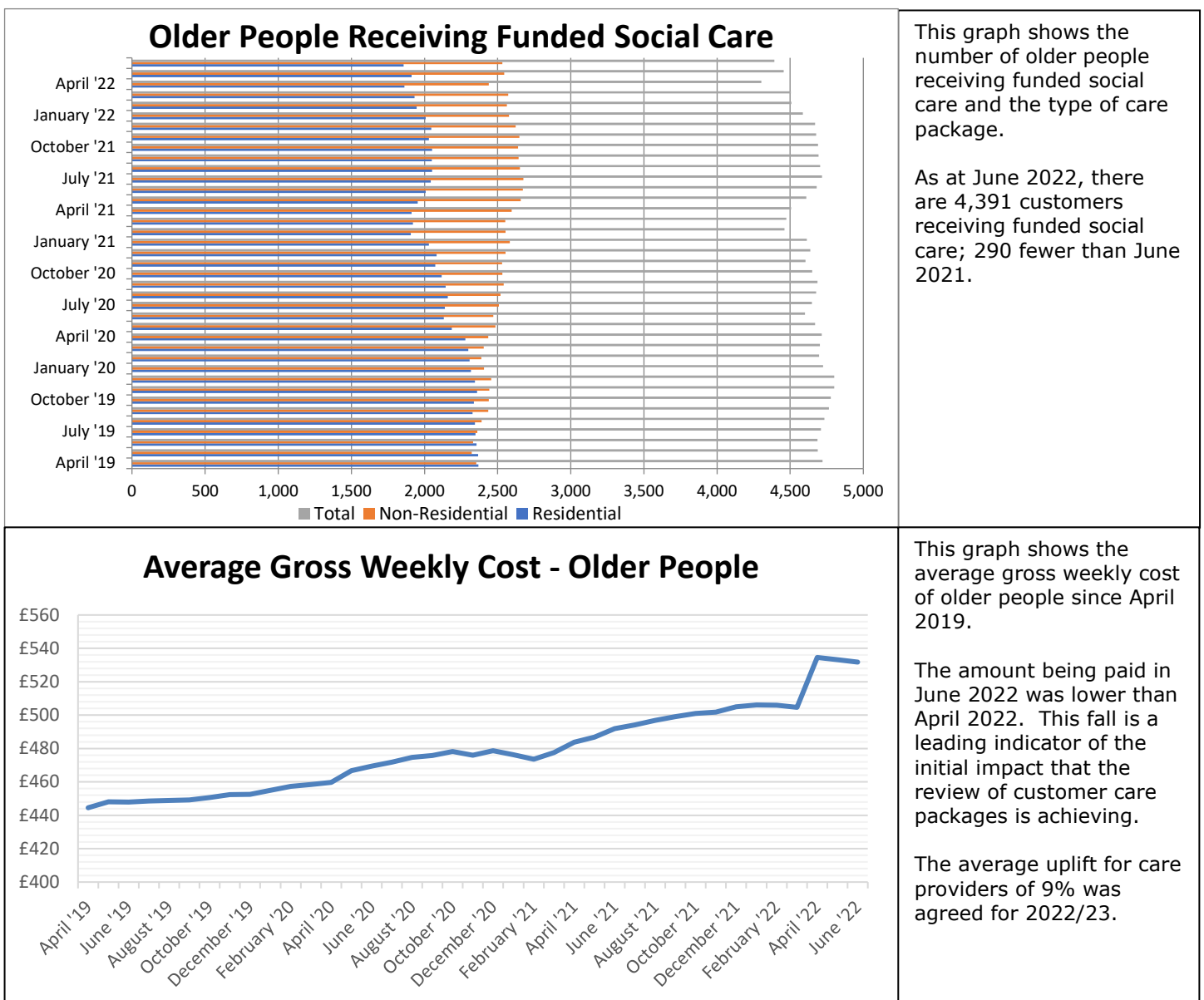
13. In June the County Council was awarded £98,649 of Adult Social Care Charging Reform: Implementation Support Funding. It is assumed that this non-ringfenced grant will be allocated to the Adults Service Portfolio and employed

in accordance with the grant guidance to contribute towards the cost of the required preparations for the Social Care Charging Reform.

### Covid-19 Expenditure Update

14. As the pandemic continues, there remains a need to provide quality services and assistance to residents. Within the Adult Services Portfolio, a need to continue to fund locum staff to manage the impact of the pandemic has been identified. This has resulted in £1.2m of the non-ringfenced Covid-19 grant being earmarked for 2022/23.

### Cost Driver Information



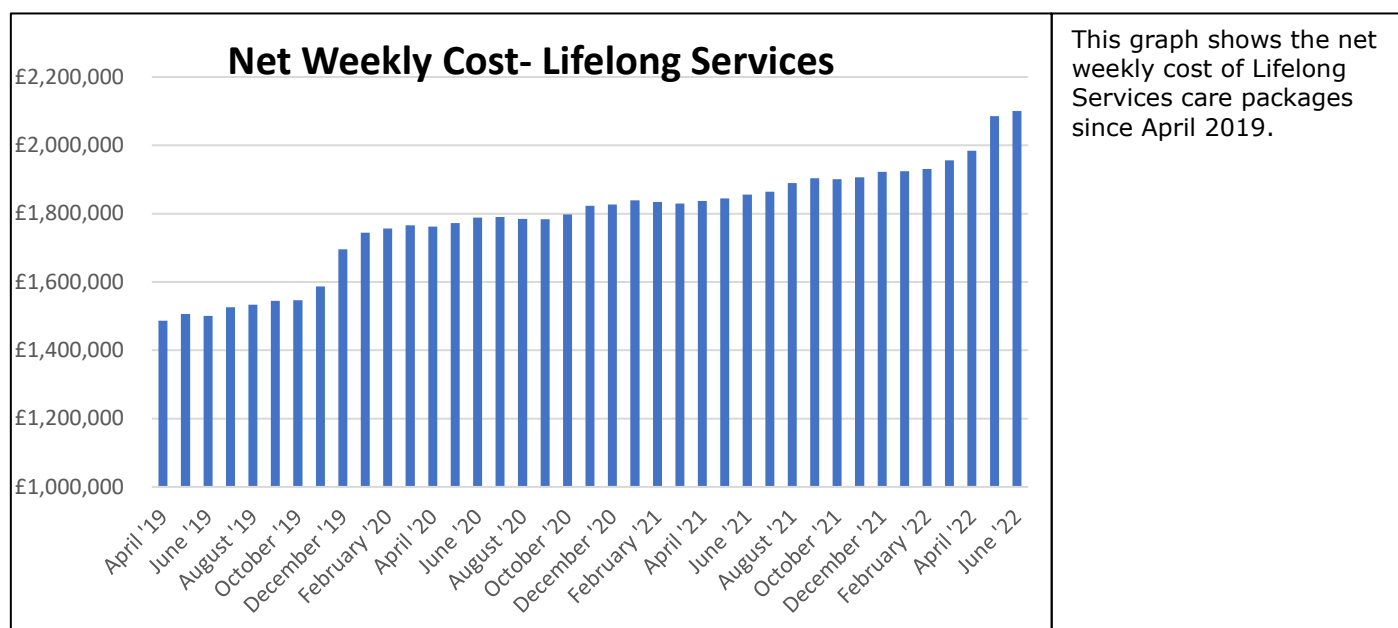
This graph shows the number of older people receiving funded social care and the type of care package.

As at June 2022, there are 4,391 customers receiving funded social care; 290 fewer than June 2021.

This graph shows the average gross weekly cost of older people since April 2019.

The amount being paid in June 2022 was lower than April 2022. This fall is a leading indicator of the initial impact that the review of customer care packages is achieving.

The average uplift for care providers of 9% was agreed for 2022/23.



### Savings Delivery Update

15. Since 2020/21, a number of planned savings within the Adults and Health Portfolio have been significantly impacted by the pandemic. As part of the budget setting process for 2022/23, £9.0m of previously unachieved on-going savings were reviewed to ensure realistic savings plans were incorporated.
16. This review led to the £9.0m of the unachieved 2020/21 and 2021/22 savings being re-cast, with new plans developed for each of the individual saving workstreams. These savings, along with the £6.8m 2022/23 planned savings means that the Portfolio has an overall savings target of £15.8m.
17. However, delivery to date has been limited with £7.0m currently reported as 'At Significant Risk' and a further £7.5m reported as 'At Risk'.

Saving Activity	Saving to be Delivered in 2022/23 (£000)	June 2022		Narrative
Review of in-house residential services	640	640	B	A decision to close Marjorie Cobby House was made by Cabinet in November 2021 and has now been implemented.
Review of Shaw day services	250	250	B	A decision to close Shaw day services was made by Cabinet in November 2021 and has now been implemented.
Increase supply and use of shared lives carers	448	448	G	Recruitment and training of additional shared lives carers has taken place. Although this did not enable any additional placements to be made before 31st March, it is expected that it will mean the saving is delivered in full in 2022/23.

Saving Activity	Saving to be Delivered in 2022/23 (£000)	June 2022		Narrative
		Value	Rating	
Community Care	7,200	2,700	A	Plans have been developed. Progress to date has been limited, partly due to workforce constraints.
		4,500	R	Savings that will not be delivered in 2022/23 because of timing reasons.
Redirecting residential customers to home-based care	1,000	1,000	A	Plans have been developed. Progress to date has been limited, partly due to workforce constraints.
Non-residential customers to remain at home with reduced package	1,990	1,166	A	Plans have been developed, which are in the process of being implemented.
		824	R	Savings that will not be delivered in 2022/23 because of timing reasons.
Continuing Healthcare	2,060	560	A	Plans have been developed, which are in the process of being implemented.
		1,500	R	Savings that will not be delivered in 2022/23 because of timing reasons.
Placement costs	1,000	1,000	A	Plans have been developed, which are in the process of being implemented.
Occupancy of Shaw contract	1,250	1,074	A	Plans have been developed, which are in the process of being implemented.
		176	R	Savings that will not be delivered in 2022/23 because of timing reasons.

**Savings Key:**

<b>R</b> Significant Risk	<b>A</b> At Risk	<b>G</b> On Track	<b>B</b> Delivered
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## Capital Programme

### Performance Summary - Capital

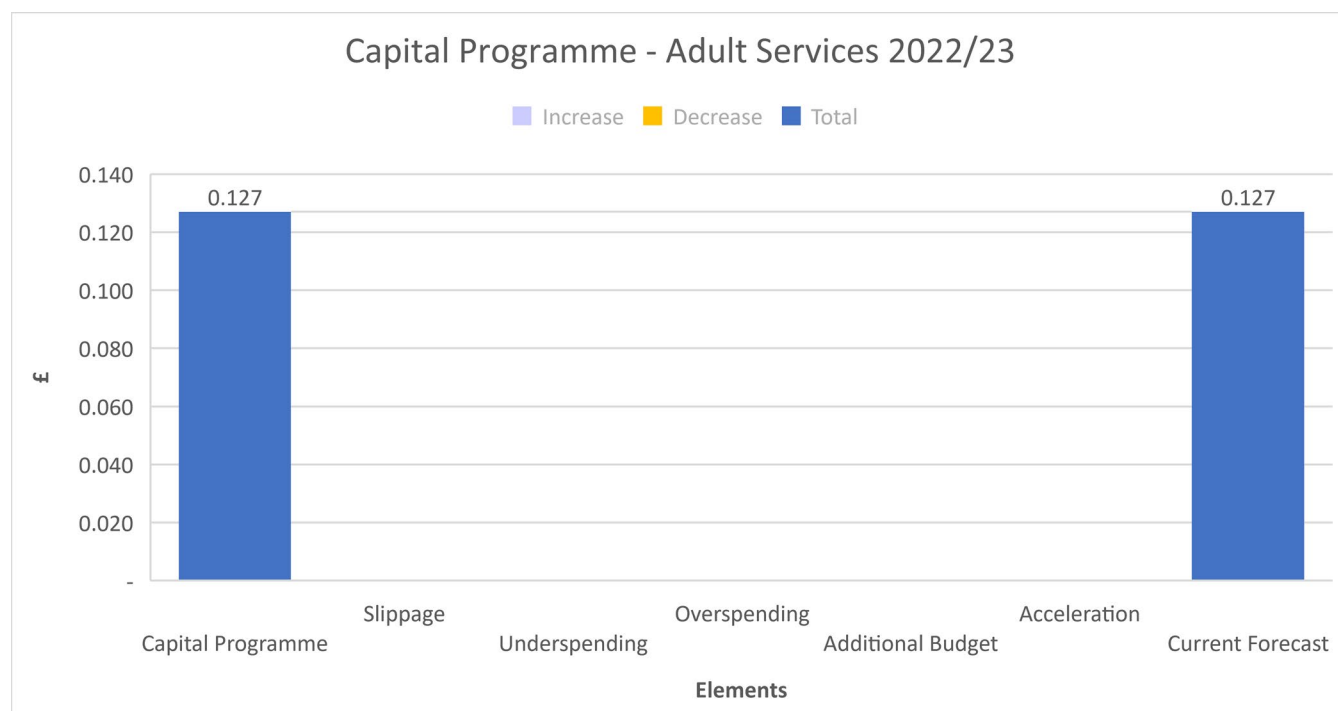
18. There are four schemes within this portfolio. One scheme is rated green, indicating that the project is reporting to plan and three of the schemes are rated amber, indicating that this is an issue, but that it can be dealt with by the project manager or project delivery team. An update on progress of schemes which are not rated green are detailed in the table below:

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Scheme	RAG Status at 30 <sup>th</sup> June	Reason	Latest RAG Status	Updated Position
Adults In-House Day Services Part B - Laurels	AMBER	Site completed and handed back to Service but close out works remain in progress.	AMBER	Project completed but some quality issues remain which are being managed as part of the aftercare process.
Adults In-House Day Services Part B - Rowans	AMBER	Site completed and handed back to Service but close out works remain in progress.	AMBER	Project completed but some quality issues remain which are being managed as part of the aftercare process.
Adults In-House Day Services Part B - Glebelands	AMBER	Site completed and handed back to Service but close out works remain in progress.	AMBER	Project completed but some quality issues remain which are being managed as part of the aftercare process.

### Finance Summary - Capital

19. The capital programme; as approved by County Council in February 2022, agreed a programme totalling £0.127m for 2021/22. As at the end of June, the profiled spend has remained the same.



**Key:**

Capital Programme – The revised planned expenditure for 2022/23 as at 1st April 2022.  
 Slippage – Funding which was planned to be spent in 2022/23 but has since been reprofiled into future years.  
 Underspending – Unused funding following the completion of projects.  
 Overspending - Projects that require further funding over and above the original approved budget.  
 Additional Budget – Additional external funding that has entered the capital programme for the first time.  
 Acceleration – Agreed funding which has been brought forward from future years.  
 Current Forecast – Latest 2022/23 financial year capital programme forecast.

20. The latest Capital Programme Budget Monitor is reported in **Appendix 3**.

## Risk

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

Risk No.	Risk Description	Previous Quarter Score	Current Score
CR58	The care market is experiencing an unprecedented period of fragility, particularly due to staff shortages and increasing demand. This has been further exacerbated by Covid-19, including the mandatory requirement for care staff to have a vaccination; however, this also extends to WSCC staff requiring access to these facilities (i.e., Social Workers, Occupational Therapists), and contractors. If the current and future commercial/economic viability of providers is not identified and supported, there is a risk of <b>failure of social care provision</b> which will result in funded and self-funded residents of West Sussex left without suitable care.	25	25
CR74	The <b>overdue re-procurement of care and support at home services</b> has been further postponed, meaning the contractual arrangements are non-compliant, inefficient to manage, difficult to enforce and present a risk of challenge and CQC criticism. The delay is to enable more time for the market to stabilise, to complete service reviews and to allow imminent legislative changes to take effect.	New	15

22. Further details on all risks can be found in **Appendix 4** - Corporate Risk Register Summary.

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## **Children and Young People Portfolio – Summary**

### **Performance Summary**

1. The Portfolio has a number of performance highlights to report this quarter:
  - The service continues to prepare for the next Ofsted monitoring visit which will take place in September. The senior leadership team have maintained a strong focus on the key indicators that will evidence ongoing and consistent progress as we prepare for a full inspection in early 2023.
  - Following the decision by the Secretary of State to remove the statutory direction that children's services should be moved into a Trust, the Department for Education have ceased the commissioner's role and changed this to the provision an independent chair of the Improvement Board.
  - Following the successful implementation of the Family Safeguarding model (phase one) performance is returning to the expected levels following a large amount of disruption such a comprehensive service redesign entails. The new service model is being embedded and plans are well underway to implement phase two of the model which will introduce dedicated adult service workers (mental health, substance misuse and domestic violence) into the team.
  - Workforce recruitment and retention are a key focus and have been particularly difficult during this quarter. Staff turnover and difficulties in recruitment at a time-of-service change, coupled with a period of high demand, have put significant pressures on the service. This is being tackled by a range of recruitment activity (both permanent and interim) to provide immediate staff where required whilst a longer-term approach is being implemented.
  - The quality assurance and performance frameworks are fully embedded and continue to support better outcomes for children and families. This work is enhanced and supported by our partners in improvement (Hampshire County Council) who continue to provide independent oversight and quality assurance work within the service.
  - The Youth Justice inspection report was published in June 2022. The report confirmed that this service is now judged as good with some outstanding elements. The service will use this report and the recommendations within it to make further improvements to the work undertaken by the Youth Justice Team.

### **Our Council Performance Measures**

2. The following section provides updates of the performance KPIs agreed in Our Council Plan and the action taking place, comprising a wider performance view, with KPI measures comparing performance over the last three periods - this

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may be quarterly, annually or other time periods (depending on how regularly data is released); however, each measure will explain the reporting period.

Children and Young People		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
1	Percentage of re-referrals to Children's Social Care within 12 months of the previous referral	22.0%	Dec-21	Mar-22	Jun-22		<p><b>Performance Analysis:</b> Jun-22: Re-referrals have gone up slightly in percentage. However, the actual numbers are lower.</p> <p><b>Actions:</b> There will always be a level of fluctuation within this area, however close scrutiny will ensure that any significant increase will be identified quickly, and remedial action taken as identified.</p>	G
	Reporting Frequency: Quarterly		19.9%	23.0%	25.0%	↓		
2	Percentage of Early Help Plans closed with outcomes met	74.0%	Dec-21	Mar-22	Jun-22		<p><b>Performance Analysis:</b> Jun-22: Maintained outcome at just over 69%.</p> <p><b>Actions:</b> Refresher training to all staff was started in June and will be completed in July.</p>	A
	Reporting Frequency: Quarterly		68.1%	68.0%	69.3%	↗		
7	Stability of children looked after placements – (3 or more placements during the year) - WSCC position in national stability index	10.0%	Dec-21	Mar-22	Jun-22		<p><b>Performance Analysis:</b> Jun-22: This figure has improved this month, with our Entry to Care panel ensuring scrutiny of all moves at an Assistant Director level, and fewer children having higher moves even in comparison to a great number of children.</p> <p><b>Actions:</b> We have in June 2022 undertaken a problem-solving event and created an action plan around placement sufficiency and stability which will be reported into the Corporate Parenting Workstream Board, actions have included refining our referral processes and systems and working in a more joined up way between the operational teams and commissioning.</p>	A
	Reporting Frequency: Quarterly		9.8%	10.6%	10.5%	↗		
8	Support for care leavers to achieve their aspirations – Percentage of care-leavers aged 17-21 who are in Employment, Education or Training	64.0%		Mar-22	Jun-22		<p><b>Performance Analysis:</b> Jun-22: We have seen a slight percentage increase because 12 more young people are now in education, employment or training.</p> <p><b>Actions:</b> Positively we have also recruited two care leavers to apprenticeship post in the participation service, and we are also setting up a working group to look at supporting our specific cohort of asylum-seeking young people with access to education and employment</p>	A
	Reporting Frequency: Quarterly		No Data Available	63%	64%	↗		

Children and Young People		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
							in light of some geographic discrepancies.	
9	Positive outcomes on child protection in 12 months - percentage of Child Protection Plans that result in 'step-down' within 12 months  Reporting Frequency: Quarterly	83.0%	Dec-21	Mar-22	Jun-22		<b>Performance Analysis:</b> Jun-22: Numbers of children on child protection plans have stabilised now. This means that the numbers of children coming on to new CP plans is fewer than those coming off, hence the percentage change but the lower actual numbers  <b>Actions:</b> We are currently undertaking work with staff regarding best planning which should assist in this.	R
			55.3%	70.0%	57.0%	↓		

## Finance Summary





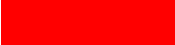

### Portfolio in Year Pressures and Mitigations

Pressures	(£m)	Mitigations and Underspending	(£m)	Year end budget variation (£m)
Placement costs for Children We Care For (mainstream).	£6.600m	In-house residential staffing underspend	(£1.700m)	
Homecare and transport costs for Children with Disabilities.	£0.800m	Early Help staffing underspend	(£1.000m)	
One-off implementation costs and part-year adult staffing costs for Family Safeguarding - DFE funding not awarded.	£0.650m	Reduction in Intentionally Homeless families requiring accommodation support	(£0.600m)	
Family Safeguarding – Additional agency staffing	£1.000m	Delays in appointing to new posts within the Fostering Service redesign.	(£0.750m)	
		Review of child psychologist arrangements	(£0.700m)	
		Other minor variations	(£0.100m)	
<b>Children and Young People Portfolio - Total</b>	<b>£9.050m</b>		<b>(£4.850m)</b>	<b>£4.200m</b>

## Key Financial Issues and Risks Arising

Key Financial Issues and Risks Arising	Narrative	Cost Driver	Baseline	Q1	Action	Trajectory
Placement Mix of Children We Care For (CWCF)	<p>Despite the overall number of Children We Care For being lower than forecast during budget setting, there are more children than budgeted for in more costly external residential placements than budgeted for.</p> <p>This is leading to a pressure on the placement budgets. Baseline shows the % upon which the budget was set.</p>	% mainstream children in external residential placements	10.8%	14.3%	At the end of June 2022, there were 22 more children placed in external residential than the number on which the budget was set. This alone adds a pressure of c£4.3m to the placement budgets, however when also taking into account the four additional secure unit placements then the pressure rises to c£5.6m.	

### Key:

<b>Arrow:</b>	Decreasing 	Increasing 	Static 
<b>Colour:</b>	Improving 	Worsening 	Static 

## Financial Narrative on the Portfolio's Position

- The Children and Young People's Portfolio is currently projecting a £4.2m overspend. The main financial issues affecting the budget are described below:
- Mainstream Placement Costs.** As at the end of June, the number of mainstream Children We Care For (CWCF) being looked after was 22 lower than the demand modelling upon which the budget was set. Despite this, the projection against the mainstream placement budget is an overspend of c£6.6m. There are two primary reasons for this:
  - The **mix of placement types** continues to be significantly different from that assumed in the demand modelling. Due to there being more external placements, which are more costly than internal provision, there is a pressure of c£5.6m on the budget. The external residential proportion is being exacerbated by the difficulties in recruiting sufficient staff for the in-house residential service, meaning that placement opportunities that were anticipated at the new Blue Cove residential home are not currently available.
  - A **number of unique high-cost care and support arrangements** which have been put in place for a small number of children and young people whose needs have required an urgent response whilst searches for longer-term arrangements are underway. Where there is more certainty about the future arrangements, the financial projections have taken into account these planned moves and the associated reduction in cost.

5. The table below details the type of placements and projected overspend as at the end of June 2022.

Type of Placement	Budgeted Number of Children We Care For (CWCF)	Budgeted Average Weekly Cost (£)	Current Number of Children We Care For (CWCF)	Current Average Weekly Cost (£)	CWCF Variation	Projected Overspend (£) (Based on Budgeted Cost and CWCF Number)
External Residential	80	£4,474	102	£4,618	22	£4,918,000
Independent Fostering	207	£963	194	£999	-13	(£669,000)
Independent Parent & Child Fostering	5	£1,450	4	£1,537	-1	(£82,000)
In House Fostering	208	£386	211	£396	3	£30,000
In House Parent & Child Fostering	2	£731	4	£1,091	2	£79,000
Kinship	96	£209	84	£217	-12	(£141,000)
Placed for Adoption/Placed with Parents	59	£0	35	£0	-24	£0
External Residential Family Unit	3	£3,958	4	£2,733	1	£120,000
Secure Unit	2	£7,211	6	£6,879	4	£1,316,000
Other Placement Types	78	N/A	69	N/A	-9	N/A
<b>SUBTOTAL</b>	<b>740</b>		<b>713</b>		<b>-27</b>	<b>£5,571,000</b>
Unique Cost and Support Arrangements						£1,029,000
<b>TOTAL</b>	<b>740</b>		<b>713</b>		<b>-27</b>	<b>£6,600,000</b>

6. **Children With Disability Home Care and Transport Costs.** Overspending of £0.8m against the home care and transport budgets for children with a disability is currently being forecast. £0.3m of this overspend relates to services delivered in 2021/22 which have been paid for in 2022/23; with the remaining £0.5m mostly due to high value purchase orders for care at home arrangements
7. **Family Safeguarding.** Phase 1 of the implementation of the Family Safeguarding model of social work practice was completed in February 2022, with the move of social work teams into their new structure. Phase 2 will include the addition of teams of adult-facing specialist workers to support the whole family, which is a critical component for the success of the Family Safeguarding model. It had been expected that both the in-year implementation costs of project management support and motivational interviewing training, along with the estimated half-year cost of the adult workers would be supported by transformation funding from the Department for Education (DfE). However, DfE have now confirmed that they will not award the Council any funding in the current year to continue the implementation of Family Safeguarding model. Given this disappointing decision, the Service have minimised the requirement for adult workers in the initial DfE bid from 42fte to 30fte. The current financial forecast is that the specialists will begin to be onboarded gradually from 1<sup>st</sup> October 2022.
8. The success of the Family Safeguarding model also depends on having sufficient social work staff to manage the caseloads effectively and ensure work is completed to key KPI timescales. Unfortunately, the assessment and family safeguarding teams currently have significant vacancies within the social work

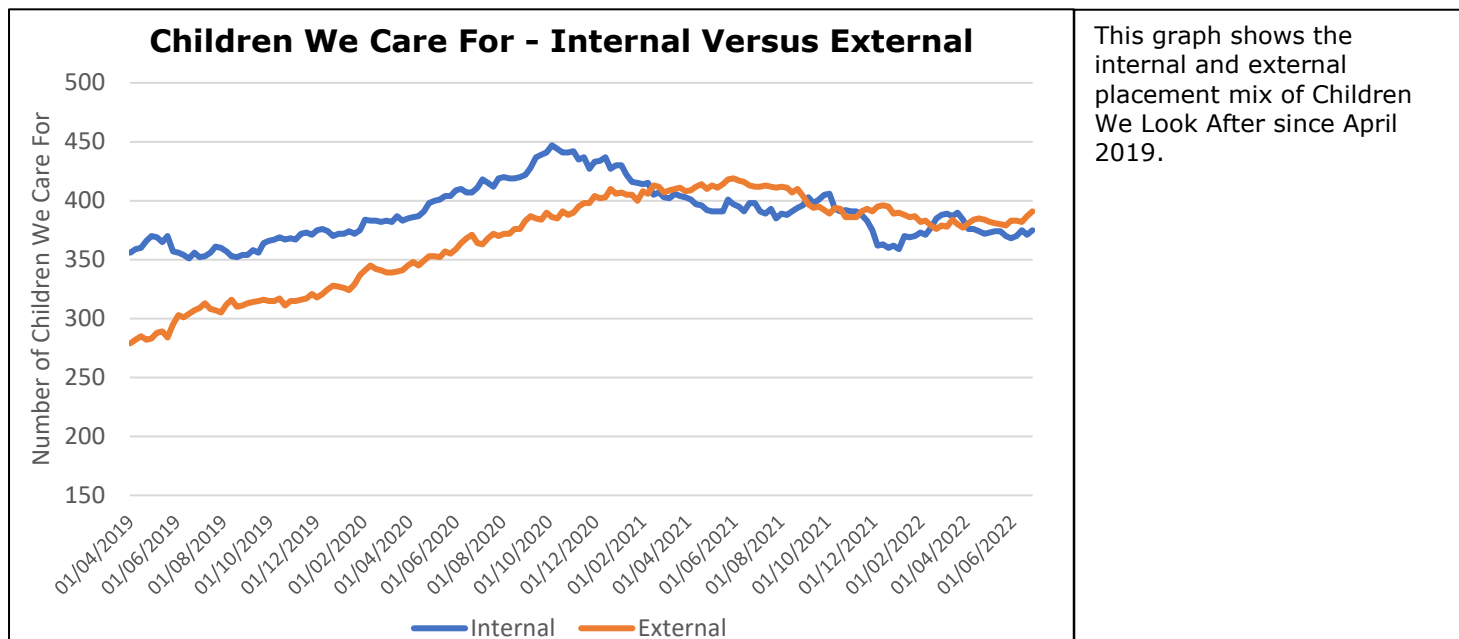
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establishment. At the end of June, the social work vacancy gap for these teams was 23.12% compared with 13.63% across the service. This in turn is leading to more issues in relation to retaining the social work staff we already have.

9. Given the critical dependency on the performance of the Family Safeguarding model to ensure that future savings can be delivered and that a positive outcome from the Ofsted inspection later this year is achieved, additional agency staff have been commissioned to help fill the gap. It is estimated that this will cause a budget pressure of £1m, however this does depend on when agency staff can be sourced to fill the gaps. Longer term initiatives to try to improve this position include potential recruitment of overseas social workers; the rolling social worker apprenticeship scheme; and the ongoing social work academy for newly qualified social workers.
10. **In-House Residential Staffing.** Underspending of £1.7m is currently forecast across the Council-run children's residential homes. This is due to continued difficulties in recruiting the required number of staff to safely run the homes, meaning that Blue Cove and Brick Kiln are not currently able to open. It is currently anticipated that Blue Cove will open in late autumn and that by the end of the financial year it will be operating at the target 85% or higher occupancy – however this very much depends on how successful the recruitment campaign is in attracting sufficient quality staff.
11. The Brick Kiln building is currently being used to accommodate the most expensive of the more complex cases, with care staff being purchased via an external agency. Brick Kiln is not likely to open for the originally intended purpose during the current financial year - partly because of this placement, but also while discussions with partners from Health take place about potential alternative joint arrangements for highly complex case.
12. **Intentionally Homeless.** Despite the Intentionally Homeless budget for 2022/23 being reduced by £0.4m to reflect the reduced demand seen in 2021/22, underspending of £0.6m is currently being projected. Given that the number of families being supported has remained low for some time, the forecast assumes that the number of families being supported will continue at the same level for the remainder of the year. As at June 2022, the County Council was supporting 31 families, four less than at June 2021.
13. **Review of Child Psychology Arrangements.** One element of the Children's redesign in 2021/22 included allocating permanent budget for a team of child psychologists within the new Solutions (edge of care) team. However, the progression of this is currently on hold whilst the wider arrangements for child psychology are being reviewed as some services are also commissioned from Health partners. It is expected that the outcome of the review will produce permanent savings for 2023/24.
14. **Fostering Redesign.** The process for appointing to new posts which have been created as part of the Fostering Service redesign is taking longer than initially anticipated, leading to an in-year underspend of c£0.75m.

**Cost Drivers Information**

<p style="text-align: center;"><b>Number of Children We Care For</b></p>	<p>This graph shows the total number of Children We Care For placements since April 2018.</p> <p>At the end of June 2022, the total Children We Care For numbers were at the same level as the last week of March 2022 and now stand at 858. This compares with 887 at the same point last financial year.</p>																																																																						
<p style="text-align: center;"><b>Children We Care For Volumes - Rolling 12 Months</b></p> <table border="1"> <thead> <tr> <th>Month</th> <th>Mainstream</th> <th>Asylum</th> <th>Disability</th> <th>Total</th> </tr> </thead> <tbody> <tr><td>Jun-21</td><td>753</td><td>77</td><td>57</td><td>887</td></tr> <tr><td>Jul-21</td><td>742</td><td>80</td><td>56</td><td>878</td></tr> <tr><td>Aug-21</td><td>745</td><td>89</td><td>57</td><td>891</td></tr> <tr><td>Sep-21</td><td>741</td><td>90</td><td>58</td><td>889</td></tr> <tr><td>Oct-21</td><td>724</td><td>85</td><td>56</td><td>865</td></tr> <tr><td>Nov-21</td><td>714</td><td>83</td><td>54</td><td>851</td></tr> <tr><td>Dec-21</td><td>698</td><td>88</td><td>55</td><td>841</td></tr> <tr><td>Jan-22</td><td>703</td><td>95</td><td>54</td><td>852</td></tr> <tr><td>Feb-22</td><td>709</td><td>110</td><td>58</td><td>877</td></tr> <tr><td>Mar-22</td><td>704</td><td>107</td><td>57</td><td>868</td></tr> <tr><td>Apr-22</td><td>699</td><td>111</td><td>57</td><td>867</td></tr> <tr><td>May-22</td><td>695</td><td>107</td><td>56</td><td>858</td></tr> <tr><td>Jun-22</td><td>713</td><td>102</td><td>53</td><td>868</td></tr> </tbody> </table>	Month	Mainstream	Asylum	Disability	Total	Jun-21	753	77	57	887	Jul-21	742	80	56	878	Aug-21	745	89	57	891	Sep-21	741	90	58	889	Oct-21	724	85	56	865	Nov-21	714	83	54	851	Dec-21	698	88	55	841	Jan-22	703	95	54	852	Feb-22	709	110	58	877	Mar-22	704	107	57	868	Apr-22	699	111	57	867	May-22	695	107	56	858	Jun-22	713	102	53	868	<p>This graph shows the total number of Children We Care For placements by:</p> <ul style="list-style-type: none"> <li>mainstream placements</li> <li>asylum seeking children and,</li> <li>children with learning disabilities.</li> </ul> <p>The Council's allocation of Unaccompanied Asylum-Seeking Children (UASC) under the National Transfer Scheme is 124. As at the end of June, the number of UASC was 102.</p>
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### Revenue Grant Update

15. Since the creation of the 2022/23 Budget, a number of new grants have been awarded or known grant allocations have been confirmed at higher values than initially expected. These additional funds will be utilised in accordance with the grant determination.
16. Disappointingly, the Department for Education have also informed the County Council that they have not awarded the £1.9m grant required to continue the implementation of Family Safeguarding model.

Grant Name	Increase in Grant Award When Compared to Budget Book 2022/23 (£)	Narrative
Youth Justice Grant	£115,800	There has been an uplift to the Youth Justice Core Grant and Ring-Fenced Funding for Early Intervention. The total grant award for 2022/23 is £678,400.
Supporting Families Grant	£154,000	Previously known as the Troubled Families Programme, this funding is used to provide help to vulnerable families with multiple and complex problems to prevent them from escalating into crises. The total core grant award for 2022/23 is £1,344,000.
Reducing Parental Conflict Grant	£9,300	The funding is to enable councils to train frontline staff who regularly come into contact with families facing conflict. The total grant award for 2022/23 is £84,100.
Staying Put Grant	£13,100	Funding to support young people to continue to live with their former foster carers once they turn 18. The total grant award for 2022/23 is £371,800.
Rough Sleeping Grant	£21,400	Funding to provide intensive support to care leavers at highest risk of homelessness/ rough sleeping. The total grant award for 2022/23 is £21,400.



Grant Name	Increase in Grant Award When Compared to Budget Book 2022/23 (£)	Narrative
Social Work Teaching Partnership Programme Funding	£73,704	Funding to support social worker training. The total grant award for 2022/23 is £73,704.

## Savings Delivery Update

17. In addition to the £2.150m of 2022/23 planned savings, there remains £1.050m of savings from the 2021/22 financial year which were not delivered on an on-going basis. To ensure that these savings are monitored and delivered, all of these savings are detailed in the table below:

Saving Activity	Savings to be Delivered in 2022/23 £000	June 2022		Narrative
National House Project	1,000	1,000	A	Based on the current plan, the first young person is expected to move into their tenancy in November 2022. Given this, it is unlikely that these savings will be delivered in full in 2022/23 and may slip to 2023/24.
In-house Residential Programme: Reduced independent placement costs	300	300	G	Delays in re-opening Blue Cove (formerly May House) mean that the permanent delivery of this saving will be delayed and may even fall into 2023/24. The saving can be mitigated in year however, through underspending within the residential staffing budget given the current problems being experienced in recruiting sufficient staff to be able to safely re-open.
Improved Commissioning for Children's Social Care Service: Improved Joint Commissioning	400	400	A	It is understood that Health intend to implement a pan-Sussex Resource Allocation System for children's continuing health care, the potential financial implications of which for WSCC are not yet clear. Hence this saving will remain an amber pressure in the 2022/23 budget until such time as clarity can be brought about its achievability, in discussion with Health partners.
Improved Commissioning for Children's Social Care Service: Under 16's Step Down to Fostering	700	700	A	Despite efforts to step young people down from external residential placements into foster care, the proportion of children placed in external residential remains higher than forecast.
Improved Commissioning for Children's Social Care Service: Over 16's Step Down from Residential	500	500	A	Despite efforts to step young people aged 16+ down from external residential placements into independent living arrangements, the proportion of children placed in external residential remains higher than forecast.
Improved Commissioning for Children's Social Care Service: Over 16's Recommissioning	100	100	B	Saving delivered by recommissioning of contracts for accommodation and support for young people aged 16+.
Early Help Restructure	200	100	B	

### Savings Key:

**R** Significant Risk    **A** At Risk    **G** On Track    **B** Delivered

## Capital Programme

### Performance Summary - Capital

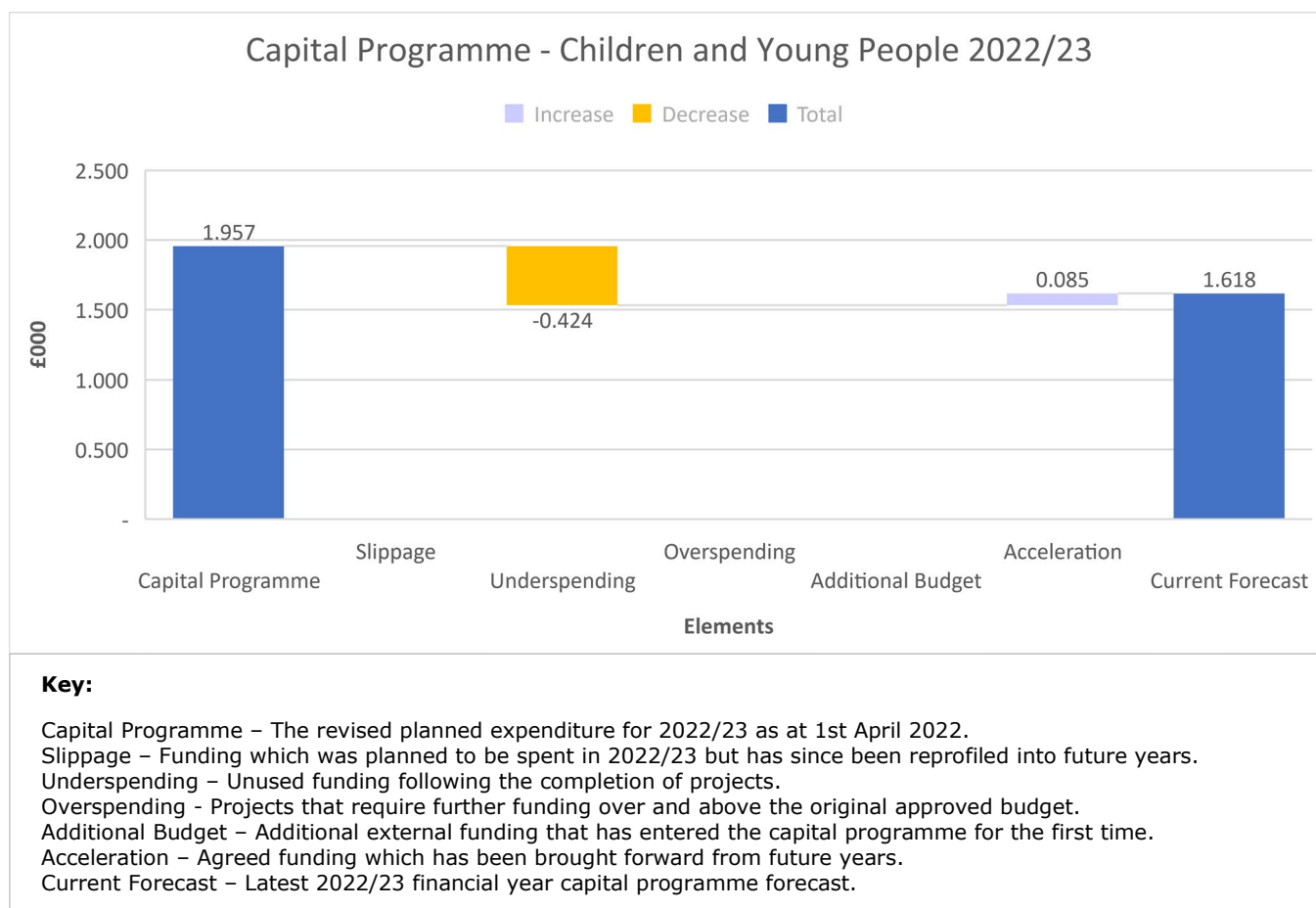
18. There are eight schemes within this portfolio. Five of the schemes in delivery are rated green, indicating that the project is reporting to plan and three of the schemes are rated as amber, indicating that there is an issue, but that it can be dealt with by the project manager or project delivery team. An update on the progress of the schemes not rated green are detailed in the table below:

Scheme	RAG Status at 30 <sup>th</sup> June	Reason	Latest RAG Status	Updated Position
Children's In-House Phase 2 – High Trees and 40 Teasel Close	<b>AMBER</b>	Initial site for decant proved unsuitable	<b>AMBER</b>	West Green Youth Centre has been identified as an alternative and a planning application has been submitted.
Children's In-House Phase 2 - 18 Teasel Close Design Stage	<b>AMBER</b>	Initial site for decant proved unsuitable	<b>AMBER</b>	West Green Youth Centre has been identified as an alternative and a planning application has been submitted.
Children's In-House Phase 2 – Orchard House	<b>AMBER</b>	Tender estimates higher than agreed budget due to increase in prices of materials.	<b>AMBER</b>	Service to draft Change Request seeking additional funding

### Finance Summary - Capital

19. The capital programme; as approved by County Council in February 2022, agreed a programme totalling £5.230m for 2022/23. £3.273m of budget, originally profiled to spend in 2022/23, was accelerated into 2021/22, revising this year's capital programme to £1.957m.

20. Since this time, the profiled spend has decreased overall by £0.339m, to give a current year end projection for 2022/23 of £1.618m. Of this decrease, -£0.424m relates to underspending on schemes where funding will be returned to enable future projects and £0.085m relates to a project where funding has been accelerated from future years.



21. Details explaining the financial profiling changes within the capital programme during the first quarter are as follows:

- **Underspending: (-£0.424m).**
  - **Bright Star, Blue Cove and Breakwater Children’s Homes – (-£0.424m)** – All three projects have completed on time and slightly underbudget, therefore the remaining budget will be returned to the Capital Improvements Budget to fund future corporate priorities.
- **Acceleration: £0.085m.**
  - **West Green Family Time Centre - £0.085m** – Approval of £0.121m for design fees to enable the re-purposing of West Green Youth Centre into a Family Time Hub for supervised contact. £0.085m is profiled to be spent in 2022/23, with £0.036m in 2023/24.

22. The latest Capital Programme Budget Monitor is reported in **Appendix 3**.

## Risk

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

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Risk No.	Risk Description	Previous Quarter Score	Current Score
CR61	A 'serious incident' occurs resulting in the <b>death or serious injury of a child</b> where the Council is found to have failed in their duty to safeguard, prevent or protect the child from harm.	15	15
CR69	If the council fail to make the necessary improvements to progress from the previous 'inadequate' rating, there is a risk that <b>children's services will fail to deliver an acceptable provision to the community.</b>	15	15
CR72	The government have stipulated that from 9 <sup>th</sup> September 2021, children in care under 16 will not be allowed to be accommodated in unregulated placements. This has strengthened existing regulations that stipulate that all children and young people who require residential care must be placed within registered children's homes. Due to a local and nationwide shortage of registered provision there is a risk that these <b>children and young people will not be cared for in settings that best meet their needs</b> , which could lead to safeguarding concerns and enforcement action against the providers of unregistered homes and local authorities.	12	12

24. Further details on all risks can be found in **Appendix 4** - Corporate Risk Register Summary.

## Learning and Skills Portfolio - Summary

### Performance Summary

- The Portfolio has a number of performance highlights to report this quarter:
  - The proportion of schools deemed Good or Outstanding by Ofsted continues to rise following the reintroduction of evaluative inspections in September 2021; this is an all-time high for West Sussex and is well on track for meeting the challenging target set for 2022/23.
  - The proportion of young people who are not in education, employment or training, or whose position is unknown remains higher than the national and regional comparisons, but progress continues to narrow the gap from 2.1 to 1.4 nationally and from 1.4 to 0.9% regionally since 2021.
  - School trading income remains below target due to changes in the Early Career Framework for newly recruited teachers and a reduction in buy back of governor services support. Both these factors are being reviewed to reflect changing buy back patterns from schools for the 2022-23 year.
  - Home to school transport costs continue to rise due to a number of factors including the rise in fuel duties which are seeing higher costs coming through in new contract negotiations and the reduction in interest from some minibus taxi firms due to their unsustainability in the current climate.

### Our Council Performance Measures

- The following section provides updates of the performance KPIs agreed in Our Council Plan and the action taking place, comprising a wider performance view, with KPI measures comparing performance over the last three periods - this may be quarterly, annually or other time periods (depending on how regularly data is released); however, each measure will explain the reporting period.

Learning and Skills		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
21	The percentage of young people attaining Grade 4 and above for Maths and English GCSE by age of 16 years old  Reporting Frequency: Annually	67.5%	2019/20	2020/21	2021/22		<b>Performance Analysis:</b> No new results are available until October 2022. Due to the Covid-19 pandemic, the summer exam series was cancelled in 2020 and 2021 and pupils were awarded either a centre assessment grade or a calculated grade using a model developed by Ofqual. Results show an increase since 2018-19 but this reflects the change to the way GCSE grades were awarded rather than improvements in pupil performance. As a result, the 2019/20 and 2020/21 data should not be directly compared to attainment data from previous years.  <b>Actions:</b> The local authority provides a	G
			66.2%	72.2%	75.2%	↗		

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Learning and Skills		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
							programme of professional development for teachers and school leaders including work on curriculum, assessment and raising expectations. The annual conversation held with all schools identifies where schools may have underperformance and targeted visits and consultancy support is provided to those schools where performance and achievement is requiring improvement.	
<b>25</b>	Percentage of schools with OFSTED rating 'good' or 'outstanding'  Reporting Frequency: Quarterly	90.0%	<b>Dec-21</b>  <b>88.4%</b>	<b>Mar-22</b>  <b>88.8%</b> <small>(Target 88.5% in 2021/22)</small>	<b>Jun-22</b>  <b>89.1%</b>		<p><b>Performance Analysis:</b> Jun-22: The total for West Sussex schools that are judged good or outstanding has risen very slightly and is now at 89.1% equalling an all-time high. This figure is 0.3% higher than the equivalent figures shown in the previous month, with a net 1 school which has been rated from previously being rated as Requires Improvement.</p> <p>For June 2022, the percentage for each school phase is as follows: Primary Schools = 88.1%; Secondary Schools = 92.3%; Special Schools = 100%. (Performance has improved this quarter but the results are showing as amber as the target has increased this year from 89% to 90%)</p> <p><b>Actions:</b> The local authority provides a programme of professional development for teachers and school leaders including work on curriculum, assessment and raising expectations. The annual conversation held with all schools identifies where schools may have underperformance and targeted visits and consultancy support is provided to those schools where performance and achievement is requiring improvement. Additional school led improvement projects are used to support schools in difficulty, where teaching and leadership requires additional support to improve, and where outcomes for pupils are too low.</p>	<b>G</b>

Learning and Skills		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
26	Percentage of pupils and students accessing Ofsted 'good' or 'outstanding' schools  Reporting Frequency: Quarterly	89.0%	Dec-21	Mar-22	Jun-22	<p><b>Performance Analysis:</b> Jun-22: The total for West Sussex pupils in schools that are judged good or outstanding has risen to an all-time high and is now at 90.1%. This figure is 0.4% higher than the equivalent figures shown in the previous month, with a net 1 school which has been rated from previously being rated as Requires Improvement.</p> <p>For June 2022, the percentage for each school phase is as follows: Primary Schools = 87.6%; Secondary Schools = 93.1%; Special Schools = 100%.</p> <p><b>Actions:</b> The local authority provides a programme of professional development for teachers and school leaders including work on curriculum, assessment and raising expectations. The annual conversation held with all schools identifies where schools may have underperformance and targeted visits and consultancy support is provided to those schools where performance and achievement is requiring improvement. Additional school led improvement projects are used to support schools in difficulty, where teaching and leadership requires additional support to improve, and where outcomes for pupils are too low.</p>	G	
			87.6%	89.3%	90.1%			↗
27	Percentage achieving expected standard in reading, writing and maths combined at the end of Key Stage 2  Reporting Frequency: Annually	68.0%	2017/18	2018/19	2019/20	<p><b>Performance Analysis:</b> Mar-22: No results collected for 2021 due to the pandemic.</p> <p><b>Actions:</b> The local authority provides a programme of professional development for teachers and school leaders including work on curriculum, assessment and raising expectations. The annual conversation held with all schools identifies where schools may have underperformance and targeted visits and consultancy support is provided to those schools where performance and achievement is requiring improvement. Additional school led improvement projects are used to support schools in difficulty, where teaching and leadership requires additional support to improve, and where outcomes for pupils are too low.</p>	A	
			55.0%	61.8%	62.7%			↗

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Learning and Skills		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
			2019/20	2020/21	2021/22			
28	Average attainment 8 score of students at Key Stage 4 including English and Maths  Reporting Frequency: Annually	48.3	46.9	50.3	51.6	↗	<p><b>Performance Analysis:</b> Mar-22: Due to the Covid-19 pandemic, the summer exam series was cancelled in 2020 and in 2021. Pupils scheduled to sit GCSE and A/AS level exams in 2020 were awarded either a centre assessment grade (based on what the school or college believed the student would most likely have achieved had exams gone ahead) or their calculated grade using a model developed by Ofqual - whichever was the higher of the two. The DfE aimed to make sure that students had the greatest opportunity to show the full breadth of their knowledge and understanding based on what they had been taught.</p> <p><b>Actions:</b> The GCSE grades awarded to pupils in 2020 and 2021 will remain with them as they stay on in further and higher education or enter employment after leaving school. However, the cancellation of summer 2020 and 2021 GCSE exams and the new method of awarding grades has led to a set of pupil attainment statistics that are unlike previous years. Each of the pupil level attainment statistics have increased - more than would be expected in a typical year - between the 2018/19 to 2020/21 academic years. This reflects the change to the way GCSE grades were awarded rather than improvements in pupil performance. As a result, the 2019/20 and 2020/21 data should not be directly compared to attainment data from previous years for the purposes of measuring changes in student performance.</p>	G
29	Percentage attainment gap of disadvantaged pupils compared with non-disadvantaged peers at the end of Key Stage 2  Reporting Frequency: Annually	20.0%	23.3%	23.4%	25.3%	↘	<p><b>Performance Analysis:</b> Mar-22: No results collected for 2021 due to the pandemic.</p> <p><b>Actions:</b> Closing the gap that exists between disadvantaged students and their non disadvantaged peers remains a key priority nationally and for the local authority. As part of the Covid-19 recovery plan, the government have provided a national tutoring programme to provide additional support for children who may have fallen behind along with access to computers for those disadvantaged pupils who had more restricted access to technology at home. The local authority is not engaged in this directly as the relationship has been established directly between central government and schools. West Sussex</p>	A



Learning and Skills		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
							County Council has provided a broad programme of professional development and support to schools which has included training courses, networks and a school to school led programme of training and support, targeted at those schools with a high differential between outcomes for disadvantaged and their non disadvantaged peers. This has involved an external partner.	
30	Combined percentage of 16-17-year-olds that are Not in Education, Education and Training or whose activity is not known (3-month average Dec-Feb annually)  Reporting Frequency: Monthly for Dec-Feb only.	6.5%	Dec-21	Jan-22	Feb-22		<p><b>Performance Analysis:</b> Jun-22: Further to the measured performance as stated in the March 2022 update, the following is the position as at the end of April 2022: This validated data relates April 2022. NEET (Not in Employment, Education or Training) figure stands at 2.6% and the current "Not Known" figure is 3.3%. The combined figure, of 5.9%, compared to England combined figure of 4.5% and the South East, 5.0% is currently worse than those areas, but the gap has narrowed from 2.1% and 1.4%, in 2021, for national and South East, respectively, to 1.4% and 0.9%, respectively, in 2022. For April 2022 the team have working through the NEET and Not Knowns until the return is sent, with the combined figure being around 1.4% better than the final return of April 2021. Further work during the summer term will ensure those that are NEET are followed up. Next update September for July/August 2022 data (end of academic year).</p> <p><b>Actions:</b> Our team of careers advisors continue to offer support in a far more targeted way to help young people struggling to fulfil their career potential. Many are gradually re-engaging with education and training, many building up their confidence and skills by starting on short term employability courses before moving on to more full time education, training or employment opportunities. There remains a number of young people with complex issues for whom we are working with our partners to ensure the right support is made available for them so that they can also progress.</p>	G
			6.6%	5.5%	6.0%			

## Finance Summary

### Portfolio In Year Pressures and Mitigations (Local Authority)

Pressures	(£m)	Mitigations and Underspending	(£m)	Year End Budget Variation (£m)
Mainstream Home to School Transport costs-inflationary pressures on coach and public transport contracts.	£0.630m	Staffing vacancies Educational Psychology Service and School Crossing Patrol.	(£0.149m)	
SEND Home to School Transport – increasing Alternative Provision transport costs and internal escort provision (includes £0.037m undeliverable saving).	£0.135m	Other minor variations.	(£0.157m)	
Undelivered saving relating to traded services, following the DfE announcement that LA's will no longer be able to provide the role of Appropriate Body for Early Career Teachers and shortfall in Leadership and Governance income.	£0.150m			
Crawley Schools PFI – Inflation	£0.500m			
<b>Learning and Skills Portfolio - Total</b>	<b>£1.415m</b>		<b>(£0.306m)</b>	<b>£1.109m</b>

### Dedicated Schools Grant - Portfolio In Year Pressures and Mitigations

Pressures	(£m)	Mitigations and Underspending	(£m)	Year End Budget Variation (£m)
Initial estimated budget deficit identified during 2022/23 budget setting.	£6.000m	Early Years staffing.	(£0.100m)	
Independent and Non-maintained Sector Placements.	£2.826m	Growth Fund balance.	(£0.184m)	
Cost of temporary accommodation.	£0.862m	Other minor underspends.	(£0.148m)	
Post-16 Further Education Colleges.	£1.386m			
Post-16 Independent Specialist Providers.	£1.042m			
Exceptional Needs Funding and Top-Ups.	£1.498m			
Specialist Support.	£1.347m			
SEND and Inclusion Staffing.	£0.221m			
<b>Dedicated Schools Grant - Total</b>	<b>£15.182m</b>		<b>(£0.432m)</b>	<b>£14.750m</b>

## Significant Financial Issues and Risks Arising (Local Authority)

Key Financial Issues and Risks Arising		Narrative	Cost Driver	Baseline (March 2022)	Q1		Action	Trajectory
1	Destination mix of pupils with an Education, Health and Care Plan (EHCP) receiving transport	Approximately one third of our children with an Education, Health and Care Plan (EHCP) also receive transportation to their school.	No. of pupils with EHCP transported to a mainstream school / SSC	212 (10.1%)	211 (9.9%)	↔	The number of complex cases continues to increase and current special school places have now reached full capacity leading to increased places in independent sector. Increasing the number of children being educated in the independent sector and away from their communities also increases the costs of transport.	↗
			No. of pupils with EHCP transported to a special school	1,316 (62.8%)	1,328 (62.3%)	↓		
			No. of pupils with EHCP transported to independent placements	549 (26.2%)	568 (26.7%)	↗		
			No. of pupils with EHCP transported to other placements	18 (0.9%)	23 (1.1%)	↔		
			Total no. of pupils with EHCP transported	2,095 (100%)	2,130 (100%)			
2	Transport type mix of pupils with an Education, Health and Care Plan (EHCP) receiving transport	Approximately one quarter of our children with an Education, Health and Care Plan (EHCP) who receive transport are transported on the County Council fleet. However, the majority are transported in an external taxi or minibus. This is an expensive option, and as a result, a parental mileage rate has been introduced to encourage parents to transport their own child to and from school instead.	No. of pupils with EHCP transported in an external taxi/minibus	1,421 (67.8%)	1,429 (67.1%)	↓	The decision to have an internal fleet is a long-term strategic one. It means that in areas with fewer suppliers or where prices are unsustainably high the Council can moderate the impact on our spending and overall costs. Whilst there are over 100 minibus routes, the insourcing last year focused on expensive accessible vehicle routes and/or where the biggest cost reductions could be made.	↗
			No. of pupils with EHCP transported on County Council fleet	563 (26.9%)	584 (27.4%)	↗		
			No. of pupils with EHCP transported by parents	111 (5.3%)	117 (5.5%)	↗		
			Total no. of pupils with EHCP transported	2,095 (100%)	2,130 (100%)			
3	Total number of routes required to transport pupils with an Education, health and care Plan (EHCP)	The number of externally contracted routes being undertaken has been on the increase over the last few years.	No. of transport routes	698	717	↗		↗
4	Percentage of pupils with an Education, Health and Care Plan (EHCP) receiving transport requiring a solo taxi	The biggest area of increased spend over the last couple of years has been in relation to solo taxis. Pupils receive solo taxi transport from home to school because of age, SEND or other circumstances e.g., behaviour. Analysis shows around 35% of the pupils travelling alone in a solo taxi is due to needs, whilst the remaining 65% are due to geography/only child at the school.	No. of single occupancy taxi routes	305	322	↗	A review of taxi provision for SEND pupils was undertaken in 2019/20. This review appeared to help moderate the overall pressure at the time but since then numbers have continued to rise. The Special Educational Needs Assessment Team (SENAT) have also reviewed the solo taxi approval process, and these now all go through scrutiny panel with transport representative invited to the meeting.	↗

### Key:

<b>Arrow:</b>	Decreasing	↓	Increasing	↗	Static	↔
<b>Colour:</b>	Improving	🟢	Worsening	🔴	Static	🟡

## Significant Financial Issues and Risks Arising- *Dedicated Schools Grant*

Key Financial Issues and Risks Arising	Narrative	Cost Driver	Baseline (March 2022)	Q1		Action	Trajectory
4 Placement mix of pupils with an Education, Health and Care Plan (EHCP)	Our High Needs expenditure within West Sussex is largely driven by the number of pupils with an Education and Health Care Plan (EHCP). The 22/23 budget has been set on the basis of a further 450 pupils this year. Overall growth so far this year is significantly above this, although the proportion of these children being placed in more costly placements within the independent sector has remained the same.	No of pupils with EHCP in mainstream school	1,988 (30.5%)	2,073 (31.0%)	↗	West Sussex has significantly less learners with EHCPs in their mainstream secondary schools than the national picture. A small specialist outreach team has therefore been created as a two-year pilot to support the inclusion of these learners in their local mainstream school. Schools Forum has also approved a £1.2m transfer from the DSG Schools block this year in order to pay for more temporary posts to increase capacity to support mainstream schools, support effective transition in early years and support annual reviews in post-16. The increasing level of placements in the independent sector is largely due to lack of capacity in WSCC's settings. In the medium term, it is expected that the number of independent sector placements will continue to rise at a faster rate.	↗
		No of pupils with EHCP in special school / SSC	2,273 (34.9%)	2,294 (34.3%)	↘		
		No of pupils with EHCP in independent placements	715 (11.0%)	737 (11.0%)	↔		
		No of pupils with EHCP in post school placements	1,215 (18.7%)	1,192 (17.8%)	↘		
		No of pupils with EHCP in other placement type	319 (4.9%)	398 (5.9%)	↗		
		Total no of pupils with EHCP	6,510 (100%)	6,694 (100%)			

### Key:

<b>Arrow:</b>	Decreasing	↘	Increasing	↗	Static	↔
<b>Colour:</b>	Improving	Green	Worsening	Red	Static	Yellow

## Financial Narrative on the Local Authority Portfolio's Position

- As at June, the Learning and Skills Portfolio budget is projecting a £1.109m overspend. The main areas of variation are described below:
- Mainstream Home to School Transport.** This budget is projected to overspend by £0.6m due to inflationary wage pressure as a result of increases in the minimum wage, fuel costs, insurance costs and maintenance costs for vehicles.
- A number of coach contract routes have already been given inflationary uplifts of up to 7.35% as a stop gap in order to ensure continuity. In addition, some routes have not been inflated for two - three years and therefore in some cases there is pent up pressure over and above the current economic pressure.
- In terms of season tickets for the routes delivered by the bigger companies such as Metrobus and Stagecoach, inflationary increases are tied to the Retail Price Index (RPI). Other season ticket routes which are delivered by other coach companies are also requesting similar levels of increase of between 5% and 7%.

7. **SEND Home to School Transport.** This area is also expected to come under increasing pressure as fuel costs continue to soar. A number of taxi companies have already handed back a number of school routes and some retendering exercises are seeing cost increases in the region of 20%. The Transport Bureau are also considering increasing the mileage reimbursement rates paid to parents from September 2022 if the cost of fuel does not fall back to below £1.50 per litre. An exercise to determine the overall impact of these inflationary pressures on the budget is currently underway.
8. In addition to these inflationary pressures, there is also an increasing demand for Alternative Provision transport (£0.085m) and internal escort provision (£0.050m). This £0.135m projected overspend is included in the forecast outturn position.
9. **Shortfall of Traded Income (Undelivered Savings).** Reduced traded income following the Department for Education's announcement that Local Authorities will no longer be able to provide the role of Appropriate Body for Early Career Teachers from September 2023. In view of this, the decision has been taken for the County Council not to offer the Appropriate Body role for new two-year registrations from September 2022 (unless the Early Career Teacher will complete before September 2023).
10. In addition, School trading income has not grown very significantly over the last couple of years following the Covid-19 pandemic, leading to a shortfall against income targets. Overall, the £0.150m planned savings from 2021/22 are no longer expected to be delivered.
11. **Crawley Schools PFI Inflation.** The budget is projected to overspend by £0.5m in 2022/23 due to inflationary pressure on the unitary charge payment and utility costs. Utility costs are reconciled in arrears under contract mechanisms, meaning a firm figure is unlikely to be known until later in the year and a risk of higher costs remains given the current market volatility.
12. **Staffing Vacancies.** £0.149m of underspending within the Educational Psychology Service and School Crossing Patrol Service teams are forecast this year as services continue to experience recruitment difficulties.

### **Financial Narrative on the Dedicated Schools Grant Position**

13. The Dedicated Schools Grant (DSG) budget position, as at the end of June, is projecting an overspending of £14.750m against County Council's DSG allocation from government in 2022/23. This overspending will be transferred to DSG reserves at the end of the year, thereby increasing the DSG deficit from £25.5m to £40.3m.
14. **Independent and Non-maintained Sector.** The current projected outturn position is based on a continuation of the existing 754 placements at the end of the summer term plus further growth of 75 over the remaining months of the year, less any planned mitigations within the DSG recovery plan. This has resulted in a £2.826m overspend projection.
15. **Cost of Temporary Accommodation.** - Temporary classrooms have now been installed at St Anthonys, Manor Green College and Cornfield special

## Agenda Item 6

### Section 3

schools in order to help reduce the number of pupils being placed in the independent sector. Since these classrooms are being hired, the £0.862m cost incurred cannot be charged to the capital programme.

16. **Post-16 Further Education Colleges.** This budget overspent by £1.2m in 2021/22 due to the number of additional placements incurring a cost increasing by 53 during the year (compared to a budgeted increase of 17 placements). The £1.386m projected overspend in 2022/23 does not currently include any growth in September and is based on a continuation of the number of pupils in the 2021/22 academic year.
17. **Post-16 Independent Specialist Providers.** This budget overspent by £0.7m in 2021/22 due to the number of additional placements incurring a cost increasing by 18 during the year (compared to a budgeted increase of three placements). The £1.042m projected overspend in 2022/23 does not currently include any growth in September and is based on a continuation of the number of pupils in the 2021/22 academic year.
18. **Exceptional Needs Funding and Top Ups.** Increased budget shares in special school academies to reflect the increased number of planned places and additional pupils in mainstream schools receiving top-up funding through an Individually Assigned Resource (IAR) have led to a £1.498m overspend being forecast.
19. **Specialist Support.** Expenditure for specialist support has grown significantly over the last couple of years, with this budget overspending by £1.4m last year. A similar level of expenditure is currently being forecast in 2022/23, leading to a £1.347m overspend current forecast.
20. **SEND and Inclusion Staffing.** £0.221m of overspending in the Sensory Support team is forecast due to the additional recruitment of two additional trainee advisory teachers in order to help with future recruitment issues and forthcoming retirements within the service, alongside the non-achievement of the vacancy target within Behaviour Support and Social Communication teams.
21. **Growth Fund Commitments.** £2.383m has been allocated to 13 primary schools and 24 secondary schools (including five primary and 13 secondary academies) from the Growth Fund. A further allocation of £0.033m has also been made to one secondary school to top up its summer term funding. The remaining balance of £0.184m is unlikely to be spent this year.
22. **Early Years Staffing.** £0.100m of staffing vacancies within the Early Years' Service are included within the outturn projection.

**Cost Drivers Information**

<p style="text-align: center;"><b>Number of EHCPs (excluding OLA) Pupils</b></p> <table border="1"> <caption>Number of EHCPs (excluding OLA) Pupils</caption> <thead> <tr> <th>Month</th> <th>Number of Pupils</th> </tr> </thead> <tbody> <tr><td>Apr-20</td><td>5780</td></tr> <tr><td>May-20</td><td>5800</td></tr> <tr><td>Jun-20</td><td>5850</td></tr> <tr><td>Jul-20</td><td>5820</td></tr> <tr><td>Aug-20</td><td>5750</td></tr> <tr><td>Sep-20</td><td>5850</td></tr> <tr><td>Oct-20</td><td>5900</td></tr> <tr><td>Nov-20</td><td>5950</td></tr> <tr><td>Dec-20</td><td>6000</td></tr> <tr><td>Jan-21</td><td>6050</td></tr> <tr><td>Feb-21</td><td>6100</td></tr> <tr><td>Mar-21</td><td>6150</td></tr> <tr><td>Apr-21</td><td>6200</td></tr> <tr><td>May-21</td><td>6250</td></tr> <tr><td>Jun-21</td><td>6300</td></tr> <tr><td>Jul-21</td><td>6350</td></tr> <tr><td>Aug-21</td><td>6300</td></tr> <tr><td>Sep-21</td><td>6350</td></tr> <tr><td>Oct-21</td><td>6380</td></tr> <tr><td>Nov-21</td><td>6400</td></tr> <tr><td>Dec-21</td><td>6450</td></tr> <tr><td>Jan-22</td><td>6500</td></tr> <tr><td>Feb-22</td><td>6550</td></tr> <tr><td>Mar-22</td><td>6600</td></tr> <tr><td>Apr-22</td><td>6650</td></tr> <tr><td>May-22</td><td>6680</td></tr> <tr><td>Jun-22</td><td>6694</td></tr> </tbody> </table>	Month	Number of Pupils	Apr-20	5780	May-20	5800	Jun-20	5850	Jul-20	5820	Aug-20	5750	Sep-20	5850	Oct-20	5900	Nov-20	5950	Dec-20	6000	Jan-21	6050	Feb-21	6100	Mar-21	6150	Apr-21	6200	May-21	6250	Jun-21	6300	Jul-21	6350	Aug-21	6300	Sep-21	6350	Oct-21	6380	Nov-21	6400	Dec-21	6450	Jan-22	6500	Feb-22	6550	Mar-22	6600	Apr-22	6650	May-22	6680	Jun-22	6694	<p>There has been an increasing number of children and young people with an Education Health and Care Plan (EHCP) in each financial year since March 2015 (3,423 pupils).</p> <p>This graph demonstrates the continuation of these increasing numbers since April 2020 (5,793 pupils).</p> <p>As at June 2022 there were 6,694 pupils with an EHCP.</p>
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Month	20/21	21/22	22/23																																																						
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Month	20/21	21/22	22/23																																																						
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## Revenue (LA) Grant Update

23. Since the creation of the 2022/23 Budget, the Department for Education have confirmed that the County Council Extended Rights for Home to School Travel Grant award has increased to £741,600; £106,600 more than assumed within the 2022/23 budget. This additional funding will be used to contribute towards the cost of providing Home to School travel provision.

## Covid-19 Expenditure Update

24. As the pandemic continues, there remains a need to provide quality services and assistance to residents. Within the Learning and Skills portfolio, some final invoices relating to the backlog of specific psychology assessments have been received, along with the final summer term for a number of specific college placements which were impacted by the pandemic. This has led to £0.280m of the non-ringfenced Covid-19 grant being earmarked for 2022/23.

## Savings Delivery Update

25. In addition to the £0.225m of 2022/23 planned savings, there remains £0.675m of savings from the 2021/22 financial year which were not delivered on an on-going basis. To ensure that these savings are monitored and delivered, all of these savings are detailed in the table below:

Saving Activity	Savings to be Delivered in 2022/23 £000	June 2022		Narrative
Improve School Trading Offer	175	25	G	Inclusion team are on target to deliver their target.
		150	R	Any improved trading income has been offset by a shortfall of income within Leadership and Governance and reduced traded income following DfE announcement that LAs will no longer be able to provide the role of Appropriate Body for Early Career Teachers.
Home to School Transport – Increased Internal Fleet	300	300	B	Savings plans, including insourcing 27 accessible minibus routes have been successfully completed.
Home to School Transport – Greater Taxi Competition	200	163	G	£0.163m saving has been achieved to date through some keener pricing.
		37	R	
Increase in Council's Top Slice of Early Years DSG to Compensate for Lost Central DSG Grant Funding Used for Wider Benefit of Children and Young People	225	225	B	Centrally retained element of the Early Years DSG block was increased from 4.5% to 5% when the 2022/23 budget was set.

### Savings Key:

<b>R</b> Significant Risk	<b>A</b> At Risk	<b>G</b> On Track	<b>B</b> Delivered
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## Capital Programme

### Performance Summary - Capital

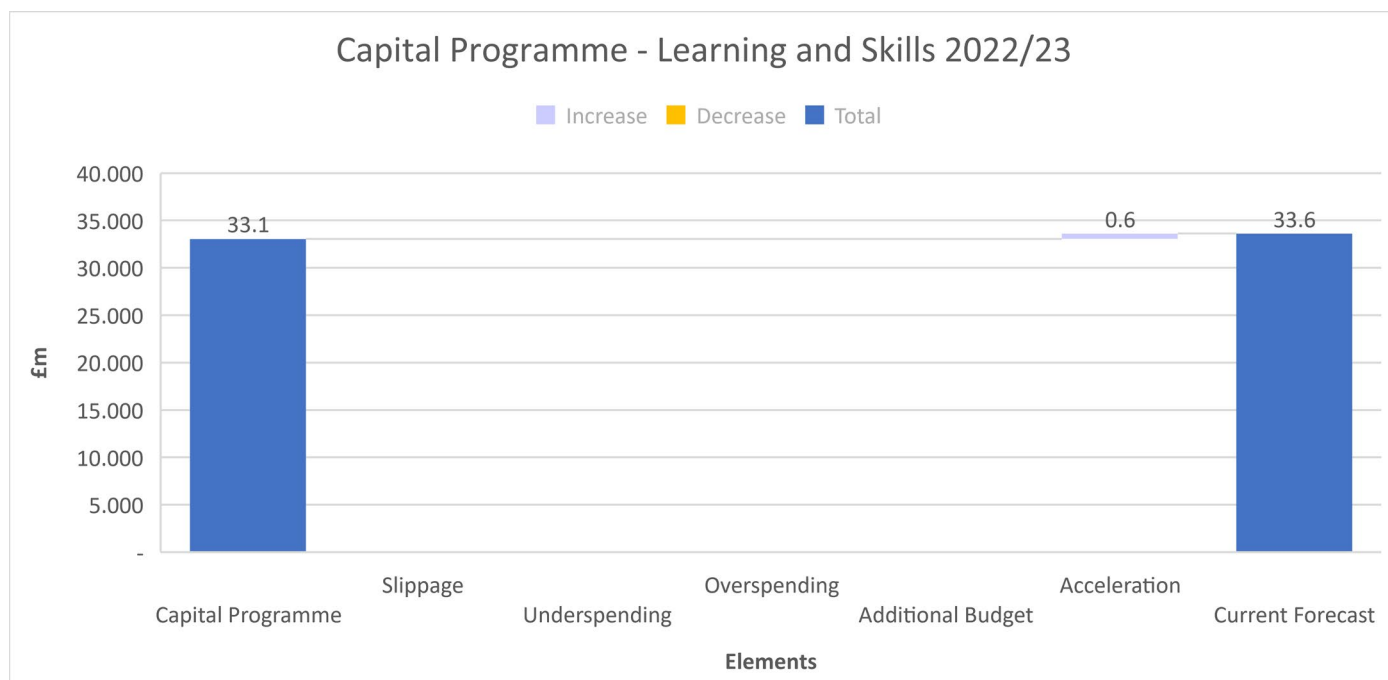
26. There are 43 schemes within the portfolio. 29 of the schemes in delivery are rated green, indicating that the project is reporting to plan, seven of the schemes are rated at amber, indicating that there is an issue, but that it can be dealt with by the project manager or project delivery team and five schemes are rated red, indicating that there are significant issues requiring corrective action. Also, two schemes are being managed by schools directly. An update on the progress of the schemes not rated green are detailed in the table below:

Scheme	RAG Status at 30 <sup>th</sup> June	Reason	Latest RAG Status	Updated Position
Burgess Hill Northern Arc Secondary School	AMBER	Time – Decision point reached	GREEN	Key Decision published.
Edward Bryant Special Support Centre	RED	Cost estimate following Feasibility higher than expected.	GREEN	Key Decision approved allocating resources.
Forest School Science Block	AMBER	Tight timetable for September sign-off.	AMBER	Works onsite at present, started on 23 May 2022.
Maidenbower Infants - Special Support Centre	AMBER	Additional scope requires additional funding.	AMBER	Options being considered.
Midhurst Rother College	RED	Proposed change of scope (changing rooms/showers) will increase costs beyond budget.	RED	Options being considered.
Parklands Primary	RED	Defects.	RED	defect-management to continue until August 2022.
QEII Silver Jubilee School	RED	Cost pressures.	RED	Options being considered.
S106 infrastructure Programme	AMBER	Cost pressures.	AMBER	Options being considered.
S106 Forest School AWP	AMBER	Water Neutrality statement not accepted resulting in delay.	AMBER	Revised water neutrality statement submitted.
S106 Linfield Primary	RED	Change of scope from one to two classrooms.	RED	No change.
Safeguarding Programme	AMBER	Final account indicates overspend, mainly due to work at Sheddingdean Primary.	AMBER	Awaiting Change Request for additional funding.
St Margaret's SSC	AMBER	Planning application delayed.	AMBER	No Change.

## Finance Summary - Capital

27. The capital programme; as approved by County Council in February 2022, agreed a programme totalling £30.774m for 2022/23. £2.286m of budget, originally profiled to spend in 2021/22, was slipped into 2022/23, revising the capital programme to £33.060m.

28. Since this time, the profiled spend has increased overall by £0.561m, to give a current year end projection for 2022/23 of £33,621. This increase relates to projects where funding has been accelerated from future years.



**Key:**

Capital Programme – The revised planned expenditure for 2022/23 as at 1st April 2022.  
 Slippage – Funding which was planned to be spent in 2022/23 but has since been reprofiled into future years.  
 Underspending – Unused funding following the completion of projects.  
 Overspending – Projects that require further funding over and above the original approved budget.  
 Additional Budget – Additional external funding that has entered the capital programme for the first time.  
 Acceleration – Agreed funding which has been brought forward from future years.  
 Current Forecast – Latest 2022/23 financial year capital programme forecast.

29. Details explaining the financial profiling changes within the capital programme during the first quarter are as follows:

- **Acceleration: £0.561m.**
  - **St Andrews - £0.150m.** Approval of £0.150m to increase and improve the cloakrooms at the school in order to provide safeguarding improvements. This funding is expected to be fully utilised during 2022/23.
  - **Fordwater - £0.120m.** Approval has been given for £0.480m to fund the necessary adaptations and equipment to create 40 additional KS3 and KS4 places by September 2023. £0.120m is profiled to be spent in 2022/23, with the remainder in 2023/24.

- **The Angmering School - £0.291m.** Approval has been given for £0.291m of spend in 2022/23 to retrospectively fit a full passenger lift to the new school extension.

## Capital Programme – Grant Update

30. Since the approval of the Capital Programme in February 2022, the following grants have been awarded. These allocations are required to go through governance and will ultimately be added to the five-year Capital Programme.

Grant	Value (£)	Narrative
High Needs Capital Funding (2022/23 & 2023/24)	£21.050m	Funding will be added to the SEND Programme, with the planned £20m borrowing in the 2022/23 Capital Programme returned to the Capital Improvements budget.
Basic Need Funding (2023/24 & 2024/25)	£21.962m	Grant to be added to the existing capital allocation and included in future Capital Programme.
Schools Condition Allocation (Schools Capital Maintenance)	£1.159m	Confirmed funding of £8.789m. Assumed £7.630m allocation in February Capital Programme. Additional grant allocation to be added to the existing capital allocation and included in future Capital Programme.

31. The latest Capital Programme Budget Monitor is reported in **Appendix 3**.

## Risk

32. There are no corporate risks assigned to this portfolio. Risks allocated to other portfolios are specified within the respective appendices of this report. Further detail on all risks can be found in **Appendix 4** - Corporate Risk Register Summary.

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## **Community Support, Fire and Rescue Portfolio - Summary**

### **Performance Summary**

1. The Portfolio has a number of performance highlights to report this quarter:

#### **Fire and Rescue Service**

- This quarter saw the formal launch of our Community Risk Management Plan which effectively is our business plan for the next four years. The launch was marked by an event which was attended by well over a quarter of our fire service workforce who enjoyed presentations from all Heads of Service on their relevant service plans and updates on the relationship between the strategic objectives and the personal objectives for staff as part of their performance meetings.
- Our Local Risk Management Plans (LRMPs) are fed from our service plans and focus on risk at a local level, targeting our resources to the needs within the community. They have been developed through community engagement and using data to identify local risk, enabling efficient planning and management of actions to reduce the identified risks. This quarter we began to record all community safety activity in addition to Safe and Well Visits to demonstrate and evaluate the work undertaken to address risk at this local level. LRMPs provide our staff with the golden thread in understanding the impact and importance of the work they undertake.
- This quarter we have increased the number of Safe and Well Visits delivered and expect to exceed our annual target in 22/23. Our Safe and Well Visits continue to be targeted at those identified as having an increased level of risk and our frontline crews are delivering more Home Safety Checks.
- There were two fatal fires during this quarter in Worthing and Chichester. Review meetings have already been undertaken for both incidents and lessons learned, and recommendations are in progress to further refine our prevention plans to work more closely with GP surgeries. General Practitioners continue to provide an excellent local conduit to vulnerable people who may not be known to other services and therefore provide an excellent referral opportunity for fire service intervention and Safe and Well visits.
- The new fire station and training centre development at Horsham continues at pace with the construction well on target for the planned completion date of 20<sup>th</sup> March 2023. This quarter we saw the roof going onto the main fire station and works progress on the live fire training unit that will provide the state-of-the-art fire training that will make such a difference to our service. The build has reached the halfway point with approximately 39 weeks to go when ownership will be handed over to the service in April 2023
- The first of our Leadership and Change workshops began this quarter. This programme will help develop leaders across our service and support talent management which provides learning, information and guidance on the behaviours, expectations and practical skills required of our FRS managers at all levels.

### **Community Support**

- Customer visits to libraries were up 65% this quarter compared to quarter one 2021/22, reflecting residents continuing return to community-based services. The resumption of a greater range of partner services, plus the addition of Healthy Child Clinics in libraries has supported this growth in footfall.
- The Records Office flagship heritage project Transatlantic Ties, exploring and promoting the historic connections between America and West Sussex, was successfully completed in June with a symposium event at Chichester University. A panel of experts from both sides of the Atlantic engaged the audience on the day, with the event serving as a launch for the dedicated website, a key digital legacy from the work offering virtual access to the trove of material uncovered.
- The first quarter of the year has been exceptionally busy with couples planning ceremonies as 2,489 notices have been taken. This is a 36% increase compared to the five-year pre-Covid average of 1,823.
- In addition to the high level of notices being taken the Registration Service conducted 1,160 ceremonies in quarter one. This is 36% more than the five-year pre-Covid average of 852 for this quarter and is more akin to delivery level for the peak season. This level of delivery is anticipated to follow the seasonal pattern and therefore will increase during the next few months, before reducing after October.
- Teams within the Communities Directorate are working together to respond to the Homes for Ukraine Scheme. This has included providing a welcome desk at Gatwick Airport to assist Ukrainians arriving, setting up systems and teams to undertake DBS checks, safeguarding checks and working with District and Boroughs to complete property visits for residents offering accommodation in their homes as sponsors. Upon arrival, a range of activities are undertaken to provide Ukrainian guests with practical support including issuing pre-paid cards, completing welcome arrival visits in the sponsor homes, organising school places, distributing school uniform vouchers, IT equipment and bus passes. The Community Hub is managing all initial contact and enquiries from Sponsors including an online enquiry form, telephone, and email enquiries.
- The Community Hub have been working closely with internal teams, partners and District and Borough Councils distributing the Household Support Fund to support over 9,363 individuals across 3,297 households during quarter one. This support has been focused on those requiring support with food, energy, water bills and who are experiencing hardship for reasons not necessarily linked to Covid-19.
- We continue to raise online safety awareness amongst our communities and professionals across West Sussex. So far in 2022/23, four schools have purchased the digital safety package, 537 residents/professionals engaged in digital safety training/resources and 4,785 people are currently signed up to receive the monthly Staying Safe Online E-newsletter.
- Following an investigation by West Sussex Trading Standards, the Director of Park Direct Gatwick, a meet and greet parking company that made misleading

claims on the company website and parked customer cars in an open field, was sentenced to 12 weeks' imprisonment, suspended for 12 months, and was ordered to complete a 10-day Rehabilitation Activity Requirement and to undertake 60 hours of unpaid work. He was also ordered to pay compensation to seven customers totalling £1,141 and costs of £1,200.

## Our Council Performance Measures

### Fire and Rescue Service Performance Measures



2. The following section provides updates of the performance KPIs agreed in Our Council Plan and the action taking place, comprising a wider performance view, with KPI measures comparing performance over the last three periods - this may be quarterly, annually or other time periods (depending on how regularly data is released); however, each measure will explain the reporting period.

Community Support, Fire and Rescue		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
			Dec-21	Mar-22	Jun-22			
3	<p>Fire Safety Order regulated buildings in West Sussex having received an audit under the Risk Based Inspection Programme. Measured cumulatively in each financial year, from 1st April.</p> <p>Reporting Frequency: Quarterly</p>	1,750	623	841	218	→	<p><b>Performance Analysis:</b> Jun-22: Whilst we have achieved only 50% of the target this quarter, this is an improvement on last year's Q1 total of 208. Underperformance in this measure is partly due to the Fire Safety team working to deliver our strategic priorities which includes delivering an intensive training program to every wholtime watch to enable crews to undertake fire safety checks within lower risk premises. The delivery of these checks will enable an increase in the number of business interactions, leaving qualified fire safety regulators to focus on higher risk premises in line with our Risk Based Inspection Programme. As a direct result of this work, three Prohibition Notices were served for unsafe sleeping conditions in commercial premises where, in the event of fire, seven individuals sleeping in the premises would have either sustained serious injury or died. The target of 1750 audits in 22/23 is challenging due to only a limited number of the dedicated audit team being qualified to the requirements of the National Competency Framework and the Fire Standard. With vacancies in key audit delivery roles and other staff attending long term development courses, this aspirational target is unlikely to be achievable for some time. In light of these staffing challenges and the forthcoming legislative changes we have begun the work to reassess the target for this measure.</p> <p><b>Actions:</b> Significant development is planned for the department to ensure that regulators are qualified to operate within the built environment and our workforce meets the requirements of the competency framework and the fire standard. Initially this will impact on audit productivity due to regulators attending courses for a substantial period of the coming</p>	R

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Community Support, Fire and Rescue		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
							<p>months/year, however a plan is in place to minimise the effects of this decision.</p> <p>In June a restructure of the department was approved, which is designed to ensure that when the Building Safety Regulator comes online with the Building Safety Act, we have the right skills and team members to support the multi-disciplinary team. This restructure will take effect as of 01 July 2022. Further plans are being developed to increase longer term output and improve the succession planning process for bringing new members of staff into the team by providing fire safety qualifications to some Station Managers and retained staff. A recruitment process will be launched for short term flexible contracts for people in West Sussex who hold the Level 4 Diploma in Fire Safety, such as those who may have recently retired from a Fire and Rescue Service or those employed by another FRS but live in West Sussex and may be seeking to undertake additional employment on their days off.</p>	
<b>10</b>	<p>Number of Safe and Well Visits delivered to households with at least one vulnerability or risk factor. Measured cumulatively in each financial year, from 1st April.</p> <p>Reporting Frequency: Quarterly, Accumulative.</p>	4,000	<b>Dec-21</b> 2,468	<b>Mar-22</b> 3,355	<b>Jun-22</b> 1,151	<p>↑</p>	<p><b>Performance Analysis:</b> Jun-22: In Q1 we carried out 1,151 Safe and Well Visits and 324 home checks. We have seen a month on month increase in visits so far in 2022/23 which we attribute to the remedial actions taken, the ongoing development of referral pathways and more customers being receptive to having someone visit their home, although some are still cautious due to Covid. Staff based at fire stations have undertaken reactive post-incident as well as proactive referral generation activity.</p> <p><b>Actions:</b> We continue to promote Safe and Well Visits through our health and social care partners and train their staff to recognise and respond to fire risk. In addition, customer details are being shared to increase referrals of Safe and Well Visits. We have also shared our data with Trading Standards so they can support vulnerable people who we have recently visited and may be most at risk of scams. Crews use local data to drive and target prevention activity to areas where our most vulnerable residents live and we make the most of every opportunity to deliver focused community safety activities following incidents at residential properties. This is leading to more prevention activity being delivered to those at risk, particularly those who are in the vicinity of an incident.</p>	<b>G</b>



Community Support, Fire and Rescue		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
42	Percentage of 'critical fires' where the first appliance in attendance meets our emergency response standard  Reporting Frequency: Quarterly.	89.0%	Dec-21	Mar-22	Jun-22		<p><b>Performance Analysis:</b> Jun-22: Performance this quarter remains positive, providing further reassurance that the use of the Dynamic Cover Tool (which provides data on potential response times broken down to a district or local level to the control room operators) is having a positive impact on this core measure.</p> <p><b>Actions:</b> This quarter also sees the introduction of performance data on turnout times being available to wholetime stations. We believe this transparency of performance data will have a further positive impact on our attendance times.</p>	G
			86.7%	93.6%	91.0%			
43	Percentage of 'critical special service incidents' where the first appliance in attendance meets our emergency response standard  Reporting Frequency: Quarterly.	80.0%	Dec-21	Mar-22	Jun-22		<p><b>Performance Analysis:</b> Jun-22: We measure critical special service calls separately from critical fires. Critical special service calls can occur anywhere in the county and often away from the population centres which either (due to the number of incidents) warrant a wholetime fire station or have sufficient population density to support a Retained Duty System (RDS) station. This is the most challenging of our three attendance measures and is particularly influenced by the availability of RDS appliances. Performance this quarter remains high, providing further reassurance that the use of the Dynamic Cover Tool (which provides data on potential response times broken down to a district or local level to the control room operators) is having a positive impact on this core measure.</p> <p><b>Actions:</b> This quarter also sees the introduction of performance data on turnout times being available to wholetime stations. We believe this transparency of performance data will have a further positive impact on our attendance times. We also continue to work with partner agencies to help improve the time taken to transfer calls and information. We also continue to undertake work at our fire stations to ensure we are doing everything we can to respond to incidents as quickly as possible as well as maximise the availability of RDS fire engines at times of the day when we know these incidents are most likely.</p>	G
			77.9%	80.6%	82.2%			

### Community Support Performance Measures

Community Support, Fire and Rescue		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
			Dec-21	Mar-22	Jun-22			
4	Percentage of suspected scam victims, identified to WSCC by the National Trading Standards Scams Team, receiving a pro-active intervention from the Trading Standards Service  Reporting Frequency: Quarterly	100%	100%	100%	100%	→	<p><b>Performance Analysis:</b> Jun-22: The intervention rate remains at 100%. The Service has nearly completed all the call blocker installations arising from our promotion to relevant households in quarter four.</p> <p><b>Actions:</b> There are currently 121 call blockers installed in vulnerable persons homes that have blocked 112,301 scam/nuisance calls. The call blockers were paid for using the proceeds of crime that had been confiscated by the courts in a previous Trading Standards criminal prosecution.</p>	G
33	Use of virtual/digital library services by residents  Reporting Frequency: Quarterly, Accumulative	5.45m	4.31m	5.81m	1.39m	↘	<p><b>Performance Analysis:</b> Jun-22: We continue to invest in e-Library content and promote to customers. Recent work includes promoting special Ukrainian and Russian language e-Library collections.</p> <p><b>Actions:</b> We have reviewed our email newsletter to gain customer insight on preferred content, to ensure we are promoting virtual services effectively.</p>	G
34	Number of people reached and supported via the West Sussex Community Hub during the Covid-19 pandemic  Reporting Frequency: Quarterly, Accumulative	36,000	62,270	76,477	9,363		<p><b>Performance Analysis:</b> Jun-22: From October 2021 the Community Hub supports residents with Covid-19 related needs and also households with wider essential needs such as food, energy, and water bills via the Household Support Fund.</p> <p><b>Actions:</b> The Household Support Fund has been extended until September 2022 and ongoing support to help those households in need continues. The cumulative total is now 85,840.</p>	G

## Finance Summary

### Portfolio In Year Pressures and Mitigations

Pressures	(£m)	Mitigations and Underspending	(£m)	Year end budget variation (£m)
Community Support – Additional coroner costs projected following work undertaken on long inquests.	£0.190m	Community Support – Additional ceremonies income projected as this is the first summer season in recent times with no pandemic restrictions.	(£0.180m)	
Community Support – Shortfall in libraries and archives income relating to changes in customer behaviour post pandemic.	£0.250m	Other minor variations.	(£0.018m)	
<b>Community Support, Fire &amp; Rescue Portfolio - Total</b>	<b>£0.440m</b>		<b>(£0.198m)</b>	<b>£0.242m</b>

### Significant Financial Issues and Risks Arising

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

### Financial Narrative on the Portfolio's Position

- As at June, the Community Support, Fire and Rescue portfolio is projecting a £0.242m overspend. The main variations are described below.

#### Community Support

- Within Community Support, the Coroner's Service is projecting an overspend of £0.190m. This projected overspend relates to in-year expected inquest requirements which will result in additional costs.
- In addition, the Archive and Library Service have continued to experience a shortfall of income which relates to changes in customer behaviour post-pandemic restrictions. It is forecast that there will be a shortfall of £0.250m in 2022/23. To mitigate this pressure, the service are developing an approach to review merchandise now libraries are welcoming increasing numbers of customers.
- These budgetary pressures has been partly mitigated by a projected £0.180m increase in Registrar Service income. This increase is due to a surge of ceremonies being planned in 2022/23 following the relaxation of Covid-19 restrictions.

## Revenue Grant Update

8. Since the creation of the 2022/23 Budget, there have been a number of grant allocations announced. The table below details these allocations:

Grant Name	Current Grant Value (£)	Narrative
Fire and Rescue – Protection Grant	£160,793	To drive improvement in the capability and capacity to deliver the protection function to support a safer built environment.
Fire and Rescue – Fire Pensions Grant	£55,710	Funding received to contribute towards costs associated with the additional administration work in reviewing pension records (McCloud). Grant to be held within the Statutory Duties Reserve.
Community Support - Household Support Fund - (April 2022– September 2022)	£4,870,362	To provide support directly to households who would otherwise struggle to buy food or pay essential utility bills or meet other essential living costs or housing costs.
Community Support - Homes for Ukraine Tariff Grant - (Q1 March 2022 – May 2022)	£13,030,500	To enable local authorities to deliver their requirements in supporting Ukrainian nationals arriving under the Homes for Ukraine Scheme.  (Individual based tariff).
Community Support - Hong Kong Welcoming Programme Grant - (Regional Partnership Funding)	£107,692	Enabling funds for local authorities welcoming Hong Kong British nationals.
Community Support - Afghan Bridging Hotel Funding – (Current Claim)	£1,018,200	Funds to deliver wrap around support for local authorities delivering bridging accommodation.  (Individual based tariff).
Community Support - Afghan Relocation and Assistance Scheme	£44,241	To enable local authorities to support Afghan nationals resettling.  (Individual based tariff).
Community Support - Syrian Refugee Grant	£10,899	To enable local authorities to support Syrian nationals resettling.  (Individual based tariff).

## Covid-19 Expenditure Update

9. As the pandemic continues, there remains a need to provide quality services and assistance to residents. The Community Support Service are continuing to provide support to the community by working with local partners and helping vulnerable people through the Community Hub and other front-line services.

As the length and severity of the pandemic still remains unknown at this time, £1.162m of non-ringfenced Covid-19 grant has currently been earmarked to enable the Community Hub and other support to residents to continue and potentially increase if needed.

10. Within the Fire and Rescue Service, £0.371m has been earmarked from the non-ringfenced Covid-19 grant to cover a number of potential in-year pandemic pressures including additional cost arising from required firefighter isolation periods, sickness and overtime, as well as the provision of a one-year rural engagement officer within the Prevention Team to support vulnerable people in rural areas who have been isolated during the pandemic.

### Savings Delivery Update

11. There remains £0.070m of savings from the 2021/22 financial year which were not delivered on an on-going basis. This saving is reported in the table below to ensure that it is monitored and delivered during the year:

Saving Activity	Saving to be Delivered in 2022/23 (£000)	June 2022		Narrative
		Actual	Target	
Community Support - Development of adapted Library Service offer in conjunction with Parish Councils	70	70	A	A permanent solution is being sought for 2022/23.

Savings Key:			
<b>R</b> Significant Risk	<b>A</b> At Risk	<b>G</b> On Track	<b>B</b> Delivered

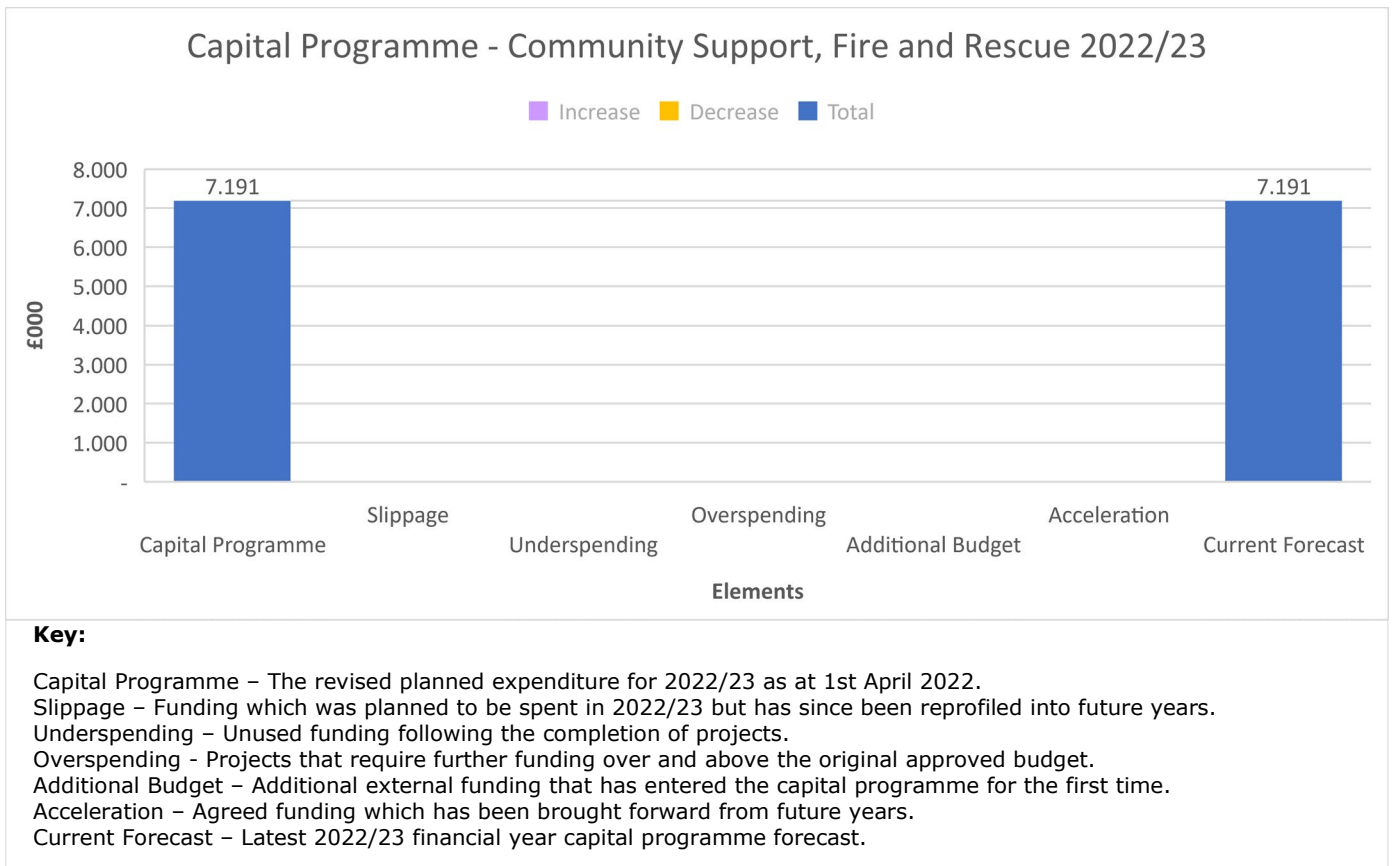
### Capital Programme

#### Performance Summary - Capital

12. There are five schemes within the portfolio and all five schemes are rated green, indicating that the schemes are reporting to plan.

#### Finance Summary - Capital

13. The capital programme; as approved by County Council in February 2022, agreed a programme totalling £9.725m for 2022/23. £2.534m of expenditure, originally profiled to spend in 2022/23, was accelerated into 2021/22, revising the capital programme to £7.191m. As at the end of June, the profiled spend has remained the same.



14. The latest Capital Programme Budget Monitor is reported in **Appendix 3**.

## Risk

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

Risk No.	Risk Description	Previous Quarter Score	Current Score
CR60	There is a risk of failing to deliver the <b>HMICFRS improvement plan</b> , leading to an adverse effect on service delivery; which may result in failing any subsequent inspection.	15	15

16. Further details on all risks can be found in **Appendix 4 - Corporate Risk Register Summary**.





## Environment and Climate Change Portfolio - Summary

### Performance Summary

1. The Portfolio has a number of performance highlights to report this quarter:
  - A bid was made to the Government's Low Carbon Skills Fund (Phase 3) for a further £0.277m to deliver heat decarbonisation plans for schools and corporate sites. The plans will show where heating systems powered by fossil fuels could be replaced by low carbon alternatives. 50 heat decarbonisation plans have already been delivered this year under a previous funding bid worth £0.326m and this work is now being progressed. The outcome of the bid should be known by the end of July.
  - £0.1m was secured from Coast to Capital LEP to fund work on water neutrality. The funding will play a key role in enabling partners to co-ordinate and accelerate its work in this area and ensure that new developments in the water-stressed North Sussex Water Supply Zone are water neutral. The funding will cover a dedicated project manager and supporting resources.
  - The Energy Services Team supported businesses on Manor Royal to identify a preferred operating model for the Manor Royal Local Energy Community (LEC). The community will be established as a Community Benefit Society, which is a form of co-operative. Once established, the LEC will enable companies to invest in renewable energy technology together and generate, store and share locally generated power and heat. The County Council is supporting the initiative through the Interreg 2Seas-funded LECSea project.
  - The WSCC-led Solar Together Sussex scheme to encourage residents to install domestic solar PV and battery systems reached 1,000 installations in June. This amounts to approximately 4MW of total installed generation capacity and a 1,000-tonne reduction in annual CO<sub>2</sub> emissions compared to non-renewable generation. The scheme is on track to deliver a further 500 installations by the end of quarter two.
  - By the end of June, facilities for the deposit of hard plastic items were available at five of the 11 Recycling Centres. This new waste stream, which includes garden furniture, children's toys, plant pots and plastic containers, will add c500 tonnes per annum to the recycling effort. Five further sites will be added in quarter two. Unfortunately, the Midhurst Recycling Centre is too constrained for further receptacles of the size required.
  - The Re-Use Shop at Billingshurst operated for its first full quarter. The number of donations at the site has picked up markedly and residents can purchase a wide variety of items. A further shop will be opened at one of the Southern Centres later in the year.
  - The year-long '1-2-3 collections trial' in partnership with Arun District Council finished in May. The trial system had effectively halved the amount of residual waste for disposal and demonstrated recycling levels that would exceed the Government's 2030 target.

## Our Council Performance Measures

2. The following section provides updates of the performance KPIs agreed in Our Council Plan and the action taking place, comprising a wider performance view, with KPI measures comparing performance over the last three periods - this may be quarterly, annually or other time periods (depending on how regularly data is released); however, each measure will explain the reporting period.

Public Health and Wellbeing		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
22	Equivalent tonnes (te) of CO2 emissions from WSCC activities (CC)  Reporting Frequency: Quarterly, Accumulative. Showing Previous Data Annually  	22,910 CO2te	Dec-21	Mar-22	Jun-22		<p><b>Performance Analysis:</b> Jun-22: Recorded carbon emissions for the quarter totalled 5,107 tonnes, amounting to a decrease of 25% compared to the same baseline period. A reduction in operational buildings, activity within operational buildings and maintenance works have also contributed to these savings, as have comparatively warmer temperatures reducing gas demand. Transport related emissions remain at less than 60% of pre-Covid-19 levels.</p> <p><b>Actions:</b> Work continues on the actions set out in the Carbon Management Plan to achieve net zero carbon by 2030.</p>	G
			20,086 CO2te	30,400 CO2te	5,107 CO2te			
23	Household waste recycled, reused or composted (CC)  Reporting Frequency: Quarterly, Reported a quarter in arrears.  	55.0%	Sep-21	Dec-21	Mar-22		<p><b>Performance Analysis:</b> Jun-22: Data always runs around one quarter in arrears due to complexity of compiling and verifying data. Q4 is the most up to date figure. This figure is currently unaudited as Defra will not publish the final statistics for 2021-2022 until December this year. The 2021/22 year-end rate increased 0.6% on the year-end rate for 2020/21 of 53.1%</p> <p><b>Actions:</b> Our wood contractors stockpiled approx. 2,000 tonnes of recycling centre wood during the final quarter, which we could not count towards the recycling rate. They are recycling 90% of our material and sending the remaining 10% to Biomass. If waste volumes are too high and they cannot get the wood out for recycling, they will stockpile until they can do so, instead of sending it to Biomass. Our contractor was working hard to process the stockpile in the first few months of this financial year, so we can count it in our Waste Data Flow Returns for Q1 and Q2.</p>	G
			55.4%	55.3%	53.7%			



## Finance Summary

### Portfolio In Year Pressures and Mitigations

Pressures	(£m)	Mitigations and Underspending	(£m)	Year end budget variation (£m)
Unit price increase on energy tariffs, affecting corporate buildings	£1.700m	Additional Solar and Battery Farm income due to an increase in unit prices	(£1.000m)	
Additional cost on waste contracts above budgeted inflation	£1.826m	Additional income from sale of recyclable material	(£2.600m)	
Additional waste tonnage largely due to Adur and Worthing bin strike in March 2022	£0.374m			
Countryside Services – inflation and demand pressures	£0.200m			
<b>Environment &amp; Climate Change Portfolio - Total</b>	<b>£4.100m</b>		<b>(£3.600m)</b>	<b>£0.500m</b>

### Significant Financial Issues and Risks Arising

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

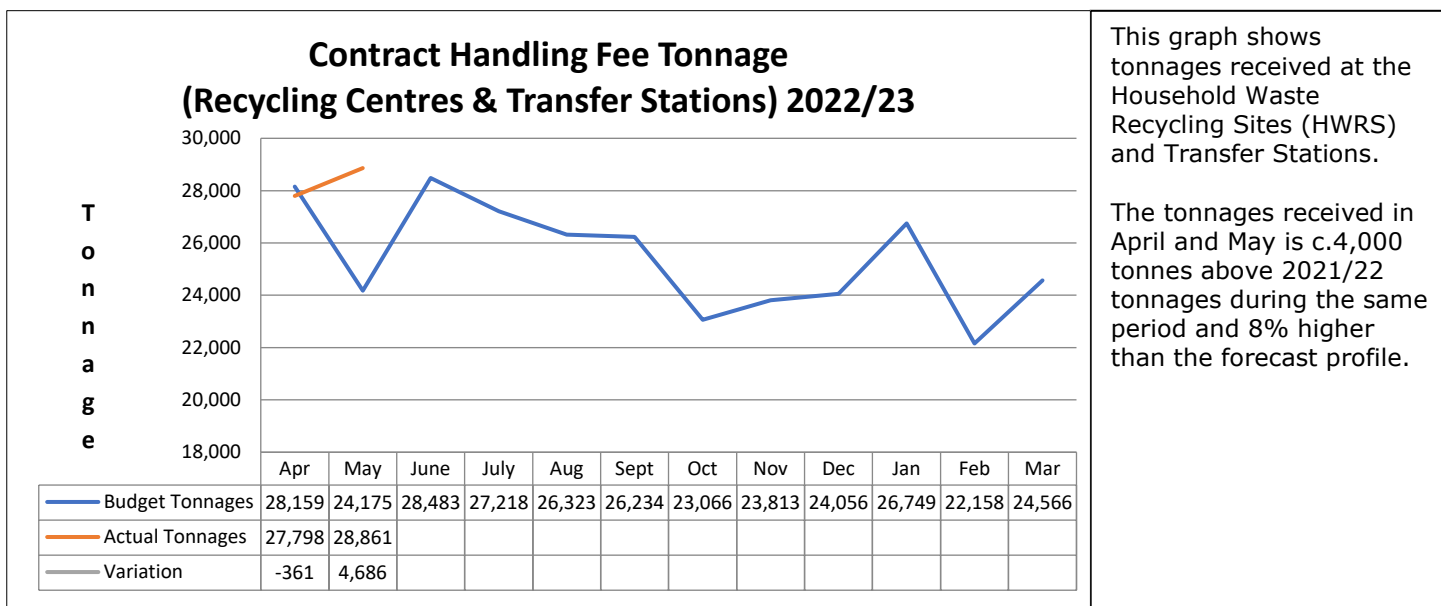
### Financial Narrative on the Portfolio's Position

- As at June, the Environment and Climate Change portfolio is projecting a £0.5m overspend. The main variations are described below:
- Corporate utilities - Gas and electricity prices have risen sharply across Europe in the last year which has added a considerable premium to market rates. The County Council's corporate energy contractor's forward-buying strategy mitigated the impact of the 2021/22 increases, however as the value of the commodities continue to increase, a hedging strategy cannot completely protect the Council from these rises in 2022/23. The County Council's energy supply contract is not due to end until September 2024. Currently, a £1.7m overspend is forecast for 2022/23 which is based on known summer prices and service-estimated winter prices.
- Solar and battery storage – At this stage of the year, based on the current elevated solar sale prices, we are forecasting a £1.0m surplus of income. The weather conditions so far in 2022/23 have been favourable and are likely to contribute to energy output above expectation. It is important to note that, corporately, any gain in income from the solar projects is likely to be offset by the increased cost in corporate utilities arising from the higher unit rate
- Waste contract inflation – The largest issue facing waste services is high inflation rates. The 2022/23 budget was set based on the September RPI rate of 5%, whereas the contracts are uplifted annually based on the February RPI, which equated to 8.2% in 2022/23. This has resulted in a £1.826m budget pressure.

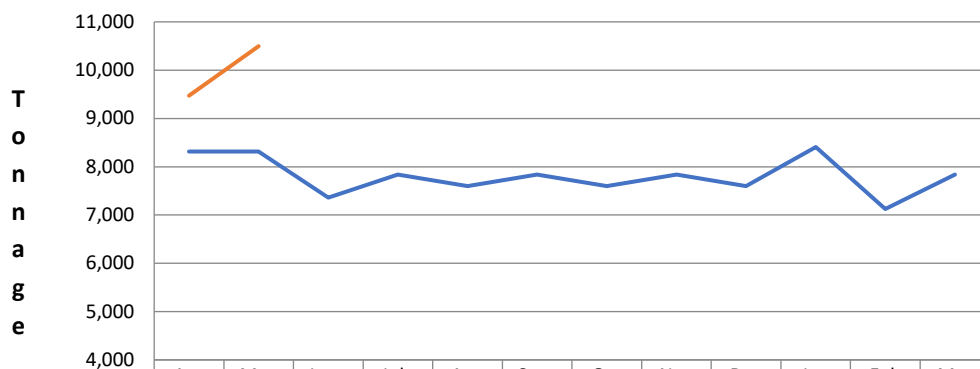
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8. Waste recycling and disposal – The household waste recycling sites (HWRS) have seen an increase in waste tonnage volumes of around 8% above the 2021/22 volume so far this year. Part of this increase relates to the impact of the delayed waste received following the Adur and Worthing GMB strike action which commenced in March 2022. As at June, the Material Recycling Facility (MRF) continues to receive a higher than budgeted waste volume due to the increase in household waste recycling collected at the kerbside; this is in part due to changes in home-working arrangements. Overall, this has resulted in a projected £0.374m overspend.
  
9. Countryside Services – An overspending of £0.2m is projected due to a combination of inflationary and increased demand pressures. Cost increases to labour and materials are severely impacting the Public Rights of Way budget, with a projected overspending of £0.1m on scheduled maintenance and safety works. A similar level of overspending is projected on the Countryside Facilities budget where a range of pressures, including the continuation of the significant increase in the use of the countryside, which started during the pandemic, are leading to increased site and infrastructure maintenance costs.

**Cost Driver Information**



### Monthly Profile and Actual Waste Tonnage Converted into RDF 2022/23



Waste is transferred to the Mechanical Biological Treatment Centre (MBT) with a small proportion directly sent to landfill, as the waste is not suitable for treatment through the MBT.

This graph demonstrates a small reduction in tonnes sent to the Warnham so far when compared to the forecast profile.

### Savings Delivery Update

10. In addition to the £1.450m of 2022/23 planned savings, there remains £0.170m of savings from the 2021/22 financial year which were not delivered on an on-going basis. To ensure that these savings are monitored and delivered, all of these savings are detailed in the table below:

Saving Activity	Saving to be Delivered in 2022/23 (£000)	June 2022		Narrative
		Value	Status	
Development of battery storage site	100	100	G	
Reduction in MBT Insurance	650	650	G	
Additional income from increased sales of recyclates	800	800	G	
Charge for monitoring travel plans	50	50	G	
Review Countryside fees and charges	20	20	A	Uptake to be monitored in 2022/23.

#### Savings Key:

**R** Significant Risk    **A** At Risk    **G** On Track    **B** Delivered

## Capital Programme

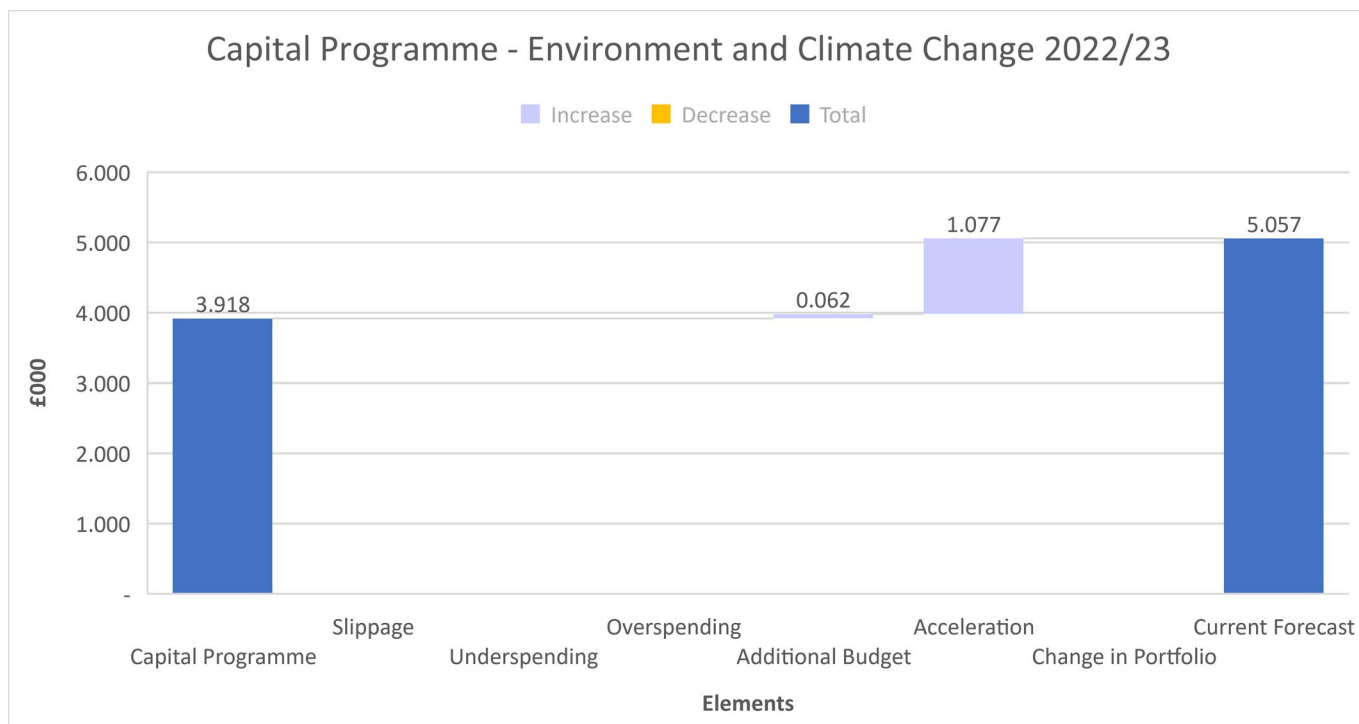
### Performance Summary - Capital

11. There are 10 schemes within the portfolio. Seven of the schemes in delivery are rated green, indicating that the project is reporting to plan and three projects are rated amber, indicating that there is an issue but that it could be dealt with by the project manager or project delivery team. An update on the progress of the schemes not rated green are detailed in the table below:

Scheme	RAG Status at 30 <sup>th</sup> June	Reason	Latest RAG Status	Updated Position
Schools Solar PV Installation	<b>AMBER</b>	Rectification of quality issues caused by one installer has caused some disruption to the programme	<b>AMBER</b>	Remedial works in hand and compensation being sought
FM Climate Change	<b>AMBER</b>	Profiled spend is low	<b>AMBER</b>	None
Carbon Reduction	<b>AMBER</b>	Presence of asbestos at Parkside County Hall North	<b>AMBER</b>	Awaiting outcome of Building Control Report

### Finance Summary - Capital

12. The capital programme; as approved by County Council in February 2022, agreed a programme totalling £4.034m for 2022/23. £0.116m of budget, originally profiled to spend in 2022/23, was accelerated into 2021/22, revising this year's capital programme to £3.918m
13. Since this time, the profiled spend has increased overall by £1.139m, to give a current year end projection for 2022/23 of £5.057m. Of this increase, £0.062m relates to the allocation of additional budget and £1.077m relates to projects where funding has been accelerated from future years.



**Key:**

Capital Programme – The revised planned expenditure for 2022/23 as at 1st April 2022.  
 Slippage – Funding which was planned to be spent in 2022/23 but has since been reprofiled into future years.  
 Underspending – Unused funding following the completion of projects.  
 Overspending – Projects that require further funding over and above the original approved budget.  
 Additional Budget – Additional external funding that has entered the capital programme for the first time.  
 Acceleration – Agreed funding which has been brought forward from future years.  
 Current Forecast – Latest 2022/23 financial year capital programme forecast.

14. Details explaining the financial profiling changes within the capital programme during the first quarter are as follows:

- **Additional Budget: £0.062m.**
  - **Carbon Reduction: £0.062m.** Approval has been given for an additional £0.062m of funding to deliver further schemes within the block allocation.
- **Acceleration: £1.077m.**
  - **Halewick Lane: £1.063m.** Approval has been given for an additional £12.063m of funding to increase the system size at Halewick Lane to 24MW. This will bring forward the planned latter phase for the site, leading to significant development cost savings and increased revenue from the site much sooner. The full cost of the system is £23.616m with £3.510m now profiled to be spent in 2022/23. Funding from the Your Energy Sussex (YES) Programme has been accelerated to fund this addition.
  - **Waste General: £0.014m.** Works have progressed slightly quicker than first anticipated therefore funding has been accelerated from 2023/24 into 2022/23.

15. The latest Capital Programme Budget Monitor is reported in **Appendix 3**.

## Risk

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

Risk No.	Risk Description	Previous Quarter Score	Current Score
CR73	If there is a failure to adequately prioritise, finance and resource our efforts to deliver on WSCC Climate Change commitments (e.g., 2030 Carbon Neutrality), there is a risk that there will be <b>insufficient capacity and capability to complete the necessary actions within the required timeframes</b> . This will lead to prolonged variations in weather and adverse impacts on WSCC service provision.	12	12

17. Further detail on all risks can be found in **Appendix 4** - Corporate Risk Register Summary.

## Finance and Property Portfolio - Summary

### Performance Summary

- The Portfolio has the following performance highlight to report this quarter:
  - Property and Assets continues to support Council objectives across the Council, including high profile projects such as Horsham Fire Station, Woodlands Meed and Northern Arc. It is also involved heavily in Smarter Working and Climate Change Policy. Part of this is the on-going review of our property portfolio to identify surplus assets.

### Our Council Performance Measures

- The following section provides updates of the performance KPIs agreed in Our Council Plan and the action taking place, comprising a wider performance view, with KPI measures comparing performance over the last three periods - this may be quarterly, annually or other time periods (depending on how regularly data is released); however, each measure will explain the reporting period.

Finance and Property		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
			Dec-21	Mar-22	Jun-22			
16	New competitive tenders and their resulting contracts over the value of £500,000 include 'social value' criteria as part of the evaluation, in line with the Council's social value framework  Reporting Frequency: Quarterly	60.0%					<b>Performance Analysis:</b> Jun-22: There were seven eligible tenders over the value of £500,000 that required a Key Decision in the first quarter of 2022/23.  Of the seven tenders, four (57%) contained a social value consideration weighting of 10%.  (Performance has improved this quarter but the results are showing as amber because the target has increased this year from 40% to 60%)  <b>Actions:</b> We continue to ensure we comply with obligations for Social Value and to measure the value and benefit it brings to our local economy.	G
			70.0%	53.0% (Target 40% in 2021/22)	57.0%	↗		
49	Square metres of operational property (e.g., offices, libraries, fire stations etc) that are in use  Reporting Frequency: Quarterly	162,000m <sup>2</sup>					<b>Performance Analysis:</b> Jun-22: The reduction in the sqm of the estate has exceeded the annual target in this first quarter, largely as a result of the vacation of Centenary House, Durrington one of the large corporate office hubs.  <b>Actions:</b> On-going review of our property portfolio.	G
			159,465 m <sup>2</sup>	161,625 m <sup>2</sup>	150,869 m <sup>2</sup>	↗		

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Finance and Property		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
50	The aggregated unit cost of our services compared to our statistical neighbours  Reporting Frequency: Annually Reporting Frequency: Quarterly, Accumulative	7th - 8th highest out of 15		2019/20	2020/21		<p><b>Performance Analysis:</b> 2021/22 results due in March 2023.</p> <p>Feb-22: WSCC had the 4th highest expenditure out of all comparable local authorities. The 2021/22 forecast outturn shows an improvement to 8th position.</p> <p><b>Actions:</b> We are still in uncertain times, the Local Government Finance Settlement is only for one year (2022/23) with further fundamental reviews of financing anticipated, the pandemic is still with us, and our relative position is dependent upon what happens in other local authorities not just what we do ourselves.</p>	A
			New Measure – No Data	2 <sup>nd</sup> Highest out of 15	4 <sup>th</sup> Highest out of 15			
52	New competitive tenders and their resulting contracts over the value of £500,000 include an appraised option for partnership working to assess opportunities for efficiency  Reporting Frequency: Quarterly	40.0%	Dec-21	Mar-22	Jun-22		<p><b>Performance Analysis:</b> Jun-22: There were seven eligible tenders over the value of £500,000 that required a Key Decision in the first quarter of 2022/23.</p> <p>Of the seven tenders, six (86%) considered Partnership working within the business appraisal options process.</p> <p><b>Actions:</b> We continue to ensure partnership working consideration is embedding in our working practices.</p>	G
			100.0%	40.0%	86.0%			

## Finance Summary

### Portfolio In Year Pressures and Mitigations

Pressures	(£m)	Mitigations and Underspending	(£m)	Year end budget variation (£m)
Other minor variations	£0.100m	Early savings generated from asset rationalisation	(£0.150m)	
		Net underspend within Facilities Management - staffing vacancies	(£0.130m)	
<b>Finance and Property Portfolio - Total</b>	<b>£0.100m</b>		<b>(£0.280m)</b>	<b>(£0.180m)</b>



## Significant Financial Issues and Risks Arising

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

## Financial Narrative on the Portfolio's Position

- As at June, the Finance and Property portfolio is projecting a £0.180m underspend. This underspend consists of an expected early saving of £0.150m due to asset rationalisation, which includes £0.080m from former Early Help service properties and £0.070m from other properties across the corporate estate.
- The Facilities Management budget is also currently projected to underspend by £0.130m this year due to staff vacancies. The service is experiencing significant difficulties with staff recruitment.

## Covid-19 Expenditure Update

- Within the Finance and Property portfolio, £0.280m has been earmarked from the non-ringfenced Covid-19 grant to cover additional cleaning materials and PPE storage and distribution.

## Savings Delivery Update

- The portfolio has a number of 2021/22 savings included within the budget and two saving outstanding from the 2020/21 financial year. Details of these savings are included in the table below:

Saving Activity	Savings to be Delivered in 2022/23 £000	June 2022		Narrative
Charging for Frameworks and Amazon Business Accounts	150	150	A	A permanent solution is being sought for 2022/23

### Savings Key:

<b>R</b> Significant Risk	<b>A</b> At Risk	<b>G</b> On Track	<b>B</b> Delivered
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## Capital Programme

### Performance Summary - Capital

- There are 11 schemes within the portfolio. Nine of the schemes in delivery are rated green, indicating that the project is reporting to plan and two are rated amber, indicating that there is an issue but that it could be dealt with by the

project manager or project delivery team. An update on the progress of the schemes not rated green are detailed in the table below:

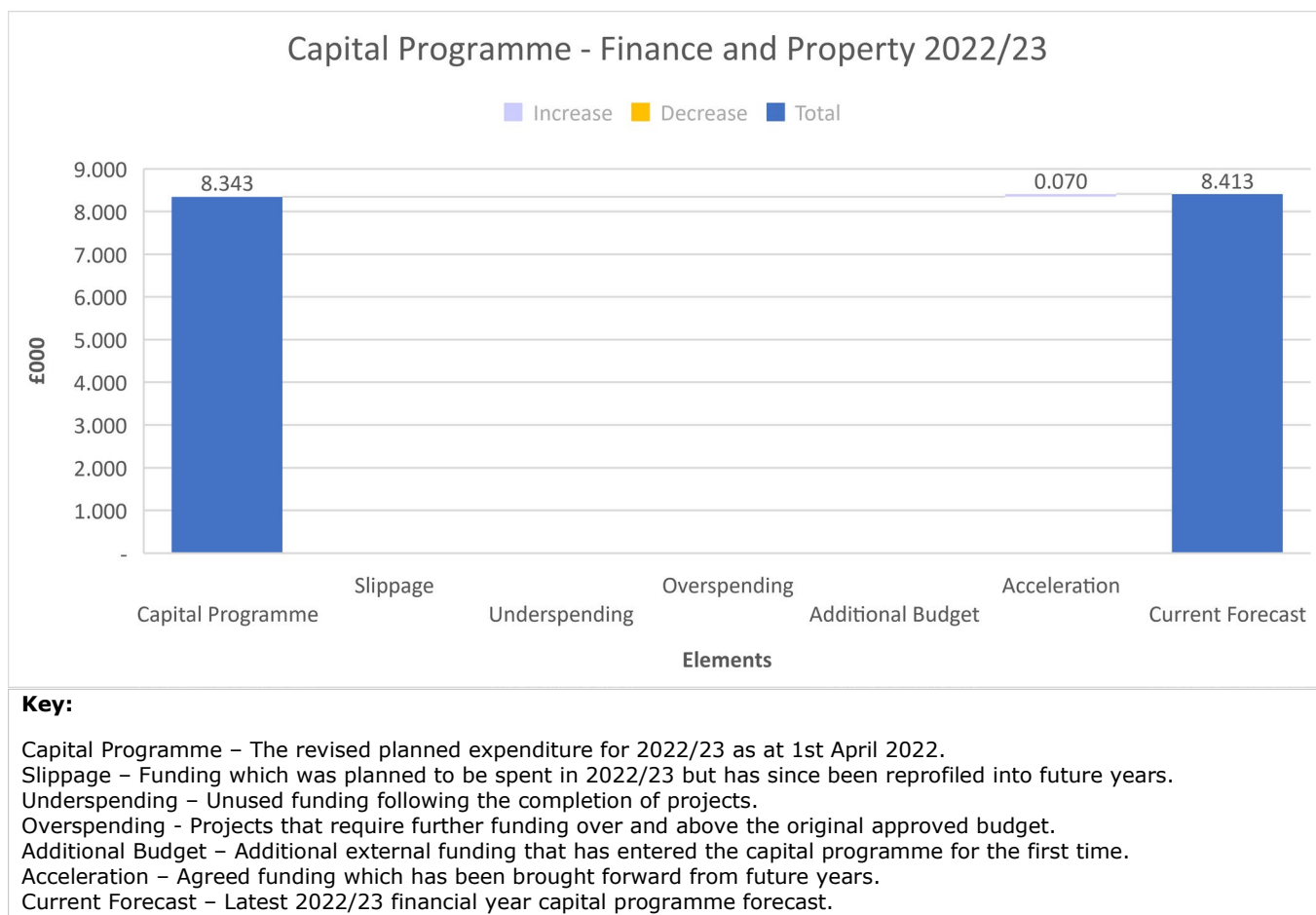
Scheme	RAG Status at 30 <sup>th</sup> June	Reason	Latest RAG Status	Updated Position
Broadbridge Heath	AMBER	Cost and time pressures	AMBER	The programme is currently projecting completion in 2024. There will be a process of continuing review, seeking to identify opportunities to reduce costs and increase yield.
Horsham Enterprise Park	AMBER	Water neutrality issue affecting reserved matters planning applications (residential)	AMBER	The reserved matters planning applications for the residential phases 1 and 2 are progressing to meet the deadline for submission by early 2023, this will ensure the current outline planning consent is maintained. Positive pre application discussions are continuing with Horsham District Council. Public consultation is due to commence in September 2022

9. **Broadbridge Heath** - The programme is now projecting completion in 2024. There continues to be a process of review, seeking to identify opportunities to reduce costs and increase yield. The programme for this project has been pushed back to accommodate a value engineering exercise to address a substantial increase in anticipated costs, this has resulted in a series of options being developed to reduce the build cost, predominantly through design changes. There has also been a delay whilst issues with Southern Water relating to water neutrality requirements were addressed; a pre-application meeting with planners has suggested that this requirement will need to be off-set off site which will need further investigation. Additional income has been identified, subject to contract. Once all the latest cost estimates and projected increases in income have been assessed, the project viability will be further reviewed before progressing to procurement and finalising leases with the prospective tenants.

10. **Horsham Enterprise Park** - With the exception of the issues surrounding Water Neutrality this project is progressing well with MUSE the developer in close contact with the planners at Horsham District Council. The intention being to submit the formal reserved matters application in early 2023. MUSE have now commenced active marketing of the site and over the coming months will be starting formal public consultation over the proposals. After resolution of the water neutrality issue and approval of the reserved matters application MUSE intend to move swiftly with their partner Lovells on the first phase residential development.

## Finance Summary - Capital

11. The capital programme; as approved by County Council in February 2022, agreed a programme totalling £8.636m for 2021/22. £0.293m of budget originally profiled to spend in 2022/23, was accelerated into 2021/22, revising the capital programme to £8.343m.
12. Since this time, the profiled spend has increased overall by £0.070m, to give a current year end projection for 2022/23 of £8.413m. This increase relates the acceleration of funding from future years.



13. Details explaining the financial profiling changes within the capital programme during the first quarter are as follows:

- **Acceleration: £0.070m.**
  - **Targeted Minor Asset Improvement Plan: £0.070m.** Projects are progressing quicker than first anticipated, therefore funding has been accelerated from 2023/24 into 2022/23.

14. The latest Capital Programme Budget Monitor is reported in **Appendix 3**.

## Risk

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

Risk No.	Risk Description	Previous Quarter Score	Current Score	Comment/ Update
CR22	The <b>financial sustainability of council services</b> is at risk due to uncertain funding from central government and/or failure to make the required decisions to ensure the budget is balanced. This has been compounded further with the Covid-19 crisis, and the recent Ofsted and HMICFRS reports.	12	20	To reflect uncertainty over Dedicated Schools Grant (DSG) funding and impact of Care Act Reforms.

16. Further details on all risks can be found in **Appendix 4** - Corporate Risk Register Summary.

## Highways and Transport Portfolio - Summary

### Performance Summary

1. The Portfolio has a number of performance highlights to report this quarter:
  - In April, the County Council adopted the West Sussex Transport Plan (WSTP) 2022-2036. The WSTP is the County Council's main policy on transport and supports delivery of Our Council Plan and its priorities. The Plan guides the County Council's approach to the improvement and maintenance of the transport network, addressing key challenges including: the needs of a growing and ageing population; transport emissions and impacts on climate change; rural isolation; public health and well-being; economic performance; congestion; and road safety. The key change made following consultation on a draft in summer 2020 was the inclusion of a commitment to set a decarbonisation target.
  - Collaborative working and proactive measures have resulted in significantly improved KPIs for the Highway Safety Response service since May this year. All targets were exceeded in June. Innovations include use of jet-patcher machines and use of a JCB Pothole Pro.
  - An environmentally friendly, 30,000 litre capacity Rainwater Harvester has been installed at Jobs Depot. Rainwater collected from our buildings will be used to refill gully emptiers and jetters which reduces the need for freshwater.
  - There was also a successful bid to government for the Bus Service Improvement Plan with an indicative £17.4m investment promised over next three years and we have completed successful consultations on two active travel schemes in Crawley and Horsham which should enable a bid for government funding later in the year.
  - 178 of over 600 projects have been completed from the Highway, Transport and Planning Delivery Programme for 2022/23. The Programme details planned schemes on our roads and footways, including bridges and public rights of way.
  - Construction works on the A259 (Littlehampton) to widen approximately 2km of the existing single carriageway to a dual carriageway are continuing to progress well with works expected to complete ahead of the calendar year end.

## Our Council Performance Measures

2. The following section provides updates of the performance KPIs agreed in Our Council Plan and the action taking place, comprising a wider performance view, with KPI measures comparing performance over the last three periods - this may be quarterly, annually or other time periods (depending on how regularly data is released); however, each measure will explain the reporting period.

Highways and Transport		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
17	Length of new cycle infrastructure across the County (CC)	30km by 2025 = 7.5km per year	Dec-21	Mar-22	Jun-22		<p><b>Performance Analysis:</b> Jun-22: No schemes were planned for completion in Quarter 1.</p> <p><b>Actions:</b> We continue to work towards our 2025 target (30km over a four-year period) with the provision of a high-quality cycling infrastructure.</p>	G
	Reporting Frequency: Quarterly, Accumulative		2.77 km	16.31 km	16.31 km			
18	Percentage length of A and B roads that require maintenance	14.0%	2019/20	2020/21	2021/22		<p><b>Performance Analysis:</b> Oct-21: There has been a slight increase (deterioration) in the KPI for this year for A+B roads but as the survey was carried out in early spring of this year, this will not include any planned scheme deliveries for this year.</p> <p>The next survey will be in June 2023 with results reported October 2023.</p> <p><b>Actions:</b> The investment made, and the programme of carriageway treatments undertaken this year should positively impact next year's maintenance requirements. With the level of this year's expenditure being maintained for 2022/23 it is anticipated that the condition of the A and B network will improve.</p>	A
	Reporting Frequency: Annually		13.6%	14.7%	15.6%			
19	Highway defects repaired within required time scale	96.0%	Dec-21	Mar-22	Jun-22		<p><b>Performance Analysis:</b> Jun-22: There is a continued improvement with the target having been exceeded for the last two months.</p> <p><b>Actions:</b> On-going regular meetings with the contractor to ensure the performance remains at a high standard.</p>	G
	Reporting Frequency: Quarterly. Reported 1 month in arrears.		74.3%	71.0%	99.5%			

Highways and Transport	2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
		2018/19	2019/20	2020/21			
<p><b>41</b></p> <p>Killed and seriously injured casualties per billion vehicle miles</p> <p>Reporting Frequency: Annually</p>	103	110	121	127	↓	<p><b>Performance Analysis:</b> Jun-22: Currently, WSCC hold injury data to 31 May 2022; there have been 201 KSIs for the first 5 months of the year. This is 30.5% up on the same period in 2021 and down 4% on the same period of 2020. The KSI outturn is expected to be up on the 2021 outturn which was reduced due to the impact of Covid on travel, and traffic volumes. The KSI outturn for 2021 is provisionally recorded as 469. A provisional KSI rate per billion miles travelled will be updated once traffic volume data for the year becomes available. The finalised KSI per billion vehicle miles rate for 2021 data will be published by the DfT at the end of September 2022 after both the KSI and traffic volume data have been collected and validated. The KSI per billion vehicle miles rates are based on an end of year to December.</p> <p><b>Actions:</b> Two road safety schemes have been delivered in 2021/22 with a further two due for delivery before the end of the year. A further 4 schemes are currently designed for delivery in 2022/23. Ongoing Road Safety Projects include:</p> <ul style="list-style-type: none"> <li>• Major Road Network (MRN) Project - TRL have been commissioned to undertake video surveys of the West Sussex MRN to undertake safety assessment and provide a "STAR rating" demonstrating the potential level of harm road users may be subject to on those routes. This will guide potential road safety schemes in the coming years.</li> <li>• Cluster site analysis – we continue to monitor sites with clusters of collisions across West Sussex to help determine future priorities.</li> <li>• Route analysis – we continue to monitor routes with high collisions across West Sussex to help determine future priorities.</li> <li>• School Zig Zags project - In 2022 we intend to partake in a behavioural change project for school zig zags at specific sites (yet to be confirmed) across West Sussex.</li> </ul>	<b>A</b>

## Finance Summary

### Portfolio In Year Pressures and Mitigations

Pressures	(£m)	Mitigations and Underspending	(£m)	Year end budget variation (£m)
Street Lighting PFI – Energy Prices	£3.000m	National Concessionary Fares – Reduced Uptake	(£2.000m)	
Traffic Signals – Energy Prices	£0.300m	Additional Income Generation	(£0.400m)	
Highway Maintenance – Inflation	£0.600m			
<b>Highways &amp; Transport Portfolio - Total</b>	<b>£3.900m</b>		<b>(£2.400m)</b>	<b>£1.500m</b>

### Significant Financial Issues and Risks Arising

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

### Financial Narrative on the Portfolio's Position

- As at June, the Highways and Transport portfolio is projecting a £1.500m overspend. Inflationary cost pressure is the main issue within the budget this year.
- Street Lighting PFI** – The surge in demand for electricity following the recovery from the Covid-19 pandemic combined with the significant impact to the UK energy market from the war in Ukraine has led to a substantial increase in electricity prices. Purchasing through our corporate energy contractor has mitigated the worst of the market extremes, however, prices have risen in excess of market norms and look to set to remain high as countries reduce their reliance on Russian oil and gas exports. Taking account of the confirmed summer electricity prices and the uncertainty on winter rates, a year-end overspending of £3.0m is now projected.
- Traffic Signals** – The electricity price increases have also affected the traffic signals budget, where an overspending of £0.3m is projected.
- Highways Maintenance** – Whilst a significant investment of £2.6m for highways maintenance works and supporting resource was included in the budget for 2022/23, it is not possible to deliver all programmed work within budget, given the level of cost increase now being experienced on contracts and throughout the supply chain.
- The additional investment is being utilised to deliver a range of essential works to reduce risk and maintain safety on the highway network, including maintenance of bridges and structures, additional drainage cleansing, ditch clearance, sign cleaning and a ragwort weed survey and treatment programme. The works are fully planned with contractors, with some underway already and the remainder due to start imminently.



9. **National Concessionary Fares** – Payments to bus operators under the English National Concessionary Travel Scheme during the Covid-19 period were maintained based on pre-pandemic patronage but adjusted for reductions to service mileages. This led to underspending of £1.2m in 2020/21 and £1.1m in 2021/22.
10. Following consideration, the approach for 2022/23 has now been agreed and will include a continuation of the same reimbursement approach for the first nine months of the year, before moving to being based upon actual patronage from January 2023. This approach balances the need to continue to provide support to the sector with incentivising operators to actively promote a return to bus travel and progressing a transition to normalised future arrangements.
11. The reimbursement cost forecast now reflects these arrangements and suggests a year-end underspending of £2.0m, which is an increase in underspending of £1.0m from the initial estimate. This recognises the likely lower level of reimbursement in the final quarter of the year and also reflects a freeze on the fare levels reimbursed whilst support continues to be provided.
12. **Income Generation**– Income generation across the portfolio has exceeded budgeted assumptions in recent years and this is expected to continue, with an estimate of £0.4m included within the current projection. This includes income from street works charges to utility and telecommunication providers as well as income from highways fees and charges.

### **Revenue Grant Update**

13. In May, the County Council was awarded £463,645 of Local Transport Fund Grant from the Department for Transport. This allocation is a successor grant to the Bus Recovery and Light Rail and Tram Recovery Grant and will be spent in accordance with the set conditions.

### **Covid-19 Expenditure Update**

14. Ringfenced grants of £0.021m Active Travel Grant and £0.171m Emergency Active Travel Grant were carried forward from 2021/22 and are planned to be spent in year in accordance with the grant conditions.

### **Savings Delivery Update**

15. The portfolio has a number of 2021/22 savings included within the budget and one saving outstanding from the 2020/21 financial year. Details of these savings are included in the table below:

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Saving Activity	Savings to be Delivered in 2022/23 £000	June 2022		Narrative
On street parking	376	376	A	Pay and display income and uptake of parking permits were affected by the Covid-19 pandemic in 2021/22.  Income levels to be monitored in 2022/23 as post pandemic parking behaviour becomes clearer.

**Savings Key:**

**R** Significant Risk    **A** At Risk    **G** On Track    **B** Delivered

## Capital Programme

### Performance Summary - Capital

16. There are 23 schemes within the portfolio. 20 of the schemes in delivery are rated green, indicating that the project is reporting to plan. Two are rated as amber, indicating that there is an issue but that it can be dealt with by the project manager or project delivery team, and one scheme is reporting as red, indicating that there is a significant issue requiring corrective action. An update on the progress of the schemes not rated green are detailed in the table below:

Scheme	RAG Status at 30 <sup>th</sup> June	Reason	Latest RAG Status	Updated Position
A29	<b>RED</b>	Cost pressure	<b>RED</b>	Options being considered.
A284	<b>AMBER</b>	DfT funding bid pending	<b>GREEN</b>	Funding approved – Key Decision published.
LED Streetlight Conversion	<b>AMBER</b>	Protracted legal PFI Contract negotiation and associated Deed of Variation	<b>AMBER</b>	Deed of Variation nearing agreement between all parties.

### Finance Summary - Capital

17. The capital programme; as approved by County Council in February 2022, agreed a programme totalling £49.790m for 2022/23. £1.858m of budget, originally profiled to spend in 2022/23, was accelerated into 2021/22, revising the capital programme to £47.932m. At the end of June, the profiled spend has remained the same.

### Capital Programme - Highways and Transport 2022/23



**key:**

Capital Programme – The revised planned expenditure for 2022/23 as at 1st April 2022.  
 Slippage – Funding which was planned to be spent in 2022/23 but has since been reprofiled into future years.  
 Underspending – Unused funding following the completion of projects.  
 Overspending – Projects that require further funding over and above the original approved budget.  
 Additional Budget – Additional external funding that has entered the capital programme for the first time.  
 Acceleration – Agreed funding which has been brought forward from future years.  
 Current Forecast – Latest 2022/23 financial year capital programme forecast.

### Capital Programme – Grant Update

18. Since the approval of the Capital Programme in February 2022, the following grant has been awarded within the five-year Capital Programme period:

Grant	Value (£)	Narrative
Department for Transport – A284 Lyminster Bypass	£11.792m	Additional funding has been secured from the Department for Transport. Funds will be added to the scheme once governance has been completed.

19. The latest Capital Programme Budget Monitor is reported in **Appendix 3**.

### Risk

20. There are no corporate risks assigned to this portfolio. Risks allocated to other portfolios are specified within the respective appendices of this report. Further detail on all risks can be found in **Appendix 4** - Corporate Risk Register Summary.

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## **Leader Portfolio (including Economy) - Summary**

### **Performance Summary**

1. The Portfolio has a number of performance highlight to report this quarter:
  - The Economy Plan headline actions have been refreshed for 2022/23. The actions maintain existing commitments on places, supporting businesses, developing skills the economy needs, and reflect new economy programmes where the Districts and Boroughs have agreed to work together.
  - The joint initiative between the County Council and the District and Borough Councils to support micro, small and medium sized enterprises on their low carbon journey has made good progress.
  - A Green Business Advisory Board has advised on the approach with representation from businesses from across the county, and a support package will now be devised.
  - Sussex-wide collaboration on the visitor economy has taken a positive step through the formation of an industry board and agreement on the initial priorities to support and grow the sector.
  - Some significant milestones within the Growth Deals that are supporting our economic strategy have been achieved, with the A2300 improvements scheme, Portland Road public realm improvements, demolition of the former school site in Chichester and the Manor Royal phase one works all being completed.
  - Progress has been made with key projects for pedestrian, cycle and infrastructure improvement at Western Gateway, Burgess Hill and Wivelsfield Station due to start in July. Crawley Eastern Gateway- continues to progress and on track to complete construction in August 2022.
  - Our One Public Estate (OPE) partnership have been successful with £0.1m of grant funding to develop the Programme in West Sussex. This will see the re-establishment of the OPE Board with public sector partners. The funding will focus on the best use of land and assets post pandemic, supporting the councils smarter working strategy.

## Our Council Performance Measures

2. The following section provides updates of the performance KPIs agreed in Our Council Plan and the action taking place, comprising a wider performance view, with KPI measures comparing performance over the last three periods - this may be quarterly, annually or other time periods (depending on how regularly data is released); however, each measure will explain the reporting period.

Leader		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
			Sep-21	Dec-21	Mar-22			
15	Enterprises supported to start, revive, innovate and grow  Reporting Frequency: Quarterly, Accumulative. Reported a quarter in arrears.	1,760	1,253	1,854	2,385	↗	<b>Performance Analysis:</b> Mar-22: A key focus of the council's Economy Plan is to provide support to enterprises encouraging successful start-ups and helping established businesses to revive innovate and grow. Six initiatives make up the KPI. Despite the effects of the pandemic, all programmes were able to adapt their delivery plans and the collective target of 1,500 West Sussex enterprises supported was significantly exceeded in 2021/22.  <b>Actions:</b> All initiatives to continue as part of Economy Plan headline actions for 2022/23.	G
20	Percentage of premises able to access gigabit-capable connectivity by 2025 (working towards government target of 85% by the end of 2025)  Reporting Frequency: Annually	55.0%	8.8%	21.2%	50.3%	↗	<b>Performance Analysis:</b> Jun-22: Working with DCMS (Department for Digital, Culture, Media & Sport) and suppliers within the county with commercial plans or Voucher schemes.  <b>Actions:</b> The Public Review is now completed to provide an up to date view from suppliers and now the intervention area for Project Gigabit will begin to be scoped.	G
24	Number of growth deals in place with district and boroughs  Reporting Frequency: Annually	7	7	7	7	→	<b>Performance Analysis:</b> Jun-22: The existing Adur and Worthing Growth Deal has been split into two separate Growth Deals to create a seven Deals in total. All seven growth deals remain in place with our District and Borough Council partners.  In the last quarter, we have progressed refresh conversations in Adur, Arun and Chichester. These deals will be republished later in the autumn. Some significant milestones within the Growth Deals that are supporting our economic strategy have been achieved, with the A2300 improvements scheme, Portland Road public realm	G

Leader	2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
						<p>improvements, demolition of the former school site in Chichester and the Manor Royal phase one highways improvement works all being completed.</p> <p><b>Actions:</b> Further progress has also been made with key projects in delivery. £4.672m has been confirmed for pedestrian, cycle and infrastructure improvement at Western Gateway, Burgess Hill and Wivelsfield Station and this will start on site in July. Crawley Eastern Gateway- continues to progress through our partners Volkens Fitzpatrick, the project is on site and on track to complete construction in August 2022.</p> <p>Our One Public Estate (OPE) partnership have been successful with £0.1m of grant funding to develop the Programme in West Sussex. This will see the re-establishment of the OPE board with public sector partners. The funding will focus on the best use of land and assets post pandemic, supporting the councils smarter working strategy.</p>	

## Finance Summary

### Portfolio In Year Pressures and Mitigations

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

### Significant Financial Issues and Risks Arising

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

### Financial Narrative on the Portfolio's Position

- As at June, the Leader portfolio is projecting a balanced budget.

## Savings Delivery Update

- The portfolio has no named savings target for 2022/23.

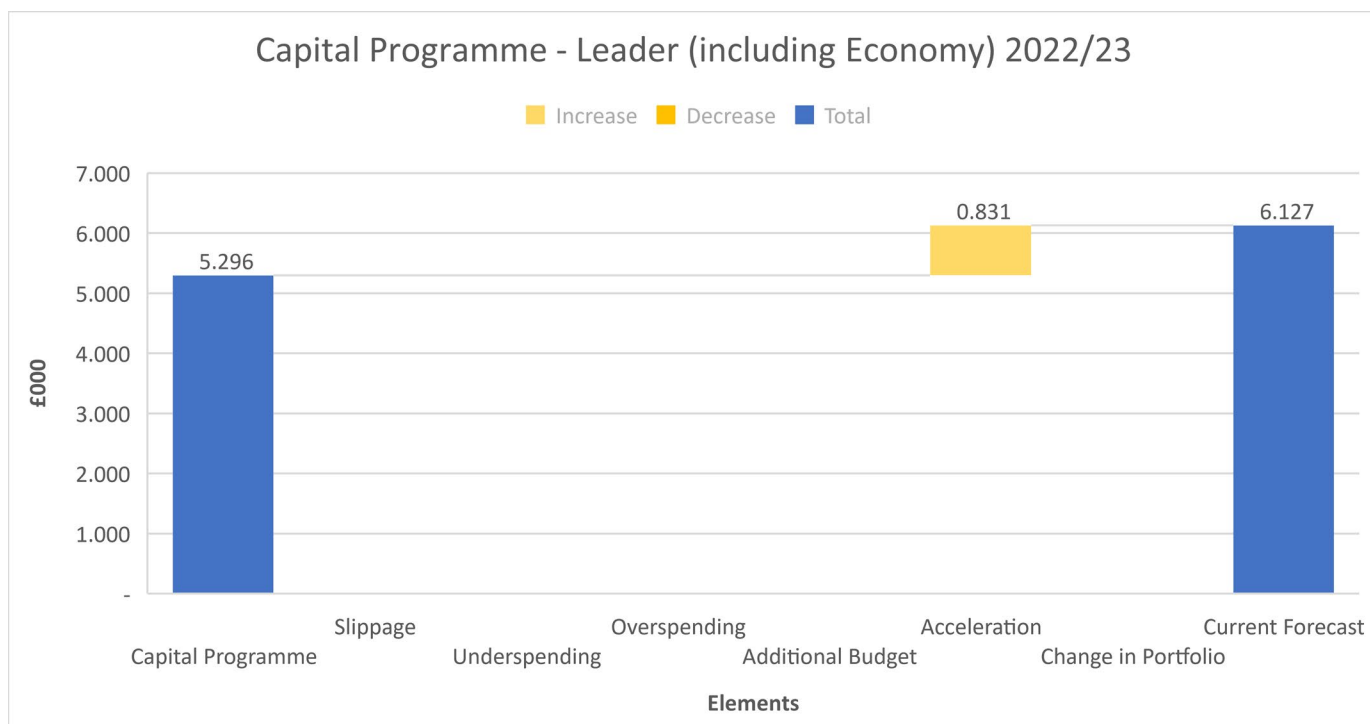
## Capital Programme

### Performance Summary

- There are 14 schemes within the portfolio and all of these schemes in delivery are rated green, indicating that the projects are reporting to plan.

### Finance Summary – Capital

- The capital programme; as approved by County Council in February 2022, agreed a programme totalling £2.956m for 2022/23. £2.340m of expenditure, originally profiled to spend in 2021/22, was slipped into 2022/23, revising the capital programme to £5.296m.
- Since this time, the profiled spend has increased overall by £0.831m, to give a current year end projection for 2022/23 of £6.127m. This increase relates to the acceleration of funding from future years.



**Key:**

Capital Programme – The revised planned expenditure for 2022/23 as at 1st April 2022.  
 Slippage – Funding which was planned to be spent in 2022/23 but has since been reprofiled into future years.  
 Underspending – Unused funding following the completion of projects.  
 Overspending – Projects that require further funding over and above the original approved budget.  
 Additional Budget – Additional external funding that has entered the capital programme for the first time.  
 Acceleration – Agreed funding which has been brought forward from future years.  
 Current Forecast – Latest 2022/23 financial year capital programme forecast.



9. Details explaining the financial profiling changes within the capital programme during the first quarter are as follows:

- **Acceleration: £0.831m.**
  - **Littlehampton Public Realm - £0.400m** - Approval has been given for £1.253m from the remaining WSCC Capital Programme for Growth Deal allocation, for the delivery of improvements to Littlehampton Station Terminus Road Phase. £0.400m has been profiled to spend in 2022/23 with the remaining in 2023/24.
  - **Bognor Esplanade – £0.431m** – Approval has been given for £0.431m of Capital funding from the remaining WSCC Capital Programme for Growth Deal, to prepare preliminary and detailed design, enabling preparation of tender documents for a construction contract for the delivery of Bognor Regis Esplanade Public Realm Improvement.

## Risk

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

Risk No.	Risk Description	Previous Quarter Score	Current Score
CR68	The government have placed restrictions and imposed requirements on Local Authorities to support in the management of the Covid-19 pandemic. If local (county or district) responsibilities are prolonged or additional measures imposed, there is a risk <b>services will fail to deliver existing work plans</b> due to staff responding to the impact of the pandemic, or staff shortages due to sickness.	15	10
CR70	There is an <b>increasing demand placed on the senior officers</b> due to the ongoing threat of Covid-19 and additional burdens due to devolved responsibilities. This may lead to a continued <b>lack of capacity to deal with strategic/organisational issues</b> , leading to poor decision making.	12	8
CR7	There are governance systems which inhibit effective performance and a culture of <b>non-compliance</b> and also a lack of standardisation in some <b>systems and processes</b> . Skills and knowledge of systems inadequate and excessive effort required for sound decisions and outcomes.	8	8

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Risk No.	Risk Description	Previous Quarter Score	Current Score
CR65	The review of <b>corporate leadership, governance and culture</b> recommended in the Children’s Commissioner’s report is not fully undertaken or effectively implemented leading to a lack of necessary improvement and further service failures or external intervention.	6	6

11. Further details on all risks can be found in **Appendix 4** - Corporate Risk Register Summary.

## Public Health and Wellbeing Portfolio - Summary

### Performance Summary

1. The Portfolio has a number of performance highlights to report this quarter:

- **Children of Alcohol Dependent Parents Innovation Fund**  
The success of the Children of Alcohol Dependent Parents Innovation Fund in West Sussex was celebrated at a high-profile event in May, hosted by the Department of Health and Social Care (DHSC). Funding from the DHSC and Department for Work and Pensions enabled the development and implementation of a new service aimed at early identification and support to people drinking alcohol during their pregnancy, as well as the county-wide expansion of an existing specialist therapeutic service for children and young people (CYP) affected by parental alcohol use. Additional funding from NHS partners enabled the scope of the therapeutic service to be extended to children affected by parental drug use. Local evaluation by West Sussex Public Health comprised some positive outcomes, including reduced alcohol use reported by pregnant and new parents, and improved outcomes in CYP receiving therapy. The evaluation's findings and recommendations will contribute to the evidence base for commissioning of services and improving outcomes for children and families affected by alcohol use.
- **Pharmaceutical Needs Assessment (PNA)**  
The West Sussex Health and Wellbeing Board has published its draft Pharmaceutical Needs Assessment (PNA) in line with its statutory duty, and is seeking feedback from organisations, community groups and residents with an interest in local pharmaceutical services. The PNA is a statement of the current and future needs for pharmaceutical service provision within a local area and is used by NHS England and NHS Improvement (NHSE&I) when considering applications for new pharmacies, dispensing doctors or appliance contractors and changes to existing services. It is also used to inform commissioning of services from community pharmacies by NHSE&I, and local commissioners such as the NHS and local authorities. The consultation runs from 20 June until 28 August.
- **Integrated Care System (ICS) for Sussex**  
The way health and care works across Sussex (East Sussex, West Sussex, Brighton & Hove) changed on Friday, 1 July, with organisations including West Sussex County Council, formally becoming part of an Integrated Care System (ICS) for Sussex, having been a partner in the ICS since April 2020.

With the Health and Care Act 2022 coming into law in April, two new statutory entities are now in place; the Integrated Care Board (ICB), to be known as NHS Sussex, and the Integrated Care Partnership (ICP), to be known as the Sussex Health and Care Assembly. Both will have duties to consider Health and Wellbeing Board plans, and Joint Strategic Needs Assessments and health and wellbeing strategies will set the

evidence base and strategic framework within which priorities for each place within the ICS are identified. These changes will strengthen our commitment to working more closely with our partners to help improve the health and wellbeing of people in communities across the county. Cllr Lanzer, Chairman of the West Sussex Health and Wellbeing Board, is the Council's representative on the Sussex Health and Care Assembly and Alison Challenger, Director of Public Health (DPH), is the representative on the Integrated Care Board, as a Partner Member, for all three local authority DPH. Alison Challenger presented a paper at the inaugural meeting of NHS Sussex Board in July 2022 on the population of Sussex outlining what are the most important health needs of our population across the area, based on the latest evidence available.


### Our Council Performance Measures

2. The following section provides updates of the performance KPIs agreed in Our Council Plan and the action taking place, comprising a wider performance view, with KPI measures comparing performance over the last three periods - this may be quarterly, annually or other time periods (depending on how regularly data is released); however, each measure will explain the reporting period.

Public Health and Wellbeing		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
			2019/20	2020/21	2021/22			
<b>5a</b>	Uptake of flu vaccine in over 65s or at risk	75.0%	74.2%	83.7%	85.0%	↗	<p><b>Performance Analysis:</b> Jun-22: During the 2021-2022 flu season, the health and social care system faced a very challenging environment, over and above the usual winter pressures. Additional cohorts had been added into the flu vaccination programme and they were delivering the extensive Covid-19 vaccination programme. This was against a backdrop of increased demand for services due to the pandemic, staff shortages and managing outbreaks. Despite this, a successful flu vaccination program was delivered - for West Sussex in some groups, uptake exceeded previous years and overall West Sussex uptake compares favourably in the majority of eligible groups to the South East average</p> <p><b>Actions:</b> Director of Public Health is member of Sussex Covid-19 and Influenza Vaccination Programme Board to support and promote uptake across the system including and bringing in local authority involvement and support. Consultant in Public Health chairs West Sussex Covid-19 and Influenza Placed Based Cell, and represents the County Council at the South East Vaccine Equality Network and NHS England Immunisation Programme Board.</p>	<b>A</b>

Public Health and Wellbeing		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
			2019/20	2020/21	2021/22			
<b>5b</b>	Update of flu vaccine in 'at risk' groups  Reporting Frequency: Annually	50.0%	45.8%	56.7%	58.5%		<p><b>Performance Analysis:</b> Jun-22: During the 2021-2022 flu season, the health and social care system faced a very challenging environment, over and above the usual winter pressures. Additional cohorts had been added into the flu vaccination programme and they were delivering the extensive Covid-19 vaccination programme. This was against a backdrop of increased demand for services due to the pandemic, staff shortages and managing outbreaks. Despite this, a successful flu vaccination program was delivered - for West Sussex in some groups, uptake exceeded previous years and overall West Sussex uptake compares favourably in the majority of eligible groups to the South East average.</p> <p><b>Actions:</b> Director of Public Health is member of Sussex Covid-19 and Influenza Vaccination Programme Board to support and promote uptake across the system including and bringing in local authority involvement and support. Consultant in Public Health chairs West Sussex Covid-19 and Influenza Placed Based Cell, and represents the County Council at the South East Vaccine Equality Network and NHS England Immunisation Programme Board.</p>	<b>A</b>
<b>6</b>	Healthy weight of 10–11-year-olds  Reporting Frequency: Annually	Top Quartile in South East (62.9%)	70.4%	69.8%	63.2%		<p><b>Performance Analysis:</b> 2021/22 results due in November 2022</p> <p>Dec-21: West Sussex is one of only 19 local authorities who met the criteria to have National Child Measurement Programme (NCMP) data published for the Year 6 cohort. (Local authority data was only published where more than 75% of children were measured compared with previous full measurement years).</p> <p>The data shows that there was a significant reduction in the prevalence of healthy weight for 10 to 11 year olds in England, the South East, and West Sussex by 5.6 percentage points, 4.2 percentage points, and 6.6 percentage points respectively, to 57.8% in England, 62.9% in the South East, and 63.2% in West Sussex in 2020/21. Despite this reduction in healthy weight, the prevalence in healthy weight in this cohort of children in</p>	<b>G</b>

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Public Health and Wellbeing		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
							<p>West Sussex, remains significantly higher (better) than England. It is recognised that there are likely to be many confounding factors in additional weight gain, for example, the impact of the Covid-19 pandemic with a number of lockdowns, a reduction in children and young people undertaking physical activity, and changes in dietary intake.</p> <p><b>Actions:</b> The latest data continues to provide a good basis for ongoing and developing obesity work for both Reception and Year 6 children for 2022/23. Obesity is a complex issue affecting all ages, which emphasises the importance of the need for a family targeted approach, working across all age groups. The National Child Measurement Programme (NCMP) for Reception and Year 6 for 2021/22 is on track and will be completed later in the year.</p>	
31	Healthy life expectancy for men  Reporting Frequency: 3 Year Rolling Average	66 Years  (Pre-Pandemic Levels)	2017/18	2018/19	2019/20		<p><b>Performance Analysis:</b> Jun-22: Updated local authority data for HLE for men for the 2018-2020 period has been released, which includes the first year of the Covid-19 pandemic (2020). This shows that since the last data period 2017-2019, HLE for men has decreased by 2.2 years to 63.8 years (2017-2019 66.0 years).</p> <p>It is important to note that the impact of Covid-19 continues, and there may be ongoing direct, and indirect, effects of the pandemic on health.</p> <p><b>Actions:</b> Work continues to be undertaken locally to detail the main causes of ill health, disability, and death, and also the underlying risk factors, such as smoking, diet (including those high in salt, low in fibre, and fruit and vegetables) and obesity. This work is informing a population level approach agreed at West Sussex Health and Wellbeing Board and with local partners. In their capacity as Partner Member, the Director of Public Health presented a paper at the inaugural meeting of NHS Sussex Board in July 2022 on the population of Sussex (East Sussex, West Sussex, Brighton &amp; Hove) outlining what are the most important health needs of our population across the area, based on the latest evidence available.</p>	A
			64.6 Years	66.0 Years	63.8 Years			

Public Health and Wellbeing		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
			2017/18	2018/19	2019/20		<p><b>Performance Analysis:</b> Jun-22: Updated local authority data for HLE for women for the 2018-2020 period has been released, which includes the first year of the Covid-19 pandemic (2020). This shows that since the last data period 2017-2019, HLE for women has decreased by 0.9 years to 63.9 years (2017-2019 64.8 years).</p> <p><b>Actions:</b> Work continues to be undertaken locally to detail the main causes of ill health, disability, and death, and also the underlying risk factors, such as smoking, diet (including those high in salt, low in fibre, and fruit and vegetables) and obesity. This work is informing a population level approach agreed at West Sussex Health and Wellbeing Board and with local partners. In their capacity as Partner Member, the Director of Public Health presented a paper at the inaugural meeting of NHS Sussex Board in July 2022 on the population of Sussex (East Sussex, West Sussex, Brighton &amp; Hove) outlining what are the most important health needs of our population across the area, based on the latest evidence available.</p>	A
32	Healthy life expectancy for women Reporting Frequency: 3 Year Rolling Average	64.8 Years (Pre-Pandemic Levels)	64.3 Years	64.8 Years	63.9 Years	↓		
35	Number of people completing evidence-based falls prevention programmes Reporting Frequency: Annually	400	New Measure – No Data	New Measure – No Data	2021/22 354		<p><b>Performance Analysis:</b> Jun-22: 354 older people across West Sussex are recorded as having completed evidence-based strength and balance falls prevention programmes in 2021-22 delivered through West Sussex Wellbeing. These programmes are for older people at significant risk of falls with completion being defined as participating in 75% of programme sessions.</p> <p><b>Actions:</b> It is important to highlight that NHS services also provide falls prevention programmes and therefore, it is likely that the number of older people completing these programmes across the county is higher than the West Sussex Wellbeing data reported here. It is also acknowledged that the pandemic response continued during 2021-22, impacting on both service delivery and older people's engagement with services. The County Council will explore opportunities to work with local authorities and health and care partners to coordinate and maximise our approach to falls prevention programmes across the county.</p>	A

## Finance Summary

### Portfolio In Year Pressures and Mitigations

Pressures	(£m)	Mitigations and Underspending	(£m)	Year end budget variation (£m)
Public Health and Wellbeing Portfolio - Total	£0.000m		(£0.000m)	£0.000m

### Significant Financial Issues and Risks Arising

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

### Financial Narrative on the Portfolio's Position

- Due to the impact of the Covid-19 pandemic, activity levels within a number of areas of the Public Health budget continue to see fluctuations and have yet to return to pre-pandemic levels. This includes demand-led areas like NHS health checks and sexual health services, which saw lower than usual volumes during earlier phases of the pandemic. Numbers are expected to increase, and opportunities to add in new ways of working to reflect public preferences for easy access to services and more choice, will be explored. Consequently, a ring-fenced underspend of £3.1m was carried forward from 2021/22, and in line with grant requirements will be spent on public health, enabling the local authority to discharge its statutory public health functions.
- Plans are progressing to utilise this underspend to address Public Health issues that have emerged over the last two years including the impacts of the Covid-19 pandemic. As the Public Health Grant is a ring-fenced grant, any unspent funds for 2022/23 will transfer into 2023/24; the potential level of that underspending will become clearer in future months.

### Revenue Grant Update

- In February 2022, the Department for Health and Social Care announced an additional £0.990m of Public Health Grant in 2022/23 for the County Council. Although this is an uplift of 2.7%, the grant needs to provide for additional elements, including the HIV prevention drug Pre-Exposure Prophylaxis (PrEP), NHS wage uplifts, test, track and trace and outbreak planning, and other public health spend relating to Covid-19. As detailed above, the Public Health Grant is a ring-fenced grant which means that funds must be spent on eligible activities. Any unspent funds will transfer into 2023/24.



## **Covid-19 Expenditure Update**

7. As the pandemic continues, there remains a need to provide quality services and assistance to residents. Within the Public Health portfolio, work is continuing to support residents and businesses in containing outbreaks and managing Covid-19. £3.651m from the Contain Outbreak Management Fund was brought forward from 2021/22 and is expected to be utilised during the financial year.

## **Savings Delivery Update**

8. The portfolio has no named savings target for 2022/23, however there is a direct link to the Support Services and Economic Development saving – Use of Uncommitted Public Health Grant (PHG). This saving has occurred due to the Help and Home contract being decommissioned in July 2021. This has allowed £0.088m of eligible corporate overheads to be charged against the grant which has enabled the delivery of a saving within the Support Services and Economic Development Portfolio.

## **Capital Programme**

9. There are currently no capital projects for the Public Health and Wellbeing Portfolio.

## **Risk**

10. There are no corporate risks assigned to this portfolio. Risks allocated to other portfolios are specified within the respective appendices of this report. Further detail on all risks can be found in **Appendix 4** - Corporate Risk Register Summary.

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## Support Services and Economic Development Portfolio - Summary

### Performance Summary

1. The Portfolio has a number of performance highlights to report this quarter:
  - The council recognises the importance of high quality, accessible and affordable digital infrastructure in supporting the county's future economic growth. To this end the Digital Infrastructure Team (DIT) applied for and has been awarded funding from Coast 2 Capital LEP to develop two complementary business cases exploring how digital infrastructure can support innovation and investment in the county: in the county's horticultural sector; and to encourage a regional innovation zone along the coast.
  - The Open Network of duct and dark fibre is now complete and links the county's towns from Crawley southwards through Horsham, Haywards Heath, Burgess Hill to Brighton via strategic economic sites and sites of future development. It is already accelerating investment by commercial broadband providers into building access networks that reach homes and businesses.
  - Broadband providers are also using it as core infrastructure to connect parts of their own network without the need to incur the costs of digging and laying their own fibre. However, our aim is to move beyond consumer broadband and to realise a broader landscape of digital connectivity that will support businesses and sectors to expand and innovate by enabling the exchange of data and knowledge between themselves, research facilities, manufacturing sites, test beds and their customers.
  - DIT supported the Weald and Downland Museum to submit a successful bid winning UK government funding aimed at helping the events industry recover from the Covid-19 pandemic. The work is complete, and the funding has boosted the museum's digital infrastructure enabling it to produce stronger bids to secure future international events dependent on a digital offer as well as high quality connectivity for audiences and attendees.



### Our Council Performance Measures

Please note - the performance measures relating Economy are reported under the Leader (including Economy) Portfolio in **Section 8**.

2. The following section provides updates of the performance KPIs agreed in Our Council Plan and the action taking place, comprising a wider performance view, with KPI measures comparing performance over the last three periods - this may be quarterly, annually or other time periods (depending on how regularly data is released); however, each measure will explain the reporting period.

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Support Services and Economic Development		2022/23 Target	Performance Over The Last 3 Periods		DoT	Performance Analysis and Actions	Year End Forecast
45a	County councillors have the learning and development needed to enable them to carry out their roles well and it is delivered effectively. A programme design that meets member needs and delivery that works well. a) Attendance  Reporting Frequency: Quarterly.	50.0%			Jun-22	<p><b>Performance Analysis:</b> Jun 22: Four all-member development sessions were held in quarter 1, with average attendance levels of 47%.</p> <p><b>Actions:</b> The Member Development Group will be monitoring attendance at member development sessions and considering any measures needed to help increase attendance, including through ensuring the sessions reflect corporate priorities and meet members' identified training and development needs.</p>	G
			New Measure – No Data	New Measure – No Data	47.0%		
45b	County councillors have the learning and development needed to enable them to carry out their roles well and it is delivered effectively. A programme design that meets member needs and delivery that works well. b) Satisfaction levels  Reporting Frequency: Quarterly	91.0%			Jun-22	<p><b>Performance Analysis:</b> Jun-22: Evaluation has not yet been completed for all events held, but feedback to date gives positive satisfaction levels of 100% (where members were satisfied with sessions/found them useful).</p> <p><b>Actions:</b> The Member Development Group will be monitoring attendance at member development sessions and considering any measures needed to help increase attendance, including through ensuring the sessions reflect corporate priorities and meet members' identified training and development needs.</p>	G
			New Measure – No Data	New Measure – No Data	100.0%		

Support Services and Economic Development		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
			May-21	Nov-21	May-22			
47	<p>Leadership and management - percentage positive response to the question: "I am part of a supportive team where we regularly reflect on our successes and challenges enabling us to improve continuously"</p> <p>Reporting Frequency: Bi-Annually (November, May)</p>	78.0%	82.4%	81.2%	81.0%		<p><b>Performance Analysis:</b> May-22: Progress: The positive responses to this question are the same as our previous Pulse Survey - 81%. Hybrid Working – The 19th April was identified as a milestone by the Executive Leadership Team where WSCC staff are expected to be working in agreed ways that reflect their team smarter working plans. This is now happening and will be regularly reviewed moving forwards in line with business, customer and staff needs.</p> <p><b>Actions:</b> Work is underway to review and update the WSCC People Framework, ensuring that progress is recorded, and it enables our workforce to meet our future business and customer needs. Continued Support for Managers &amp; Leaders to undertake relevant professional qualifications (E.g., ILM - The Institute of Leadership &amp; Management, Coaching Professional) via the apprenticeship programme.</p>	G
48	<p>Wellbeing, values and ways of working - Percentage positive response to the question: "I am treated with dignity and respect by my work colleagues"</p> <p>Reporting Frequency: Bi-Annually (November, May)</p>	87.0%	90.6%	89.2%	91.0%		<p><b>Performance Analysis:</b> May-22: Progress: A small increase in positive responses to this question has been seen across the organisation since the previous Pulse Survey – 89% to 91%. Continued work with our Staff Networks to ensure everyone has a voice and promote continuous improvement of the employee and customer experience.</p> <p><b>Actions:</b> Work is being undertaken to review and update the HR People Framework. On-going rollout of the Mental Health First Aider programme. Development of the Wellbeing Hub to enable self-help to staff to build skills and personal resilience around their Mental, Physical and Emotional Wellbeing – set to go live summer 22.</p>	G

Support Services and Economic Development		2022/23 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis and Actions	Year End Forecast
51	Percentage of digital services available from WSCC to support self-service	70.0%	Dec-21	Mar-22	Jun-22		<p><b>Performance Analysis:</b> Jun-22: The measure is steadily improving.</p> <p>(Performance has improved this quarter but the results are showing as amber because the target has increased this year from 60% to 70%)</p> <p><b>Actions:</b> Procurement of a new digital platform is currently underway and will aid in tracking service transactions and identify opportunities to move services into the digital space to support customers in their preferred method of contacting the Council.</p>	G
	Reporting Frequency: Quarterly		64.0% (60% measure in 2021/22)	64.0% (60% measure in 2021/22)	65.0%	↗		

## Finance Summary

### Portfolio In Year Pressures and Mitigations

Pressures	(£m)	Mitigations and Underspending	(£m)	Year end budget variation (£m)
Undelivered Savings – Reduction in legal costs for child protection cases	£0.200m	Democratic Services – staffing vacancies and continued reduction in Member travel and expenses.	(£0.100m)	
Customer Experience – Additional costs associated with the Children’s statutory complaint process	£0.100m	Other minor variations	(£0.017m)	
<b>Support Services and Economic Development Portfolio - Total</b>	<b>£0.300m</b>		<b>(£0.117m)</b>	<b>£0.183m</b>

### Significant Financial Issues and Risks Arising

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

### Financial Narrative on the Portfolio’s Position

- As at June, the Support Services and Economic Development portfolio is projecting a £0.183m overspend.
- A £0.2m saving target relating to a reduction in legal costs for child protection cases was carried forward into the 2022/23 financial year. Unfortunately, this saving is currently judged to ‘at significant risk and is not expected to be achieved

in year due to the continuing need to employ agency legal staff to clear the backlog of childcare cases in the courts. However, within Legal Services, a restructure of the team is currently underway which aims to reduce reliance on more expensive external legal fees and locum and agency costs; therefore, it is hoped that this saving will be achievable in the near future.

6. The Customer Experience team are projecting a £0.1m overspend which relates to additional expenditure incurred following an update from the Local Government and Social Care Ombudsman on how local authorities handle complaints under the children’s services statutory complaints process.
7. Staffing vacancies within the Democratic Services Team, alongside a continued reduction in members travel and expenses as a direct result of savings made from the continuation of some on-line virtual meetings, has resulted in a projected underspend of £0.1m.

### Savings Delivery Update

8. In addition to the £0.338m of 2022/23 planned savings, there remains £0.700m of savings from the 2021/22 financial year which were not delivered on an on-going basis. To ensure that these savings are monitored and delivered, all of these savings are detailed in the table below:

Saving Activity	Saving to be Delivered in 2022/23 (£000)	June 2022		Narrative
		Value	Status	
Licensing savings following re-procurement of ERP Solution	400	400	A	Due to revised implementation date of the Oracle system, it is unlikely that this saving will be achieved as originally envisaged in 2022/23. Other opportunities to cover this saving in 2022/23 are being explored.
Reduction in legal costs required for child protection cases	200	200	R	External counsel fees have been used to clear the backlog of childcare cases in the courts created by the Covid-19 pandemic, which has made this saving undeliverable in this financial year.
Review of mileage, allowances and apprenticeship levy	100	100	G	
IT Service Redesign	250	250	B	
Public Health - Use of uncommitted Public Health Grant	88	88	B	
HR service redesign (£0.290m)	Paused Until 2023/24	-	-	Saving of £0.290m ‘paused’ until 2023/24 following the recent appointment of a permanent HR Director.

#### Savings Key:

**R** Significant Risk    **A** At Risk    **G** On Track    **B** Delivered

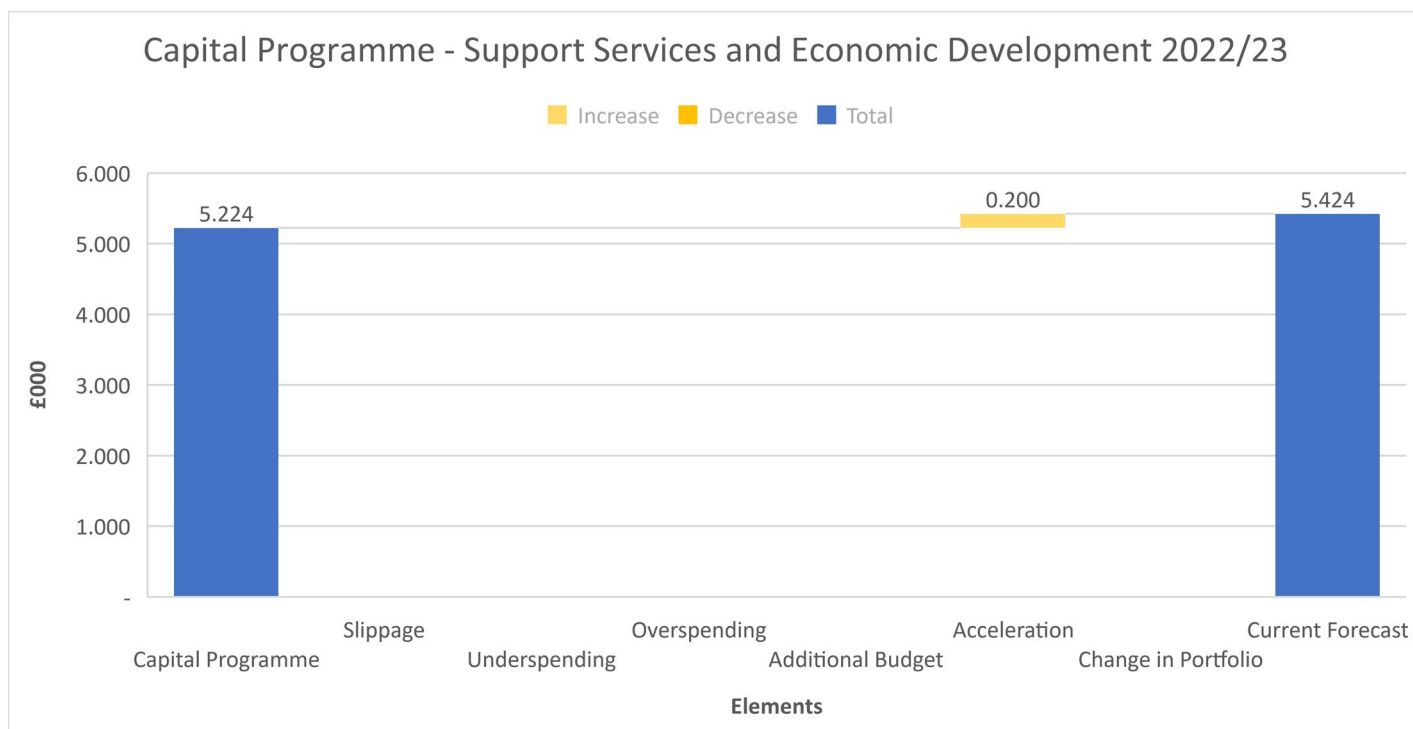
## Capital Programme

### Performance Summary

9. There are six schemes within the portfolio. One of the schemes in delivery is rated green, indicating that the project is reporting to plan. The other five schemes are funded from Business Pool Rates and report directly to the West Sussex Councils' Chief Executives' and Leaders' Board.

### Finance Summary

10. The capital programme; as approved by County Council in February 2022, agreed a programme totalling £9.106m for 2022/23. £3.882m of expenditure, originally profiled to spend in 2022/23, was accelerated into 2020/21, revising the capital programme to £5.224m.
11. Since this time, the profiled spend has increased overall by £0.200m, to give a current year end projection for 2022/23 of £5.424m. This increase relates to the acceleration of funding from future years.



**Key:**

- Capital Programme – The revised planned expenditure for 2022/23 as at 1st April 2022.
- Slippage – Funding which was planned to be spent in 2022/23 but has since been reprofiled into future years.
- Underspending – Unused funding following the completion of projects.
- Overspending – Projects that require further funding over and above the original approved budget.
- Additional Budget – Additional external funding that has entered the capital programme for the first time.
- Acceleration – Agreed funding which has been brought forward from future years.
- Current Forecast – Latest 2022/23 financial year capital programme forecast.



12. Details explaining the financial profiling changes within the capital programme during the first quarter are as follows:

- **Acceleration: £0.200m.**
  - **Connected Spaces Wifi - £0.200m** – Approval for £0.500m of funding has been granted to improve connectivity through a low tech wifi solution, focusing on rural/semi-rural outdoor settings like parks, market town centres, and seafronts. £0.200m has been profiled to be spent in 2022/23 with the remainder in 2023/24.

13. The latest Capital Programme Budget Monitor is reported in **Appendix 3**.

## Risk

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

<b>Risk No.</b>	<b>Risk Description</b>	<b>Previous Quarter Score</b>	<b>Current Score</b>
CR11	There is a risk that the Council will not be seen as an attractive place to work by current and potential employees. This will result in problems <b>recruiting and retaining staff</b> in key skills areas.	16	25
CR39a	As a result of failing to maintain and ensure the correct use of our security systems and protocols, there is a risk of a successful <b>cyber-attack</b> directly from external threats; or indirectly as a consequence of staff accessing unsafe links from external sources and unauthorised/insecure website browsing. This will lead to significant service disruption and possible data loss.	25	25
CR39b	<b>Data protection responsibilities.</b> The Council is a Data Controller and has obligations and responsibilities arising from that role. Council needs resources, skills, knowledge, systems and procedures to ensure <b>obligations</b> are met.	9	9
CR50	WSSC are responsible for ensuring the health and safety at work of its staff and residents. There is a risk that if there is a <b>lack of Health and Safety awareness and accountability</b> by directorates to capture and communicate in accordance with Council governance arrangements, it will lead to a serious health and safety incident occurring.	9	9

15. Further details on all risks can be found in **Appendix 4** - Corporate Risk Register Summary.

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	Approved budget	Latest budget for year	Net income to date	Projected outturn variation
Sources of Finance	£000	£000	£000	£000
Precept	-532,646	-532,646	-133,162	0
Business Rates Retention Scheme	-87,264	-91,819	-16,930	0
Collection Fund Deficits	4,818	4,327	4,327	0
Covid-19 Income Loss Compensation	0	0	-123	0
New Homes Bonus Grant	-1,959	-1,960	-490	0
Revenue Support Grant	0	-13	-3	0
Services Grant	-5,464	-5,464	-1,366	0
Social Care Support Grant	-25,827	-25,827	-8,360	0
<b>Total Financing</b>	<b>-648,342</b>	<b>-653,402</b>	<b>-156,107</b>	<b>0</b>
	Approved budget	Latest budget for year	Net spending to date	Projected outturn variation
Analysis of Expenditure	£000	£000	£000	£000
<b>Portfolio Budgets</b>				
Adults Services	215,876	215,853	38,383	0
Children and Young People	139,318	139,753	34,180	4,200
Community Support, Fire and Rescue	45,110	45,110	8,481	242
Environment and Climate Change	62,078	62,078	9,463	500
Finance and Property	25,131	25,131	5,033	-180
Highways and Transport	41,372	41,372	10,976	1,500
Leader	2,892	2,892	692	0
Learning and Skills	29,056	28,810	-3,824	1,109
Public Health and Wellbeing	0	0	-10,879	0
Support Services and Economic Development	41,487	41,487	8,049	183
<b>Sub-total</b>	<b>602,320</b>	<b>602,486</b>	<b>100,554</b>	<b>7,554</b>
<b>Non-Portfolio Budgets</b>				
Capital Financing - Repayment (MRP)	12,090	12,090	0	0
Capital Financing - Interest	17,579	17,579	4,799	0
Revenue Contribution to Capital - Business Rates Pilot	4,614	4,614	0	0
Revenue Contribution to Capital - Other	2,255	2,255	0	0
Investment Income	-2,970	-2,970	-789	0
General Contingency	9,156	9,156	0	-7,554
Transfers to/(from) Reserves - Business Rates Pilot	-4,614	-4,614	-4,614	0
Transfers to/(from) Reserves - Other	7,912	12,806	12,806	0
<b>Sub-total</b>	<b>46,022</b>	<b>50,916</b>	<b>12,202</b>	<b>-7,554</b>
<b>Total Net Expenditure</b>	<b>648,342</b>	<b>653,402</b>	<b>112,756</b>	<b>0</b>
<b>Total Forecast Variation - overspending</b>				<b>0</b>

Memo: Contingency	£000
Original Budget	9,156
<b>Available Contingency</b>	<b>9,156</b>
<b>Potential Commitments</b>	
Projected Portfolio Overspend - Including Inflation Pressures	7,554

# Agenda Item 6

## Appendix 1

Balances and Reserves	Balance at 31-Mar-22	Projected Year End Balance as at 31-Mar-23	Projected Annual Movement	Comments on Projected Annual Movements
	£000	£000	£000	
<b>Earmarked Reserves:</b>				
Adult Social Care Reform Risk	-4,963	-19,963	-15,000	£15m reallocated to reserve.
Ash Dieback	-1,200	-900	300	
Budget Management	-61,657	-40,368	21,289	£31m reallocated to other earmarked reserves. Net £4.7m transfer as part of approved 22/23 budget plus additional £5.1m to reflect final settlement/Ctax/NNDR post budget approval
Business Rates and Collection Fund Smoothing	-460	-10,460	-10,000	£10m reallocated to reserve.
Business Rates Pilot Fund	-17,380	-12,033	5,347	£4.6m applied to capital programme for Gigabit (Voucher Schemes 1 & 2 plus District/Borough projects) per approved 22/23 budget
Covid-19 Fund	-15,976	0	15,976	£1.7m applied to capital programme per approved 22/23 budget
Economic Growth	-1,984	-1,660	324	
Highways Commuted Sums	-5,165	-7,757	-2,592	£2.0m estimated transfer to the reserve based on forecast sums receivable by Planning Services during year
Highways On-Street Parking	-1,397	-597	800	
Inflation Contingency	-4,969	-469	4,500	Assumes reserve will be required in 2022/23 to fund in-year inflationary pressures
Infrastructure Works Feasibility	-1,930	-853	1,077	Initial estimated transfer from the reserve to fund 22/23 feasibility studies
Insurance Reserve	-3,329	-8,329	-5,000	£5m reallocated to reserve.
Interest Smoothing Account	-2,778	-2,778	0	
Miscellaneous Service Carry Forwards Recycling	-1,311	-1,311	0	Draw down of 2021/22 carry forward funding
& Waste PFI	-10,362	-10,198	164	
Schools Sickness & Maternity Insurance Scheme	-1,403	-1,403	0	
Service Transformation Fund	-13,346	-10,000	3,346	£1m added reallocated to reserve. Estimated £4m to be spent in 2022/23 supporting transformation projects
Social Care Pressures (Adults and Children's)	0	-5,028	-5,028	£5.0m residual balances of 22/23 Services and Social Care Support grants not applied to finance commitments in approved budget
Statutory Duties	-2,246	-2,302	-56	
Street Lighting PFI	-22,953	-22,546	407	
Unapplied Revenue Grants	-2,805	0	2,805	Draw down of 2021/22 carry forward funding
Waste Materials Resource Management Contract	-23,497	-22,097	1,400	£1.4m applied to Environment and Climate Change portfolio per approved budget for estimated in-year lifecycle expenditure
Other Earmarked Reserves	<u>-2,280</u>	<u>-1,510</u>	<u>770</u>	
<b>Earmarked Reserves (Excluding Schools)</b>	<b>-203,391</b>	<b>-182,562</b>	<b>20,829</b>	
School Balances	<u>-27,740</u>	<u>-27,574</u>	<u>166</u>	
<b>Total Earmarked Reserves</b>	<b>-231,131</b>	<b>-210,136</b>	<b>20,995</b>	
General Fund	-20,286	-20,286	0	
Capital Grants Unapplied	-21,229	-1,444	19,785	Forecast net position of grants/contributions receivable for year and grants/contributions applied to capital programme (subject to slippage)
Capital Receipts Reserve	<u>-4,789</u>	<u>-4,789</u>	<u>0</u>	
<b>Total Usable Reserves</b>	<b>-277,435</b>	<b>-236,655</b>	<b>40,780</b>	

## **Service Transformation and Flexible Use of Capital Receipts Update – Q1 2022/23**

### **Service Transformation Summary**

1. At the start of the year, the balance within the Transformation Reserve stood at £13.3m. In addition, the County Council's 2022/23 Flexible Use of Capital Receipts Strategy details that it has flexibility to fund up to £10.0m of qualifying transformation expenditure. The County Council will review transformational expenditure during the year and, if expenditure meets the Flexible Use of Capital Receipts statutory guidance conditions, will consider applying capital receipts funding.
2. There are a number of transformation projects currently underway which include the Smartcore Programme, Insourcing and Procurement of IT Services Better Use of Technology within Children Services, Support Services Programme, Smarter Ways of Working Programme, Adult Services Professional Services Support and other smaller projects.

### **Smartcore Programme**

3. The Smartcore programme is focused upon making HR, Finance and Procurement business processes more efficient and economic through the replacement of the existing SAP system with Oracle Fusion.
4. The programme adheres to a set of design principles that seek to establish a single source of truth for key data and information relating to Finance, HR, Payroll and Procurement and Contract Management Services; which will support strategic and operational decision making and planning, whilst also providing an opportunity to introduce productivity gains via business process improvements.
5. The programme is in the configuration and sprint phases (currently in the final sprint), with the systems integrator taking staff on a 'walkthrough' of the defined environment (shaped by the previous design phase). Following this phase, the system will be thoroughly evaluated via integration testing with key line of business applications as well as user acceptance testing, and payroll runs. The data migration strategy has been completed and data migration work activities are underway.
6. Following a review of the financial elements of the Smartcore programme, further funding is required to ensure the successful implementation of the project. Competing priorities within the Council, the impact of the Covid-19 pandemic, protracted discussion with the systems integration partner and complexities around the data migration solution have all resulted in delays to Smartcore programme implementation.
7. The project continues at pace with a planned implementation in April 2023.

### **Insourcing and Procurement of IT Services**

8. Continued modernisation of the IT Service progressed during the first quarter of the new financial year. The service subsequently added a further new provider to its support ecosystem, with this new company contributing Cloud migration and optimisation skills to the mix. Over time, this addition will allow the Council to migrate further IT systems out of our local datacentres and to benefit from enhanced resilience and operational benefits provided through large scale Cloud service provision.
9. Orders have been placed for new hardware coming off the back of rationalisation and refresh planning work, these reduced quantities of specialist compute and networking equipment will fulfil the Council's requirement in the coming years. These orders have allowed the service to continue its contribution to Council carbon footprint and real estate requirement reduction objectives through selecting highly power efficient units with reduced physical footprint and reduced power and cooling demand.

### **Better Use of Technology within Children's Services**

10. A decision was taken by the Cabinet Member for Children and Young People in August 2021 to procure a recording system for Children, Young People and Learning. The contract commenced on 1<sup>st</sup> April 2022 for an initial period of two years, with an option to extend by up to two years. The implementation project will involve significant resource from across the Council for a period of 18 months. This will include business input, IT resource, training and project management.
11. Rationalising data systems in this way will offer a major benefit to children, young people and families across the organisation in terms of the better coordination of evidence-based services delivered to them; the benefits include:
  - A reduction in the time spent recoding information for children in sibling groups,
  - Improving data sharing and reducing risks associated with having multiple recording systems across the service,
  - Enabling Social Workers to spend more of their time with children and families by having a mobile working toolkit to help them maximise the use of their equipment and work flexibly,
  - Improving the quality of data held on the recording system, ensuring the data we hold is accurate and easy to understand for children and their families.

### **Support Services Programme**

12. Our support services contract, currently provided by Capita, concludes on the 30<sup>th</sup> September 2022. The main services included within the contract include

Accounts Payable (OWTB), Payroll services and HR support to schools, Business Administration and the Customer Services Centre (CSC).

13. Services for Graphic Design printing will be delivered under a new contract from 1<sup>st</sup> October, the contract award report for which is due to be published mid-August.
14. The Customer Services Centre currently provides support to 23 essential council services. The planned procurement activity did not deliver the outcome required therefore it has been decided that all CSC teams will move to the County Council. The contract award for the telephony solution providing the supporting technology has cleared call in.
15. Employment Support Services (Payroll services and HR support to schools) successfully moved to the Council on the 1<sup>st</sup> of June. The remaining services will move on the 1<sup>st</sup> October.

### **Early Years Property Support Project**

16. As part of the revised Early Help model in West Sussex, a number of one-off and temporary property services costs have been incurred. Costs associated with project management, property clearance and holding were incurred in 2021/22, with further expenditure expected in 2022/23 as works continue on the disposal or re-assignment of affected buildings.

### **Smarter Ways of Working Programme**

17. The County Council is building on the learning and experienced gained from the pandemic to help shape the way we work in the future. The council has a large portfolio of property all across the county which are used for various purposes.
18. The first phase of this programme has now been completed with the second phase of works being finalised. The overall intention of the programme is to realign the development of workforce practices on emerging requirements of services and the Council as a whole. The programme aims to enable the County Council to:
  - Reduce the workspace provided and maintained by the County Council with no impact to the provision, quality or standard of services.
  - Provide good quality workspaces which staff can use in a flexible manner and better suits work and personal lives with no negative impact on well-being or productivity.
  - The ability to better meet the needs of our customers.

### **Adults Services – Professional Services Support**

19. A programme of work has been agreed that will oversee the delivery of the commitments made in Our Council Plan (2021-25), the Adult Social Care Strategy (2022-25) and the Commissioning Review (2022).
20. The programme will be delivered collaboratively with a combination of external resources with skills and experience in delivery of ASC programmes, in-house staff in the three core business areas (Commissioning, Operations and Safeguarding, Planning and Performance) and the newly established in-house PMO.
21. The nature, scale and complexity of the programme means that fixed-term external capacity and skills are needed to work alongside in-house teams to deliver at pace. The programme will deliver core business with additional external resources and embedded in the business, working with existing staff to support the development of leadership and skills that can sustain the progress that will be made over the term of the programme. This work is focussed on working collaboratively and ensuring people who work in the Adults Services are able to sustain the changes made over the longer term.

### **Waste – New Service Model (Recycling Credits)**

22. Household waste recycling rates in England have risen from around 11% in 2000/1 to around 45%, but since 2013/14 rates have plateaued. The County Council, along with our District and Borough councils, need to increase recycling rates to meet increasing national targets and reduce its environmental impact and carbon footprint.
23. In West Sussex, 40% of all kerbside waste collected is made up of food waste, this material can be put through the process of anaerobic digestion which provides a source of renewable energy. As the waste breaks down into biogas (a mixture of methane and carbon dioxide) it can power engines which produce heat, which is reused and the main output is electricity which can be used to power a facility, stored in batteries and sold back to the grid.
24. In 2019/20, Cabinet allocated £2m to support District and Boroughs who commit to implement a New Service Model for refuse and reducing collections, to a specification and timetable agreed with the County Council, including separate food waste collections or alternative approaches which will improve performance and reduce costs.
25. Whilst the pandemic has impacted on the ability to drive this work forward, we continued to explore and incentivise all household recycling and reduce demand pressure on the Council's waste services; in particular trials for segregation and disposal of food and absorbent hygiene products have been implemented and expanded across the County.



## Transformation Project Overview

**Table 1 – Transformation and Capital Receipt Budget Allocations - Overview of Current Projects**

Project	Total Transformation/ Capital Receipt Project Budget Allocated	Spend in Prior Years (Pre- 2022/23)	Expenditure 2022/23	Project Spend Forecast
Smartcore Programme*	£14,070,000	£5,117,201	£784,716	£14,070,000
Insource of Procurement and IT Services	£2,750,000	£1,575,880	£0	£2,300,000
Better Use of Technology – Children’s Services	£463,000	£125,484	£133,036	TBC
Support Services Programme	£1,200,000	£0	£0	£1,200,000
Early Years Property Support Project	£397,000	£317,505	£39,365	TBC
Smarter Ways of Working Programme	£1,916,000	£121,870	£53,147	£1,826,000
Adults Services – Professional Services Support	£1,950,000	£0	£0	£1,950,000
Waste – New Service Model (Recycling Credits)	£2,000,000	£655,996	£0	£2,000,000

**Note:**

\*Smartcore Programme– Additional funding from schools to meet additional works to deliver their requirements (£0.857m) and one-off base budget (£0.250m) are not included in the budget allocation reported in this table.

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**2022/23 CAPITAL MONITOR as at the end of June 2022**

Portfolio	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	22/23 In-Flight Capital Programme (February County Council)	22/23 Pipeline Capital Programme (February County Council)	22/23 Total Capital Programme (February County Council)	Slippage/ (Acceleration) from 2021/22	Total 22/23 Revised Capital Programme	Actuals to Date	In-Flight Forecast for Remaining Period	Pipeline Forecast for Remaining Period	Full Year Forecast	Over/(Under) Spend
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Adults Services	127	0	127	0	127	0	127	0	127	0
Children and Young People	4,117	1,113	5,230	(3,273)	1,957	44	1,174	400	1,618	(339)
Community Support, Fire and Rescue	9,725	0	9,725	(2,534)	7,191	2,336	4,855	0	7,191	0
Environment and Climate Change	4,034	0	4,034	(116)	3,918	1,253	3,804	0	5,057	1,139
Finance and Property	8,161	475	8,636	(293)	8,343	231	8,182	0	8,413	70
Highways and Transport	49,790	0	49,790	(1,858)	47,932	1,479	46,453	0	47,932	0
Leader	2,656	300	2,956	2,340	5,296	1,697	4,430	0	6,127	831
Learning and Skills	28,774	2,000	30,774	2,286	33,060	2,329	31,292	0	33,621	561
Support Services and Economic Development	9,106	0	9,106	(3,882)	5,224	(539)	5,963	0	5,424	200
<b>Total Capital Programme</b>	<b>116,490</b>	<b>3,888</b>	<b>120,378</b>	<b>(7,330)</b>	<b>113,048</b>	<b>8,830</b>	<b>106,280</b>	<b>400</b>	<b>115,510</b>	<b>2,462</b>

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# Corporate Risk Register Summary - Q1 2022/23

## CR11

Current Score	Target Score	Initial Score	Risk Change
25	8	20	Increasing 

### Risk Description

As a result of skill shortages across various sectors, and less attractive employment offers in comparison to other organisations and locations (amplified by the current cost of living situation), there is a risk that we will not be able to recruit and retain sufficient numbers of skilled staff to manage and deliver quality services.

### Date Risk Raised

01/03/2017

### Risk Owner


Director of Human Resources & Org Dev

### Risk Strategy

Treat

Risk Control/Action	Target Date
Benchmarking of salaries against peers to attract and retain talent for key areas.	01/09/2022
Conduct planning session with HR team to review current recruitment practices, and meet with key stakeholders to develop comprehensive plan to address areas needing improvement.	01/09/2022
Development and regular communication of comprehensive employee value proposition to support recruitment and retention.	01/03/2023
Longer term strategies for addressing recruitment issues e.g. apprenticeships, growing our own.	ongoing
Produce Directorate Workforce Plans, in collaboration with services, to identify skills, capacity and capability requirements (current and future). Including succession planning for key roles, and defining training and career pathways to support recruitment and retention.	ongoing

## CR58

Current Score	Target Score	Initial Score	Risk Change
25	9	25	Unchanged 

### Risk Description

The care market is experiencing an unprecedented period of fragility, particularly due to staff shortages and increasing demand. This has been further exacerbated by COVID19. If the current and future commercial/economic viability of providers is not identified and supported, there is a risk of failure of social care provision which will result in funded and self-funded residents of West Sussex left without suitable care.

### Date Risk Raised

05/09/2018

### Risk Owner

Director of Adults and Health

### Risk Strategy

Treat

Risk Control/Action	Target Date
Review capacity of residential and non-residential services to ensure service availability and to support identification of contingencies if needed.	ongoing
Regular review of care homes business continuity arrangements to address government vaccination directive.	ongoing
Provision of regular support and communication to care homes to monitor financial sustainability (increased engagement during COVID-19 pandemic to monitor Infection Control Grant).	ongoing
In the event of an incident, ensure the consistent implementation of Emergency Response Plans, including a full de-brief and lessons learned.	ongoing
Financial analysis of high risk provision - due diligence checks.	ongoing
Collection of market information on Firefly. Analysis of information and appropriate level of quality assurance response.	ongoing
Administration of central government funding to provide financial support to the sector.	ongoing

## CR39a

Current Score	Target Score	Initial Score	Risk Change
<b>25</b>	<b>16</b>	<b>20</b>	<b>Unchanged</b> ➡

**Risk Description**

Cyber threat is an evolving, persistent and increasingly complex risk to the ongoing operation of County Council. There is a risk of a successful cyber attack directly from external threats; or indirectly as a consequence of members or staff falling prey to social engineering or phishing attacks. The potential outcome may lead to significant service disruption and possible data loss.

Date Risk Raised	01/03/2017
Risk Owner	Director of Finance & Support Services
Risk Strategy	Treat

Risk Control/Action	Target Date
Conduct tests including penetration, DR and social engineering. (conducted 6 monthly)	ongoing
Ensure that cyber-attack is identified early, that reporting & monitoring is effective, and recovery can be prompt.	ongoing
Improve staff awareness of personal & business information security practices & identification of cyber-security issues. Continued actions due to evolving threats.	ongoing
Maintain IG Toolkit (NHS) & Public Service Network security accreditations.	ongoing
Provide capacity & capability to align with National Cyber-Security centre recommendations.	ongoing
Regular review, measurement and evaluation of corporate (technological/process) / organisational (behavioural) response to current and emerging cyber threats, where applicable to undertake pertinent actions to mitigate risks identified.	ongoing
Transition to a controlled framework for process and practice.	ongoing

## CR22

Current Score	Target Score	Initial Score	Risk Change
<b>20</b>	<b>12</b>	<b>16</b>	<b>Increasing</b> ⬆️

**Risk Description**

The financial sustainability of council services is at risk due to uncertain funding from central government, level of inflation impacting on service delivery, and/or failure to make the required decisions to ensure the budget is balanced. This has been compounded further with the COVID-19 crisis.

Date Risk Raised	01/03/2017
Risk Owner	Director of Finance & Support Services
Risk Strategy	Treat

Risk Control/Action	Target Date
Financial impacts arising from the Covid-19 national emergency need to be reflected and addressed within the PRR and MTFS as appropriate.	ongoing
Monitor the use of additional funds made available to improve service delivery.	ongoing
Pursue additional savings options to help close the budget gap.	ongoing

# CR61

Current Score  
**15**

Target Score  
**10**

Initial Score  
**25**

Risk Change  
**Unchanged**  
➔

Risk Control/Action	Target Date
Implement Practice Improvement Plan (PIP). Improvement Plans include management development and HCC intervention.	ongoing
Provide proactive improvement support to services to assure effective safeguarding practices.	ongoing

## Risk Description

A 'serious incident' occurs resulting in the death or serious injury of a child where the Council is found to have failed in their duty to safeguard, prevent or protect the child from harm.

Date Risk Raised  
**01/06/2019**

Risk Owner  
Director of Children, Young People and Learning

Risk Strategy  
**Treat**

# CR69

Current Score  
**15**

Target Score  
**10**

Initial Score  
**25**

Risk Change  
**Unchanged**  
➔

Risk Control/Action	Target Date
Continue to work with Hants CC as a partner in practice to improve the breadth of children's service.	ongoing
Deliver Children First Improvement Plan.	ongoing
Implement the Children First Service transformation model	ongoing

## Risk Description

If the council fail to make the necessary improvements to progress from the previous 'inadequate' rating, there is a risk that children's services will fail to deliver an acceptable provision to the community.

Date Risk Raised  
**01/03/2020**

Risk Owner  
Director of Children, Young People and Learning

Risk Strategy  
**Treat**

## CR60

Current Score	Target Score	Initial Score	Risk Change
<b>15</b>	<b>10</b>	<b>20</b>	<b>Unchanged</b> ➔

Risk Control/Action	Target Date
Ensure robust project and programme governance in place and monitor delivery.	ongoing

### Risk Description

There is a risk of failing to deliver the HMIC FRS improvement plan, leading to an adverse affect on service delivery; which may result in failing any subsequent inspection.

Date Risk Raised	01/04/2019
Risk Owner	Chief Fire Officer
Risk Strategy	Treat

## CR74

Current Score	Target Score	Initial Score	Risk Change
<b>15</b>	<b>10</b>	<b>15</b>	<b>New</b>

Risk Control/Action	Target Date
Focus resource onto managing provider relationships to improve contract management.	ongoing
Regular communication and engagement with providers on programme development/progress, and strategic direction/consequences of changes.	ongoing
Service commitment to undertake re-procurement if and when required	ongoing
Subject to appropriate approvals, opening up the Contingency Contract wider for providers to work with the Council in the interim	ongoing
Update the 2009 contract terms and conditions by variation where these are significantly out of date	01/07/2022

### Risk Description

The overdue re-procurement of care and support at home services has been further postponed, meaning the contractual arrangements are non-compliant, inefficient to manage, difficult to enforce and present a risk of challenge and CQC criticism . The delay is to enable more time for the market to stabilise, to complete service reviews and to allow imminent legislative changes to take effect.

Date Risk Raised	01/04/2022
Risk Owner	Director of Adults and Health
Risk Strategy	Treat



# CR72

Current Score  
**12**

Target Score  
**8**

Initial Score  
**20**

Risk Change  
**Unchanged**  
➡

## Risk Description

The government have stipulated that from 9 Sep 2021 children in care under 16 will not be allowed to be accommodated in unregulated placements. This has strengthened existing regulations that stipulate that all children and young people who require residential care must be placed within registered children's homes. Due to a local and nationwide shortage of registered provision there is a risk that these children and young people will not be cared for in settings that best meet their needs, which could lead to safeguarding concerns and enforcement action against the providers of unregistered homes and local authorities.

## Date Risk Raised

01/08/2021

## Risk Owner

Director of Children, Young People and Learning

## Risk Strategy

Treat

## Risk Control/Action

## Target Date

Develop and publish a market position statement to be sent out to care providers and other LA's to engage them in placements and requirements, in line with the needs of children.

01/09/2022

Escalate to Assistant Directors and Exec Director any situation where a child or young person is at risk of being without a registered provision when they require one.

ongoing

# CR73

Current Score  
**12**

Target Score  
**8**

Initial Score  
**12**

Risk Change  
**Unchanged**  
➡

## Risk Description

If there is a failure to adequately prioritise, finance and resource our efforts to deliver on WSCC Climate Change commitments (e.g. 2030 Carbon Neutrality), there is a risk that there will be insufficient capacity and capability to complete the necessary actions within the required timeframes. This will lead to prolonged variations in weather and adverse impacts on WSCC service provision.

## Date Risk Raised

01/01/2022

## Risk Owner

Director for Place Services

## Risk Strategy

Treat

## Risk Control/Action

## Target Date

Align pipeline of projects for existing and future funding opportunities

ongoing

Built into county-wide Business Planning and budgeting process

ongoing

Clear prioritisation of CC Strategy delivery within Our Council Plan

ongoing

Existing estate & infrastructure made climate change resilient & future developments designed to be as low carbon & climate change resilient

ongoing

Recruitment and training policy to ensure all staff & elected members are suitably informed on climate change issues & that specialist skills are embedded through recruitment & training to enable delivery

ongoing

SMART programme of actions based on clear definitions and metrics

ongoing

## CR68

Current Score  
**10**

Target Score  
**10**

Initial Score  
**25**

Risk Change  
**Decreasing**  
↓

### Risk Description

The government have relaxed COVID-19 restrictions, however there are still requirements for Local Authorities to support the management of the COVID-19 pandemic. If there is a resurgence in COVID-19 infections and local (county or district) responsibilities are prolonged or additional measures imposed, there is a risk services will fail to deliver existing work plans due to staff responding to the impact of the pandemic, or staff shortages due to sickness.

### Date Risk Raised

01/03/2020

### Risk Owner

Chief Executive

### Risk Strategy

Tolerate

Risk Control/Action	Target Date
Develop communications when required to manage expectations of staff and residents on WSCC response position.	ongoing
Regular engagement with MHCLG and ensure information and direction is discussed and implemented through the Strategic Coordinating Group (SCG-Gold) and Tactical Coordination Group (TCG-Silver).	ongoing
Review and update business continuity and service critical plans.	ongoing
Services to consider impacts should government impose restrictions (via tier system) at a district level as opposed to county.	ongoing
To continue to lobby government groups to influence funding decisions.	ongoing

## CR39b

Current Score  
**9**

Target Score  
**9**

Initial Score  
**20**

Risk Change  
**Unchanged**  
→

### Risk Description

Data protection responsibilities. The Council is a Data Controller and has obligations and responsibilities arising from that role. Council needs resources, skills, knowledge, systems and procedures to ensure obligations are met.

### Date Risk Raised

01/03/2017

### Risk Owner


Director of Law & Assurance

### Risk Strategy

Tolerate

Risk Control/Action	Target Date
Adopt ISO27001 (Information Security Management) aligned process & practices.	ongoing
Enable safe data sharing, including using appropriate data standards & appropriate anonymization techniques.	ongoing
Ensure the skills and knowledge is available to support Caldicott Guardian in ASC.	ongoing
Maintain IG Toolkit (NHS) & Public Service Network security accreditations.	ongoing
Review IT systems implemented prior to 25 May 2018 to confirm compliance with updated regulations.	ongoing
Test the effectiveness of DPIA	ongoing
Undertake Data Privacy Impact Assessments (DPIA) when systems or processes change and carry out resulting actions.	ongoing

# CR50

Current Score	Target Score	Initial Score	Risk Change
9	6	20	Unchanged 

## Risk Description

WSCC are responsible for ensuring the HS&W of its staff and residents. There is a risk that if there is a lack of H&S awareness and accountability by directorates to capture and communicate in accordance with Council governance arrangements, it will lead to a serious health & safety incident occurring.

## Date Risk Raised

01/03/2017

## Risk Owner


Director of Human Resources & Org Dev

## Risk Strategy

Treat

Risk Control/Action	Target Date
Conduct a training needs analysis, produce gap analysis to understand requirements and produce suitable courses as a consequence.	ongoing
Develop and introduce a more comprehensive risk profile approach and front line service based audits.	ongoing
Incorporate HS&W information into current performance dashboard.	ongoing
Purchase, develop and introduce an interactive online H&S service led audit tool.	ongoing
Regular engagement with other LA's on best practice and lessons learned.	ongoing
Regular engagement with services to ensure H&S responsibilities continue to be fully understood and embedded in BAU activities.	ongoing

# CR7

Current Score	Target Score	Initial Score	Risk Change
8	4	16	Unchanged 

## Risk Description

There are governance systems which inhibit effective performance and a culture of non-compliance and also a lack of standardisation in some systems and processes. Skills and knowledge of systems inadequate and excessive effort required for sound decisions and outcomes.

## Date Risk Raised

01/03/2017

## Risk Owner

Director of Law & Assurance

## Risk Strategy

Treat

Risk Control/Action	Target Date
Audit plan focussing reviews on key corporate support systems to identify areas in need of improvement.	ongoing
Data on areas of non-compliance used to inform Directors to enforce compliance with standards.	ongoing
Guidance to CLT on governance. Schedule and deliver associated training	ongoing
Regular compliance monitoring and active corporate support when non-compliance happens to establish better practice.	ongoing

## CR70

Current Score  
**8**

Target Score  
**8**

Initial Score  
**12**

Risk Change  
**Decreasing**  
↓

Risk Control/Action	Target Date
Continue to monitor service resource impact.	ongoing
Provision of support to services when required.	ongoing

### Risk Description

There is an increasing demand placed on the senior officers due to the ongoing threat of COVID19 and additional burdens due to devolved responsibilities. This may lead to a continued lack of capacity to deal with strategic/organisational issues, leading to poor decision making.

Date Risk Raised  
**01/08/2020**

Risk Owner  
**Chief Executive**

Risk Strategy  
**Tolerate**

## CR65

Current Score  
**6**

Target Score  
**6**

Initial Score  
**20**

Risk Change  
**Unchanged**  
→

Risk Control/Action	Target Date
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### Risk Description

The review of corporate leadership, governance and culture recommended in the Children's Commissioner's report is not fully undertaken or effectively implemented leading to a lack of necessary improvement and further service failures or external intervention.

Date Risk Raised  
**01/12/2019**

Risk Owner  
**Chief Executive**

Risk Strategy  
**Tolerate**

## Workforce Information – Q1 2022/23

Leadership and Management		Indicator 2022/23	Q1 2022/23	Q4 2021/22
Leadership Stability	Percentage of Senior Management positions filled by permanent WSCC employees (excluding vacancies)	95%	97%	98%
	Rolling 12-month turnover percentage for permanent positions at HAY Grade (or equivalent) and above	11%	10%	10%
Resourcing and Talent		Indicator 2022/23	Q1 2022/23	Q4 2021/22
Employed workforce <i>(Includes all staff directly employed by WSCC. Excludes casuals, agency, outside bodies, pensioners &amp; partners)</i>	Total Employed Headcount (total number of people employed over reporting period)	Not Applicable	5,567	5,550
	Employed Headcount (at the end of the reporting period)	Not Applicable	5,408	5,367
	Employed FTE (at the end of the reporting period)	Not Applicable	4,837	4,802
	Number of new Apprentice starters since the start of Financial year (excluding Schools)	113	14	108
Agency (Matrix)	Total contract spend with Matrix	Not Applicable	£4,936,955	£4,969,009
	Agency (Matrix) % of Employed workforce	Not Applicable	8%	8%
Staff Turnover	Rolling 12-month turnover rate	Between 9% & 13%	13%	13%
Performance and Development		Indicator 2022/23	Q1 2022/23	Q4 2021/22
Performance	Percentage positive response to the Pulse Survey question: "I have regular meaningful conversations with my manager about my performance, wellbeing and support needs"	78%	79% (May 2022 Survey)	78% (Nov 2021 Survey)
Learning & development	Percentage positive response to the question: "I have good opportunities to develop my skills and knowledge in line with my role and my aspirations"	70%	71% (May 2022 Survey)	70% (Nov 2021 Survey)
	Staff induction completion rates	90%	89%	82%

Wellbeing, Values and Ways of Working		Indicator 2022/23	Q1 2022/23	Q4 2021/22
<b>Behaviours &amp; Values</b>	Percentage positive response to the Pulse Survey question: "I am treated with dignity and respect by my work colleagues"	87%	91% (May 2022 Survey)	89% (Nov 2021 Survey)
<b>Ways of Working</b>	Percentage positive response to the Pulse Survey question: "I am part of a supportive team where we regularly reflect on our successes and challenges enabling us to continuously improve"	78%	81% (May 2022 Survey)	81% (Nov 2021 Survey)
	Percentage positive response to the Pulse Survey question: "My ideas and opinions are valued and are used to help shape the way we work and our future planning"	73%	74% (May 2022 Survey)	72% (Nov 2021 Survey)
<b>Level of sickness absence</b> <i>(May retrospectively change due to late reporting of sickness)</i>	Rolling 12-month average number of calendar days lost due to sickness absence per FTE	15 Calendar Days p.a.	16.4	16.4
	Number of calendar days lost due to short term sickness absence (less than 21 calendar days)	Not Applicable	4,676	6,447
	Top reason for short term absence (less than 21 calendar days)	Not Applicable	Coronavirus	Coronavirus
	Number of calendar days lost due to long term sickness absence (more than 21 calendar days)	Not Applicable	13,144	14,144
	Top reason for long term absence (more than 21 calendar days)	Not Applicable	Anxiety, Stress, Depression, Mental Health	Anxiety, Stress, Depression, Mental Health
Diversity and Inclusion		Indicator 2022/23	Q1 2022/23	Q4 2021/22
<b>Employee Declaration Rate</b>	Disclosure rate for self-declaration of an employee's: disability; sexual orientation; race/ethnicity; religion	40%	32%	31%

**RAG Rating Key:**

**R** Significant Risk    **A** At Risk    **G** On Track

## Workforce Summary Narrative

1. Of the 12 KPIs with a RAG status indicator, 10 are rated green; and two are rated amber. The two amber KPIs for Q1 are:
  - **'Rolling 12-month average number of calendar days lost due to sickness absence per FTE'**. The Q4 figure is 16.4 calendar days which is the same as the previous quarter. Further details are provided below
  - **'Employee declaration disclosure rate' for diversity details\***. This KPI was rated green last quarter but has turned to amber due to the rise in the indicator level for this new financial year. The indicator has risen from 30% to 40% to match our ambition and to prepare for the transition to Oracle Fusion. A communication campaign has been designed to encourage staff to provide their diversity data by raising awareness of the value and importance of the data and clarifying how the data will be used. This campaign will run over the next 6-12 months.
    - \* This KPI combines four Protected Characteristics (Disability; Ethnicity; Sexual Orientation; and Religion) and provides the percentage of the workforce who have provided their data across all four Protected Characteristics.
2. The KPI, which was amber last quarter, is the 'Staff Induction Completion Rate'. Last quarter, the completion rate was 82% but this has now increased to 89%, 1% below the indicator level. A significant factor has been the completion rate in Children, Young People and Learning which has increased from 71% in Q4 to 87% in Q1. This has been achieved through contacting the individual managers of those staff who are nearing the end of their first three months with us (the timeframe for them to complete the induction) and ensuring that the manager is taking steps to support the new starter complete their induction in the required timescales."
3. Five KPIs are based on the Pulse Survey and a new Pulse Survey was undertaken in May 2022. All five KPIs remain above their indicator level, all of which have been increased for the start of the new Financial Year
4. Employee Headcount has increased slightly from 5,367 to 5,410, a rise of 43. Employed FTE also increased from 4,802 to 4,837, a rise of 35.
5. Rolling annual turnover has remained at 13%, just within the indicator range. Rolling turnover for our two largest Directorates: Children, Young People and Learning; and Adults and Health, is 17.6% and 13.4% respectively (compared to 17.3% and 12.4% respectively last quarter)
6. Total sickness absence has fallen from 20,561 days to 17,820 days, a reduction of 2,741 days. This is consistent with seasonal trends and is as predicted in the previous report. The reductions have been across both short- and long-term sickness absence with short-term sickness (<21 days absence) reducing by 1,771 days (6,447 in Q4 to 4,676 in Q1); and long-term sickness reducing by 970 days (14,114 in Q4 to 13,144 in Q1).
7. Despite the fall in total sickness absence, the rolling 12-month average number of calendar days sickness per FTE, which is our main indicator for sickness absence, has remained at 16.4 days. This is 0.9 days above the indicator level of 15 calendar days per annum. The lack of change in the KPI is mostly due to the rolling 12-month nature of the KPI because the quarter being replaced (Q1

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Appendix 5

2020/21) has an almost identical level of sickness absence – 17,409 days in Q1 2020/21 compared to 17,820 days this quarter.

8. Coronavirus accounts for 2,153 absence days of the total sickness absence for Q1 (12%). If Coronavirus is excluded from the sickness absence figures, then the rolling 12-month average number of calendar days sickness per FTE drops from 16.4 days to 14.7 days. This would be below the indicator range and would result in this KPI being rated as green.
9. The top reasons for sickness have remained the same as the previous quarter with Coronavirus being the top reason for short-term sickness absence and Anxiety, Stress, Depression, Mental Health for long-term sickness absence.



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## **Performance and Finance Scrutiny Committee**

**9 September 2022**

### **Workforce and organisational culture - update**

#### **Report by Director of Human Resources and Organisational Development**

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#### **Summary**

This report outlines progress on a range of issues relating to the Council's workforce and details areas which require further attention and development moving forward. The report builds on previous scrutiny of the People Framework (October 2020 and November 2021) and the quarterly Performance and Resources Reports (PRR) during 2021/22. The report also includes details of changes to work practices as a result of the Covid-19 pandemic as Smarter Working is implemented across the Council.

#### **Focus for Scrutiny**

The Committee is asked to scrutinise the content of the report which outlines the progress made on developing the Council's culture and implementing the People Framework. Key areas for scrutiny include:

- Outcomes/targets included within the Council Plan (monitored through the Quarterly PRR), People Framework and Smarter Work Programme are co-ordinated and meet the changing needs of the workplace post Covid-19,
- Any necessary improvements to organisational culture, working practices, productivity and staff well-being have been identified and progress is being made in monitoring, managing and achieving outcomes/targets set,
- Staff have been included and engaged in the development of the changing requirements, and
- The current position and context for the redesign of HR to ensure the outcomes of the Council Plan and savings requirements can be met.

#### **1 Progress against the Workforce agenda**

- 1.1 The strategic workforce agenda for the Council is currently drawn from a number of sources. Workforce enablers to support the implementation of the Council Plan have been incorporated into the People Framework and performance against the actions contained in this are measured by means of the twelve workforce key performance indicators (KPIs). In addition, there are workforce issues associated with a number of strategic projects such as Smarter Working and Smartcore. Ensuring co-ordination of the strategic workforce agenda is undertaken by the Human Resources Senior Leadership Team which meets on a weekly basis and has a formal monthly review of strategic activity.

- 1.2 The majority of the workforce activity that has been undertaken to support improvements to organisational culture has been against actions detailed in the People Framework. This is broken down into four themes that are designed to help shape the culture of the organisation, its leadership and wider workforce. Culture, equality, diversity, and inclusivity underpin each theme.

Theme 1	Theme 2	Theme 3	Theme 4
Leadership and Management	Wellbeing, Values and Ways of Working	Performance and Development	Resourcing and Talent

- 1.3 This Committee received a report at its meeting in November 2021 which outlined the proposed deliverables against the People Framework in its first year of implementation. In the paragraphs below, an update on progress is given against these along with a commentary on the associated cultural implications where appropriate and the further work that is required under each theme. From a cultural perspective, it should be noted that some of the actions that have been taken still need to be embedded and as such it is not yet possible to assess the impact they have had on culture. However, this will be closely monitored through the Pulse Survey and on-going engagement activities.

- 1.4 **Leadership and management.** This theme is concerned with ensuring the Council has competent and confident leaders and managers who live and behave in line with the Council’s values.

- **Ensuring leadership stability.** Leadership stability is a key cultural enabler given it facilitates the opportunity to develop and embed longer-term cultural change in the organisation. This particular deliverable is measured as part of the twelve workforce KPIs. The result for quarter 1 highlights 97% of senior management positions have now been filled on a substantive basis against a target of 95%.
- **Undertaking a review of the “Being a Manager and Leader” framework.** Recognising that many staff base their view of the organisation on the style and approach of their line manager, it is important to ensure the Council has a clear framework which outlines our expectation of managers. The review of the Being a Manager and Leader approach has now been completed and has resulted in the creation of the revised West Sussex Values, Behaviours and Expectations (ViBE). The ViBE articulates the expectations of our staff, managers, and leaders in what they need to know, what we expect of them and how we want them to behave. An assessment of managers in Children and Young People has been undertaken against the ViBE framework and a development programme has been aligned to this. Similarly, the new Fire and Rescue Service management development programme is based around the same framework. Additionally, management induction has been refreshed to align to the framework, with proactive booking of managers to modules, completion of which is closely monitored.
- **Development of leadership capability through development programmes targeted at team, service, and organisational**

**level.** To support the Being a Manager and Leader Framework, it is important that the Council has the appropriate training and development available. A review of the Council's management development pathway has therefore been undertaken and amended to ensure the training offer provides leaders with the appropriate skills to undertake their roles at different levels in the Council. Programmes under the pathway now include, developing high performing teams, personal resilience for managers, coaching for performance and unconscious bias.

- **Establishment of a Leadership Forum.** This is now in place and is made up of the Executive Leadership Team and assistant directors. The group meets every three months, and its purpose is to strengthen and broaden the collective leadership capacity and capability across the organisation to deliver the priorities set out in the Council Plan and shape the evolution of the Council and its ways of working.
- 1.5 Work has also been undertaken to improve the Council's offer in terms of management apprenticeships particularly at intermediate and advanced levels. In addition, a coaching pathway has been introduced which gives access to internal and external coaches, resources, tools, and training.
- 1.6 In terms of next steps for this theme, it will be important to monitor the impact of the revised Manager and Leader Framework and development programmes to ensure we are seeing an ongoing improvement in organisational culture. This will be measured through responses to the Pulse Survey questions which relate to staff feeling supported by their manager, that staff have good opportunities to develop their skills and knowledge, that staff are treated with dignity and respect and that the ideas and opinions of staff are valued. In addition, we will continue to implement specific leadership and management programmes in both Adults and Fire and Rescue whilst also building on the learning from Children and Young People in terms of the excellent work they have undertaken in this area.
- 1.7 **Wellbeing, values, and ways of working.** This theme relates to ensuring the Council has an inclusive and supportive culture, that we work in partnership and reward individual and team contribution.
- **Promotion of Smarter Working, using technology to support efficient decision-making and enable staff to work flexibly.** To support managers and staff to achieve the greatest benefits from new ways of working, a programme that reviewed the smarter working opportunities to define future accommodation requirements, additional IT needs and the necessary cultural change that is required has been completed. Whilst from a cultural perspective, progress is being made, as with any large-scale organisational change programme, this is taking time to embed and is constantly evolving. Overall, feedback received from a series of webinars on the opportunities afforded to staff who are able to work in a hybrid way has been very positive. The main challenges to date have been largely pragmatic, relating to issues such as office and IT equipment, required presence in the office, and car parking. As Smarter Working moves to the next phase, and approaches to service delivery continue to develop, it will be important to ensure the associated accommodation, digital and cultural enablers are re-aligned to support

these as appropriate. It will also be important to maintain a flexible approach to Smarter Working, recognising that what might work well for one service will not be appropriate for another.

- **Refresh of Equality and Diversity frameworks and Dignity and Respect at work policies.** An overarching equality and diversity plan has been drafted which covers four main areas: Dignity and respect, developing workforce diversity data, improving accessibility and workplace reasonable adjustments, and preventing and reporting unacceptable behaviour and providing support for those who experience it. There are clear actions within each area and the plan is currently being consulted on within services and the equality networks before the final draft is presented to the Executive Leadership Team for approval. From a cultural perspective, there is significant on-going work required in terms of equality and diversity, but the plan will provide a helpful framework against which to do this.
- **Developing the employee voice.** This is an area which requires further attention to ensure the aspiration of *understanding and addressing problems and issues that individuals and groups of staff face, ensuring that individuals can be themselves at work and are valued for their contribution* can be fully realised. The Council receives feedback from staff via the Pulse Survey which is undertaken twice a year and also runs engagement sessions on key strategic projects such as Smarter Working. In addition, work has taken place to develop relationships with trade union colleagues and the equality networks and these provide helpful feedback in terms of workforce concerns and issues. However, approaches need to be developed where all staff feel able to speak up and raise concerns and issues in a psychologically safe way. This will be an area of focus for the coming period.
- **Development of a whole Council approach to mental health and wellbeing, jointly with Public Health.** To support mental health and wellbeing of staff, the Council has now introduced Mental Health First Aiders and also mental health training. The role of the first aider is to act as a confidential point of contact and reassurance for someone who may be experiencing a mental health issue or emotional distress and also to signpost them to where they can receive additional support. The mental health training package is made up of seven modules and is aimed at managers to help them build their understanding of mental health issues in order to be able to effectively support colleagues. Stress awareness training, access to NHS health checks, as well as internal campaigns to help improve physical activity, sleep and stress awareness have also been implemented. Building on the work already taken place with Public Health, in October, a workplace health needs assessment will be undertaken to gather anonymous information about the health and wellbeing of the workforce to identify where to reprioritise investment in employee health and wellbeing beyond basic health and safety legal requirements moving forward. The survey will be open to all staff employed by the Council and responding to the findings will support cultural development in this area.

- 1.8 There are a number of KPIs which relate to Health, values, and ways of working. Performance against these in quarter 1 are all above target.

Wellbeing, Values & Ways of Working		Indicator 2022/23	Q1 2022/23	Q4 2021/22
<b>Behaviours &amp; Values</b>	Percentage positive response to the Pulse Survey question: "I am treated with dignity and respect by my work colleagues"	87%	91% (May 2022 Survey)	89% (Nov 2021 Survey)
<b>Ways of Working</b>	Percentage positive response to the Pulse Survey question: "I am part of a supportive team where we regularly reflect on our successes and challenges enabling us to continuously improve"	78%	81% (May 2022 Survey)	81% (Nov 2021 Survey)
	Percentage positive response to the Pulse Survey question: "My ideas and opinions are valued and are used to help shape the way we work and our future planning"	73%	74% (May 2022 Survey)	72% (Nov 2021 Survey)

- 1.9 **Performance and Development.** The aim of this theme is to ensure staff have the knowledge, skills and competencies to perform well, have access to development, qualifications and opportunities for progression in a safe and supportive environment.

- **Embedding good consistent people management and development tools.** As part of the review of the Council's leadership development pathway, a number of programmes have been introduced to support effective people management. These include Performance Management for Managers (mandatory), Developing High Performing Teams, Recruitment and Interview Training (mandatory) and Crucial Conversations. Whilst this development is now available, we need to ensure it is being utilised effectively and is having the desired impact in terms of improving people management and development.
- **Embedding modern performance management approaches so that all staff have good performance conversations and development support.** Within this area, the Council has introduced a revised performance management framework which is based on a 12-4-2 approach: 12 conversations with individuals within which 4 will focus on individual development and progress. In addition, it is expected managers will hold two team-based performance conversations as part of team business planning sessions. The performance framework is underpinned by a Performance Management Development Policy and training which is mandatory for all managers.
- **Review of the Council's learning & development provision.** A review of the Council's learning and development provision has been undertaken via a survey involving staff, foster carers, and the voluntary sector to understand their experience of accessing learning during the pandemic in terms of what had been successful and what

hadn't worked so well. The purpose of the survey was to understand their experience and how they would like to see the Council's delivery model develop in the future. The survey was open for six weeks and there were 433 responses. Of these, 36% were fully home working, 41% partially and 22% not working remotely. 63% encountered a barrier to learning and the most significant of these was workload, followed by internet connection. We are still working through the survey results and the findings will inform our delivery model for next year.

- Optimisation of the Council's apprenticeship levy to support staff to develop their skills.** Apprenticeships are a key cultural enabler to support staff with their development and career aspirations. At the end of quarter four, there were 108 new apprenticeships (excluding schools) against a target of 113. Of these 89 were undertaken as part of employees' continuing professional development and 19 were new recruits. There were 215 live apprentices (excluding schools) at the end of the financial year and £804,754 had been spent, from the levy in-year on their learning in the previous 12 months. As part of our ambition to have competent and confident leaders and managers who live and behave in line with our values, we have put in place comprehensive management and leadership apprenticeships to support leaders and managers at all levels. Looking forward, we need to ensure apprenticeships support and help overcome workforce capacity and capability challenges, provide career development pathways and recruitment in hard to recruit areas such as engineering, the unregistered workforce and facilities management. We also need to identify opportunities for career grades so that apprentices recruited can be offered permanent contracts.

1.10 Within the workforce KPIs, there are two which relate to performance and development. Again, in quarter 1, results show these are both above the indicator target

Performance & Development		Indicator 2022/23	Q1 2022/23	Q4 2021/22
Performance	Percentage positive response to the Pulse Survey question: "I have regular meaningful conversations with my manager about my performance, wellbeing and support needs"	78%	79% (May 2022 Survey)	78% (Nov 2021 Survey)
Learning & development	Percentage positive response to the question: "I have good opportunities to develop my skills and knowledge in line with my role and my aspirations"	70%	71% (May 2022 Survey)	70% (Nov 2021 Survey)

1.11 **Resourcing and Talent.** The focus for this theme is to ensure the Council attracts and retains a diverse range of high-quality staff using best practice techniques and good planning.

- **Development and implementation of a succession management tool.** This area has still to be developed and will be a focus of attention over the coming period.
- **Introduction of efficient exit interview arrangements.** Exit data from employees provides valuable information about what it is like to work at the Council and what improvements both culturally and more broadly might be needed to retain staff. The current exit survey process is a paper-based system, but the process has ceased to work and there is little analysis of the data. A new online exit survey has been designed which will provide an organisational solution that enables easy and timely analysis to help the Council understand the reasons staff have decided to leave. It has been designed to be used by all directorates with additional questions provided for employees in Children's, Adults and Fire and Rescue to accommodate specific requirements such as social workers' experience. The survey will be completed by the individual leaving the organisation and the guidance and the questions are designed to create an environment in which the employee feels safe to provide open and honest feedback. A complementary face-to-face exit conversation process is also now being designed which will provide the personal approach and enable directorates to obtain qualitative feedback on their staff's reasons for leaving. A further piece of work which needs to take place in this area is the development of a Council wide "stay conversation" process where early engagement takes place with staff who might be thinking of leaving to discuss possible alternative options.
- **Implementation of workforce planning in each directorate.** Whilst improved discussions are taking place in services about workforce planning issues, the Council does not yet have a consistent approach to strategic workforce planning and further work needs to be undertaken in this area, possibly based on some of the excellent work Fire and Rescue has undertaken in this area.

1.12 Of the four themes in the People Framework, Resourcing and Talent is currently the most significant issue for the Council given both the local and national context in relation to recruitment and retention. Current recruitment activity has doubled in the last twelve months, and this is leading to significant challenges in terms of capacity. One of the consequences of this is that operational urgency is taking precedent over longer-term strategic thinking and planning. The Council's Leadership Forum has recognised this, and work is currently underway to engage the wider organisation in developing ideas for longer-term recruitment and retention interventions. Increasing capacity, either by utilising existing staff across the organisation or recruiting additional support will be vital if both the operational and strategic recruitment and retention agenda is going to be effectively taken forward.

## **2 Staff Engagement**

2.1 In terms of including and engaging staff in the implementation of the actions detailed in this report, a hybrid approach has been taken based on the particular circumstances and issues. Engagement has and will continue to be an important aspect of all of the work that has been undertaken so far and specific initiatives have included:

- Holding a series of webinars for staff to gain their feedback on cultural issues linked to Smarter Working. To date, 408 staff have attended.
- Continuing to undertake the Pulse Survey which specifically seeks feedback on a number of the workforce KPIs.
- Consultation and engagement with the trade unions in issues such as the cost-of-living challenges and potential support to staff.
- In collaboration with Public Health, engagement with staff on health and wellbeing issues including the launch of the workplace health needs assessment taking place in October 2022.
- Engagement with the Equality Networks and services on the development of the equality, diversity, and inclusivity plan.
- Weekly recruitment meetings with colleagues in Children's Services given the particular challenges they are currently experiencing.

2.2 In reviewing progress against the cultural enablers in the People Framework, it is clear that some of the priorities have now changed given the different external context and the impact this is having internally. Most notably is the national recruitment challenges and cost of living issues. Culturally, this is impacting on staff's health and wellbeing, particularly in terms of resilience, increasing turnover and focusing staff's attention on pay and benefits. Given these changes, it is proposed the People Framework will be refreshed to ensure that priority is given to actions which respond to the significant current challenges, particularly around recruitment and retention, pay and benefits, health and wellbeing and strategic workforce planning.

## **3 Redesign of Human Resources and Savings**

3.1 There are a number of aspects which impact on the redesign of the Human Resources (HR) and Organisational Development Directorate. The first is the re-insourcing of HR services from Capita which successfully took place on 1 June 2022. Work is currently underway to integrate these into the wider directorate, recruit to the significant number of vacancies which we have inherited and also realign some of the business processes to those of the Council. Once this work has been completed, we will be better able to understand how we might be able to realign transactional HR services and create improved efficiencies. It is anticipated this work will conclude by April 2023.

3.2 The second main issue is the implementation of Smartcore, replacing the Council's current SAP system with Oracle Fusion. The new arrangements should provide the opportunity for greater self-service and more integrated systems. However, until Oracle Fusion is embedded, it is not clear what the full



opportunities for redesign the new system will create and we will need to assess this post implementation. This is currently due to take place in April 2023.

- 3.3 In terms of financial savings, the HR & OD service is on track to achieve its target for this year. However, given the unprecedented demand on the service, particularly in the areas of recruitment and retention and organisational change as well as not yet being clear about the potential efficiency opportunities the re-insourcing of Capita HR services and Smartcore present, discussions are ongoing with the Executive Leadership Team about longer term savings.

#### **4 Policy Alignment and Compliance**

- 4.1 The links to the Council Plan are fully explained in the report above. As this is an up-date report dealing with internal matters the Equality, Human Rights, Social Value, Sustainability and Crime and Disorder Reduction Assessments are not required.

Gavin Wright

**Director of HR and Organisational Development**

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#### **Appendices**

None

#### **Background papers**

None

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## **Report to Performance and Finance Scrutiny Committee**

**9 September 2022**

### **Smartcore Programme completion and funding – Focus for Scrutiny**

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

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#### **Summary**

The Business Planning Group (BPG) of the committee requested that a report be presented to the committee to scrutinise the progress of the project in meeting its objectives and implementation timeline. The committee also scrutinised the urgent action decision taken in July (OKD12 22-23) for a variation of contract terms. At that committee meeting additional information was requested to be included in this progress report (para 1.4).

The report attached at Appendix 1 is the draft decision report seeking approval for the resource requirements to complete the Smartcore Programme. Also included is an up-date report out-lining the project overview and development as requested for scrutiny.

#### **Focus for scrutiny**

The Committee is asked to consider the attached report. Key lines of enquiry for scrutiny include:

- That the committee supports the draft decision in relation to the Smartcore resource requirements and makes any recommendation to the Cabinet Member for Support Services and Economic Development ahead of the decision being taken
- Project is on-track to achieve the outcomes and benefits identified
- Costs and timeline of the project have been managed and monitored to ensure the project is implemented within timescales and budget
- An implementation plan is developed including staff engagement and training
- Performance targets have been established to monitor on-going effectiveness and efficiency of the new system

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

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#### **1. Background and context**

- 1.1 Cabinet Member decision [ECR01 19-20](#) approved the commencement of a procurement process in November 2019 for services to deliver a replacement business management system for the Council (the SmartCore Programme).

## Agenda Item 8

- 1.2 A contract was awarded to Entserv UK Limited (trading as DXC) ("DXC") in June 2020 for DXC to be the Council's contractor for the transition from SAP to Oracle Fusion.
- 1.3 The committee's Business Planning Group (BPG) agreed in December 2021 to include scrutiny of the Smartcore programme on the committee's work programme for September 2022. Since that time the progress in achieving the programme has been monitored through service up-dates provided by the Director of Finance and Support Services at BPG meetings.
- 1.4 The committee in July scrutinised the urgent action decision for a variation in contract terms. At that meeting it was agreed to include more details on the objectives of the programme, hypercare/middleware/data migration, full costs and anticipated benefits (value for money) and learning points in the report attached as Appendix 1.
- 1.5 The background and context to this item for scrutiny are set out in the attached report.
- 1.6 The delivery of the SmartCore programme supports the delivery of the West Sussex Plan, specifically making best use of resources.

### **Tony Kershaw**

Director of Law and Assurance

### **Contact Officer**

Susanne Sanger, Senior Advisor (Democratic Services), 033 022 22550

### **Appendices**

Appendix 1 – Smartcore Programme completion and funding including the overview and project development

### **Background Papers**

None

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## **Report to Cabinet Member for Support Services and Economic Development**

**August 2022**

### **SMARTCORE programme completion and funding**

#### **Report by the Director of Finance and Support Services and the Director of Human Resources and Organisational Development**

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#### **Summary**

This report provides an update on the project for the replacement of the Council's Business Management Solution and identifies the required resources to complete the project. It sets out the remaining milestones to completion and seeks approval for the resource requirements to complete the project in April 2023.

An appendix is attached to provide additional background information to provide context and a reference document for scrutiny of the project's delivery.

#### **Recommendation**

- (1) That the Cabinet Member approves the resource requirements for the completion of the Smartcore project and confirms the delegation to the Directors of Human Resources and Organisational Development and of Finance and Support Services to finalise the required contracts to complete the programme.

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#### **Proposal**

##### **1 Background and context**

- 1.1 Cabinet Member decision ECR01 19-20 approved the commencement of a procurement process for the replacement of the Council's business management system and the Oracle Fusion system was chosen to replace the existing SAP system which has reached the end of its useful life.
- 1.2 The original completion or 'go-live' date for the programme was March 2021. The programme has however undergone a number of adjustments, resource re-allocation and re-programming due to a number of factors which are covered in the appendix to this report. The planned go-live date is now April 2023.
- 1.3 The development of the programme and the actions taken to manage it and plan the contractual requirements and address the budget implications were covered in Decision OKD1222-23 taken in July 2022. That report provided the background to the programme since the initiation of the project and the additional measures that were needed to manage it as the scope of the task and the measures required for delivery became more fully understood.

- 1.4 Many of the additional costs have arisen due to the extension of the timeline of the project and the implications for the resources required, both internal and external. These were partly driven by the impact of the pandemic but also on reviews of the input required as the project teams developed a greater understanding of the scope and effort of the project based on a more thorough understanding of the Council's systems. In summary the programme timeline and associated costs were affected by the following factors:
- The extension of the project team for another year on the programme including the Senior Responsible Owner, Programme Manager, Project Managers, Oracle specialists, and IT specialists.
  - The inclusion of resources originally proposed to be delivered internally: Change Lead and managers, Business Analysts, Test Manager and Test Analysts as well as report writing, business change, testing and training.
  - The additional and extended backfilling of staff seconded to work on the Smartcore projects.
  - Recruitment of additional specialists to supplement areas where sufficient business as usual staff aren't available, i.e., Payroll Testing.
- 1.5 The original plan was to deliver training internally. However, competing programmes and a lack of available resources within Learning & Development means this function will need to be procured. A 'soft market testing' exercise was undertaken to determine cost estimates.
- 1.6 Originally the reporting requirements were intended to be met largely by council staff, however specialist skills are required to help develop the reporting requirements in the required programme timelines while in house skill are learnt to support Oracle on an on-going basis.
- 1.7 An improved understanding of the technical deliverables of the programme leading to additional costs for data integration. Also, since the contract has been let the system integration requirements have been reviewed to reflect new systems adopted by the council in the intervening period.
- 1.8 The original scope was for elements of the change management function to be delivered internally but the depth and breadth of experience required could not be secured when the programme needed the support and, as business change is key to developing and delivering the future operating model of the functions and delivering the efficiency savings specialist resources were recruited to deliver the change programme.
- 1.9 Testing is a vital part of the programme, and it was originally planned that this could be completed internally. However competing council priorities meant these resources were not available in all areas of the business. Payroll testing is extraordinarily complex and requires complete accuracy to meet sign-off. Sufficient resources are not currently available within the established staffing, in addition, specific test management skills and resources are required to undertake the myriad of additional testing (SIT, UAT, Reconciliation and Payroll) within the programme.

## **2 Proposal - Resources to complete the project**

- 2.1 Full programme reviews were undertaken to examine the programme timeline and resource requirements. This led to the decision taken in July 2022 to confirm the contract variation with our delivery partner enabling the go-live date as April 2023.
- 2.2 The Council has now completed its review of the resources it requires to achieve the successful completion of the programme within this timeline and the cost implications of the review are set out in section 5.
- 2.3 The Council has procured DXC as its delivery partner. As explained in the July 2022 decision report the contractual arrangements have undergone significant review and reassessment as the complex elements of the project and the impact of the external factors, changing support elements and resources available have been considered.
- 2.4 The Governance of the programme will remain unchanged. The directors of HR and Organisational Design and of Finance and Support Services remain the responsible officers and will take the necessary decisions to allocate the resources available to complete the programme as now planned.

## **3 Other options considered (and reasons for not proposing)**

- 3.1 The other option is to not continue with the implementation and develop plans for an alternate ERP solution to mitigate the risk of SAP being at the end of its useful life and the associated contract termination costs. The Council will also not benefit from the potential changes to the systems. Such an option is likely to be more costly and also likely to have a significant adverse impact on the Council's systems and operational capabilities.

## **4 Consultation, engagement and advice**

- 4.1 The programme continues to draw on expertise within the Council, partners and 3<sup>rd</sup> party suppliers including:
  - Socitim Advisory provides programme management of SMARTCORE including specialist technical consultants.
  - The SRO, Programme Manager and wider project team engage with colleagues from other councils to learn from their experiences of success and failures.

Engagement takes place across the Council to raise awareness of the changes that will occur including.

- Business Readiness Group comprising senior management meeting monthly.
- Change Management team working closer with the Directorates to consult on business process and change and per a training needs analysis.
- Workshops and 'drop-in' sessions arranged covering the subjects of Finance, HR and Procurement.
- Regular communication updates via bulletins and intranet

## 5 Finance

- 5.1 The table below sets out the current costs of completing the programme which is £14.0M addressing the additional requirements set out in section 2 above and providing programme resources to deliver against a revised 'go-live' date of 3rd April and this includes the costs covered in Decision OKD1222-23 (the July decision).
- 5.2 The initial budget to implement the system was £7m and approved in 2019/20. This included costs for.
- Programme Resource - £1.9M
  - Licencing & Support - £1.7M
  - Implementation Costs £2.15M
  - Contingency - £1.25M
- 5.3 A further £7.07m is required to complete the project. These costs can broadly be divided into the following classifications:
- Delays in the go-live date - £4.20M
  - Additional scope of works - £1.25M
  - The requirement to procure work originally planned to be completed by council staff – £1.84M
  - Reduction in Licencing – (£0.22M)
- 5.4 The project originally was proposed to be funded from the Service Transformation Reserve, however, the Council utilised capital receipts in 2021/22 as set out in the Capital Receipts Flexibility Policy in the Budget Report in 2021/22. It is proposed that the forecast expenditure in 2022/23 and 2023/24 is now funded from the use of flexible capital receipts in the first instance and from the Service Transformation Reserve if there are insufficient capital receipts to fund the total amount or if some of the proposed expenditure does not meet the criteria.



	<b>2019/20 Budget</b>	<b>2020/21 Actual</b>	<b>2021/22 Actual</b>	<b>2022/23 Estimate</b>	<b>2023/24 Estimate</b>	<b>Total Project</b>	<b>Variation</b>
	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>
Programme Delivery	<b>800</b>	<b>247</b>	<b>532</b>	<b>537</b>	<b>137</b>	<b>1453</b>	<b>653</b>
Programme Resource	<b>1,100</b>	<b>438</b>	<b>531</b>	<b>2064</b>	<b>420</b>	<b>3453</b>	<b>2353</b>
Licencing and Support	<b>1,700</b>	<b>519</b>	<b>961</b>			<b>1480</b>	<b>-220</b>
Implementation Costs	<b>2,150</b>	<b>817</b>	<b>628</b>	<b>3155</b>		<b>4600</b>	<b>2450</b>
Reporting	<b>0</b>			<b>440</b>		<b>440</b>	<b>440</b>
Testing and Cutover	<b>0</b>			<b>1394</b>		<b>1394</b>	<b>1394</b>
Contingency	<b>1,250</b>			<b>750</b>	<b>500</b>	<b>1250</b>	<b>0</b>
Total Expenditure	<b>7,000</b>	<b>2021</b>	<b>2652</b>	<b>8340</b>	<b>1057</b>	<b>14070</b>	<b>7070</b>
<b>Funding</b>							
Transformation Reserve		<b>2,021</b>				<b>2,021</b>	
Flexible use of Capital Receipts			<b>2,652</b>	<b>8,340</b>	<b>1,057</b>	<b>12,049</b>	
Total Funding	<b>7,000</b>	<b>2,021</b>	<b>2,652</b>	<b>8,340</b>	<b>1,057</b>	<b>14,070</b>	

- 5.5 Programme Delivery – Variance £653K. This is the cost for external support from Socitim to deliver the programme. The delays in the programme utilised the majority of the original budget allocation therefore an additional £653K is required to complete the programme.
- 5.6 Programme Resource – Variance £2.353m. This is a consolidated cost for programme and backfill resources and is spread across multiple financial periods. The subsequent delays prior to the programme reset in November 2021 have meant that an additional £2.353m is required to complete the programme. While some resources are only joining the project when specific skills are required, other resources have been working for the longer duration of the project including technical skills, Oracle subject matter experts and business analysts. Of the £2.353m approximately, one third (£700k) is for additional specialist resources and the remaining costs are due to the increased timelines of the project (£1.653m).

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- 5.7 Licencing & Support – Variance -£220K. This has seen a reduction in costs due to changes in the SAP environment costs for the period.
- 5.8 Implementation Costs - Variance - £2.450M. £1.9m of the costs result from delays in the programme. The additional costs reflect costs added to the programme including systems integration and extension of Hypercare. The cost increase for this element has been set out in the July Decision paper OKD1222-23.
- 5.9 Reporting – Variance - £440K. The report writing resource was expected to be drawn from internal resources, however due to insufficient availability of skills and capacity internally the recruitment of specialists was required, additionally the scope and volume of the reports required by the business has increased requiring further development work from DXC.
- 5.10 Testing & Cutover – Variance - £1.394M. It was originally expected that the resource requirement for this could be met through internal resources, however it became clear specialist resources were required increasing the costs of the project as they have been sourced externally. The cost for this activity is solely within the 2022/23 financial period.
- 5.11 The period of consultation and reset during 2020/2021 is shown in column 2 with a combined cost to WSCC of £2.652M, during this time resources were engaged on keeping the programme active.
- 5.12 Expenditure relating to schools has not been reflected in the £14m costs included within this report as they will be funded by schools.
- 5.13 The effect of the proposal:
- (a) **How the cost represents good value** - the services have been and will continue to be procured competitively in the external marketplace and any additional procurement will be designed and implemented to achieve best value. Where costs have increased these are in accordance with the agreed rate card and charges as set out in the contract. The activities and the approach to be undertaken have been challenged and assured via technical scrutiny of the Business Design Authority and thereafter, agreed at the Smartcore Programme Board.
- Market appraisal and close working with other similar sized authorities have indicated that whilst budget costs differ from one authority to another due to slight variances in requirements and complexity, the figures detailed in the bullet points below are representative of our peers.
- **Surrey CC** – Budget £22.4M, a delay of 4 months in go-live date (Nov '21 - Apr '22) was estimated to cost an additional £3.9M
  - **Norfolk CC** – Budget £18M - the programme overran, the additional cost is unavailable.
  - **East Sussex CC** – Budget £13.1M - This programme is due to go live in April 2023.
- (b) **Future savings/efficiencies being delivered** – the successful implementation of the Smartcore programme will deliver efficiencies through automation, self-service, improved business processes and a

reduction in per annum licence costs (£400k). The associated savings will be identified via definition of the new target operating model as the project progresses and included as part of the budget process. Failure to allocate the additional resources and to ensure the solution is achieved will prevent these outcomes.

## 6 Risk implications and mitigations

- 6.1 The following table documents the main risks that are attributed to the programme. Risks and issues are managed by the programme PMO and are escalated to the Programme Board, as necessary.

<b>Risk</b>	<b>Mitigating Action (in place or planned)</b>
Poor Data migration /quality results in additional time and cost. Poor payroll data will result in payroll errors.	Risk held by DXC. WSCC transferred the scope of the Extract and Transform stages of Data Migration to a contracted service with DXC. Ensure that sufficient validation checks are in place to uphold data quality.
Business Resources not consistent or of sufficient quantity - need for additional external support	Ensure that the plan remains up to date and internal resources are allocated, where positions cannot be filled ensure that adequate planning allows time for recruitment or procurement of specialist resources.
The Integration / Interface complexity / Management of 3rd Parties - extended testing and resolution	Robust plan in place of implementation of the interfaces and integrations. Close working arrangement with DXC and 3 <sup>rd</sup> party vendors.
Delay to the timescales for project release may result in a change in delivery and costs.	Plan agreed with SI (Systems Integrator) and Data Migration partner with one Go-Live date. Relevant stakeholders consulted to ensure risks raised are managed throughout the implementation timeline.
The complexity of Council environment results in the need for additional change and adoption support.	Business Change team ensures stakeholders briefed on programme objectives, scope, and timelines. Business Readiness Group ensures consultation with the Directorates is maintained, and changes and adoption agreed.
Cross dependencies with other programmes may result in unplanned costs, resource conflict and/or increased timelines.	The programme is working with other major Programmes within the Council, dependencies will be managed by the Programme PMO and tracked within the Programme RAID log.

## **7 Policy alignment and compliance**

- 7.1 Our Council Plan – The delivery of the SmartCore programme supports the delivery of the Our Council Plan, specifically making best use of resources.

**Directors:** Katharine Eberhart, Director of Finance and Support Services and  
Gavin Wright, Director of Human Resources and Organisational  
Development

**Contact Officer:** Chris Briggs, Smartcore Programme SRO (Senior Responsible  
Officer), Chris.Briggs@westsussex.gov.uk

### **Appendix: Overview and Project Development**

**Background papers: None**

## Overview and Project Development

The following text provides a narrative of the programme history as well as documenting the path to completion. Areas covered include.

- Background / Overview
- Programme complexities
- High level plan with key milestones
- Key workstream and activity descriptions
- Benefits
- Reporting and Governance activities.

### Background/overview

1. Cabinet Member decision ECR01 19-20 approved the commencement of a procurement process for the replacement of the business management system and the Oracle Fusion system was chosen to replace the existing SAP system which has reached the end of its useful life.
2. The procurement resulted in the selection of a business management solution (Oracle Fusion), to be implement by the chosen systems integration partner DXC (Entserv UK) with a planned completion date in late Autumn 2021.
3. Competing priorities within the Council and the Covid-19 pandemic diverted resources initially planned for use in implementing the programme leading to a reset of the programme in December 2020, the then anticipated go live date being put back to Spring 2022. A Cabinet Member decision ECR07 20-21 approved the funding for the implementation of the system in March 2021 to meet the March 2022 go live date.
4. However, the project did not restart until November 2021 following discussions between the Council and the systems integration partner during 2021. It became clear the go live date of Spring 2022 was not achievable and a proposed date of September 2022 was put forward. Complexities of the project delivery schedule were discussed with our implementation partner and a revised go-live of January 2023 was agreed, the complexities can be summarised as follows.
  - Insufficient internal resources to successfully deliver the programme
  - Skills gaps in such areas as Training, Change Management and Testing
  - Complexities around quality of the data in the existing systems
  - Misalignment of activities within the joint plan
  - Negotiations were on-going with DXC to realign and recommit to contract.

### Programme complexities

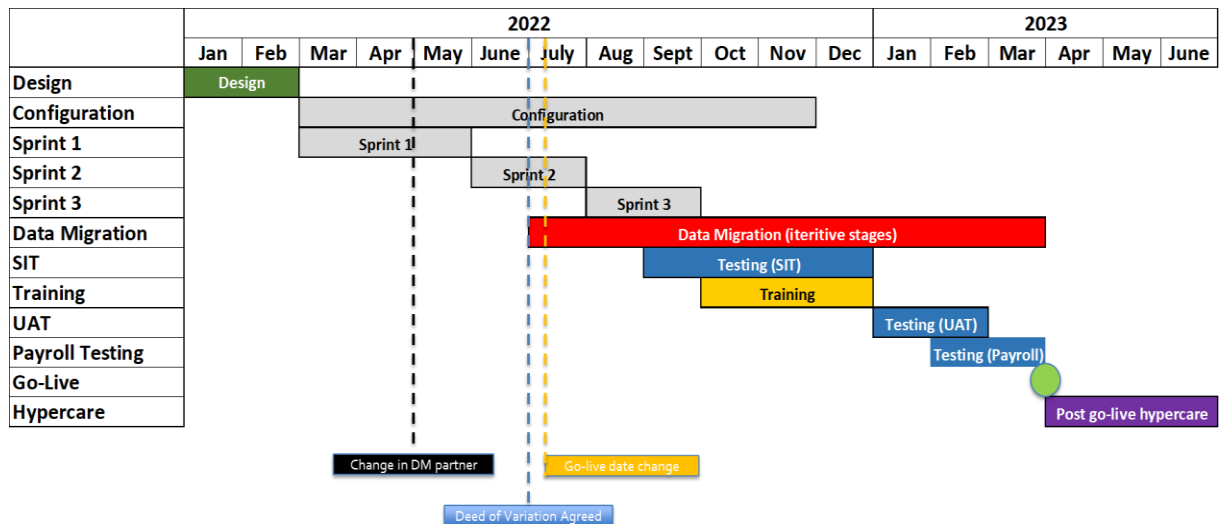
5. Complexities around data migration introduced further delay into the programme and following a detailed review of resourcing and plan the programme revised the go-live date to April 2023.
6. The period of reset and the work undertaken in reviewing the resourcing, programme plan, and data migration challenges have ensured that additional

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resources have been brought in to fill skills gaps and drive forward the delivery. The contractual arrangements have been reviewed and revised to ensure the additional requirements are contractualised.

**Plan and Milestones**

7. The following diagram presents a simplified, high-level plan that covers the previous periods of reset and the activities to deliver the programme.



**Activities**

8. The key phases for delivering the programme are set out below

- Design
- Configuration and Sprints
- Data Migration
- Testing
  - System Integration Testing
  - User Acceptance Testing
  - Payroll Testing
- Training

9. The **Design** phase has been completed and the **configuration** stage is underway the results of which are demonstrated to West Sussex County Council users as part of the **Sprint** process, there are three sprints during this cycle, sprints one and two have been demonstrated and the third is due for completion during September.

10. **Data Migration** is currently underway and will build the data required for the formal testing stages. Data migration is inherently complex and required the County Council to complete key activities including initial data extraction, cleansing of the data within SAP, mapping data objects to the new Oracle structure and the identification of data that fails GDPR compliance.

11. **Testing Requirements** – The Test Strategy has been defined, a more detailed Test Script definition phase will follow, this details every aspect of a business process. Testing will be segmented and follow detailed scripts, System Integration Testing will test the end-to-end process and involve other line of business systems and 3rd parties, User Acceptance Testing will follow, users

will follow business process scripts and check the data values against the existing SAP system. Users from across the business will be involved in certain aspects of testing. Payroll testing is currently being defined and is highly complex, multiple parallel payroll runs need to be undertaken in both systems and compared, this is a time-consuming process and requires near perfect results.

12. **Training plans** – The Change Management team has engaged with the core teams and is developing a training plan as well as methods of training. Its engagement scope will increase to define requirements within individual directorates, i.e., what changes are being made to the procurement process within Adult Social Care and what training is required to attain proficiency prior to go-live.

13. In addition, a Business Readiness Group has been initiated, this works across all directorates and will be used to communicate and consult stakeholders and users on all aspects of the programme, including change to process, testing, training and resource requirements.

### **Benefits of the Smartcore programme**

14. The Oracle Fusion system benefits support the Councils' priority "making best use of resources", key benefits of the new system include:

- Introduction of best practice and revised business processes will enable the business to carry out core business and statutory functions more effectively and efficiently.
- Adopting a 'digital first' philosophy allows for a more efficient service for employees, partners, providers, and citizens.
- Improving data quality and having a 'single version of the truth' will allow for greater analysis of the data, whilst tighter integration with other key lines of business applications, will ensure that data is easily accessible and up to date.
- Use of a Cloud hosted system and access via a web browser increases the level of accessibility to users beyond those directly connected to the Council's internal network, benefiting those working remotely and those staff who are considered 'hard to reach.'
- Through implementation of a 'Software as a Service' Platform – use of a robust, sustainable technology platform that evolves with the Council. With upgrades and patching routinely delivered directly by Oracle as part of the quarterly update cycle.
- Simple, role-based access, secured through use of single sign on (when connected to the Council's network) or (when connecting remotely) through use of industry standard multifactor authentication to ensure access to Council systems and data always remain secure.
- Implementation of a single integration solution, simplifying how systems integrate and how data from other Council systems flows into Oracle Fusion (e.g. Social Care or Library systems). Also improves timeliness of data processing and removes manual processing.

- Implementation of digital solutions to replace existing paper-based processes – e.g. Payslips, Cheques, Remittances etc, increasing speed of process execution, and eradication of supporting downstream infrastructure costs and maintenance. (e.g., print and mailroom)
- Efficiency savings through the 'self-service' principle will ensure that employees have immediate access to key information (i.e., payslips, P60 and online expenses submission) whilst removing manual processes for back-office staff.
- Greater compliancy within procurement, purchases will have to be matched to a contract.
- Improved management information reporting through greater capability within the application and custom reports aligned with better quality data.
- Better budget forecasting, setting and accountability, more accurate and up to date reporting.

### **Reporting & Governance**

15. The programme will continue to deliver through the existing governance and reporting framework, including:

- Regular Programme Board meetings where escalations are raised, and approvals are sought.
- Fortnightly resource, finance and contract panel meet to discuss resource planning, budget management and alignment to the contract. Reports progress back to the programme board.
- Continue to monitor and report on entry and exit criteria of each of the programmes stage gates and report on any deviation from the expected results to the relevant boards to the Executive Leadership Team (ELT).
- The programme will continue to update the Cabinet Member for Support Services and Economic Development through the currently scheduled meeting with the sponsors. The quarterly Performance and Resources Report will report progress on the programme to Cabinet and Scrutiny Committees.
- The programme has approached this replanning and re-costing exercise with a high degree of due diligence to ensure that every eventuality and additional requirement has been captured. However, it is possible that with a programme of complex change and extremely elevated level of business transformation that other previously unknown challenges may surface. Should this occur, the programme will identify the problem, consult, seek a solution, and escalate to the relevant decision-makers as necessary.

### **Lessons Learned**

16. A number of lessons learned in delivering this project to date:



- The importance of engaging individuals with specialists' skills with appropriate experience at the inception of a project.
- Understanding how major projects sit amongst other council priorities and a clear assessment of the ability of council resources to deliver on its initiatives.
- The importance of clear governance routes for major projects including changes in resources due to conflicting priorities or dealing with other unknown events.
- Ensuring appropriately experienced individuals are engaged on major change projects for its duration.

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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 [Cabinet Member](#) portfolios.

The most important decisions will be taken by the Cabinet sitting in public. The meetings are also 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 website. [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>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 and Property 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 Katherine De La Mora on 033 022 22535, email [katherine.delamora@westsussex.gov.uk](mailto:katherine.delamora@westsussex.gov.uk).

**Published: 31 August 2022**

## Finance and Property

### Cabinet

<b>Emergency Central Government Funding (Rolling Entry)</b>	
<p>Due to the ongoing public health emergency the County Council has received a number of support packages from Central Government. As funds are received the Council needs to determine arrangements to distribute, allocate or make other preparations for the appropriate use of funds received.</p> <p>The relevant decision maker will be determined by the intended use of the allocated funds. The Council may be required to comply with a number of conditions set out in the terms of the grant which may mean decisions need to be taken quickly due to the need to provide timely financial support related to the Covid-19 pandemic. Members will be consulted or advised of planned decisions with as much notice as can be provided.</p>	
<b>Decision by</b>	
<b>Date added</b>	15 February 2021
<b>Month</b>	Before December 2022
<b>Consultation/ Representations</b>	Representations can be made to the officer contact.
<b>Background documents (via website)</b>	None
<b>Author</b>	Tony Kershaw Tel: 033 022 22662
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551

**Cabinet, Leader, Cabinet Member for Finance and Property**

<b>Performance and Resources Report (Rolling Entry)</b>	
<p>The Performance and Resources Report (PRR) 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 Property, or Cabinet will be recommended to approve the PRR and any items of financial and performance management within the PRR.</p>	
<b>Decision by</b>	Cabinet Member for Finance and Property (Councillor Jeremy Hunt)
<b>Date added</b>	31 March 2022
<b>Month</b>	Before April 2023
<b>Consultation/ Representations</b>	<p>The following will be consulted:</p> <p>All Scrutiny Committees Cabinet</p> <p>Representations concerning this proposed decision can be made to the decision-maker via the report author, 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>	Fiona Morris Tel: 033 022 23811
<b>Contact</b>	Natalie Jones-Punch 033 022 25098

**Cabinet Member for Finance and Property**

<b>Property and Assets (Rolling Entry)</b>	
<p>The County Council’s West Sussex Plan sets 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. The County Council has agreed to adopt an <a href="#">Asset Management Policy and Strategy for 2022/23 – 2025/26</a>. An objective of the strategy is to acquire, manage, maintain and dispose of property effectively, efficiently and sustainably, together with optimising financial and commercial opportunities.</p>	
<b>Decision by</b>	Cabinet Member for Finance and Property (Councillor Jeremy Hunt)
<b>Date added</b>	1 April 2022
<b>Month</b>	Before April 2023
<b>Consultation/ Representations</b>	Local members. Representation can be made via the officer contact.
<b>Background documents</b> (via website)	None
<b>Author</b>	Elaine Sanders Tel: 033 022 25605
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551

**Cabinet Member for Finance and Property**

<b>Endorsement: Community Asset Transfer Leases</b>	
<p>The County Council’s <a href="#">Asset Management Strategy</a> supports the principle of the transfer of community assets in order to empower and strengthen local communities. The Council believes that transferring appropriate public assets to communities leads to more responsive services that better meet local people’s priorities. Two vacant properties have been identified as suitable for Community Asset Transfer:</p> <ul style="list-style-type: none"> <li>• Phoenix Centre, Westloats Lane, North Bersted, Bognor Regis, West Sussex, PO21 5JD</li> <li>• Bognor Regis Find It Out Centre, Church Path, Glamis Street, Bognor Regis, Bognor Regis, West Sussex, PO21 1DB</li> </ul> <p>These have been declared surplus to operational requirements following the redesign of the Council’s Early Help Centres (<a href="#">CAB02 21/222</a>).</p> <p>Constituted community groups, charitable organisations, voluntary groups and Town and Parish Councils working in partnership with local community groups have been invited to apply for transfer of these properties. The Council is looking to work with suitable organisations that are able to demonstrate, through a selection process, the ability to take on, manage and maintain these assets through a Full Repairing and Insuring Lease, with terms to be agreed, subject to contract. Providing a suitable proposal comes forward, two preferred lessees will be chosen.</p> <p>The Cabinet Member for Finance and Property will be asked to approve the granting of a lease of over 14 years in term at nil rent of each of the two properties.</p>	

<b>Decision by</b>	Cabinet Member for Finance and Property (Councillor Jeremy Hunt)
<b>Date added</b>	9 March 2022
<b>Month</b>	September 2022
<b>Consultation/ Representations</b>	WSSC News Press Release <a href="#">Community expressions of interest open for three youth centres - West Sussex County Council</a> WSSC Website Link - <a href="#">Community Asset Transfer   Your Voice West Sussex</a> Consultees – The Local Member for each property  Representation can be made via the officer contact.
<b>Background documents</b> (via website)	None
<b>Author</b>	Elaine Sanders Tel: 033 022 25605
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551

#### **Assistant Director (Property and Assets)**

<b>Award of Contract: Multi-disciplinary Consultancy</b>	
<p>Over the coming five years, the County Council will be delivering a high-quality built environment through a planned Capital Programme. It is essential to secure the skilled technical expertise necessary in developing and delivering the design proposals for these projects.</p> <p>The Assistant Director (Property &amp; Assets) will be asked to approve the decision to award the contract to the successful bidder for services to begin in July 2023.</p>	
<b>Decision by</b>	Assistant Director (Property and Assets) (Andrew Edwards)
<b>Date added</b>	27 May 2022
<b>Month</b>	September 2022
<b>Consultation/ Representations</b>	Consultation will take place with Performance & Finance Scrutiny Committee in September 2022.  Representation can be made via the officer contact.
<b>Background documents</b> (via website)	None
<b>Author</b>	Caroline Bridges Tel: 033 022 25691
<b>Contact</b>	Suzannah Hill Tel. 033 022 22551

## Support Services and Economic Development

### Director of Finance and Support Services

<b>Award of Contract(s) Information Technology Services (Rolling Entry)</b>	
<p>In December 2020 the Cabinet Member for Economy &amp; Corporate Resources approved a proposal via decision <a href="#">ECR04 20-21</a>, to insource and recommission, through new contracts, the services currently provided by Capita through the Information Technology outsource contract.</p> <p>The Cabinet Member delegated authority to the Director of Finance and Support Services to progress the programme and commence procurement of the Service Desk and End User Compute Services, Networks, Telephony, Cloud Hosting and Infrastructure and Application Management Services. In accordance with the decision a procurement exercise is being undertaken.</p> <p>The Director of Finance and Support Services will be asked to award the contract(s) to the successful bidder(s) from June 2021 and such dates as contractually needed with initial service transitions to commence in July 2021.</p>	
<b>Decision by</b>	Katharine Eberhart
<b>Date added</b>	14 April 2021
<b>Month</b>	Before April 2023
<b>Consultation/ Representations</b>	External Consultants SOCITM; Director Law and Assurance Representation can be made via the officer contact
<b>Background documents</b> (via website)	
<b>Author</b>	Stewart Laird Tel: 033022 25310
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551



**Director of Finance and Support Services**

<b>Award of Contract: Data Archiving Solution for SAP</b>	
<p>In preparation for decommissioning of the SAP Enterprise Resource Planning System (when replaced with Oracle Fusion via the SmartCore programme), the Council has undertaken a procurement process for a data archive solution to retain historic Finance, Human Resources and Procurement records in line with data retention obligations.</p> <p>Decision <a href="#">SSED02 22-23</a> delegated authority to the Director of Finance &amp; Support Services to award the decision.</p>	
<b>Decision by</b>	Director of Finance and Support Services (Katharine Eberhart)
<b>Date added</b>	7 July 2022
<b>Month</b>	September 2022
<b>Consultation/ Representations</b>	SME's within the Business, Market suppliers. Representation can be made via the officer contact.
<b>Background documents</b> (via website)	None
<b>Author</b>	Stewart Laird Tel: 033022 25310
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551

**Director of Finance and Support Services**

<b>Award of Contract: Design and Implementation Support Service</b>	
<p>In March 2021, the then Cabinet Member for Economy &amp; Corporate Resources approved a proposal via decision <a href="#">ECR01 (20-21)</a> to procure specialist resource to support the implementation of a Business Management Solution. As part of the decision, the Cabinet Member delegated authority to the Director of Finance and Support Services to progress the procurement. The proposed arrangement will be a capability and capacity contract, giving the Council flexibility to buy-in specialist resource to deliver specific outcomes in the programme when needed. The procurement process is now underway, and the Director of Finance and Support Services will be asked to award the contract(s) to the successful bidder(s). This decision has been taken in two parts in June 2022 (<a href="#">Report Ref: OKD12 22-23</a>) and now September 2022.</p>	
<b>Decision by</b>	Katharine Eberhart
<b>Date added</b>	31 July 2021
<b>Month</b>	September 2022
<b>Consultation/ Representations</b>	Representation can be made via the officer contact.  Consultees: Cabinet Member for Finance and Property and Cabinet Member for Support Services and Economic Development.

<b>Background documents</b> (via website)	None
<b>Author</b>	Matthew Wigginton Tel: 033022 24220
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551

### Cabinet Member for Support Services and Economic Development

<b>Endorsement of design and procurement process: Worthing Public Realm Improvements programme: Railway Approach Scheme</b>	
<p>The Worthing Growth Programme (2017) identified a Worthing Public Realm Improvements (WPRI) programme in Worthing town centre to support the revival of the local economy by improving the quality and accessibility of public areas connecting Worthing station, the town centre and the seafront.</p> <p>Leader key decision (<a href="#">LDR01 18/19</a>) confirmed WSCC commitment of £5m of growth funding to deliver the initial phases of a £12m programme of up to eight public realm schemes between the station and the seafront. Worthing Borough Council identified developer contributions, including the Community Infrastructure Levy to fund the later phases of the public realm improvement programme.</p> <p>The Executive Director Place Services confirmed progression to the detailed design stage of the Railway Approach project in December 2021 (<a href="#">OKD33 21/22</a>) and to endorse funding arrangements.</p> <p>The Cabinet Member for Support Services and Economic Development will now be asked to endorse the detailed designs for the scheme and commencement of a procurement process under Lot 6 of the Highways Construction Framework, for a construction contractor anticipated to start work on site in early 2023 and completion in late Autumn 2023 and to delegate to the Director Place Services the award of contract in due course. A further decision report will be published at that time.</p>	
<b>Decision by</b>	Cabinet Member for Support Services and Economic Development (Councillor Steve Waight)
<b>Date added</b>	27 May 2022
<b>Month</b>	September 2022
<b>Consultation/ Representations</b>	<p>Railway Approach Public Engagement took place in April 2021 for a month using an online portal.</p> <p>Representation can be made via the officer contact.</p>
<b>Background documents</b> (via website)	None
<b>Author</b>	Marie Tulley-Rose Tel: 07563 397759
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551

**Performance and Finance Scrutiny Committee Work Programme  
September 2022 - January 2023**

<b>Topic</b>	<b>Type of scrutiny</b>	<b>Timing</b>
<p><b>Quarterly Performance and Resources Report (PRR)</b></p> <p>Performance, risk and budget monitoring: ongoing strategic monitoring of performance, finance, workforce, risk, transformation programme and capital programme.</p>	Performance	<p>Qtr1 September 2022</p> <p>Qtr2 November 2022</p>
<p><b>Staffing and cultural issues arising from scrutiny of the PRR</b></p> <p>As requested at committee in November 2021 when the People Framework was reviewed. Scrutiny in this area should be at a strategic level using the KPIs monitored in the PRR as a reference and to identify any areas of concern.</p> <p><b>Focus for scrutiny agreed by the BPG:-</b></p> <ul style="list-style-type: none"> <li>• Outcomes/targets included within the PRR, People Framework and Smarter Work Programme are co-ordinated and meet the changing needs of the workplace post Covid-19;</li> <li>• Any necessary improvements to organisational culture, working practices, productivity and staff well-being have been identified and progress is being made in monitoring, managing and achieving outcomes/targets set;</li> <li>• Staff have been included and engaged in the development of the changing requirements;</li> <li>• The HR Re-design is in progress and being developed to ensure the outcomes of the Council Plan and savings requirements can be met.</li> </ul>	Performance	September 2022
<p><b>Smartcore Project</b></p> <p>Progress and implementation of the Smartcore Project including costs, benefits and targets to be achieved.</p> <p><b>Focus for scrutiny agreed by the BPG:-</b></p> <ul style="list-style-type: none"> <li>• Project is on-track to achieve the outcomes and benefits identified;</li> </ul>	Performance	September 2022

<b>Topic</b>	<b>Type of scrutiny</b>	<b>Timing</b>
<ul style="list-style-type: none"> <li>• Costs and timeline of the project have been managed and monitored to ensure the project is implemented within timescales and budget;</li> <li>• An implementation plan is developed including staff engagement and training;</li> <li>• Performance targets have been established to monitor on-going effectiveness and efficiency of the new system.</li> </ul>		
<p><b>Multi-Disciplinary Consultant</b></p> <ul style="list-style-type: none"> <li>• to scrutinise the new working arrangements being established with the consultant and also to ensure lessons have been learnt from an evaluation of the current arrangements.</li> </ul> <p>Focus for scrutiny to be agreed</p>	Performance	November 2022
<p><b>Medium Term Financial Strategy</b></p> <p>Scrutiny of the MTFS as part of the 2023/24 budget development process.</p> <p><b>Focus for scrutiny agreed by the BPG:-</b></p> <ul style="list-style-type: none"> <li>• That the MTFS considers the implications of national changes on the County Council's financial position and that these are monitored to ensure the Council's financial position is understood and amended as necessary;</li> <li>• The financial position of the Council is clearly set out and any growth and/or savings requirements are identified;</li> <li>• Assumptions being made when setting the MTFS are clear;</li> <li>• Objectives of the Council Plan are reflected in the available financial envelope;</li> <li>• There is sufficient information in terms of risk and how these will be managed and mitigated.</li> </ul>	Budget	November 2022
<p><b>TBC – Pre-decision scrutiny of any proposals arising from the budget process in relation to the portfolio responsibilities of the committee</b></p>	Budget	November 2022 (if required)
<p><b>Property Joint Venture Partnership and Development Projects</b> (postponed from June 2022)</p>	Performance	November 2022

<b>Topic</b>	<b>Type of scrutiny</b>	<b>Timing</b>
<p>Review of the progress of setting up the JV partnership and achievement of the partnership aims.</p> <p><b>Focus for scrutiny agreed by the BPG:-</b></p> <ul style="list-style-type: none"> <li>• Satisfactory progress has been made in establishing the JV arrangements;</li> <li>• Governance arrangements and working practices have been agreed to ensure that the outcomes can be managed and monitored effectively;</li> <li>• A plan of development sites has been agreed and work is underway to commence work on these to ensure the best outcomes for the Council can be achieved.</li> </ul> <p>The Committee may scrutinise individual projects as they arise.</p>		
<p><b>Horsham Enterprise and Broadbridge Heath Retail developments</b></p> <p>A progress report was requested for these 2 large-scale property developments due to them being 'amber rated' in the Capital Programme as at the end of Dec 2021 (Qtr3 PRR).</p> <p>Extra detail has been requested to be included within the 2022/23 Qtr1 PRR setting out the current status of the projects.</p>	Performance	September 2022
<p><b>Council Plan and Budget 2023/24</b></p> <p>Scrutiny of the Council Plan and draft budget ahead of agreement at Cabinet and approval at County Council in February 2023</p> <p><b>Proposed Focus for scrutiny:-</b></p> <ul style="list-style-type: none"> <li>• That the Council Plan remains relevant and appropriate and continues to prioritise the outcomes we want to achieve for the people in West Sussex;</li> <li>• Ensuring that the budget presented, including the additional investment to meet demand and other pressures and any proposed savings, are realistic and enable the achievement of the priorities and objectives agreed in the Council Plan;</li> </ul>		

Topic	Type of scrutiny	Timing
<ul style="list-style-type: none"> <li>• Ensuring that the level of reserves held ensures the County Council remains financially resilient;</li> <li>• That the change to Council Tax is justified and appropriate to meet the needs of the residents of West Sussex;</li> <li>• That the Capital Programme and Strategy meet the anticipated future needs of the County Council;</li> <li>• That the Treasury Management Strategy ensures financial risks are minimised, security of capital is ensured and that the borrowing needs of the capital programme are met within the authorised borrowing limit and the efficient management of funds;</li> <li>• That the proposed changes to fees and charges:-               <ul style="list-style-type: none"> <li>○ meet the objectives of cost recovery or meet other financial or policy objectives,</li> <li>○ are reasonable and meet the needs and priorities of the Council, and</li> <li>○ that the impact of changes have been considered, with any unintended consequences, and mitigations to address these, identified.</li> </ul> </li> </ul>		
<b>Business Planning Group</b>		
<p><b>TFG Capital Programme</b></p> <p>BPG agreed that the proposed TFG reviewing the Capital Programme should be postponed as satisfactory progress is reported through the PRR. BPG to monitor future PRR and need for TFG.</p>	Performance, and budget	June/Sept 2022
<p><b>BPG to monitor PRR</b> in relation to cyber security, Economy Plan, savings and change programmes and climate change to identify any issues arising for future scrutiny.</p>	Performance	TBC
<p><b>Grant funding</b></p> <p>BPG to determine whether scrutiny is required and how this may be carried out in relation to how we seek additional funding to bridge budget challenges.</p>	Budget	TBC
<p><b>TFG proposed to review arrangements in relation to</b></p>	Performance	TBC

Topic	Type of scrutiny	Timing
<p><b>commissioning/procurement/contract management.</b></p> <p>BPG to consider outcomes required. Potential timescale of March 2023.</p>		
<p><b>Smarter Working Programme</b></p> <p>BPG to consider the outcomes and implications of the Smarter Working Programme and whether any more in-depth scrutiny is required (as requested at June PFSC meeting).</p>	Policy	Nov BPG

**Appendix A – Checklist**

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## **Scrutiny Business Planning Checklist**

### **1. Priorities - Is the topic**

- a corporate or service priority? In what way?
- an area where performance, outcomes or budget are a concern? How?
- one that matters to residents? Why?

### **2. What is being scrutinised and Why?**

- What should the scrutiny focus be?
- Where can the committee add value?
- What is the desired outcome from scrutiny?

### **3. When and how to scrutinise?**

- When can the committee have most influence?
- What is the best approach - committee, TFG, one-off small group?
- What research, visits or other activities are needed?
- Would scrutiny benefit from external witnesses or evidence?

### **4. Is the work programme focused and achievable?**

- Have priorities changed – should any work be stopped or put back?
- Can there be fewer items for more in-depth consideration?
- Has sufficient capacity been retained for future work?

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