

Public Document Pack

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14 November 2018

Performance and Finance Select Committee

A meeting of the committee will be held at **10.30 am** on **Thursday, 22 November 2018** at **County Hall, Chichester**.

Tony Kershaw
Director of Law and Assurance

Agenda

- 10.30 am 1. **Declarations of Interest**
- Members and officers must declare any pecuniary or personal interest in any business on the agenda. They should also make declarations at any stage such an interest becomes apparent during the meeting. Consideration should be given to leaving the meeting if the nature of the interest warrants it. If in doubt please contact Democratic Services before the meeting.
- 10.30 am 2. **Minutes of the last meeting of the Committee** (Pages 5 - 16)
- The Committee is asked to agree the minutes of the meeting held on 5 October 2018 (cream paper).
- 10.30 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.
- 10.30 am 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.
- 10.30 am 5. **Appointment to the Business Planning Group**

The Committee is asked to appoint Mr Peter Catchpole to the Business Planning Group (BPG) as the new Vice-Chairman of the Committee, replacing Mr Elkins who recently stood down from the position when he was appointed as a Cabinet Member. The current members of the BPG are Mr Montyn (Chairman), Mrs Dennis, Mrs Mullins, and Dr. Walsh. Members are therefore asked to agree the amended Membership of the Group.

No background papers.

- 10.40 am 6. **Budget Update and Review of savings proposals for 2019/20** (To Follow)
- A report by the Director of Finance, Performance and Procurement, (to follow).
- The Committee is asked to support the update regarding the work towards a balanced budget for 2019/20.
- 11.10 am 7. **Treasury Management Mid-Year Review** (Pages 17 - 38)
- A report by the Director of Finance, Performance and Procurement.
- The Committee is asked to review and comment on the treasury management mid-year position.
- 11.30 am 8. **Total Performance Monitor as at end of September 2018** (Pages 39 - 78)
- A report by the Director of Finance, Performance and Procurement outlining the performance and finance position as at the end of September 2018.
- The Committee is asked to examine the data and supporting commentary for the September 2018 TPM and make any relevant recommendations for action to the Cabinet Member or a relevant Select Committee.
- 12.15 pm 9. **Capital Programme Quarter 2 Performance Report** (Pages 79 - 102)
- A report by the Executive Director of Economy, Infrastructure and Environment outlining the Capital Programme's performance as at 30 September 2018.
- The Committee is asked to review, comment on and make any relevant recommendations for action to the Cabinet Member in relation to the quarterly performance report of the capital programme.
- 12.35 pm 10. **One Public Estate** (To Follow)
- A report by the Executive Director of Economy, Infrastructure

and Environment providing an update on the programme, (to follow).

The Committee is asked to review and support the update regarding the programme.

12.55 pm 11. **Business Planning Group Report** (Pages 103 - 110)

The report will inform the Committee of the Business Planning Group meeting held on 5 November 2018, setting out the key issues discussed.

The Committee is asked to support the updates to the work programme as recommended by the Business Planning Group and reflected in the updated work programme at Appendix A to ensure that the highest priority issues are being scrutinised. The Committee is also asked to note the Task and Finish Group Rolling Programme attached as Appendix B.

1.05 pm 12. **Requests for Call-in**

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

1.05 pm 13. **Forward Plan of Key Decisions** (Pages 111 - 146)

Extract from the Forward Plan dated 13 November 2018.

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.

1.05 pm 14. **Possible Items for Future Scrutiny**

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

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

1.05 pm 15. **Date of Next Meeting**

The next meeting of the Committee will be held on 17 January 2019 at 10.30 am at County Hall, Chichester. Probable agenda

items include:

- 2019/20 Draft Revenue and Capital Budgets
- Total Performance Monitor October 2018
- Treasury Management Strategy

Any member wishing to place an item on the agenda for the meeting must notify the Director of Law and Assurance by 4 January 2019.

Part II

1.10 pm 16. **Exclusion of Press and Public**

The Committee is asked to consider in respect of the following item(s) 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)

1.10 pm 17. **Part II Minutes of the last meeting of the Committee**
(Pages 147 - 150)

The Committee is asked to agree the Part II minutes of the meeting held on 5 October 2018 (yellow paper, for members of the Committee only).

To all members of the Performance and Finance Select Committee

Performance and Finance Select Committee

5 October 2018 – At a meeting of the Performance and Finance Select Committee held at 10.30 am at County Hall, Chichester.

Present: Mr Montyn (Chairman)

Mr Barrett-Miles	Mrs Kitchen	Mr Turner
Mr Cloake	Mr Lea, left at 1.02pm	Mr Waight
Mr Crow	Mrs Mullins	Dr Walsh
Mrs Dennis	Mr Smytherman, left at 1.02pm	

Also in attendance: Ms Goldsmith, Mr Hunt, Mr Lanzer, Mr Bradford, Mr Catchpole, Mr Edwards, Mr Elkins, Mr Fitzjohn, Mr Hillier, Mrs Jupp, Mr Jupp, Ms Kennard, Mrs Millson, Dr O'Kelly, Mr S J Oakley, Mrs Purnell and Mrs Russell

Part I

47. Declarations of Interest

47.1 Dr Walsh declared a personal interest in relation to the Medium Term Financial Strategy and Angel's Nursery Barnham as a local Councillor for Arun District Council and Littlehampton Town Council.

47.2 Mr Cloake declared personal interest in relation to the Medium Term Financial Strategy and Total Performance Monitor items as his wife is employed as a Social Worker for the Council, and he and his wife are foster carers.

47.3 Mr Lea declared a personal interest in relation to the Medium Term Financial Strategy as a local Councillor for Mid Sussex District Council.

47.4 Mr Jupp declared a personal interest in relation to the Medium Term Financial Strategy as a local Councillor for Horsham District Council.

48. Minutes of the last meeting of the Committee

48.1 Mr Lea commented in relation to the Quarter 4 Capital Programme Monitor and Annual Report item. Mr Lea had queried whether officers analysed data from all of the projects in order to decide which ones to highlight in the report, and the Cabinet Member for Finance and Resources confirmed this is the case. The Chairman commented that the minutes are intended to reflect the flavour of the debate rather than verbatim, and requested that Mr Lea's comment be recorded here.

48.2 Resolved – That the Minutes of the Performance and Finance Select Committee held on 9 July be approved as a correct record and that they be signed by the Chairman.

49. Response to Recommendations

49.1 The Committee received a response from the Cabinet Member for Finance and Resources regarding the Committee's recommendations concerning the Contracts Management Task and Finish Group.

49.2 Resolved – That the Committee notes the response from the Cabinet Member for Finance and Resources.

50. What Matters To You? Survey

50.1 The Committee considered a report by the Head of Communications and Engagement (copy appended to the signed minutes).

50.2 The Head of Communications and Engagement introduced the report, explained that the survey was undertaken every two years, and outlined key findings. It was noted that for the first time the District and Borough Councils were invited to input into the recent survey. The key priority for residents remains for West Sussex to be a strong, safe and sustainable place. Residents were surveyed on attitudes to local taxation and a medium level of increase was supported (i.e. 44% agreed with a rise of between 2.1 and 4.98%, whilst 31% agreed with a maximum 4.99% rise). It was noted that whilst findings were similar to the last survey, it isn't possible to draw direct comparisons as a new West Sussex Plan has been implemented since the last survey containing different corporate priorities.

50.3 The Committee made comments in relation to the What Matters To You? Survey including those that follow. It:

- Expressed a desire to understand the level of resident satisfaction with the Council, and how the comments in the survey will be translated into tangible actions within the portfolio areas that residents will see.
- Expressed concern that whilst the information gained from the survey is very interesting, that it may not be very useful, and that some of the questions asked invited agreement. Members expressed concern that only 35% of respondents agreed that the Council provides good value for money and only 43% agreed to overall satisfaction with Council services. Members would like these ratings to be significantly higher, and suggested that the grants received from Government need to be explained more openly to the public so that they are informed on how and to what level the Council is funded by central Government. Some Members suggested that some of the responses may show the effect of previous Cabinet Member decisions, quoting in example that a rise in anti-social behaviour could be considered to be linked to the closure of youth services.
- Queried the percentage of survey respondents that were employees of the Council, noted the positive response to a raise in Council Tax rates, and queried whether the rate of responses from Council employees may unduly influence the acceptance of increases to Council Tax rates. *The Head of Communications and Engagement confirmed 5% of respondents identified as working for the Council.*

This is less than previous years, as staff completion of the survey hadn't been promoted as much as it has been in previous years. The Head of Intelligence and Performance explained all the percentages given are unweighted and the data will be provided to members of the Committee so they can be satisfied in relation to Council Tax rise feedback.

- Expressed disappointment in the low numbers of West Sussex residents taking part in the survey, queried whether this was a good basis for making decisions affecting all residents, and suggested a breakdown by District/Borough area would have been helpful. *The Leader notes that it is the members making the decisions and this survey is one of many sources of information which inform those decisions being made. The Head of Communications and Engagement explained that more interest in the survey was shown on social media this year, however a notable number of respondents began the survey but did not finish it so the team will work on engagement to improve completion rates. In order to widen participation in the survey focus groups were undertaken with minority groups, and for the first time a Children and Young People's version of the survey was produced resulting in 253 responses. The Head of Intelligence and Performance will provide a breakdown by area.*
- Commented that of the District/Borough Councils invited to input only two responded and queried whether these responses added value. *The Head of Communications and Engagement confirmed all the local Council's helped to disseminate the survey in their areas. Extra questions were asked dependent upon the area in which the respondent identified themselves, which provided useful information however this benefit needs to be balanced against the overall length of the survey.*
- Noted that more residents voted in the local elections than responded to the survey, therefore more weight should instead be given to delivering the agenda and objectives promised at that time. Members commented that the survey results can be used as feedback prior to the next election round or to nuance changes where necessary.
- Commented that the cost of undertaking the survey did not include substantial officer time, and queried whether external opinion surveying would be more cost effective. *The Head of Communications and Engagement explained the team are reluctant to outsource this work however this could be explored if this was in line with Members wishes.*

50.4 The Chairman then invited observing Members to speak on this item and comments were made including those that follow:

- Members queried whether the Council are communicating effectively enough to residents the breadth and extent of services the Council provides. *The Head of Communications and Engagement confirmed there is good local news coverage of both services and the survey, however the team will engage with other authorities on ways to encourage survey response rates.*
- Commented that some of the survey questions asked multiple things within one question which leads to difficulty in providing a

single answer, and that separating into singular direct questions could provide better answers.

- Commented regarding the difference between statutory versus non-statutory services and that residents are not aware of a great number of functions the Council undertakes that they do not see evidence of.
- Highlighted in relation to the different channels residents use to contact the Council that contact through the local Member is not included. *The Head of Communications and Engagement accepted this comment and will look at including this in future surveys.*
- Commented that residents choosing telephone contact may be older people or those who find the County website difficult to navigate, in comparison to easier and intuitive sites such as Amazon for example. Apps such as Love West Sussex are good reporting tools but provide poor feedback. *The Cabinet Member for Corporate Relations welcomed feedback on the website, noted that the navigation can be amended if Members can provide examples of where it could be better, and accepted the comment regarding anticipated demand navigation.*
- The Leader thanked the Committee and wider Members for their comments, and asked the Committee whether it felt there would be benefit in a small Task and Finish Group (TFG) being established to help devise the next survey. Members of the Committee considered this and recommended a TFG be established ahead of the next survey.

50.5 Resolved:

- 1) That the Committee welcomes the findings of the survey as a snapshot of resident feedback and that further geographic/demographic information be provided as noted above;
- 2) That the Committee recommends questions in future surveys be more direct and not combine multiple questions in one in order to improve the responses;
- 3) That the Committee requests contacting the Council via the local member be included as a method of contact in future surveys;
- 4) That the Committee recommends consideration be given to using an external opinion polling company for future surveys; and
- 5) That the Committee recommends a Task and Finish Group be established to help devise questions for the next survey.

51. Medium Term Financial Strategy 2019/20

51.1 The Committee considered a report by the Director of Finance, Performance and Procurement (copy appended to the signed minutes).

51.2 The Cabinet Member for Finance and Resources introduced the Medium Term Financial Strategy 2019/20 (MTFS) report which sets out the budget challenges over the next four years. £216m of savings have been made over the last four years including efficiency savings; a further

£145.1m gross (£92.3m assuming the predicted rise of Council Tax) of savings are needed over the next four years in order to close the budget gap, which equates to 10% of the Council's budget. The savings decisions which now need to be taken are very difficult, but are necessary in order to protect other Council services and the Cabinet Member does not wish to use Council reserves to bridge the gap.

51.3 The Director of Finance, Performance and Procurement introduced the report and accompanying presentation (copy appended to the signed minutes), detailing the impact of eight years of austerity upon this Council and how this compares to other authorities. The Council currently has sufficient levels of reserves, of which some is earmarked for designated spending, however the focus is on avoiding unplanned use of reserves as has happened in other authorities. It is hoped the Government's draft finance settlement figure may be released before Christmas with the final settlement figure being confirmed in January 2019.

51.4 The Committee made comments in relation to the Medium Term Financial Strategy including those that follow. It:

- Commented that the effects of austerity are continuing to affect residents and the Council should be doing all it can to loudly and clearly lobby central Government for increased funding.
- Queried the figures in Table 8 Summary Budget Gap; if no Council Tax rise is made for 2020/21 why the total funding rises by £22m by 2021/22. *The Director of Finance, Performance and Procurement explained that the 2020/21 figures assume a balanced 2019/20 budget and therefore expenditure is increased to cover that budget. If Council Tax were then kept at the same level with no rise in 2020/21, the base expenditure for the same services would be at that higher level; effectively the starting point would be increased.*
- Members queried whether service provision would be lower if Council Tax was not increased. *The Director of Finance, Performance and Procurement confirmed that in 2022/23 if no Council Tax increase was agreed real cuts to services would need to be made due to inflation. Council Tax needs to increase to maintain or slightly reduce current services. The total expenditure detailed in Table 8 of £625.4m for 2022/23 is as predicted in order to protect services at the current level of provision.*
- Commented that the expenditure to provide the same services rises between 2019/20 to 2022/23 by £45m. This context needs to be borne in mind and needs very careful explanation to residents by both officers and Councillors so it is clear what is being asked of Council Tax payers.
- Queried whether success in applying for the 75% Business Rate retention pilot would bring uncertainty, and whether the need to hold bigger reserves due to this could be justified when there is great service need. *The Director of Finance, Performance and Procurement explained there is no assumption of success in the pilot bid, and that if it is successful the additional income would be earmarked for improving the digital infrastructure within the county. The Cabinet Member for Finance and Resources confirmed that the reserves would not be increased. The Leader stated that the reserves are necessary to protect against unexpected events, and that volatility is to be expected following Brexit and this should be*

planned for. Effort is being put into growing the local economy to reassure businesses. Representations on the Council's funding have been made to Government and Ministers, alongside working with the County Council's Network and lobbying MP's. The Cabinet Member for Finance and Resources urged members to provide an update at their Parish Councils on the Council's budget to highlight the challenges.

- *Queried the presentation slides which show us reducing our reserves. The Cabinet Member for Finance and Resources explained the apparent reduction is due to using reserve funds that have been earmarked for specific purposes as expected, unlike other authorities who have used reserves to balance their budgets. Earmarked reserves are continually reviewed to ensure they are appropriate and proportionate; currently it is 3% of the annual budget which is considered very prudent and robust.*
- *Expressed concern about the unintended consequences of the 30% reduction in real terms spending since 2010/11, with reductions in adult social care and troubled families initiatives moving the costs elsewhere or to other authorities.*
- *Requested information regarding what the funding gap would be if Council Tax was increased above the 1.99% Government cap in future years. The Cabinet Member for Finance and Resources confirmed to the committee that every 1% increase in Council Tax rates would raise £4.4m of funding.*
- *Queried in relation to the £26m of savings being looked at through the Select Committees, whether if these measures are rejected the savings have to be found elsewhere. The Leader confirmed this is the case and difficult decisions would have to be made by Cabinet Members. All non-statutory services will be under consideration.*
- *Commented that as there is a strong link between the capital budget and the revenue budget it would be helpful for both to be presented to Committee at the same time. The Cabinet Member for Finance and Resources confirmed that capital and revenue budgets will both be considered at the January meeting of this Committee.*
- *Commented that Members were concerned to see savings decisions added to the Forward Plan but were reassured that these will receive member involvement and appropriate scrutiny.*

51.5 The Chairman then invited observing Members to speak on this item and comments were made including those that follow:

- *Queried in relation to working with district/borough Councils to co-operate on savings and minimising impacts, whether all seven local Councils were supporting and engaging this and what the positive impact has been. The Leader confirmed all local Councils are being engaged with, in particular regarding supported housing. The work is ongoing and due for discussion at the Leader's Board in November.*
- *Noted the difference between the statutory services the Council must provide and the non-statutory services the Council would like to continue to provide.*
- *Queried why the Council are bidding to be included in the 75% Business Rate pilot scheme when Surrey County Council are part of the current 100% scheme and are experiencing financial difficulties. The Director of Finance, Performance and Procurement commented*

that it isn't possible to say why Surrey's bid was chosen, however it was notably open about tackling their financial issues via the pilot scheme. The Leader commented that most bids were predicated around adult social care needs; Surrey has a bigger adult social care need than this Council which may have helped their application.

- Expressed concern regarding the economy of West Sussex if no deal is reached on Brexit, particularly for agricultural workers, and commented that it would be helpful for the report to cover the scenario if no deal is agreed. *The Cabinet Member for Finance and Resources explained that more should be known over the coming weeks and the report can be updated ahead of the February County Council meeting.*
- Commented that the County Councils Network have been very successful in promoting the pressures in social care, and stressed a need to engage local media and public in the same way as reductions to services and supported living grants may have unanticipated consequences.

51.6 Resolved:

- 1) That the Committee notes the forecast and assumptions leading to the current budget gap as presented in the report, and notes the council tax assumptions for 2019/20;
- 2) That the Committee recognises the need to continue to lobby the Government for increased funding, and the need to more effectively communicate the Council's budget pressures to residents and businesses; and
- 3) That the Committee broadly supports the indicative timetable for drawing up a budget for 2019/20.

52. Total Performance Monitor as at end of June 2018 and July 2018

52.1 The Committee considered the June and July TPM reports from the Director of Finance, Performance and Procurement (copies appended to the signed minutes).

52.2 Mr Crow, Chairman of the recent TPM TFG, outlined changes to the report following the Group's feedback. Monthly reporting will be more concise and report performance by exception, and this will be complemented by a larger quarterly report.

52.3 The Cabinet Member for Finance and Resources introduced the June and July TPM reports and outlined key information for the Committee. The June TPM provides additional workforce information. The July report shows continued financial pressure and an overspend of less than 1% of the net budget, but the overspend is being mitigated.

52.4 The Director of Finance, Performance and Procurement introduced the finance aspect of the TPM reports and highlighted key budget pressures including school transport and procurement of the new Highways contract. Pressures exist within Waste Services and Facilities

Management, and vacancy control is in place to reduce staff cost across the Council alongside miscellaneous spend control.

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

- Queried whether there is a risk of the projected overspend continuing. *The Director of Finance, Performance and Procurement explained that some underspends may come to light in January-March however it is likely there will be an overspend at year end. Contingency funds are likely to need to be used due to winter health and highways spend pressures.*
- Commented that a number of school transport arrangements were for taxis transporting only one child, queried if this was necessary, and suggested that parents be approached to offer payment for transporting the children in their own vehicles. *The Cabinet Member for Finance and Resources confirmed that many of these journeys are for Special Education Needs children for whom solo travel is necessary and that the Cabinet Member for Education and Skills is looking at this issue. The suggestion will be considered alongside other innovative suggestions and the budget determined accurately.*
- Expressed concern regarding the ongoing costs to the Council of the Beechfield Secure Unit, and commented that the children are now looked after elsewhere at a higher cost. *The Leader explained the children are receiving and benefitting from therapeutic care. The Director of Finance, Performance and Procurement confirmed the overall number of Children Looked After up to age 18 was now stabilising, with some housed after 18 receiving a reduced package.*

52.6 The Head of Intelligence and Performance introduced the performance aspect of the TPM reports and highlighted key changes including improved performance in Key Stage 1 and 2 results, increased take up of apprenticeships and solar energy. Levels of social isolation have worsened and action is being taken on this.

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

- Queried whether the 31 grants given under Crowdfunding were more or less in number and value than in previous years under the former grant scheme, and requested more detailed information on this in the TPM once the scheme has run for six months. *The Head of Intelligence and Performance explained the grants have changed in principle and are therefore difficult to compare, however guidance will be provided to members and better information should be available by the next quarterly report. Mr Barrett-Miles, Chairman of the Environment, Communities and Fire Select Committee, confirmed that the Committee will look at crowdfunding grants at its June 2019 meeting.*
- Expressed concern on the levels of self-harm and whether this was an unintended consequence of reducing child and adult mental health services. Members queried whether there was concern regarding self-harm in ex-service personnel and requested an age breakdown for self-harm. *The Head of Intelligence and Performance will provide this information to the Committee.*

- Expressed concern regarding levels of social isolation, and suggested officers look at the frequency of visits and contact time within the home in comparison to that from attendance at day centres. Concern was expressed that social isolation feeds into increased hospital admissions and decreased wellbeing if not managed well. *The Cabinet Member for Adults and Health stated that the Director of Public Health has raised similar concerns and this will be looked at.*
- Highlighted that there are discrepancies on the performance dashboard between June and July, for example measure 5 for which the numbers remain the same but the RAG status has changed from amber in June's report to red in July's report. *The Director of Finance, Performance and Procurement commented that the change occurred as the Executive Leadership Team agreed the status of the issue should be upgraded, and noted the member comments regarding the need for consistency.*
- Queried in relation to page 102 point 11, whether the net reduction of 25 older people needing social care was attributable to the research and pilot schemes undertaken, and noted that the research results haven't been reported to HASC. *The Cabinet Member for Adults and Health will follow up this point.*
- Queried in relation to indicator 46 Household waste sent to landfill, whether updated figures are available for 2018/19. *The Head of Intelligence and Performance explained there is no updated information but he will provide further information indicating the direction of travel.*

52.8 The Head of HR Business Partnering and Organisational Change introduced the Workforce section of the June TPM and highlighted key information for members. A new Director of Human Resources and Organisational Change has joined the Council and is developing a people strategy with key aspects summarised in the report; surveying of staff opinion will inform the progress of this.

52.9 The Committee made comments in relation to the Workforce information including those that follow. It:

- Queried why the trade union engagement framework was being reviewed. *The Head of HR Business Partnering and Organisational Change explained engagement has been inconsistent in the past so ongoing work to produce a framework for engagement aims to provide more structure.*
- Expressed concern regarding targeted action to reduce non-disclosure of protected characteristics in staff records and commented that staff have a right to confidentiality. *The Cabinet Member for Corporate Relations accepted this point and commented that staff have a right to not disclose if they wish or to disclose and receive equal treatment. The Head of HR Business Partnering and Organisational Change explained that the disclosure rate has reduced since a change to the detail captured during the staff recruitment process, and that it is the process being targeted for improvement not Council staff.*
- Expressed concern that the rate of appraisals returned by Managers was notably lower than that for staff, and requested for clarity this info be shown separately in future reports. *The Cabinet Member for*

Corporate Relations commented that appraisals were beneficial and the completion rates are disappointing.

52.10 Resolved:

- 1) That the Committee requests further information on grant funding in the half-yearly report;
- 2) That the Committee asks officers to look at the changes to the RAG ratings on the Performance Dashboard between June and July; and
- 3) That the Committee asks officers to provide updates where requested above to be circulated outside the meeting, including an age breakdown in relation to self-harm, household waste landfill rates, and manager level completion of appraisals.

53. Capital Programme Quarter 1 Performance Report

53.1 The Committee considered a report by the Executive Director of Economy, Infrastructure and Environment (copy appended to the signed minutes).

53.2 The Capital Programme Manager introduced the report and summarised key aspects of the report including the pipeline.

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

- Queried in relation to the A259 Corridor Improvement project whether the project is still on track following a revision of the cost estimate. *The Executive Director of Economy, Infrastructure and Environment explained that statutory undertakings will begin and that the project is part funded by the Coast to Capital Local Enterprise Partnership (LEP).*
- Queried whether the whole Northgate Primary School project was completed by the end of September 2018. *The Capital Programme Manager confirmed this was the intention and that officers are awaiting the end of September report for confirmation.*
- Commented that the Appendix B Capital Monitor was a useful addition to the report, and that it would be helpful to understand the value of the capital pipeline for the current and next year. *The Cabinet Member for Finance and Resources confirmed this has been raised with officers and the information will be provided from the Quarter 2 report onwards.*

53.4 Resolved - That the Committee welcomes and notes the report.

54. Exclusion of Press and Public

54.1 Resolved – That under section 100(4) of the local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that it involved the likely disclosure of exempt information as defined in Part I, of schedule 12A of the Act by virtue of paragraph 3, and that, in all circumstances of the case, the public interest

in maintaining the exemption of that information outweighs the public interest in disclosing the information.

54.2 The Committee continued its discussion in Part II, for which a Part I summary is available. The discussion in Part II took place from 3.04pm until 3.50pm.

55. Part II Minutes of the last meeting of the Committee

55.1 Resolved – That the part II minutes of the Performance and Finance Select Committee held on 9 July 2018 be approved as a correct record and that they be signed by the Chairman.

56. Angel's Nursery, Barnham

The Committee considered and commented on the update regarding Angel's Nursery in Barnham in Part II.

Resolved - That the Committee reviewed the update on Angel's Nursery in Barnham, and made recommendations to the Cabinet Member for Finance and Resources for consideration.

57. Business Planning Group Report

57.1 The Committee considered a report by the Chairman of the Business Planning Group (BPG), (copy appended to the signed minutes).

57.2 The Senior Advisor introduced the report which provides an update from the latest BPG meeting held on 13 September 2018 setting out the key issues discussed, and highlighted key information for the Committee. Alterations to improve the information in the Capital Programme report have been agreed and will be included in the Quarter 2 report due to be presented at the November meeting of the Committee. The BPG agreed the request to consider a Contract Negotiation Task and Finish Group (TFG) and, following a subsequent letter from the Chairman of ECFSC raising specific concerns about the Highways Contract procurement process, the BPG will consider at its November meeting a TFG covering large-scale contract procurement. The budget timeline was provided and savings decisions listed in the Forward Plan will receive scrutiny by the relevant Select Committees.

57.3 Resolved:

- 1) That the Committee endorses the content of the report and supports the update to the work programme as recommended by the BPG; and
- 2) That the Committee notes the latest Task and Finish Group rolling programme.

58. Forward Plan of Key Decisions

58.1 The Committee considered the Forward Plan of Key Decisions (copy appended to the signed minutes).

Agenda Item 2

58.2 Resolved – That the Forward Plan be noted.

59. Date of Next Meeting

59.1 The Committee notes its next meeting will take place on 22 November 2018, commencing at 10.30am.

The meeting ended at 3.58 pm

Chairman

Performance and Finance Select Committee

22 November 2018

Treasury Management Mid-Year Review 2018/19
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Report by Director of Finance, Performance and Procurement

Executive Summary

County Council is required by the Chartered Institute of Public Finance and Accountancy (CIPFA) to receive as a minimum each year:

- An annual strategy statement for the forthcoming year
- A mid-year review
- An annual report at year end

In accordance with governance arrangements approved in February 2014, the Performance and Finance Select Committee will receive all of the above reports for scrutiny. In addition effective governance is maintained through the submission of quarterly compliance reports to the Regulation, Audit and Accounts Committee.

The Council's overall risk management procedures focus on the unpredictability of financial markets, and implementing restrictions to minimise these risks. The procedures for risk management are set out through a legal framework in the Local Government Act 2003 and the associated regulations (including CIPFA Codes of Practice). Financial risks are minimised through compliance with the annual Treasury Management Strategy Statement (TMSS) which incorporates the Prudential and Treasury Indicators, approved for 2018/19 by County Council in December 2017. During the first half of 2018/19 the Council has complied with all of the statutory and regulatory requirements which require the Council to identify and where possible quantify the levels of risk associated with its treasury management activities. Additionally the Council confirms that:

- Given the differential between the cost of new Public Works Loan Board (PWLB) borrowing against the return generated on the Council's investments, the use of internal resources in lieu of borrowing continued to be considered the most cost effective means of funding 2018/19 capital expenditure. As a consequence no new external borrowing was taken relating to the Council's capital programme during the first half of 2018/19. £3.5m (plus interest) was however repaid to the PWLB as per the terms and conditions of the £70m borrowing taken during April 2011 (*Paragraph 5.3*).
- At 30 September 2018 the Council's external borrowing for capital purposes, excluding PFI schemes and finance leases, was £392.4m (£395.9m at 31 March 2018); all loans sourced from the PWLB (*Paragraph 5.4*).
- In accordance with 2018/19 capital expenditure plans, the Council's internal borrowing (in lieu of external borrowing) is expected to increase to £95.2m by 31 March 2019 (*Paragraph 5.5*).

- Total interest payable to the PWLB during the first half of 2018/19 was £8.9m at an average rate of 4.56%; the total revenue (interest) cost of servicing the Council's PWLB debt in 2018/19 is forecast to be £17.8m (*Paragraph 5.6*).
- Security of capital remains a primary investment objective. This continues to be maintained by following the Council's counterparty policy as set out in its Annual Investment Strategy for 2018/19 (contained within the approved TMSS). At 30 September 2018 the Council's investments totalled £266.8m (£253.9m at 31 March 2018). Gross investment interest received during the first half of 2018/19 was £1.4m, representing an investment return of 0.92% on an average investment portfolio of £308.6m (*Paragraph 6.10*).
- At 30 September 2018, the Council forecasts that interest receipts during 2018/19 will be in line with the approved investment income revenue budget (£1.9m); achieved by increasing the Council's exposure to higher yielding (long-term) investments through the use of approved externally managed property and multi-asset income funds (*Paragraphs 6.8 and 6.11*).
- In December 2017, revised CIPFA Codes of Practice and Ministry of Housing, Communities and Local Government's (MHCLG) Investment Guidance required additional reporting on an authority's non-treasury (commercial) activities. Whilst a report setting out the Council's Capital Strategy (as required by the CIPFA Prudential Code) is currently being prepared for approval by County Council in February 2019; a schedule listing the Council's current Income Generating Initiatives is included in the Mid-Year Review to meet the 2018/19 reporting requirements of the Code (*Section 7*).

Focus for Scrutiny

The Committee is asked to review and comment on the treasury management mid-year position.

Treasury Management Mid-Year Review (2018/19)

1. Introduction

- 1.1 The Council operates a balanced budget which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operation is to ensure that cash flow is adequately planned, with surplus monies being invested in accordance with the approved Treasury Management Strategy Statement (TMSS).
- 1.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. The management of longer term cash may involve the arrangement of long and/or short term loans (external borrowing) or may use longer term cash flow surpluses in lieu of external borrowing (internal borrowing). On occasion any external debt previously drawn may be repaid and/or restructured to meet the Council's risk or cost objectives.
- 1.3 Accordingly, treasury management is defined as:

"The management of the Council's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
- 1.4 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2017) includes the requirement to produce a mid-year review covering treasury management activities and performance in the year to-date. In accordance with the revised Code and governance arrangements approved by County Council in February 2014, scrutiny of the mid-year review is delegated to the Performance and Finance Select Committee.
- 1.5 The attached report has been prepared in compliance with CIPFA's Code of Practice and covers the following:
 - An economic, interest rate and counterparty update for the first half of the 2018/19 financial year [Section 2];
 - An overview of the Council's 2018/19 Treasury Management Strategy Statement [Section 3];
 - The Council's 2018/19 Capital Programme and associated Prudential Indicators [Section 4];
 - A review of the Council's borrowing strategy for 2018/19 [Section 5];
 - A review of the Council's investment portfolio during the first six months of 2018/19 [Section 6]; and
 - A schedule of the Council's non-treasury activities [Section 7].

2. External Context

- 2.1 **Economic Background:** During the first half of 2018/19 UK economic growth posted a modest performance, but sufficiently robust for the Bank of England's Monetary Policy Committee (MPC) to unanimously vote to increase the Bank Rate in August 2018 from 0.5% to 0.75%. Although UK growth looks as if it will only be modest at around 1.5% throughout 2018, the Bank of England's August Quarterly Inflation Report forecast that growth will pick up to 1.8% in 2019 subject to whether or not the UK achieves an orderly withdrawal from the European Union in March 2019.
- 2.2 Some MPC members have expressed concerns about a build-up of inflationary pressures, particularly with the pound falling in value again against both the US Dollar and the Euro. The Consumer Price Index (CPI) measure of inflation rose unexpectedly from 2.4% (June 2018) to 2.7% in August, but is forecast to fall back to the Bank's 2% inflation target over the next two years given a scenario of minimal increases in Bank Rate. The MPC has indicated Bank Rate would need to be in the region of 1.5% by March 2021 for inflation to stay on track with its two year forecast. As a consequence financial markets are currently pricing the next increase in Bank Rate during 2019 (after the March deadline for Brexit).
- 2.3 Regarding the UK labour market, unemployment continued at a 43-year low of 4% on the Independent Labour Organisation (ILO) measure. For the three months to July 2018 average weekly earnings increased by 2.9% excluding bonuses (including a one month figure of 3.1% in July). With wage rates higher than CPI inflation this meant that in real terms earnings grew by about 0.4% during the period, near to the joint high of 0.5% since 2009 (the previous high point was in July 2015). Given the UK economy is very much services sector driven, an increase in household spending power will likely feed through into providing some support to the overall rate of economic growth in the coming months. This supports the MPC decision to start increasing the Bank Rate in August; the MPC regards wage inflation in excess of 3% as increasing overall inflationary pressures within the UK economy. However, given all the uncertainties around Brexit the MPC will likely take a cautious approach before increasing the Bank Rate again.
- 2.4 United States (US): Whilst resulting in an upturn in inflationary pressures, President Trump's massive easing of fiscal policy is fuelling a temporary boost in consumption which has generated an upturn in the rate of US growth from 2.2% (annualised) in Q1 2018 to 4.2% in by the end of June 2018. With inflation moving towards 3% the US Federal Reserve (the Fed) increased rates by another 0.25% in September to between 2.00% and 2.25%; this being the fourth increase in 2018. Furthermore the Fed indicated they expect to increase rates four more times by the end of 2019. The dilemma remains however as to what to do when the temporary boost to consumption wanes, particularly as the recent imposition of tariffs on a number of countries' exports to the US (China in particular) could see a switch to US production of some of those goods at higher prices. Such a scenario would invariably make any easing of monetary policy harder for the Fed in the second half of 2019.
- 2.5 The Eurozone: Growth was unchanged at 0.4% in the second quarter of 2018, but has undershot early forecasts for a stronger economic performance in 2018. In particular, data from Germany has been mixed and could be

negatively impacted by US tariffs on a significant part of its manufacturing exports (including cars). Although Eurozone growth is still expected to be in the region of 2% throughout 2018, the horizon is less clear than it seemed just a short while ago.

- 2.6 **Interest Rate Forecasts:** The Council’s treasury management advisor (Link Asset Services) has updated their forecasts in August 2018 (*PWLB rates based on the “Certainty Rate” which has been accessible to local authorities since November 2012*) as shown below:

Link Asset Services Interest Rate View										
	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Bank Rate View	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.50%	1.50%
3 Month LIBID	0.80%	0.90%	1.00%	1.10%	1.20%	1.30%	1.40%	1.50%	1.50%	1.60%
6 Month LIBID	0.90%	1.00%	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.70%	1.80%
12 Month LIBID	1.10%	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%
5yr PWLB Rate	2.00%	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%
10yr PWLB Rate	2.50%	2.50%	2.60%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.00%
25yr PWLB Rate	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%
50yr PWLB Rate	2.70%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.20%

- 2.7 Following the August 2018 Bank Rate increase the MPC emphasised again that future increases would be gradual and would rise to a much lower equilibrium rate (where monetary policy is neither expansionary or contractionary) than pre-2008; indicating a figure of around 2.5% in ten years’ time. In line with financial market expectations (paragraph 2.2) Link Asset Services do not believe the MPC will increase the Bank Rate again ahead of the March 2019 deadline for Brexit. Depending on a reasonably orderly Brexit, Link Asset Services consider that the next increase in Bank Rate will be in May 2019, followed by increases in February and November 2020 bringing the Bank Rate to 1.5% by the end of the forecast period.

- 2.8 Currently the overall balance of risks to economic recovery in the UK is probably neutral. Furthermore, the balance of risks to increases in Bank Rate and shorter term PWLB rates are probably also even and broadly dependent on how strong UK GDP growth turns out, how slowly inflation pressures subside, and how quickly the Brexit negotiations move forward positively. Risks to current forecasts for UK gilt yields and PWLB borrowing rates include:

Downside Risks	Upside Risks
<ul style="list-style-type: none"> UK Bank Rate rises undertaken too quickly over the next three years; causing UK economic growth and increases in CPI inflation to be weaker than currently anticipated. 	<ul style="list-style-type: none"> UK Bank Rate rises undertaken too slowly over the next three years; allowing inflation pressures to build up too strongly within the UK economy which then necessitates a later rapid series of increases in Bank Rate faster than currently anticipated.

<ul style="list-style-type: none"> • Weak capitalisation of some European banks and a resurgence of the Eurozone sovereign debt crisis; possibly Italy given its high level of government debt, low rate of economic growth, vulnerable banking system and the recent election of an anti-austerity government. • Various political challenges (other than Italy) from within the EU that could put considerable pressure on the cohesion of the Union and consequently spill over into impacting the Euro, EU financial policy and financial markets. • The imposition of US trade tariffs by President Trump which could negatively impact world growth. Specific actions against Turkey pose a particular risk to its economy which in turn could negatively impact Spanish and French banks which have significant exposures to loans to Turkey. • Rising interest rates in the US could negatively impact emerging countries which have borrowed heavily in dollar denominated debt, so causing an investor flight to safe havens (including UK gilts). • Geopolitical risks, especially North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows from equities to bonds. 	<ul style="list-style-type: none"> • UK inflation, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields. • US fiscal plans to stimulate economic expansion causing a significant increase to US inflation; causing further sell-offs of government bonds in all major western countries. • The US Fed causing a sudden shock in financial markets through misjudging the pace and strength of increases in its Fed. Funds Rate and in the pace and strength of reversal of QE; leading to a fundamental reassessment by investors of the relative risks of holding bonds, as opposed to equities. This could lead to a major flight from bonds to equities and a sharp increase in US bond yields which could then spill over into impacting bond yields around the world.
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2.9 **Counterparty Update:** During the first half of 2018/19 rating changes to counterparties approved for Council investment (as announced by Fitch, Moody’s and Standard & Poor’s) have been reported to the Treasury Management Panel (via Panel meetings and update reports) and the Regulation, Audit and Accounts Committee (through quarterly treasury management compliance reports). With the exception of Lloyds and NatWest Bank (see paragraphs 2.10 and 2.11) no changes have been made to the Council’s lending list, as approved by County Council in December 2017, as a consequence of rating actions taken during the period.

- 2.10 Lloyds Bank (UK): Following a credit rating upgrade for Lloyds Bank plc (Lloyds ring-fenced bank) the maximum duration limit for unsecured deposits increased to one year from six months. No changes were made to either the maximum duration period for deposits with Lloyds Bank Corporate Markets plc (Lloyds non ring-fenced bank; six months) or the maximum monetary limit for total investments held within the Lloyds Banking Group on an unsecured basis (£15m). The Council's investment with Lloyds totalled £14.7m at 30 September 2018 (see Appendix 1).
- 2.11 NatWest Bank (UK): Following a credit rating downgrade to NatWest Markets plc (RBS non ring-fenced bank) no new deposits to be arranged with this name. Unsecured investments with National Westminster Bank plc (RBS ring-fenced bank) however continue to be approved up to a maximum monetary limit of £15m for up to a maximum investment duration of one year. The Council held no investments with National Westminster Bank during the first half of 2018/19.

3. Treasury Management Strategy Statement (2018/19)

- 3.1 Throughout the first half of 2018/19 the Council complied with the relevant statutory and regulatory requirements which require officers to identify and where possible quantify the levels of risk associated with its treasury management activities. In particular, credit risk is managed through the Council's "Annual Investment Strategy" as contained within the 2018/19 Treasury Management Strategy Statement (TMSS) which approves that investments are only placed with counterparties that meet identified minimum credit criteria (including credit ratings, credit default swap prices, share prices, corporate developments and general media alerts).
- 3.2 The Council defines 'high credit quality' as institutions and securities having a long-term credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher (non-UK banks must hold a credit rating of A+ or higher). The 2018/19 Annual Investment Strategy further approves investments in BBB+ rated institutions including non-financial organisations (corporates). The total level of internally managed investments with organisations rated below A- is limited to a maximum of £30m; such investments being classified as 'non-specified' in accordance with DCLG "Investment Guidance".
- 3.3 The Director of Finance, Performance and Procurement confirms that on one occasion a monetary exposure limit as approved within the 2018/19 Annual Investment Strategy was exceeded; details reported below:
- (i) The maximum approved limit for total investments held in short-term Money Market Funds (£115m) was exceeded for one day (£132.5m on 17 May 2018) due to actual payments and receipts differing from the cash flow forecast; with corrective action being taken on the next working day. Money Market Funds are used to cover the Council's daily liquidity requirements (as opposed to short-term borrowing from other institutions). The maximum monetary limit approved for all such funds is maintained to ensure that the Council is not over exposed to lower yielding investment products; and is therefore not reflective of any additional credit risk. This was fully discussed by the Treasury Management Panel and the Regulation, Audit and Accounts Committee.

Internal controls continue to be reviewed to ensure that this limit is not exceeded in the future.

- 3.4 In accordance with limits set out within the 2018/19 TMSS, the Director of Finance, Performance and Procurement approved increasing the Council’s exposure to longer-term externally managed pooled investment (property and multi-asset income) funds during the period (see paragraphs 6.13 to 6.17).

4. The Council’s Capital Position

- 4.1 Capital Programme: In accordance with CIPFA’s “Prudential Code” and the Council’s ambitions and priorities as set out within the Future West Sussex Plan, the Council approves annually its capital programme setting out the investment required to meet the Council’s capital objectives.
- 4.2 Capital expenditure as contained within the approved programme may be financed from a range of internal and external sources including:
- Government grants
 - External contributions (such as s106 developer contributions)
 - Capital receipts
 - Revenue contributions
 - Transfers from reserves held for capital purpose
- 4.3 Borrowing is required to meet the cost of any capital expenditure not financed by these internal and external funding sources. The Council is therefore required to approve a strategy that sets-out the borrowing required to meet the cost of any unfinanced expenditure as contained within its capital programme; whilst ensuring that such borrowing remains within prudent, affordable and sustainable limits.
- 4.4 Capital Expenditure: In December 2017, County Council approved a capital programme that set out total planned investment of £800.5m across the period 2018/19 to 2022/23; including £228m for income generating initiatives over the life of the programme. The table below details the original estimates for 2018/19 capital expenditure and the current forecast spend for the year:

Capital Expenditure by Service	2018/19 Original Estimate £'m	2018/19 Forecast Spend £'m
Adults and Health	0.7	1.1
Education & Skills / Children and Young People	46.4	33.0
Environment	4.6	1.0
Finance and Resources	4.4	5.8
Highways and Infrastructure	34.6	33.0
Leader	8.8	6.8
Safer, Stronger Communities	4.9	4.8
Core Programme	104.4	85.5
Income Generating Initiatives	31.6	26.7
Total Capital Expenditure	136.0	112.2

- 4.5 In line with the above, the revised forecast of 2018/19 capital financing includes £84.0m by way of government grants, external contributions, capital receipts and revenue funding; and £28.2m by way of internal and/or external borrowing (of which £22.7m relates to borrowing for Income Generating Initiatives).
- 4.6 *Limits to Borrowing Activity*: Key indicators of prudence for the Council's treasury activity are the Prudential Indicators that ensure that over the medium-term borrowing will only be for a capital purpose (including on Balance Sheet PFI schemes and finance leases) including:
- The Council's expected external debt position over the period; termed the "Operational Boundary";
 - Gross external debt should not, except in the short-term, exceed the Council's total borrowing requirement in the preceding year plus estimates of any additional borrowing in 2018/19 and over the next two financial years;
 - The Council's "Authorised Borrowing Limit" is a statutory limit determined under Section 3(1) of the Local Government Act 2003 representing the limit beyond which all external debt (including overdrawn bank balances and short-term borrowing) is prohibited. The limit is approved annually by County Council and reflects the level of borrowing which could be afforded in the short-term (including borrowing in advance of capital need) but not sustainable in the longer-term. It is therefore the Council's expected maximum borrowing need over a three year period (as approved in the capital programme) with additional headroom for unexpected cash flow movements.
- 4.7 The Director of Finance, Performance and Procurement confirms that no difficulties are envisaged for the current (as shown below) or future years in complying with these Prudential Indicators as a consequence of the recommended capital programme for the period 2018/19 to 2022/23:

	2018/19 Original Estimate £'m	2018/19 Latest Forecast £'m
Operational Boundary		
External Borrowing - Capital (i)	388.8	388.8
External Borrowing - Chichester Harbour	4.5	5.0
PFI Schemes and Finance Leases	105.6	103.2
Operational Boundary Limit	498.9	497.0

(i) Assuming the continuation of an internal borrowing strategy throughout 2018/19 (no new external borrowing being arranged during the year).

	2018/19 Original Estimate £'m	2018/19 Latest Forecast £'m
Authorised Borrowing Limit		
Gross Borrowing	517.0	393.7
PFI Schemes and Finance Leases	105.6	103.2
Authorised Borrowing Limit	622.6	497.0

4.8 The latest forecast of the Authorised Borrowing Limit is less than that originally approved and assumes that no external borrowing is planned in 2018/19. The approved Authorised Borrowing Limit however remains unchanged at £622.6m allowing for the arrangement of new external debt if current borrowing plans relating to the Council’s capital programme change during the remainder of 2018/19.

5. Borrowing

5.1 The Council’s main objective when approving new external borrowing is to strike an appropriately low risk balance between securing low interest costs and achieving a cost certainty over the period for which funds are required; flexibility to renegotiate loans should the Council’s long-term capital plans change being a secondary objective.

5.2 Affordability remains an important influence on the Council’s borrowing strategy. Any borrowing in advance of need continues to introduce a ‘cost of carry’ where proceeds are temporarily reinvested at interest rates lower than the cost of borrowing. Prevailing Public Works Loan Board (PWLB) borrowing rates for maturity loans (including the “Certainty Rate” discount available to UK local authorities) during the first six months of 2018/19 are shown below:

Change Date	Notice No	1 year	4½-5 years	9½-10 years	19½-20 years	29½-30 years	39½-40 years	49½-50 years
03/4/2018	128/18	1.48	1.84	2.22	2.53	2.51	2.34	2.27
30/4/2018	167/18	1.43	1.86	2.31	2.66	2.66	2.49	2.43
31/5/2018	209/18	1.30	1.71	2.16	2.54	2.52	2.36	2.29
30/6/2018	251/18	1.40	1.77	2.18	2.55	2.54	2.40	2.35
31/7/2018	295/18	1.46	1.84	2.24	2.60	2.60	2.46	2.41
31/8/2018	339/18	1.49	1.83	2.22	2.60	2.60	2.47	2.42
30/9/2018	380/18	1.55	1.93	2.33	2.71	2.71	2.60	2.56
	Low	1.28	1.67	2.09	2.47	2.47	2.32	2.25
	Average	1.46	1.84	2.25	2.62	2.61	2.47	2.41
	High	1.57	1.99	2.43	2.80	2.81	2.69	2.64

5.3 Whilst PWLB borrowing rates have increased across all loan periods since the beginning of the year (as shown above) an internal borrowing strategy whereby the Council is using its own cash resources in lieu of external borrowing continues to be considered the most prudent and cost effective policy in the current economic climate. As a consequence no new external borrowing for capital purposes was arranged during the first half of 2018/19. £3.5m (plus interest) was however repaid to the PWLB as per the terms and conditions of the £70m borrowing taken during April 2011.

5.4 At 30 September 2018 the Council’s PWLB long-term borrowing totalled £392.4m (£395.9m at 31 March 2018) with the following maturity profile:

	Maximum Approved Limit	31.03.18 £'m	30.09.18 £'m	30.09.18 %
Less than 1 year	25%	7.0	7.0	1.8
Between 1 and 5 years	35%	27.6	24.1	6.1
Over 5 years to 10 years	40%	74.9	74.9	19.1
Over 10 years to 15 years	70%	194.2	214.2	54.6
Over 15 years to 20 years	30%	52.2	32.2	8.2
Over 20 years to 25 years	30%	0.0	15.0	3.8
Over 25 years to 30 years	30%	15.0	0.0	0.0
More than 30 years	30%	25.0	25.0	6.4
TOTAL		395.9	392.4	100.0

- 5.5 Cash flow forecasts up to 31 March 2019 show that the Council will have external borrowings of £393.8m and PFI schemes and finance lease liabilities of £103.2m (paragraph 4.8) against an underlying borrowing need of £592.2m; implying total internal borrowing of £95.2m at 31 March 2019 (£69.8m as at 31 March 2018). Based on current capital plans, the forecast movement in the Council's 2018/19 internal borrowing is shown below:

	£'m
Internal Borrowing (actual at 31 March 2018)	69.8
2018/19 Capital expenditure (<i>to be funded through borrowing</i>)	28.2
Repayment of PWLB Debt (EIP Loans)	7.0
Change (increased) Short-Term Debt – <i>Chichester Harbour</i>	-0.4
Revenue Provision for Repayment of Debt	-9.4
Internal Borrowing (forecast at 31 March 2019)	95.2

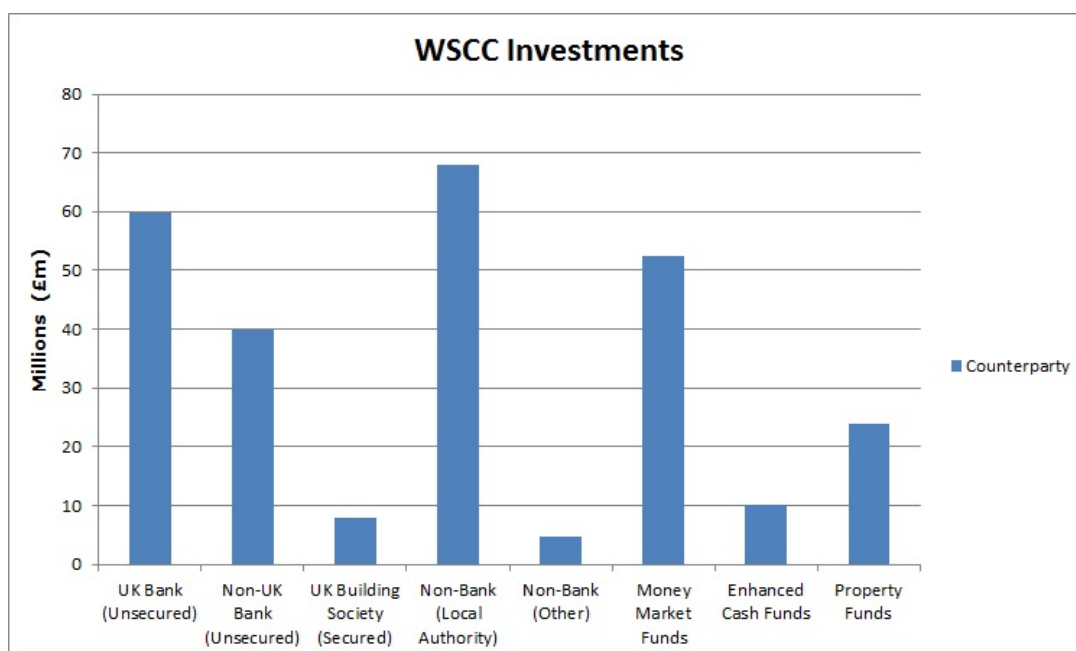
- 5.6 The revenue (interest) cost of servicing the Council's PWLB debt in 2018/19 is forecast to be **£17.8m**, representing an average rate of **4.56%**. If the Council had externalised its total internal borrowing (£95.2m) on 1 April 2018 it is estimated that the additional revenue cost in 2018/19 relating to interest payments would have been £2.2m (based on a 50 year PWLB maturity loan at 2.27%). The Director of Finance, Performance and Procurement will continue to monitor the benefits of an internal borrowing strategy against the risks of a significant upturn in UK gilt yields.
- 5.7 Debt Rescheduling: Rescheduling opportunities have remained very limited in the current economic climate given the consequent structure of interest rates, and following the increase in the margin added to gilt yields which has impacted new PWLB borrowing rates since October 2010. The resulting premium charge for early repayment of PWLB debt remained relatively expensive for the loans in the Council's portfolio; therefore no debt rescheduling was undertaken during the first half of 2018/19.
- 5.8 Borrowing for cash flow purposes: Excluding money held on behalf of the Chichester Harbour Conservancy (and its associated charities) no short-term borrowing was undertaken during the first half of 2018/19. All daily cash flow shortages were funded by withdrawals from the Council's instant access accounts (including Money Market Funds).

6. Investment Activity

- 6.1 The Council has substantial amounts of investments and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. In accordance with CIPFA's Treasury Management Code of Practice it is the Council's objective to ensure security of capital and liquidity, before seeking to obtain an appropriate level of investment return consistent with the Council's risk appetite. However, as demonstrated by the prevailing London Interbank Bid Rates (LIBID) detailed below, short-term investments rates (periods up to one year) have remained very low during the first six months of 2018/19 (in line with the current 0.75% Bank Rate).

Date	Bank Rate	O/N LIBID	7-day LIBID	1-month LIBID	3-month LIBID	6-month LIBID	12-month LIBID
01/4/2018	0.50	0.35	0.36	0.39	0.59	0.70	0.88
30/4/2018	0.50	0.35	0.37	0.39	0.59	0.68	0.85
31/5/2018	0.50	0.35	0.36	0.37	0.49	0.59	0.76
30/6/2018	0.50	0.34	0.36	0.38	0.55	0.66	0.84
31/7/2018	0.50	0.33	0.50	0.56	0.67	0.78	0.93
31/8/2018	0.75	0.58	0.58	0.60	0.68	0.77	0.92
30/9/2018	0.75	0.57	0.59	0.60	0.67	0.78	0.94
Minimum	0.50	0.33	0.35	0.37	0.48	0.59	0.75
Average	0.58	0.42	0.43	0.47	0.61	0.71	0.87
Maximum	0.75	0.58	0.59	0.60	0.68	0.78	0.94

- 6.2 The average level of funds available for Council investment during the first half of 2018/19 was £308.6m, including Local Enterprise Partnership (LEP) grant monies. Investment levels continue to be dependent on the timing of precept payments from West Sussex Boroughs and Districts, receipt of Government grants ahead of expenditure and the progress on the Council's capital programme.
- 6.3 At 30 September 2018 the Council's investments amounted to £266.8m (including £48.9m LEP monies) as compared with £253.9m as at 31 March 2018. Within the Council's total invested balances (and having regard to the current environment of low short-term investment returns) approval is given for up to a maximum of £75m to be made available for long-term strategic investment based on forecast levels of PFI/MRMC reserves (£58.1m actual long-term investments as at 30 September 2018).
- 6.4 The full list of investments held at 30 September 2018 is shown in **Appendix 1**. Additionally a breakdown of the Council's investments by counterparty type at this point in time is shown below:



- 6.5 Included within the Council's investment portfolio (as shown above) is £68m deposited with other UK local authorities; of which £15m is invested with Northamptonshire County Council (NCC) over a 12 month period. This short-term investment was arranged in December 2017 before NCC's issuance of a S114 Notice in February 2018 on concerns that the authority would be unable to produce a balanced 2018/19 revenue budget.
- 6.6 Investments arranged with other UK local authorities are protected by statutory provisions set out in the Local Government Act 2003 that prevent default; due to these statutory provisions local authorities are viewed as similar to the UK Government. The issuance of a S114 Notice should not affect either the statutory provisions as set out in legislation or an authority's ability to raise funds from the Public Works Loan Board (PWLb), therefore the Northamptonshire investment (and all other local authority investments) continue to be held to the agreed maturity dates.
- 6.7 The movement in the Council's internally managed investments during the first half of 2018/19 is shown below:

	Balance on 31st March £'m	Investments Made £'m	Investments Sold £'m	Balance on 30th Sept £'m
UK Banks: Unsecured Deposits	59.7	72.5	-72.5	59.7
Non-UK Banks: Unsecured	59.2	77.5	-96.7	40.0
UK Banks: Secured Deposits	18.3	0.0	-10.4	7.9
UK Local Authority	53.0	15.0	0.0	68.0
Non-Bank Corporates	0.2	4.5	0.0	4.7
Money Market Funds	38.8	480.2	-466.5	52.5
TOTAL (Internally Managed)	229.2	649.7	-646.1	232.8
Enhanced Cash Funds	15.0			10.0
Property Funds	9.7			24.0
TOTAL INVESTMENTS	253.9			266.8

- 6.8 **Investment Performance:** The Council’s budgeted investment income as approved in the 2018/19 Revenue Budget amounted to £1.9m; increased from £1.6m in 2017/18. The increased revenue budget reflected the move to higher interest rates following the Bank Rate rise in November 2017 and the approval to increase the Council’s exposure to higher yielding (long-term) investments during 2018/19 through the use of additional externally managed property and multi-asset income pooled funds (paragraph 3.4).
- 6.9 The original estimate of 2018/19 gross investment income (before any adjustments for internal interest transfers) was £2.7m, based on the assumption that the Council would achieve an average interest rate of 0.99% on an assumed investment portfolio of £270m. Additionally, the investment income budget as originally reported included an estimated £0.8m in respect of interest transfers to internal and external reserve balances held by the Council, including Local Enterprise Partnership monies, school accumulating funds, PFI/MRMC reserves and cash held on behalf of the Chichester Harbour Conservancy.
- 6.10 Gross investment interest received during the first half of 2018/19 was **£1.4m**, representing an investment return of **0.92%** on an average investment portfolio of £308.6m. In accordance with the approved Treasury Management Strategy performance can be shown by three separate investment types representing liquidity, short-term investments (up to one year duration) and long-term investments (greater than one year). In accordance with these investment types the Council’s investment performance during the first half of 2018/19 is shown below:

Investment Type	Average £’m	Interest £’m	Rate of Return
Liquidity	70.0	0.2	0.53%
Short-Term Investments	192.3	0.7	0.77%
Long-Term Investments	46.3	0.5	2.12%
Total	308.6	1.4	0.92%

- 6.11 Updated forecasts for the remainder of 2018/19 (based on performance during the first six months of 2018/19 together with updated interest estimates for the remainder of the year) show that for an expected average investment portfolio of £270m (reflecting the pay-over of all LEP monies on 9 November 2018 to the new accountable body) the resulting interest will be in line with the approved £1.9m revenue budget:

Interest earned to 30 September 2018	0.92%	£1.4m
Interest due from existing investments	1.40%	£0.9m
Forecast interest – Future investments	0.75%	£0.4m
Gross Investment Income (2018/19)	1.01%	£2.7m
Interest payable to internal/external funds held	Variable	-£0.8m
Investment Income (2018/19)		£1.9m

- 6.12 Officers will continue to closely monitor investment income performance throughout the remainder 2018/19. Any changes to the above projections will be reported to the Panel and included within Total Performance Monitors (TPM’s).

- 6.13 Externally Managed Pooled Funds: An overview of the investment activity in the Council's externally managed pooled funds during the first half of 2018/19 is shown below:

(a) Ultra-Short Dated Bond Funds (Enhanced Cash)

Fund	Market Valuation 31-Mar-18	Payments in/out(-)	Market Gain	Dividends Received	Effective Rate of Return
Federated	£0.0m	£10.0m	£33,314	-	0.74%
Payden	£15.0m	-£15.0m	£9,058	£29,549	0.69%

(b) Property Fund (Long-Term Investments):

Fund	Market Valuation 31-Mar-18	Payments in/out(-)	Market Gain/Loss(-)	Dividends Received	Dividend Return
CCLA	£9.7m	£0m	£0.0m	£210,210	4.19%
Hermes	£0.0m	£10.0m	-£0.5m	£27,945	3.00%
Lothbury	£0.0m	£5.0m	-£0.2m	£30,664	2.83%

Note: Estimated dividend amount for Hermes in Q2 2018/19; awaiting final confirmation from the fund manager (to be received 15 November 2018).

- 6.14 During August 2018 the Director of Finance, Performance and Procurement approved the purchase of Hermes and Lothbury units via secondary markets; prices based on the respective fund's Net Asset Valuation (NAV) at the end of July 2018. As shown below, both secondary market trades resulted in a saving against the primary investor price (NAV+6%) if units had been purchased direct from the fund manager:
- Purchase of £10m Hermes Property Unit Trust (HPUT) units at NAV+5.5% (plus 0.25% brokerage payable to Tullett Prebon Ltd); and
 - Purchase of £5m Lothbury Property Trust (LPT) units at NAV+3.0% (plus 0.25% brokerage payable to CBRE Ltd)
- 6.15 The approval of Hermes and Lothbury (in addition to CCLA) as appropriate funds for long-term investment followed a selection process and appraisal of the related risks undertaken by officers with support of the Council's treasury management advisor (Link Asset Services). The level of cash being available for investment is based on longer-term forecasts of PFI, MRMC and other earmarked reserves being held by the Council. Details of the approved funds were reported to the Treasury Management Panel at their April 2018 meeting.
- 6.16 The new accounting standard (International Financial Reporting Standard/ IFRS9) that came into effect on 1 April 2018 requires that fluctuations in market valuations of more specialist types of investment (including pooled investment funds, third party loans and commercial investments) will impact the surplus or deficit of the Revenue Budget, rather being held on the Balance Sheet as per the previous accounting standard.
- 6.17 The Ministry of Housing, Communities and Local Government (MHCLG) consulted in the summer for a statutory accounting override relating to pooled investment funds, allowing market fluctuations (gains and/or losses) to be held on an authority's balance sheet in an unusable reserve until the investment is sold. The outcome of this was announced in early November, with a statutory override for a period of five years. The Government have

confirmed they will keep use of the override under review. The Council will be required to disclose the net impact of the unrealised fair value movements in a separate unusable reserve throughout the duration of the override.

7. Non-Treasury (Commercial) Activity

7.1 A schedule of the Council's current income generating initiatives (non-treasury) activities is attached below:

Non-Treasury (Commercial) Activity	Capital Expenditure £'m
Pre-April 2018	
Historic Investment Property (i)	31.4
Horsham Enterprise Park (ii)	17.4
Assets Under Construction (iii)	10.9
Total (Pre-April 2018)	59.7
2018/19 Forecast (at 30 September 2018)	
Horsham Enterprise Park	0.5
Commercial Property Initiatives	20.0
West Sussex Gigabit	5.3
Your Energy Sussex	8.0
Other Income Generating Initiatives	1.0
Total (2018/19)	34.8
Total	94.5

- (i) As per the Council's 2017/18 Balance Sheet and includes smallholdings, Tangmere solar farm, various land and properties held for investment return
- (ii) No return to-date as the business case to develop the Horsham Enterprise Park is yet to be submitted
- (iii) Includes £10.5m for Westhampnett Solar Farm which opened in October 2018

8. Resource and Value for Money Implications

Covered in main body of report.

9. Risk Management Implications

Covered in main body of report.

10. Human Rights Act Implications

Not applicable.

11. Crime and Disorder Act Implications

Not applicable

Katharine Eberhart

Director of Finance, Performance and Procurement

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Jon Clear, 033 022 23378

Appendix 1 – Counterparty Investments

Background Papers

None

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Appendix 1 – Counterparty Investments

Investments held with counterparty's approved within the Council's 2018/19 Treasury Management Strategy (together with prevailing credit ratings and maximum monetary and duration limits) at 30 September 2018, are set out below:

Counterparty	Credit Rating	Approved Limits		WSCC Investment (at 30 Sept 2018)					
		Monetary	Duration	Start Date	Maturity Date	No. of days	Days to Maturity	Interest Rate	Amount
UK Banks (Unsecured):									
Close Brothers Ltd	A	£15m	6 Months	18/04/18	18/10/18	183	18	0.90%	£15.0m
HSBC Bank plc	AA-	£15m	1 Year	26/07/18	26/10/18	92	26	0.90%	£15.0m
Lloyds Bank Plc (Ring-fenced Bank)	A+	£15m	1 Year	175 Days (Notice)		n/a	tba	1.00%	£14.7m
Nationwide Building Society	A	£15m	6 Months	20/07/18	22/10/18	94	22	0.70%	£15.0m
Non-UK Banks (Unsecured):									
Australia and New Zealand Bank (Australia)	AA-	£15m	1 Year	21/05/18	22/02/19	277	145	0.82%	£5.0m
Australia and New Zealand Bank (Australia)	AA-	£15m	1 Year	21/05/18	21/05/19	365	233	0.92%	£5.0m
Commonwealth Bank of Australia (Australia)	AA-	£15m	1 Year	04/06/18	11/12/18	190	72	0.65%	£5.0m
Commonwealth Bank of Australia (Australia)	AA-	£15m	1 Year	21/05/18	22/02/19	277	145	0.80%	£5.0m
Commonwealth Bank of Australia (Australia)	AA-	£15m	1 Year	01/05/18	01/05/19	365	213	0.95%	£5.0m
Toronto-Dominion Bank (Canada)	AA-	£15m	1 Year	28/03/18	28/12/18	275	89	0.91%	£5.0m
Toronto-Dominion Bank (Canada)	AA-	£15m	1 Year	28/03/18	27/03/19	364	178	0.98%	£5.0m
United Overseas Bank (Singapore)	AA-	£15m	1 Year	07/12/17	06/12/18	364	67	0.67%	£5.0m

UK Banks (Secured):									
Nationwide BS (Covered Floating Rate Note)	AAA	£10m (i)	10 Years	25/04/16	25/04/19	1,095	207	1.25%	£7.9m
UK Local Authorities (<1-Year):									
Cambridgeshire County Council	AA- (ii)	£25m	20 Years	23/03/18	27/12/18	279	88	0.95%	£10.0m
Cambridgeshire County Council	AA- (ii)	£25m	20 Years	12/04/18	11/04/19	364	193	0.70%	£5.0m
City of Lincoln Council	AA- (ii)	£25m	20 Years	08/12/17	07/12/18	364	68	0.70%	£2.0m
Dorset County Council	AA- (ii)	£25m	20 Years	22/01/18	21/01/19	364	113	0.70%	£10.0m
Northamptonshire County Council	AA- (ii)	£25m	20 Years	09/01/18	08/01/19	364	100	0.70%	£15.0m
UK Local Authorities (>1-Year):									
Lancashire County Council	AA-	£25m	20 Years	14/01/16	15/04/19	1,187	197	1.31%	£10.0m
Plymouth City Council	AA- (ii)	£25m	20 Years	09/04/18	09/04/20	731	557	1.40%	£10.0m
Wolverhampton City Council	AA- (ii)	£25m	20 Years	26/02/16	26/02/19	1,096	149	1.30%	£6.0m
Non-Bank (UK Corporate):									
BP Capital Markets plc	A-	£15m	6 Months	11/06/18	10/12/18	182	71	0.89%	£4.5m
UK Municipal Bond Agency plc	n/a	£0.2m	-						£0.2m
Short-Term Money Market Funds:									
Blackrock Sterling Liquidity Fund	AAA	£25m	Note (iii)	Instant Access A/c		n/a	tba	0.67%	£25.0m
Federated Prime Sterling Liquidity Fund	AAA	£17m	Note (iii)	Instant Access A/c		n/a	tba	0.70%	£14.9m
Standard Life (SLI) Sterling Liquidity Fund	AAA	£25m	Note (iii)	Instant Access A/c		n/a	tba	0.67%	£12.6m

Pooled Funds (Externally Managed):									
Federated Sterling Cash Plus Fund	AAA	£25m	<i>Note (iv)</i>	19/04/18	tba	165	tba	0.70%	£10.0m
CCLA (Local Authorities Property Fund)	n/a	£15m	<i>Note (v)</i>	01/03/17	tba	580	tba	4.19%	£9.7m
Hermes Property Unit Trust (HPUT)	n/a	£15m	<i>Note (v)</i>	01/09/18	tba	30	tba	3.00%	£9.5m
Lothbury Property Trust (LPT)	n/a	£15m	<i>Note (v)</i>	01/09/18	tba	30	tba	2.83%	£4.8m
TOTAL INVESTMENTS									£266.8 m

- (i) The total amount invested per financial institution (secured and unsecured deposits) cannot exceed £25m.
- (ii) Assumed UK Local Authority credit rating if no actual rating exists (one notch lower than the UK sovereign rating).
- (iii) No defined maturity periods for short-term Money Market Funds; withdrawals based on cash flow liquidity requirements.
- (iv) Up to one year investment horizon for externally managed ultra-short dated bond funds (enhanced cash funds).
- (v) Minimum five year investment horizon for externally managed property funds.

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Performance and Finance Select Committee
22 November 2018
Total Performance Monitor as at end of September 2018
Report by Director of Finance, Performance and Procurement

Executive Summary

The finance performance (revenue and capital), savings delivery and business performance are currently monitored through the Total Performance Monitor (TPM). This monitoring and reporting mechanism brings together all these elements of West Sussex County Council's operation in a way of reporting all aspects to stakeholders. The report is intended for the public, senior officers, all Members, Select Committee Members and Cabinet.

The attached TPM reflects the position as at the end of September 2018, and has been reviewed by Cabinet Members and senior officers within the authority. The September 2018 report is a quarterly monitor and contains additional information around the County Council's workforce.

Focus for Scrutiny

The focus for scrutiny is to examine the data and supporting commentary included in the report in order to:

- make any relevant recommendations for action to the Cabinet Member;
- identify any issues for further scrutiny by this Committee;
- recommend any action/review by the relevant select committee of any areas of concern arising from the information in the report; and
- consider any issues highlighted by the service select committees to be taken forward by this Committee's Business Planning Group.

1. Equality Impact Review

- 1.1 An Equality Impact Review is not required as it is a report dealing with internal or procedural matters only.

Katharine Eberhart

Director of Finance, Performance and Procurement

Contact: Vicky Chuter, 033 022 23414

Annex Document

Appendix 1
Appendix 2
Appendix 3
Appendix 4

Total Performance Monitor to end of September 2018

Revenue Budget Monitor to the end of September 2018
2018/19 Savings Schedule - Red Savings Only
Capital Monitor to the end of September 2018
Performance Dashboard Overview as at the end of September 2018

Agenda Item 8

Appendix 5
Appendix 6

Workforce Key Performance Indicators – Quarter 2 2018/19
Transformation Programme - Performance

Background papers

None

TOTAL PERFORMANCE MONITOR - SEPTEMBER 2018 – QUARTER 2 2018/19

The financial performance (revenue and capital), savings delivery and business performance is monitored on a monthly basis through the Total Performance Monitor (TPM), with a more detailed report produced each quarter for consideration by the Performance and Finance Select Committee. This report is intended for the public, senior officers, all members including Select Committee members and Cabinet.

Financial Summary

1. The forecast outturn position on portfolio budgets as at the end of September is currently reporting a £7.001m overspend; an increase of £0.191m since August. This latest increase is largely due to agreed additional spending on Children's Social Care to strengthen the service. This increase in spend has largely been offset by a reduction in the projected overspend from the procurement delay on the Highways and Transport contract, underspending on staffing within Finance and Resources and additional anticipated income from Planning Services. The overall overspend is in part, mitigated by a projected underspending of £0.981m within the non-portfolio budgets leaving a projected overspend of £6.020m.
2. Mitigation plans are in place to reduce the overspend position which includes a process to limit the filling of vacancies to only business critical posts and ELT are controlling all non-essential expenditure such as training, stationery and subscriptions as well as reviewing savings plans for 2019/20 to identify opportunities that can be brought forward into this year.
3. The table below assumes that the remaining budget available from contingency is committed to fund the overspending position. In addition, to demonstrate the potential use of reserves which may be required to offset the in year pressure, the current draw down requirement from the Budget Management Reserve is reported.

Table - Summary of 2018/19 Pressures and Mitigations

Theme	Pressures	(£m)	Mitigations and Underspending	(£m)	Variation To Budget (£m)
Best Start In Life					
Children & Young People Portfolio	Undelivered saving from increased fees at Beechfield Secure Unit.	£0.150m	Staffing vacancies within Integrated Prevention for Earliest Help.	(£0.500m)	
	Projected overspending on placement budgets due to temporary home closures.	£1.950m	Other underspending through staffing vacancies in various teams.	(£0.200m)	
	Additional expenditure to strengthen Children's Social Care.	£2.500m			
Education Portfolio	Home to School Transport costs; predominantly for solo taxis.	£2.108m	Projected increased income on Special School catering service.	(£0.047m)	
			Use of education reserve funding.	(£0.539m)	
Best Start In Life- Total		£6.708m		(£1.286m)	£5.422m

Agenda Item 8
Annex Document

Theme	Pressures	(£m)	Mitigations and Underspends	(£m)	Variation To Budget (£m)
A Prosperous Place					
Highways & Infrastructure	Non delivery of savings from highways term maintenance contract.	£1.106m	Initial forecast data for National Concessionary Fares suggests a reduction in journeys in 2018/19.	(£0.600m)	
	Estimated additional costs associated with the delay in the award of the highways contract.	£0.500m	Reduction in spending on Highways services staffing and increased income.	(£0.150m)	
	Inflationary pressure on street lighting PFI and delayed delivery of saving relating to LED conversions.	£0.200m	Staff savings within the management team.	(£0.050m)	
	Reduced income from less pool car fleet usage.	£0.200m			
Leader			Reduction in the cost of holding the former Novartis site following the cessation of rates payments.	(£0.170m)	
			Staff savings within Economic Development.	(£0.030m)	
Environment			Additional income anticipated within Planning Services.	(£0.275m)	
A Prosperous Place –Total		£2.006m		(£1.275m)	£0.731m
A Strong, Safe & Sustainable Place					
Environment Portfolio	Reduced level of savings expected from renegotiation of PFI contract.	£0.522m	Use of Waste Volatility Fund reserve.	(£0.500m)	
	Increased landfill due to waste quality and capacity issues.	£0.357m	Expected one-off income from contractor.	(£0.431m)	
	Reduced income expectation due to the delays in the activation of the Westhampnett Solar Farm.	£0.152m	Reduction of green waste tonnage during hot weather.	(£0.100m)	
Safer, Stronger Communities Portfolio	Estimated cost pressure relating to review of mobilising options for Sussex Control Centre.	£0.466m			
	Non delivery of savings from sponsorship opportunities.	£0.050m			
A Strong, Safe & Sustainable Place - Total		£1.547m		(£1.031m)	£0.516m
Independence For Later Life					
Adults' & Health Portfolio	Plan for recovering the underlying overspend in Learning Disabilities not yet finalised.	£0.500m	Draw down from the Improved Better Care Fund	(£0.500m)	
	Forecast underspending in Public Health	£0.200m	Assumed carry forward of the Public Health Grant	(£0.200m)	
Independence For Later Life - Total		£0.700m		(£0.700m)	£0m
A Council That Works For The Community					
Corporate Relations	Overspending within Facilities Maintenance.	£0.400m			
	Overspending anticipated on County Catering Service.	£0.032m			
	Non delivery of business mileage saving	£0.200m			
Finance & Resources Portfolio	Increase in Littlehampton Harbour precept.	£0.050m	One-off historic rate rebate, collection of backdated rent and an anticipated underspending on 'Dual Use' shared facilities.	(£0.150m)	
			Staffing savings within Capital and Infrastructure.	(£0.200m)	
A Council That Works For The Community - Total		£0.682m		(£0.350m)	£0.332m
Total Pressure/Mitigation		£11.643m		(£4.642m)	£7.001m

Non-Portfolio Funding Available	Additional Section 31 Business Rates Grant (2017/18 Reconciliation Payment).	(£0.981m)
Projected Overspend		£6.020m

Contingency Budget	Original Budget for 2018/19	£3.610m
	Increase Budget – Pay Award Adjustment	£0.033m
	Latest Budget for 2018/19	£3.643m
	Less Commitments:	
	Sussex Healthcare	(£0.300m)
Remaining Budget for 2018/19		£3.343m

Reserves Required To Fund Projected Overspend In Year	Drawdown from Budget Management Reserve	£2.677m
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Portfolio	Net Budget (£m)	Outturn Projection (£m)	Outturn Variation (£m)
Children and Young People	£96.071m	£99.971m	£3.900m
Education and Skills	£15.660m	£17.182m	£1.522m
Total - Best Start In Life	£111.731m	£117.153m	£5.422m

Children and Young People

- Cabinet Board have endorsed a raft of measures to strengthen the Children's Social Care function, including recruitment of additional social workers and retention payments for existing staff in hard-to-recruit-to teams. The anticipated £2.5m cost is now included in full, leading to a projected overspend of £3.9m. This represents an increase of £1.4m from last month's position. The reasons for this movement is summarised as follows:
 - £1.8m increase in projection due to the investment in Children's Social Care. This is in addition to £0.7m which was included in the August projection, bringing the total investment to £2.5m.
 - £0.2m reduction through applying a carried forward grant to the budget. This one-off funding was received from Government late last financial year and carried forward into 2018/19. As there are no conditions attached to the grant, the money has been brought into the budget as a non-recurring contribution towards offsetting the overspend currently being projected.
 - Reduction of £0.2m in staffing expenditure projections, partly through redeploying residential staff from homes which have recently temporarily closed into the remaining residential estate and partly as a result of vacant posts in other parts of the service.
- The August TPM reported the temporary closure of some of our in-house children's residential homes and the knock-on effects that this has created. Within the outturn projection, a number of assumptions have been made which will need to be closely reviewed as more certainty around the additional costs associated with the closures are established.
- Consequently, the placement budget for Children Looked After is currently projected to overspend by £1.950m. This is because all children previously permanently placed at

Agenda Item 8 Annex Document

Seaside, May House and Cissbury Lodge have needed alternative arrangements to be made for them. Since there is no spare capacity within the remaining County Council run homes, all of these placements will be purchased with external providers and so will come at an increased cost. Some children have already moved to alternative placements and where this is the case, the cost of the new provision is included in the projections. For those children who have not yet moved, estimated costs are included. A decision has been taken to reduce the short breaks offer available within the remaining homes which will have a financial impact in areas such as short respite stays in the independent market and direct payments to families to enable them to make their own respite arrangements. Estimates within the current projection are included, although they are difficult to predict due to their variability and short-term nature. In addition to the extent that the staff employed in the three homes can be redeployed into suitable vacant posts elsewhere, there will be opportunity to mitigate some of the increase in spending. Between August and September, action on the redeployment of staff has led to a reduction of £0.1m in the projection.

7. In September, the number of Children Looked After (CLA) increased by 6 from the previous month, meaning the reduction since the beginning of the year now stands at 16. The number of children previously looked after; who have turned 18 and continue to be accommodated showed no overall variation, meaning the numbers remain 11 higher than at the beginning of the year. The internal/external purchasing mix continues to be a factor within the projections, and that has shifted more towards external purchasing again this month.

Education and Skills

8. Pressure relating to the SEND Home to School Transport service continues to be the main area of concern within the Education and Skills Portfolio. An estimated £2.108m overspend is projected in 2018/19 based on the increased demand and costs experienced since the start of the 2017/18 academic year. This overspending has, in part, been mitigated by a draw down from reserves of one off Education Services Grant received in 2016/17 along with additional income within the special school catering service. This has reduced the Education and Skills overspending projection to £1.522m. With the new 2018/19 academic year just starting, a change in the journey plans for children will be taking place which will influence the cost of the service provision in the second half of the financial year. Continued close monitoring of this service is required and more certainty regarding the journey costs will become evident in October/November as the children's school placements settle for the new term.

Dedicated Schools Grant

9. It is currently projected that the 2018/19 Dedicated Schools Grant (DSG) is likely to be underspent by £0.3m in this financial year. Details of this position are as follows:
 - Schools Block - underspending by £0.540m on the Growth Fund due to lower than expected pupil growth in September 2018;
 - Central School Services Block - underspending by £0.380m due to staffing vacancies and additional income generated through fixed penalty notice charges;
 - Early Years Block - underspending by £0.400m on the centrally retained element;
 - High Needs Block – overspending of £1.020m is due to increased numbers of pre and post 16 pupils with complex needs requiring specialist placements and top up funding and increased fees in independent special schools.

10. If there are no further savings or overspendings in 2018/19, there will potentially be a DSG balance of £3.2m available to meet High Needs spending pressures in 2019/20.

 **A PROSPEROUS PLACE**

Portfolio	Net Budget (£m)	Outturn Projection (£m)	Outturn Variation (£m)
Corporate Relations	£0.292m	£0.292m	£0m
Environment	£0.745m	£0.470m	(£0.275m)
Highways and Infrastructure	£34.924m	£36.130m	£1.206m
Leader	£1.271m	£1.071m	(£0.200m)
Total - A Prosperous Place	£37.232m	£37.963m	£0.731m

Highways and Infrastructure

11. The major pressure on the highways budget remains the delay to the award of the new highways term maintenance contract and the subsequent interim arrangements put in place. The impact of the initial months of these arrangements has been assessed and as a result the projected overspending has been reduced by £0.9m to £1.6m. This is at the lower end of the expected range of £1.5m - £2.5m previously reported. This position will be kept closely under review, particularly with regard to reactive activity over the winter period, which is no longer part of a fixed 'lump sum' contract arrangement. This means that the risk of the adverse winter conditions is borne by the County Council. As a result, the outturn position will be more influenced by weather events than in previous years, with the potential for spending variations.

Environment

12. A net underspending of £0.275m is projected within the Planning Services budget following a review of income generated from planning services provided and highways agreement fees charged to developers for modification of existing roads and adoption of new roads.

Leader

13. There is a reduction in the cost of holding the Horsham Enterprise Park (former Novartis site) in Horsham following the cessation of rates payments and the impact of a small number of staffing posts which were vacant in the first part of the year; leading to a projected underspending of £0.2m.

 **A STRONG, SAFE AND SUSTAINABLE PLACE**

Portfolio	Net Budget (£m)	Outturn Projection (£m)	Outturn Variation (£m)
Adults and Health	£1.050m	£1.050m	£0m
Environment	£62.590m	£62.590m	£0m
Safer, Stronger Communities	£37.516m	£38.032m	£0.516m
Total – A Strong, Safe and Sustainable Place	£101.156m	£101.672m	£0.516m

Environment

14. As reported in August, the £1.023m overspend within the Environment portfolio has diminished. The overspend related to:

- Delayed tonnage being processed in April and May which related to the 2017/18 financial year;
- Non-delivery of savings related to the waste recycling contract. The 2018/19 budget had been reduced by £0.7m based on an offer from the contractor which was subsequently withdrawn. The service still expects savings of £0.178m to be achieved in this financial year.

15. To mitigate these pressures, the £0.5m Waste Volatility Fund reserve which was created at outturn 2017/18 to fund the expected delayed tonnages has been drawn and an agreed payment from our waste recycling contractor of £0.4m has been applied.

Safer, Stronger Communities

16. Within West Sussex, a decision has been taken to give 18 months' notice on our partnership arrangement with East Sussex Fire and Rescue Service while a review of our future call mobilising arrangements takes place. Whilst we consider the options for delivering mobilising arrangements on a long term basis, we will continue with the current arrangements of dual running systems. The decision to continue with the current arrangements will incur additional costs, currently estimated at £0.355m in this financial year. In addition, this action will also impact on the ability to deliver the £0.111m saving associated with the project.



Portfolio	Net Budget (£m)	Outturn Projection (£m)	Outturn Variation (£m)
Adults and Health *	£194.836m	£194.836m	£0m
Total – Independence For Later Life	£194.836m	£194.836m	£0m

* Budget includes Physical and Sensory Impairment, Learning Disability and Working Age Mental Health cohorts which are under 65 years of age.

Adults and Health

17. Our reporting system details a net growth of 59 in number of older people receiving funded social care in September. Excepting June, this is the largest single monthly increase during the year to date, though it is consistent with the sorts of rates of change which are often seen in late summer/early autumn. In that sense the pattern of demand in 2018/19 continues to follow a normal year, but it does mean that weekly spending has reached a level which makes a balanced budget dependent on the expenditure reductions which typically arise during the winter months.

18. Adding to risks, a plan still remains to be finalised for mitigating the underlying £1m overspend in Learning Disabilities carried forward from 2017/18 and which is being prepared as a subsidiary part of work around delivering the savings target relating to Lifelong Services. At most a part-year benefit will occur from this in 2018/19 and so the

likelihood that the Learning Disabilities budget will overspend has increased. When combined with the inherent uncertainty over the size and timing of receipt of benefits from Focus on Prevention, it would now be prudent to assume directorate overspending of at least £0.5m. However, this will be manageable using resources from the Improved Better Care Fund which, in line with grant conditions, have been earmarked to sustain adult social care in such an eventuality. While this will involve an opportunity cost – in other circumstances that funding would be available to pump-prime new service investments – it will avoid any impact on the County Council outturn as a whole.

19. Within Public Health, underspending of £0.2m is currently being forecast, mainly as a result of vacant posts. No outturn impact is shown because it is assumed that any underspending will be carried forward, in line with the ring-fencing that applies to the Public Health Grant.



Portfolio	Net Budget (£m)	Outturn Projection (£m)	Outturn Variation (£m)
Corporate Relations	£43.351m	£43.983m	£0.632m
Finance and Resources	£13.153m	£12.853m	(£0.300m)
Leader	£4.883m	£4.883m	£0m
Total – A Council that Works for the Community	£61.387m	£61.719m	£0.332m

Corporate Relations

20. An additional £0.2m pressure relating to the non-delivery of business travel saving is reported this month. Although this saving is not expected to be achieved in this financial year, work is underway to ensure this saving is achievable going forward. Within Facilities Management, an estimated overspending of £0.4m continues to be projected in relation to reactive maintenance and cleaning costs across the corporate estate.

Finance and Resources

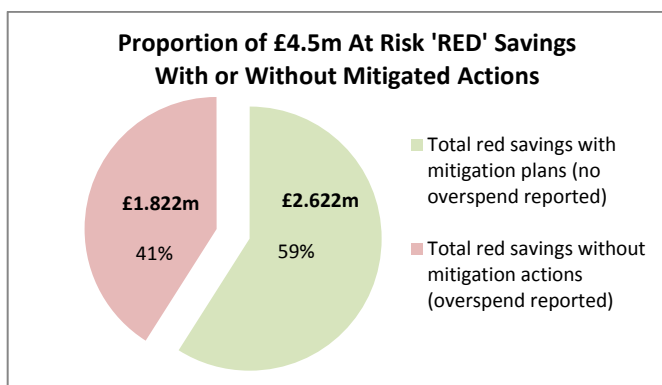
21. Projected underspending within the Capital and Infrastructure revenue budget has increased by £0.2m to £0.350m following a review of staffing vacancies and planned recruitment arising from a recent service redesign. This increases the projected underspending of £0.150m previously reported relating to a number of items including a one-off historical rates rebate, collection of backdated rent and a small anticipated underspending on the “Dual Use” shared education and sports facilities budget. This is partly offset by £0.050m overspending relating to the Littlehampton Harbour precept.

Leader

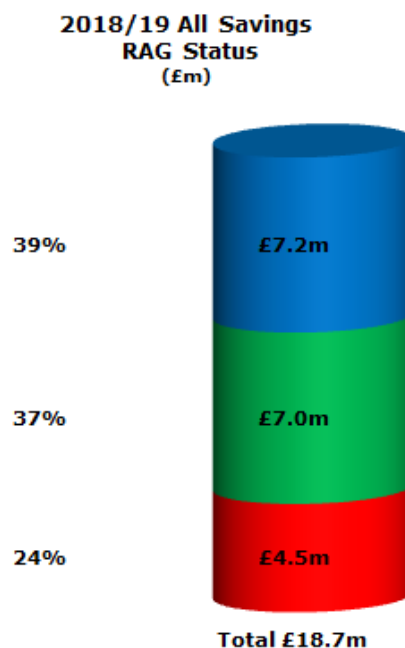
22. A draw-down of £1.199m from the Service Transformation Fund and £0.936m from the Adult Social Care Transformation Fund has been reflected in the accounts this month, increasing the Leader portfolio budget. The funds have been drawn to fund the agreed transformation programme spend for works during April to September. Further information regarding the Transformation Programme Performance is reported in Appendix 6 of this report.

Outlook for the County Council's Savings Programme

23. The 2018/19 savings target across the revenue budgets is £18.7m. Of this amount, £14.2m (76%) is currently judged as on track and has either been delivered as originally envisaged or the saving has been achieved via a different mechanism. The amount of savings on track has grown by £1.388m (7%) compared to the August TPM report.
24. This leaves £4.5m (24%) judged as red with no expectation of delivery; however of this amount, £2.6m has been mitigated by other means, leaving a £1.8m projected shortfall which is reported within the portfolio outturn projection. This amount is largely due to the delay of the Highways contract.



Savings RAG Status	%	2018/19 £000
Blue (Delivered)	39%	7.182
Green (On Track)	37%	7.029
Amber (At Risk)	0%	0.000
Red (Significant Risk)	24%	4.444
Total	100%	18.655



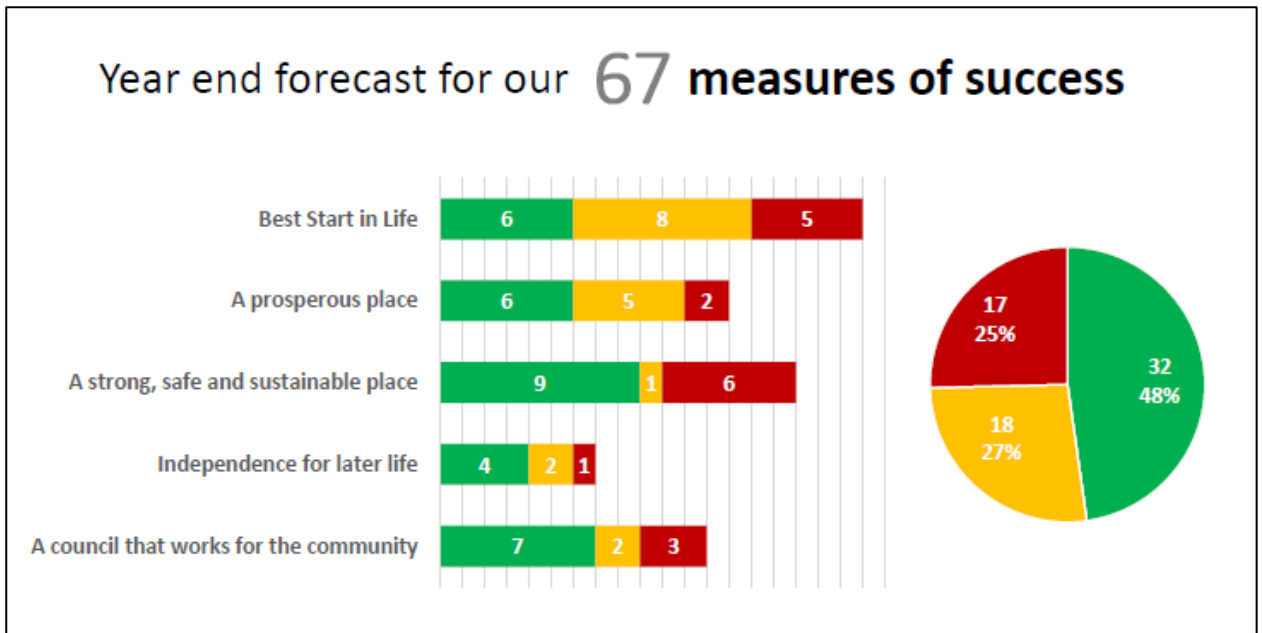
Capital Programme

25. The original capital programme approved at the December 2017 County Council agreed a programme totalling £136.0m for 2018/19. Currently, the overall capital monitor, as set out in Appendix 3 shows the spending forecast for 2018/19 totalling £112.2m, with £85.5m on Core Services, £26.7m on income Generating Initiatives.



Performance Summary

26. This performance summary provides the latest position against the West Sussex Plan (2017-22) and includes highlights and challenges. The [West Sussex Performance Dashboard](#) provides the latest performance in detail. Below is a break down by priority of the anticipated year-end forecast.

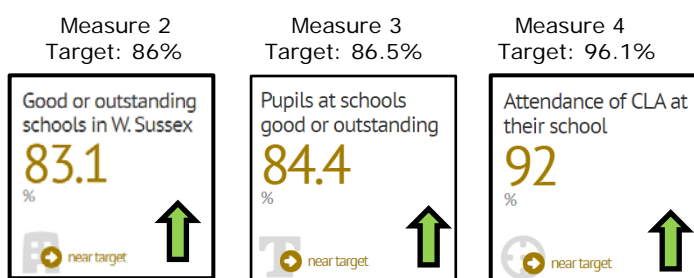


BEST START IN LIFE

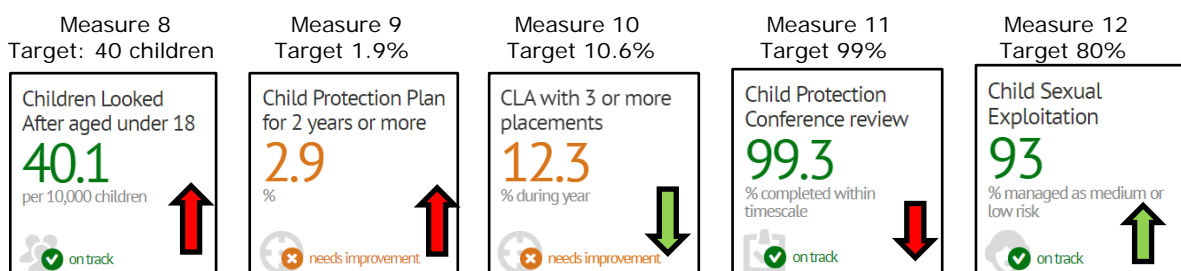


Key Performance Indicators (KPIs) updates

All Children and Young people are ready for school and work



Children and Young people feel safe and secure



Achievements

27. **West Sussex Children Looked After (8)** – Performance stands at 40 children per 10,000 and has met its year-end target. The total number of Children Looked After (CLA) remains steady and is currently 695 children for September. This is a small increase of 10 children compared to the previous month, but is lower than the same period the previous year at 707 children. CLA Monitoring (CLAM) will continue to monitor and review the CLA numbers and ensure we are looking after the right children at the right time. We continue to support our children and families and work with them to prevent further increases, as we know if safe to do so, children are best supported within their family network.
28. **Child Protection Conferences completed within timescale (11)** – Performance against this measure is still good, albeit with a small drop to 99.3% this month.
29. **Child Sexual Exploitation - cases managed at medium or low levels of risk (12)** - In September performance increased to 93% of cases that were managed at this level, exceeding our target of 80%. The Missing and Exploitation Operation Group reviews the level of risk agreed, safety plans, interventions in place and makes recommendations for specialist interventions such as Barnardo's, Change Grow Live, Youth Interventions and Worth Services. The group also works together with local district and borough community safety partners and British Transport Police service, providing profiles of children at risk and has been successful in preventing children going missing.

Challenges

30. **West Sussex schools that are judged good or outstanding by Ofsted (2)** – Performance has improved to 83.1%, compared to 82.7% in the previous month. For September the percentage for each school phase is as follows:
- Primary Schools = 82.5%
 - Secondary Schools = 86.5%
 - Special Schools = 90.9%
31. Although performance has improved this month, progress is incremental and achieving our year-end target remains a challenge. The West Sussex School Strategy continues to contribute to improving this target.
32. **Pupils in West Sussex schools judged good or outstanding (3)** - Performance has increased slightly to 84.4% For September, the percentage for each school phase is as follows:
- Primary Schools = 82.8%
 - Secondary Schools = 86.2%
 - Special Schools = 96.1%
33. Three primary schools were inspected and reported last month, two schools remain good and one school has improved to good. This positively impacted 610 pupils. Although performance has improved this month, it has not significantly changed compared to last year's performance.
34. **Attendance of West Sussex Children Looked After at their school (4)** – Performance has improved to 92% compared to last month (90.3%), and against a target of 96.4%. However, attendance is down slightly compared to September 2017 by 1.5%. The Virtual School will continue to work with schools and other partner agencies

to improve the attendance of Children Looked After through timely interventions and bespoke educational packages to support the needs of our young people.

- 35. West Sussex Children subject to Child Protection Plan for 2 years or more (9) –**
This month 2.9% of children were subject to child protection plans for 2 years or more (compared to last month's performance of 2.2% and against a target of 1.9%). An audit has recently been completed on children on a plan for 18 months and over. West Sussex are performing the same as the South East average for 2+ years CP Plans. 94-95% of child protection children do progress in a timely way without reaching 18+ months.
36. We continue to ensure that children who have been subject to a child protection plan for 15 months are 'flagged up' with Children's Services managers by the Child Protection Advisors who chair the child protection conferences. This helps to alerts the managers to these children, who will then discuss with the social worker progress on the case, to ensure that there is no 'drift and delay' in the implementation of the child protection plan.
37. By continuing with this approach and working closely with families and professionals to bring about change early for children subject to child protection plans it is expected that performance against this target will improve, although fluctuations are to be expected. Often, however, the work is progressing well and it is just that working with families to bring about change can take time.
- 38. Children Looked After with three or more placements during the year (10) –**
There has been a small improvement this month from 13.4% to 12.3%. An initial review of the data indicates that the majority of children experiencing three or more moves are of adolescent age experiencing placement moves from foster care. To better understand this cohort of children and the factors impacting on stability, a thematic audit has been commissioned. Learning from this audit will be disseminated to the operational teams.



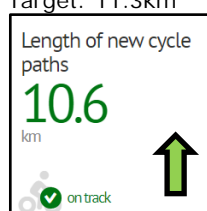
A PROSPEROUS PLACE



Key Performance Indicators (KPIs) updates

Infrastructure that supports a successful economy

Measure 25
Target: 11.3km



Agenda Item 8 Annex Document

A skilled workforce for West Sussex

Measure 30
Target: 6,383
apprentices

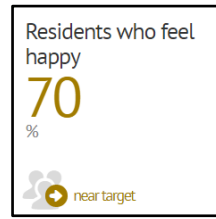


Measure 31
Target: 3.5%



A great place to live, visit and work

Measure 32
Target 75%



Achievements

39. Cycling – total length of new cycle path (25) – Mid year results show that 5 km of cycle paths have been installed so far. This includes 4.5 km Flansham to Climping section of the National Cycle Route which opened in August. The overall increase in cycle paths since April 2017 is 10.57km and is on track to meet its target of 11.3km.

Challenges

- 40. Access to superfast fibre broadband (23)** – The detailed network design, planning and engineering surveys of the project have delivered access to "superfast" fibre broadband to 4,406 premises in West Sussex since this phase began in April 2016. This is currently 62.94% of our target to reach 7,000 premises by December 2018.
- 41. Apprentices in West Sussex (30)** – Mid year results indicate there have been 3,720 new apprentices so far. This is down by 33% compared to the same period the previous year. Nationally apprenticeships are also down by 33%, although numbers in the South East have reduced by 27.9%. Reasons for the downturn are varied and include the move from apprenticeship frameworks to a new Apprenticeship Standard, the lack of available new standards and new sub-contracting rules going live from January 2018, making it difficult for good, niche providers to continue to deliver. We continue to work with corporate services and schools to deliver our own internal target.
- 42. Adults with learning disabilities who are in paid employment (31)** – Performance is currently 3.2% against a year-end target of 3.5%, however, there are a number of initiatives underway which could lead to more people with learning disabilities getting paid work and meeting this target. Some of these initiatives are new and so the impact may become apparent at a later date. These initiatives include Supported Internships (where a number of education providers are developing new placements) and two Learning Disability day services in January 2019 will start new work programmes supporting service users to move on from day services into voluntary or paid work.
- 43. Residents who feel happy with West Sussex as a place to live, work or visit (32)** – The "What Matters to You" survey results show 70% of residents feel happy with West Sussex as a place to live, work and visit against a target of 75%.

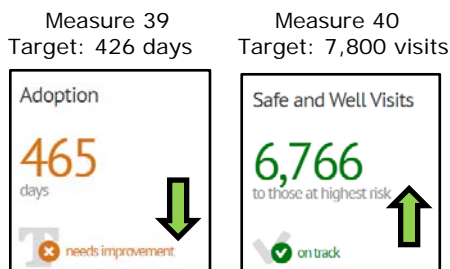


A STRONG, SAFE AND SUSTAINABLE PLACE

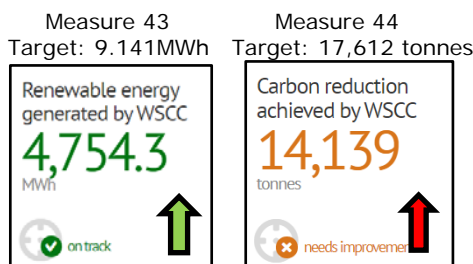


Key Performance Indicators (KPIs) updates

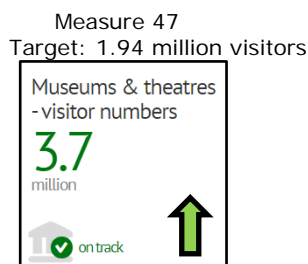
Strong communities



Sustainable environment



A place of culture, heritage and beauty



Achievements

44. **Safe and well visits (40)** – There has been a total of 6,766 visits since April 2017, and this measure is on track to meet the target of 7,800 by year-end.
45. **Renewable energy generated by WSCC (43)** - The figure for energy generation is 2,292 megawatts for this quarter providing a total of 4,754 megawatts this year. Although this is behind where we expected to be due to Westhampnett solar farm project delays, we remain on track to meet our year-end target.
46. **Museums and theatres in West Sussex- visitor numbers (47)** – We are currently exceeding our target and a number of initiatives have supported this performance. These include: -
 - The new Experience West Sussex website recently launched. Museums and theatres are promoted through the 'Art and culture' theme, and specific events are listed through the 'What's on' page. The website features over 300 businesses, and includes a number of museums and theatres, including the Weald and Downland Living Museum, The Capitol Horsham and the Ropetackle Arts Centre. The Winter Campaign, launching in October, will be focused around the 'Art and culture' and 'Heritage and gardens' themes, and museums and theatres

will be featured through our social media platforms, which have over 35,000 followers, display advertising, e-newsletters, itineraries and press releases.

- We are involved in 'England's Creative Coast', an ambitious cultural tourism project led by Turner Contemporary and Visit Kent which aims to increase tourists to the coastal region of the South East (Essex, Kent, East Sussex and West Sussex) by promoting the exceptional art and cultural visitor experience. We are working closely with our partners Pallant House Gallery and Cass Sculpture Foundation to promote West Sussex through this project.

Challenges

47. Average time between a child entering care and moving in with their adoptive family (39) – The average time between children entering care and moving in with their adopters has slightly improved from 477 to 465 days in September. Between 1st October 2015 and 30th September 2018, there were 118 adoptions. There are 4 children who are identified as 'harder to place' over this period, if we discount them then this indicator would be 413.2 days, which is below the national average of 426 days and below the England average of 532 days.

48. Carbon reduction achieved by WSCC (44) – Carbon emissions for quarter two were similar to previous year, but due to the peak seen in the first quarter, we remain off track in meeting our reduction target this year. Projects such as the Combined Heat and Power Unit at Horsham and light-emitting diode LED projects are continuing to be pursued. Some solar projects on Fire Stations have been identified, and subject to securing the final amount of funding, should be delivered this year. Despite this, it is unlikely that these projects will be in place for long enough to achieve the anticipated carbon reduction this year.



INDEPENDENCE FOR LATER LIFE



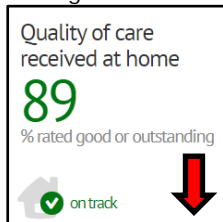
Key Performance Indicators (KPIs) updates

A good place to grow old

Measure 49
Target: 82%



Measure 50
Target: 86.9%



Older people have opportunities to thrive

Measure 52
Target: <2.6



Achievements

49. **Delayed transfers of care from hospital that are attributed to social care (52)** – Performance continues to improve and is exceeding the national target (to achieve 2.6 or less). For August there were 466 delayed days related to social care

Challenges

50. **Quality of care in homes: ratio of care providers rated good or outstanding by the Care Quality Commission (49)** – During the second quarter of this year there has been a marginal decrease of 1% to 78%. This is the second consecutive quarter where care home quality ratings in West Sussex have decreased and this remains reflective of the performance of other statistical neighbours. There continues to be a deficit of people with the appropriate skills and qualifications wishing to work within social care services in West Sussex, as reflected nationally. West Sussex County Council is continuing to invest in recruitment and retention initiatives to support the market in addressing the skills deficit.

51. **Quality of care at home: ratio of home care providers rated good or outstanding by the Care Quality Commission (50)** – There has been a marginal decrease of 1% to 89% but is still on track to meet its year-end target. However, the marginal decline in current performance is not reflective of the performance in our statistical neighbours where the upper quartile of the group increased by 3%.



A COUNCIL THAT WORKS FOR THE COMMUNITY

Louise Goldsmith
Leader of the County Council



Jeremy Hunt
Cabinet Member for Finance and Resources



Bob Lanzer
Cabinet Member for Corporate Relations



Debbie Kennard
Cabinet Member for Safer, Stronger Communities



Key Performance Indicators (KPIs) updates

Customer focused

Measure 56
Target: 75%

Levels of satisfaction with services

46%



Value for money

Measure 57
Target: 75%

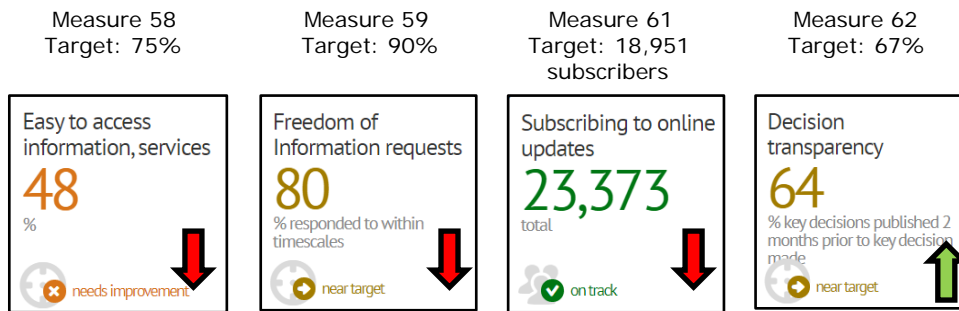
Providing good value for money

35%



Agenda Item 8 Annex Document

Open and transparent



Listens and acts upon



Achievements

- 52. Residents subscribing to receive online updates on the democratic process (61)** – The total number of subscribers has reduced slightly over the last quarter but is still well above the current target at 23,373.
- 53. Social media presence of the Council: residents interacting with the councils social media platforms (63)** – Over the last quarter we have seen some consistent growth across Facebook. With similar levels of content created throughout the last three months and posts published, we saw less new “Likes” on our Facebook page than that in August but a huge increase in engagement levels. Twitter has remained consistent over the last quarter and although we have seen less retweets on our posts, we have had a consistent amount of message including direct messages as well as “mentions”. Overall, the last quarter has seen a consistent level of content published and some good engagement with our residents, again, showing us that we are on target.
- 54. Level of community grants that support the West Sussex Plan priorities (65)** – The crowd funding platform aims to provide residents with a wider source of funding. Currently there are 63 project ideas loaded on the West Sussex Crowd, 16 of which are currently fundraising and 16 have reached their targets. Numbers are expected to increase again during the coming months as the next 2 rounds of Community Initiative Fund deadlines approach. 1-2-1 support clinics for groups considering crowdfunding have been hosted by local Councils for Voluntary Service and run by Spacehive in September.
- 55. The County Council’s response to recommendations from customer complaints resolutions (66)** – 100% of recommendations have been implemented this quarter. This performance level has been maintained this since March 2018.

Challenges

56. **Level of satisfaction of the services received by our residents (56)** – the “What Matters to You” survey results are now available and 46% of residents were satisfied or very satisfied against a year-end target of 75%.
57. **Residents who agree that the council provides good value for money (57)** – The results from the “What Matters to You” survey shows only 35% of residents agree that the council provides good value for money, against a year-end target of 75%.
58. **Residents who find it easy to access information, services and support they need (58)** – Latest results show a drop in performance to 48% compared to the previous survey results of 54% and against a target of 75%.
59. **Freedom of Information requests responded to within time (59)** – This month’s performance stands at 80% compared to 89% last month. All relevant staff have been reminded of the need to maintain and improve on the performance levels.
60. **Decision transparency (62)** - Officer awareness to have at least 2 months, rather than the statutory 28 days’ notice of a decision, is in its infancy and it is hoped that as awareness increases, the figure will continue to improve. There have been incremental improvements since the start of the year, but it should also be noted that there will be time critical decisions, which cannot be listed in the forward plan for longer than the statutory 28 day period and this will impact the overall results.

Workforce

61. The County Council employed 4,463 FTE (full time equivalents) in the second quarter of the year (July to September); an increase of 17 FTE compared to the first quarter (April to June). However, the number of casual workers decreased by 43 (from 726 FTE to 683 FTE) and the agency Manpower worker numbers also decreased from 395 FTE to 366 FTE; a reduction of 29 FTE.
62. Appendix 5 sets out the Human Resources Workforce Key Performance Indicators for July to September 2018 and details changes since the last quarter.

Corporate Transformation Programme

63. Appendix 6 contains an overview of the work undertaken on the West Sussex County Council Transformation Programme during the 2018/19 financial year. The report explains the key projects which have incurred spend so far in this financial year and the associated savings.

Appendix 1 – Revenue Budget Monitor to the end of September 2018

Appendix 2 – 2018/19 Savings Schedule –Red Savings Only

Appendix 3 – Capital Budget monitor to the end of September 2018

Appendix 4 – Performance Dashboard Overview as at the end of September 2018

Appendix 5 – Workforce Key Performance Indicators- Quarter 2 2018/19

Appendix 6 – Transformation Programme - Performance

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	Approved budget	Latest budget for year	Net income to date	Projected outturn variation
Sources of Finance	£000	£000	£000	£000
Revenue Support Grant	-12,122	-12,122	-6,304	0
Precept	-431,981	-431,981	-215,990	0
Council Tax Collection Fund	-3,557	-3,557	-1,778	0
Business Rates	-78,354	-78,354	-39,997	0
Business Rates Collection Fund	-36	-36	-18	0
Section 31 Business Rates Grant	-3,791	-3,791	-1,934	-978
Business Rates Pool	0	-25	-25	0
Adult Social Care Grant	0	-2,065	-1,719	0
New Homes Bonus Grant	-4,102	-4,102	-2,053	-3
Total Financing	-533,943	-536,033	-269,818	-981
	Approved budget ¹	Latest budget for year	Net spending to date	Projected outturn variation
Analysis of Expenditure	£000	£000	£000	£000
Portfolio Budgets				
Adults and Health	194,773	195,887	99,126	0
Children and Young People	95,843	96,072	48,197	3,900
Corporate Relations	44,423	43,644	20,898	632
Education and Skills	13,717	15,659	7,356	1,522
Environment	63,350	63,335	24,303	-275
Finance and Resources	15,604	13,153	8,473	-300
Highways and Infrastructure	34,902	34,924	19,236	1,206
Leader (including Economy)	3,893	6,154	4,207	-200
Safer, Stronger Communities	37,273	37,515	16,962	516
Sub-total	503,778	506,343	248,758	7,001
Non-Portfolio Budgets				
Capital Financing - MRP	9,600	9,669	9,483	0
Capital Financing - Interest	17,800	17,860	8,938	0
Revenue Contribution to Capital Outlay	2,332	812	0	0
Investment Income	-1,903	-1,903	-1,237	0
Business Rates Pool	0	0	371	0
Contingency	3,610	3,643	0	0
Transfers to/(from) Reserves	-1,274	-391	-391	0
Sub-total	30,165	29,690	17,164	0
Total Net Expenditure	533,943	536,033	265,922	7,001
Total Forecast Variation - overspending				6,020

¹ Approved budget has been restated to reflect the revised Cabinet structure adopted in August 2018, including the re-introduction of the Corporate Relations portfolio

Contingency	£000
Original Budget	3,610
Pay Award Adjustment	33
Current Budget	3,643
Further Commitments:	
Sussex Healthcare	-300
Available Contingency	3,343

Agenda Item 8

Appendix 1

Balances and Reserves	Balance at 1 Apr 2018 ¹	Balance at 30 Sept 2018	Projected Balance at 31 Mar 2019	Projected Annual Movement	Comments on Projected Annual Movement
	£000	£000	£000	£000	
Earmarked Reserves:					
Capital Expenditure Reserve	-4,010	-4,010	0	4,010	Planned application of reserve to 2018/19 capital programme to reduce borrowing requirement
Capital Infrastructure	-12,028	-12,028	-12,028	0	
Crawley Schools PFI Reserve	-7,199	-7,199	-7,199	0	
Street Lighting PFI Reserve	-19,613	-19,613	-19,703	-90	
Waste Management PFI Reserve	-12,415	-12,415	-12,415	0	
Waste Management MRMC Reserve	-26,116	-27,915	-27,915	-1,799	£1.8m returned to reserve from capital programme; £1.0m Brookhurst Wood Site HA, £0.8m Waste Infrastructure
Adult Social Care Support Grant 2018/19	0	-2,065	-2,065	-2,065	Transfer of 2018/19 grant allocation into reserves
Budget Management Reserve	-30,110	-30,110	-27,433	2,677	Anticipated application of reserve in 2018/19 as budget balancing measure
Business Infrastructure Reserve	-706	-706	-706	0	
Deprivation of Liberty Safeguarding	-1,000	-1,000	-1,000	0	
Highways Commuted Sums	-3,057	-3,057	-3,057	0	
Highways On-Street Parking	-806	-526	-526	280	
Infrastructure Works Feasibility	-298	-1,948	0	298	Reserve expected to be applied in full subject to approval of bids by Capital Assets Board
Insurance Reserve	-8,049	-8,049	-6,421	1,628	Anticipated drawdown to provide for new claims
Interest Smoothing Reserve	-830	-830	-830	0	
Pothole Action Bonus Fund	-540	-540	0	540	Planned application of reserve to HWI portfolio to fund long-term highways network repairs per 2017/18 outturn TPM
Revenue Grants Unapplied	-1,804	-1,625	-1,800	4	Includes projected application of £0.6m Education Services Grant as budget balancing measure
Schools Sickness & Maternity Insurance Scheme	-2,085	-2,085	-2,085	0	
Service Transformation Fund	-11,513	-10,314	-6,703	4,810	Planned spend as reported to Transformation Board; balance earmarked for future financial years including Whole Council Design
Adult Social Care Transformation Fund	-1,743	-807	-323	1,420	Planned application of reserve to A&H portfolio as reported to Corporate Transformation Board
Statutory Duties Reserve	-2,350	-2,350	-1,570	780	Potential increase in 'Tax Liabilities' provision to meet additional liabilities for payments outside of payroll
Strategic Economic Plan (SEP) Reserve ²	-1,852	-1,852	-1,852	0	
Street Works Permit Scheme	-836	-836	-871	-35	
Sustainable Investment Fund ²	-761	-761	-761	0	
Waste Volatility Fund	-500	-500	0	500	Planned application of reserve to address budget pressure arising from increased waste tonnages
Other Earmarked Reserves	-2,711	-2,627	-1,604	1,107	
Earmarked Reserves (Excluding Schools)	-152,932	-155,768	-138,867	14,065	
DSG Reserve	-5,489	-3,976	-2,798	2,691	Application of funding as per Schools Forum agreement including High Needs Block £0.8m and Area Inclusion and Improvement Boards £0.6m
School Balances	-14,995	-14,555	-14,555	440	
Total Earmarked Reserves	-173,416	-174,299	-156,220	17,196	
General Fund	-20,286	-20,286	-20,286	0	
Capital Grants Unapplied	-13,627	-13,627	0	13,627	Planned application of Basic Need Grant to 2018/19 capital programme
Total Usable Reserves	-207,329	-208,212	-176,506	30,823	

¹ Opening balances adjusted for transfers agreed as part of 2018/19 budget as approved by County Council in February 2018

² Decision included in August TPM to approve the creation of a Economic Growth Reserve by combining £0.557m from the Strategic Economic Plan reserve and £0.740m from the Sustainable Investment Fund reserve

2018/19 Savings Schedule – Red Savings Only

Portfolio	Scheme	Saving Total £	September RAG Rating	Saving Mitigated in year	Comment
Adults & Health	Revised operating model enabling a focus on prevention	1,600	R	Yes	The trend for the year to date offers reasons for some encouragement. However, lags in updating Mosaic and the expectation that the saving will be delivered from turnover in the customer group makes the position a fluid one, which will require constant monitoring.
Adults & Health	Review options for directly provided services	250	R	Yes	A Cabinet Member decision has been deferred until October. Assuming plans are agreed then, the saving will still arise in full on an on-going basis. However, there will be a temporary shortfall in 2018/19, which the Cabinet Member has committed to manage through other actions.
Children and Young People	Beechfield fees increase	150	R	No	The Beechfield Secure Unit is closed at this time, therefore the saving will not be made this year.
Environment	Refinance MRF variation with £1.8m injection - saving over-optimistic (April BIS notes)	522	R	Yes	This saving was created following the agreement with Viridor, which was subsequently withdrawn. Of the £0.7m, £0.178m is expected to be realised in 2018/19. The remaining £0.522m is expected to be offset by a one-off payment from Viridor in respect of previous years overpayments.
Environment	Further savings on Viridor contract through negotiation	150	R	Yes	Discussions are taking place with Viridor with regards to contract inflation reductions, however no saving is expected to be delivered in 2018/19.
Corporate Relations	Business Travel	200	R	No	This saving is not expected to be delivered in this financial year, however, plans are being formulated to enable delivery in 2019/20.
Finance and Resources	Advertising/sponsorship opportunities	50	R	Yes	It is unlikely that this saving will be achieved in this financial year, however the directorate is taking steps to mitigate this pressure.
Highways & Transport	Street Lighting - Investing in LED technology where the business case is positive	100	R	No	The project is currently on hold following consideration of a countywide strategic approach which would potentially deliver greater savings but take longer to implement. It is not expected that any savings will be delivered in 2018/19.
Highways & Transport	Routine Maintenance - reviewing arrangements with town councils	30	R	No	For this year £0.030m is still required for Parish work. This will be resolved for 2019/20, linked to the new HTMC. £0.040m remains green.
Highways & Transport	Highway operations service level review	1,106	R	No	The award of the new Highways term maintenance contract has been delayed due to a technical legal issue. The impact of this is the expected non delivery of the £1.106m saving planned for 2018/19.
Safer, Stronger Communities	Sponsorship opportunities (SDSA, Youth engagement)	50	R	Yes	Initial engagement with the market has not had a positive outcome. Currently pursuing alternative solutions to deliver the saving.
Safer, Stronger Communities	Decommissioning savings post SCC go-live	111	R	No	This saving was linked to the Sussex Control Centre, which is no longer going to be adopted by the County Council. The saving will be delayed until a suitable replacement system can be found.
Safer, Stronger Communities	Efficiency in Customer Interface - Highways	125	R	No	The saving has been delayed due to the overarching work currently undertaken by 'Whole Council Design'. It is highly unlikely that this saving will be achieved in this financial year.
Total Undeliverable (Red) Savings		4,444			
Total Savings <u>With</u> Mitigation Actions		2,622			
Total Savings <u>Without</u> Mitigation Actions		1,822			

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2018/19 CAPITAL MONITOR as at the end of September 2018

Portfolio	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	18/19 Capital Programme (December County Council)	Slippage/ (Acceleration) from 2017/18	Total 18/19 Capital Programme	Forecast		Full Year Forecast	Variance Over/(Under) Spend
				Actuals to Date	Forecast for Remaining Period		
£000	£000	£000	£000	£000	£000	£000	£000
Core Programme							
Adults and Health	739	157	896	160	947	1,107	211
Education and Skills/ Children and Young People	46,352	982	47,334	8,735	24,325	33,060	(14,274)
Environment	4,590	903	5,493	60	940	1,000	(4,493)
Finance and Resources	4,406	120	4,526	867	4,893	5,760	1,234
Highways and Infrastructure	34,625	559	35,184	11,283	21,703	32,986	(2,198)
Leader including Economy	8,773	361	9,134	212	6,621	6,833	(2,301)
Safer, Stronger Communities	4,873	429	5,302	2,707	2,082	4,789	(513)
Total Core Programme	104,358	3,511	107,869	24,024	61,511	85,535	(22,334)
Income Generating Initiatives							
Environment (Waste Infrastructure & YES)	7,090	2,697	9,787	2,036	5,951	7,987	(1,800)
Finance and Resources (inc Propco)	21,000	48	21,048	318	11,624	11,942	(9,106)
Highways and Infrastructure (Gigabit)	2,700	0	2,700	524	4,786	5,310	2,610
Leader including Economy (5 Bold Ideas)	833	567	1,400	5	1,415	1,420	20
Total IGI	31,623	3,312	34,935	2,883	23,776	26,659	(8,276)
Total Capital Programme	135,981	6,823	142,804	26,907	85,287	112,194	(30,610)

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		Outcomes	Measures for success	Reporting Cycle Due	Target	2018/19 Milestone	Aim High/Low	Baseline	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Forecast (Year End) Reported Status	
Page 65 Best start in life	All children and young people are ready for school and work	2	West Sussex schools that are judged good or outstanding by Ofsted	Monthly	Top quartile of all Local Authorities by 2022 - currently >92.6%	86.0%	H	81.6%	84.4% ↑	84.0% ↓	83.7% ↓	84.1% ↑	83.7% ↓	83.3% ↓	83.3% ⇐	83.4% ↑	83.1% ↓	82.7% ↓	•	83.1% ↑	A	
		3	Pupils attending West Sussex schools that are rated good or outstanding by Ofsted	Monthly	Top quartile of all Local Authorities by 2022 - currently >91.8%	86.5%	H	81%	84.0% ↑	83.8% ↓	84.2% ↑	84.8% ↑	84.4% ↓	84.2% ↑	84.3% ↑	83.0% ↓	84.1% ↑	83.8% ↓	•	84.4% ↑	A	
		4	Attendance of West Sussex Children Looked After at their school	Monthly	Top quartile of all Local Authorities by 2022 - 96.9%	96.10%	H	92.7%	92.7%	92.7% ⇐	92.5% ↓	92.4% ↓	92.3% ↓	96.4% ↑	91.4% ↓	91.0% ↓	90.4% ↓	90.3% ↓	•	92.0% ↑	A	
	Families and children have a healthy family, home and work life	Children and young people feel safe and secure	5	Families turned around	Quarterly	≥3,940 by 2022	3,057	H	1,281			1,741 ↑			1,939 ↑			2,169 ↑			*	G
			8	West Sussex Children Looked After per 10,000	Monthly	Top quartile of statistical neighbours by 2022 - ≤37	40	L	41.2	40.9 ↓	40.6 ↓	41.2 ↑	40.7 ↓	40.1 ↑	40.8 ↑	40.9 ↑	40.6 ↓	39.7 ↓	39.8 ↑	39.5 ↓	40 ↑	G
			9	West Sussex children subject to Child Protection Plan for 2 years or more	Monthly	Top quartile of statistical neighbours by 2022 - ≤1.9%	1.9%	L	2.4%	0.6% ↓	1.1% ↑	1.1% ⇐	0.9% ↓	1.3% ↑	1.7% ↑	2.2% ↑	2.7% ↑	2.2% ↓	1.7% ↓	2.2% ↑	2.9% ↑	A
			10	Children Looked After with 3 or more placements during the year	Monthly	Top quartile of statistical neighbours by 2022 - ≤10.34%	10.6	L	10.7%	10.8% ↑	10.5% ↓	11.44% ↑	11.94% ↑	12.1% ↑	12.9% ↑	12.4% ↓	12.6% ↑	13.3% ↑	13.4% ↑	13.1% ↓	12.3% ↓	A
			11	Review of Child Protection Conferences completed in timescales	Monthly	≥99% by 2022	99%	H	96.6%	97.7% ↓	96.7% ↓	100% ↑	98.3% ↓	96.7% ↓	98.2% ↑	87.6% ↓	99.3% ↑	97.7% ↓	100% ↑	100% ⇐	99.3% ↓	G
			12	Child Sexual Exploitation - cases managed at medium or low levels of risk	Quarterly	≥80% by 2022	80%	H	75%			85.93%			84.35% ↓			85.0% ↑			93.0% ↑	G
			13	West Sussex children placed in residential homes rated good or outstanding	Quarterly	90% by 2022	87%	H	84%			86% ↑			94% ↑			90.4% ↓			*	G
	Children and young people are able to thrive	19	Reoffending rates for children and young people (aged 10 to 17)	Quarterly	Top half of statistical neighbours by 2022 - 33.2% and 32.4%	36.25%	L	37.3%									41.2% ↑			*	R	
		Infrastructure that supports a successful economy	A place that provides opportunity for all	23a	Access to superfast fibre broadband	Quarterly	Additional 7,000 premises have access to superfast fibre by 2022	7,000	H	1,203			3,307 ↑			3,809 ↑			4,406 ↑			due 30 Nov
	28			Economically active 16-64 year olds who are employed	Quarterly	Remain in top quartile of statistical neighbours by 2022 - ≥ 78.3%	80.2%	H	80.2%			80.4% ↓			79.9% ↓							Δ
A prosperous place	A safe place	35	Calls to critical fires where the first fire engine met our emergency response standard	Monthly	90% by 2022	89%	H	87.3%			82.0% ↓			88.2% ↑	89.0% ↑	87.8% ↓	88.8% ↑			*	A	
		37	Operation Watershed fund allocated to community projects	Quarterly	70 projects supported by 2022	40 cumulative	H	52	25 ↑		33 ↑			52 ↑			58 ↑			58 ⇐	G	
	Strong communities	38	Households living in temporary accommodation per 1,000 households	Quarterly	Top quartile of statistical neighbours by 2022 - ≤0.9	1.5	L	1.5			1.6 ⇐			1.6 ⇐							Δ	R
		39	Average time between a child entering care and moving in with their adoptive family	Monthly	≤365 days by 2022	426	L	466.69	463.6 ↑	468.5 ↑	483.3 ↑	486.0 ↑	489.9 ↑	476.1 ↓	479.0 ↑	463.1 ↓	462.3 ↓	476.9 ↑	476 ↓	465 ↓	R	
		40	Safe and Well visits carried out for those at highest risk	Monthly	19,800 by 2022 cumulative	7,800	H	4,000	1,981 ↑	3,210 ↑	3,563 ↑	4,129 ↑	4,496 ↑	4,865 ↑	5,202 ↑	5,567 ↑	5,924 ↑	6,290 ↑	6,766 ↑	*	G	
		41	Reports of crime in West Sussex - overall crime recorded per 1,000 population	Quarterly	below the regional average by 2022 - 65.19	65.19	L	56.07			59.86 ↑			52 ↓			61.2 ↑			*	Agenda Item 8 Appendix 4	
		42	Reports of hate crime - Total number of reports received by the Hate Incident Support Services (HISS)	Quarterly	800 reports per annum totalling 4,000 by 2022	1,600	H	641			663 ↑			923 ↑			264 ↑			*		
	Sustainable environment	43	Renewable energy generated by WSCC	Quarterly	50% increase on baseline by 2022	9,141 MWh	H	6,094MWh			5,350.5 ↑			6,272.3 ↑			2,462.3 ↑			4,754.3 ↑	G	
44		Carbon reduction achieved by WSCC in tonnes emitted	Quarterly	50% decrease on baseline by 2022	17,612	L	32,022			13,999 ↑			17,529 ↑			5,407 ↑			14,139 ↑	G		

* One month delay ** Two month delay Δ One quarter delay • Schools closed

	Outcomes	Measures for success	Reporting Cycle Due	Target	2018/19 Milestone	Aim High/Low	Baseline	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Forecast (Year End) Reported Status
Independence for later life	A good place to grow old	49 Quality of care in homes: ratio of care home providers rated good or outstanding by the Care Quality Commission	Quarterly	Top quartile of statistical neighbours by 2022 - 85.45%	82%	H	79%			79%			80%			79%			78%	Agenda Item Appendix 4
		50 Quality of care at home: ratio of at home care providers rated good or outstanding by the Care Quality Commission	Quarterly	Top quartile of statistical neighbours by 2022 - 86.9%	86.90%	H	90%			88%			88%			90%			89%	
	Older people have opportunities to thrive	52 Delayed transfers of care from hospital that are attributed to social care	Monthly	2.6 delayed days per 100,000 population per day (nationally set target) by 2018/19	<2.6	L	5		3.9	3.0	3.2	2.0	2.9	3.6	2.8	2.5	2.0	2.2	*	
A council that works for the community	Open and transparent	59 Freedom of Information requests responded to within time	Monthly	95% by 2022	90%	H	80%							85%	86%	91%	80%	89%	80%	8 A G G A G G
		60 Formal member meetings webcast	Quarterly	Increase by 10% each year to 2022	28.6%	H	26%						17.5%			37.5%			37.5%	
		61 Residents subscribing to receive online updates on the democratic process	Quarterly	Increase by 100 each year to 2022	18,951	H	18,851						19,692			23,522			23,373	
		62 Decision transparency	Quarterly	To increase to 75% the number of key decisions published in the Forward Plan at least 2 months prior to the decision being taken by 2022	67%	H	64%							62%		63%			64%	
		63 Social media presence of the Council: residents interacting with the Council's social media platforms - Facebook likes	Monthly	Increase by 10% each year to 2022	4,823	H	3,986	3,986	4,082	4,145	4,269	4,410	4,478	4,516	4,584	4,719	4,866	5,021	5,169	
	Listens and acts upon	64 Residents' issues considered by County Local Committees	Quarterly	20% by 2022	12%	H	11%									21.2%			21.2%	
		65 Level of community grants that support The West Sussex Plan priorities	Quarterly	100% by 2022	100%	H	100%						100%			100%			100%	
66 The County Council's response to recommendations from customer complaint resolutions		Quarterly	100% by 2022	90%	H	94%			94%			100%			100%			100%		
Works in partnership	67 Partnership 'deals' achieved between the County Council and our District and Borough partners	Quarterly	12 deals signed by 2022	6	H	3			3			4			4			5		

* One month delay ** Two month delay Δ One quarter delay

	Outcomes	Measures for success	Reporting Cycle Due	Target	2018/19 Milestone	Aim High/Low	Baseline	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	Forecast (Year End) Reported Status	
Best start in life	All children and young people are ready for school and work	1 Children achieving a 'Good Level of Development' in Early Years Foundation Stage	Annually (Oct)	Top quartile of all Local Authorities by 2022 - >73.35%	71.5%	H	70.6%	52%	59%	63.5%	68.3%	70.6%	71.3%	A	
		6 Healthy weight 10-11 year olds	Annually (Dec)	Top quartile of all Local Authorities by 2022 - >69.2%	69.2%	H	70.3%	70.4%	69.5%	69.3%	68.5%	70.3%		G	
	Access to education that meets the needs of our community	14 Pupils attaining the expected standard at Key Stage 1 in reading, writing and maths	Annually (Dec)	exceed national average by 2022 - 63.7%	62%	H	56.2%	Data not comparable - format and scoring is different				48.2%	56.2%	61.5% (prov)	A
		15 Pupils attaining the expected standard at Key Stage 2 in reading, writing and maths	Annually (Dec)	exceed national average by 2022 - 61%	61%	H	55%	Data not comparable - format and scoring is different -				45%	55%	61.3% (prov)	A
		16a Countywide take up of free early education and childcare: 3 and 4 year old	Annually (Feb)	Top quartile of statistical neighbours by 2022 - 100%	98%	H	96%	96%	95%	95%	96%	96%	96%		R
		16b Countywide take up of free early education and childcare: 2 year old	Annually	Top quartile of statistical neighbours by 2022 - 83%	80%	H	79%		62%	68%	79%	79%	75%		R
	Children and young people are able to thrive	17 Key Stage 4 Progress 8 score	Annually (Jan)	Top quartile of Local Authorities nationally by 2022 ->0.07	0.03	H	0.03	Data not comparable - format and scoring is different				0.1	0.03		R
		18a Children Looked After achieving educational outcomes in line with their peers KS4	Annually (Jul)	In line with national average of peers KS4 -1.18	-1.18	H	-1.14	Data not comparable - format and scoring is different				-0.74	-1.46		R
		18b Children Looked After achieving educational outcomes in line with their peers KS2	Annually (Jul)	In line with national average of peers KS2 31.7%		H	n/a					supressed			R
		18c Children Looked After achieving educational outcomes in line with their peers KS1	Annually (Jul)	In line with national average of peers KS1 33.8%	20.3%	H	15.8%					15.8%			R
		20a Attainment of disadvantaged pupils is in line with their peers KS4	Annually	In line with national average of peers by 2022 KS4 0.51	0.69	L	0.75	Data not comparable - format and scoring is different				0.58	0.75		R
		20b Attainment of disadvantaged pupils is in line with their peers KS2	Annually	In line with national average of peers by 2022 KS2 20%	22.25%	H	23%						24%	23%	G
	A prosperous place	A place where businesses thrive	21 Business start-ups	Annually (Dec)	Top quartile of statistical neighbours by 2022 - 12.89%	12.38%	H	12.2%	12.4%	11.9%	12.2%	11.9%	*		A
			22 Business survival and retention (5 year survival rate)	Annually (Nov)	Top quartile of statistical neighbours by 2022 - >48.5%	44.65	H	43.3%	2010-15 43.3%		2011-16 46.6%	2012-17 *	2013-18 **	2014-19	
Infrastructure that supports a successful economy		23b Coverage of superfast fibre broadband	Annually (Oct)	96% West Sussex coverage by 2022	96%	H	95%						95.6%		A
		24 Additional school places delivered	Annually (Oct)	Total school places 120,645 by 2022	114,412	H	109,017						126,143		G
		25 Cycling - total length of cycle path - new installations	Annually	60% increase by 2022 on the amount of new installation	11.32km	H	0km	Highways England agreed they should be able to provide an annual figure for km of new cycle route delivered each year, but not routinely reported on at the moment.				5.57km	10.6km (in year)		G
		26 Road conditions - A roads considered poor and likely to require planned maintenance	Annually (Nov)	5% or less by 2022	5%	L	5%	2012-14 7%	2013-15 6%	2014-16 3%	2015-17 5%	2016-18 3%	2017-19		G
A place that provides opportunity for all		27 Average gross weekly earnings for full time workers resident in West Sussex	Annually (Nov)	Top quartile of statistical neighbours by 2022 - ≥£554.10	£554.10	H	£557.20	£540.00	£552.70	£557.20	£554.10	*			G
A skilled workforce for West Sussex		29 16-17 year olds who are not in education, employment or training	Annually (Mar)	Top quartile of Local Authorities nationally by 2022 - <1.9%	2.7%	L	1.6%	not comparable - 16-18 yo - now measure 16-17 yo				1.6%	1.7%	2.3% (in year)	A
		30 Apprentices in West Sussex	Annually (Nov)	≥7,390 by 2022	6,383	H	5,790	5,610	4,800	5,400	5,790	5,920	3,720 (in year)		R
		31 Adults with learning disabilities who are in paid employment	Annually (Oct)	England average or better by 2022 - 5.7%	3.5%	H	2.2%	1.5%	2.2%	2.2%	2.2%	2.2%	3.2%		A

* One year delay ** Two year delay

	Outcomes	Measures for success	Reporting Cycle Due	Target	2018/19 Milestone	Aim High/Low	Baseline	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	Forecast (Year End) Reported Status
A prosperous place	A great place to live, work and visit	32 Residents who feel happy with West Sussex as a place to live, work or visit	Biennial (Oct 18)	80% by 2022	75%	H	n/a	Data will be gathered for the first time from the What Matters to You survey. Question not asked before.					70%	A
		33 Economic growth - GVA	Annually (Dec)	Above South East average by 2022 - £28,506	£26,864	H	£25,221	£24,192	£25,033	£25,221	£25,978 ↑	*		R
A strong, safe and sustainable place	A healthy place	7 Emergency Hospital Admissions for Intentional Self-Harm, per 100,000 population	Annually (Mar)	172.3	208.3	L	220	248.4	231.3	262.7	220.3 ↓	*		R
		34 Air Quality Management Areas where air quality is improving	Annually (Dec)	A 3-5 year (rolling average) percentage reduction of 1% in measured NO ₂	1%	H							no measure defined or	R
	A safe place	36 People killed or seriously injured in road traffic accidents per billion vehicle miles	Annually (Nov)	Top quartile of statistical neighbours by 2022 - ≤57	91	L	103	101	108	101	103 ↑	*		R
		Sustainable environment	45 Ultra-low emission vehicles registered for the first time	Annual	Top quartile of statistical neighbours by 2022 - > 488 registered vehicles	365	H	327				2016 327	2017 391 ↑	
	46 Household waste sent to landfill		Annual	9% by 2022 (top quartile)	25%	L	49% sent to landfill			38.4%	49%	39% ↓		G
	A place of culture, heritage and beauty	47 Museums and theatres in West Sussex - visitors at attractions	Annually (Oct)	20% increase by 2022	1,942,709	H	1,850,199				1.9m	3.7m ↑		G
48 Areas of Outstanding Natural Beauty in West Sussex - Up-to-date Management Plans adopted for the two AONB		Annually (Apr)	100% of plans reviewed every 5 years	100%	L	100%				100%	100%		G	
Independence for later life	Older people feel safe and secure	51 People who use services who say that those services have made them feel safe and secure	Annually (Jun)	95% by 2022	94%	H	82.9%	86.8%	88.3%	82.9%	93.5% ↑	*		A
	Older people have opportunities to thrive	53 Older people (aged 65+) who were still at home 91 days after discharge from hospital	Annually (Nov)	Top quartile of statistical neighbours by 2022 - >86.9%	86%	H	83.7%	74.4%	71.4%	88.8%	83.7% ↓	87.8% ↑		G
	People are healthy and well	54 Emergency admissions for hip fractures in those aged 65+, per 100,000	Annually (Dec)	maintain at 612 per 100,000 by 2022	611	L	578	654	595	578 ↓	**	**	*	G
	Older people feel part of their community	55 Social isolation - adult social care users who have as much social contact as they would like	Annually (Jun)	50% by 2022	44%	H	45.8%	45.5%	45.5%	45.8%	43%	41.2% ↓		R
A council that works for the community	Customer focused	56 Level of satisfaction of the services received by our residents	Biennial (Oct 18)	80% by 2022	75%	H	0%	Data will be gathered for the first time from the What Matters to You survey. Question not asked before.					46%	R
	Value for money	57 Residents who agree that the council provides good value for money	Biennial (Oct 18)	80% by 2022	75%	H	0%	Data will be gathered for the first time from the What Matters to You survey. Question not asked before.					35%	R
	Open and transparent	58 Residents who find it easy to access information, services and support they need	Annually (Sep)	80% by 2022	75%	H	53%				53%	54% ↑	48% ↓	R

* One year delay ** Two year delay

HR Workforce KPIs

Full financial years:
2016/17 & 2017/18
Quarters:
2018 Q1; 2018 Q2

Indicator	West Sussex County Council						Target 18/19
	2016/17	2017/18	2018 Q1	2018 Q2	Change over last quarter	Progress against 18/19 target	

Resourcing & Talent

Employed workforce	Headcount	5,041	5,153	5,245	5,270	↑ 25	Increasing	
	FTE	4,268	4,335	4,446	4,463	↑ 17	Increasing	
	Employee paybill (including on costs and casuals, excluding agency and schools)	£164,399,248	£177,571,210	£41,528,654	£46,128,204	↑ £4,599,550		
Casual bank	Headcount	0	557	726	683	↓ -43	Decreasing	
	Casual % total workforce	0.0%	8.7%	11.4%	10.8%	↓ -0.6%		
Agency (Manpower)	Headcount	0	724	395	366	↓ -29		
	Contract spend	£0	£10,589,851	£2,659,329	£2,547,348	↓ -£111,981		
	Manpower % total workforce	0.0%	11.3%	6.2%	5.8%	↓ -0.4%		
Recruitment	Number of starters	920	682	253	288	↑ 35		
Retention	Number of leavers	601	633	282	218	↓ -64		
Staff turnover	Turnover rate	11.9%	12.3%	5.4%	4.1%	↓ -1.2%		

Health, Safety & Wellbeing

Level of sickness absence (May retrospectively increase due to late reporting of sickness)	Sick days lost (calendar days lost)	41,571	47,047	12,166	8,228	↓ -3938		
	Average sick days per FTE	9.7	10.9	2.7	1.8	↓ -0.9		
	Lost time rate (% total time avail. lost to sickness)		3.6%			→ 0.0%	0.1% from target	3.5%
RIDDOR incidents (reported to the HSE)	Violence at work	3	3	0	1	↑ 1		
	Accident	5	5	1	1	→ 0		
	Dangerous occurrence	1	1	0	0	→ 0		
	Total RIDDORs reported to HSE	9	9	1	2	↑ 1	2 from target	0

Performance & Skill

Appraisals	Manager appraisal response rates (percentage of managers who submitted an appraisal rating for each of their staff)		65%					100%
	Staff with a completed appraisal		63%					100%
	Non-managers with a completed appraisal (‘Non-managers’ defined as non-MSS approvers)		63%					
	Managers with a completed appraisal (‘Managers’ defined as MSS approvers)		67%					
Training & development	Staff induction completion rates		47%	46%	53%	↑ 7%	22% from target	75%

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Transformation Programme - Performance

Introduction

- 1 The primary purpose of the Transformation Programme is to support the delivery of the West Sussex Plan, by putting in place and delivering a range of projects that will both improve service delivery and support our future savings plans.
- 2 For the past two years, we have focused on making our organisation fit for the challenges ahead of us (Stepping Up) and alongside that work, in recent months we have redefined our purpose and core priorities.
- 3 Going forward, the Council has now initiated its Whole Council Design transformation programme. In adopting this approach, a review of projects within the Step Up Programme has been required, to ensure strategic alignment with the organisation's desired outcomes.
- 4 The Corporate Leadership Team have undertaken this review and have made decisions on whether to start, stop, continue, close or transition projects to business as usual activities. Sponsorship for all these projects will be mapped and considered either for subsequent transfer to governance arrangements for the new Whole Council Design Programme, or to an alternative existing forum if this is deemed more appropriate for governing project activity.
- 5 Given this transitional phase, this update provides an overview of the former Step Up programme and other supporting transformational activity. In the coming months, the focus of reporting will change, to cover Whole Council Design progress and delivery.

Headline Project Updates (from Former Step Up Programme)

- 6 This section provides an update on key projects that are underway within the organisation. Expected improvements in performance (as a consequence of the investment) are being seen in the following areas:

Children's Social Care Projects

- 7 The Children's Quality and Development Board have driven a wide-ranging agenda of performance improvement in our children's social care services, including:

Project	Outcome Achieved
Children's Forecasting Model	A forecasting model to assist predictions on likely future demand scenarios for children entering social care has enabled the service to understand and review the future demand of the service.
Commissioning Strategy	The development of a commissioning strategy has enabled the delivery of savings in 2018/19.
Recruitment and Retention Strategy	The implementation of a recruitment and retention strategy for Children's Social Care Social Workers has led to an increased number of new experienced social workers joining the

	<p>service and we have seen an increase of 200% on applications.</p> <p>There are a number of initiatives which have been undertaken which include:</p> <ul style="list-style-type: none"> • The introduction of market supplements for Social Workers. • Career Progression Panels (which has seen 50 people progress through so far). • WSCC attendance at social worker recruitment events. • Increase in academy social care team. • The creation of the return to social work campaign; which has recently seen three experienced staff join the team. • The launch of the casual Social Worker team. • The blended team pilot has been extended to support Social Workers on non-statutory work (sign posting families, updating notes etc.).
<p>Culture</p>	<p>Redeveloping the culture within the service to better articulate expected leadership behaviours at all levels.</p>
<p>Fostering Strategy</p>	<p>Development of a strategy to increase the numbers of internal foster carers within West Sussex. A target for 12 new approved foster carers by July 2018 was met and the service is on schedule to meet the target of a further 8 by the end of November.</p> <p>As part of the fostering strategy, the service has successfully streamlined the fostering recruitment process to reduce the time from the initial visit to approval from 6 to 4 months. This will benefit the potential foster carer as they will find out quicker if they are accepted and it should benefit the Authority as it can harness the enthusiasm of the foster carer and will enable more potential placement matches with increased availability.</p>
<p>Transfer of answering initial calls to the Multi Agency Safeguarding Hub (MASH) to the Customer Service Centre (CSC)</p>	<p>Successful transition of first point of contact telephone calls for from the Multi Agency Safeguarding Hub (MASH) to the Customer Service Centre (CSC). From the 13th August, all calls which previously were answered by the MASH were answered by the CSC. Current data shows that since this date, 47% of these calls have been directed away from the MASH to other areas of the business, therefore reducing the workload of the MASH. With the expert</p>

	knowledge CSC has of the whole organisation; it is more likely that the customer has been directed to the correct service first time.
High Risk Adolescents (Multi-agency pilot)	<p>The initial pilot developing the complex high risk adolescent team has been included into a business as usual model due to its success. The multi-agency team continue to work with the most complex and vulnerable adolescents within West Sussex to ensure that the risks posed to them are reduced, staff are supported to be resilient and manage their anxiety and overall outcomes for these children are improving. The team continue to evidence an improvement in stability for these children, reported increased partnership working and better engagement in positive activities such as education.</p> <p>Positive feedback has recently been received from one child's parent which demonstrates the impact that has been achieved for one family - "I am so grateful to you and social services and the police for saving my little girl- for saving her life".</p>
Tablet Pilot	A pilot project has been launched to enable Social Workers to record and review case notes on tablets. The pilot is investigating whether this use of technology will make it easier and quicker for Social Workers to carry out their role with children and families.

Adult Social Care Projects

The Adult Social Care Improvement Board has continued to lead a number of transformational projects. These include:

Project	Outcome Achieved
Lifelong Services	A programme looking at how we work with people with lifelong disabilities or autism to improve their lives and increase independence. The projects has been reviewing the current provision and the various aspects of the service (for both Children's and Adults and the transition arrangements between the two), including where financial efficiencies can be generated.
Financial Personalisation Programme	This is designed to simplify the customer experience of our financial processes. In July, we introduced pre-paid cards for direct payments customers which benefits the customer by no longer needing to send in bank statements for

	review and it also benefits the County Council as we can monitor the spend on the banking on-line portal.
In House Service Review	West Sussex has been considering how we deliver services we directly provide (e.g. day centres, residential homes and Shared Lives services). Customer engagement sessions about proposed future services and customer surveys have taken place and a decision on future provision is expected to be taken imminently.

Environmental Sustainability

- 8 This area of the programme supports the County Council's aspiration to enhance the environment in West Sussex, through reducing the carbon footprint of the County Council as well as investing in a range of 'green' initiatives across the whole County to enable a cleaner environment. Projects which have been undertaken include:

Project	Outcome Achieved
Electric Vehicles	The government has announced plans to ban new petrol and diesel cars by 2040; therefore the County Council has taken the first step of introducing four electric cars, two electric vans and three electric charging points at County Hall Chichester on a trial basis. The introduction of these vehicles will help to improve air quality and is expected to provide financial savings in the long-term as low emission vehicles are less costly to maintain and cheaper to run.
Air Quality Plan	A county wide air quality plan has been created collaboratively with our District and Borough partners. A new member-led governance group has been created.

Other Projects

- 9 Other initiatives which have been completed are detailed below:

Project	Outcome Achieved
West Sussex Crowd	The West Sussex Crowd is a new crowdfunding platform that aims to provide residents with a wider source of funding. Currently, a total of 73 project ideas are on the platform with 19 successfully reaching their targets so far.
Supply Relationship Management	Supplier Relationship Management User

(SRM)	Interface has been implemented and has streamlined the performance of purchasing activity.
SEND integration within Mosaic	Since July, records of Special Educational Needs (SEN) children have been migrated into the Mosaic system; the Social Care database. There are added benefits to the case worker of a child so they can access the complete record of the child through one system, saving time and enabling a full review of contact with West Sussex professionals.

Investment in the Transformation Programme

- 10 Current transformational work has expanded significantly over the last two years. As well as the Step Up and Whole Council Design programmes, other supporting initiatives have been undertaken, such as Voluntary Severance.
- 11 To 30th September 2018, spending on all such transformational activity amounted to £11.0m, of which £8.9m was incurred in previous years, with £2.1m in this financial year.
- 12 As part of that overall investment programme, £3.8m has been incurred on support from PricewaterhouseCoopers (PwC), to help shape and develop our new service transformation operating model for the Council, and to provide additional support for transforming Children's and Adults' Services.
- 13 The bulk of Adult Social Care transformation projects have been funded from the one-off £3.3m grant provided in February 2017 and of this, £1.7m remained at the start of this financial year. This balance is fully committed, with £0.9m drawn to cover spend to date and the remaining £0.8m earmarked to cover future investment.
- 14 The majority of other initiatives are funded by a specific transformation reserve, which had an £11.5m balance at the start of the financial year. After drawing £1.2m to cover spend to 30 September, the balance of the reserve has reduced to £10.3m.
- 15 Further transformation investment will be required in future; the reserve is currently projected to reduce to £6.7m by 31 March 2019 but this forecast is still predominantly based on former Step Up projects, the majority of which have been subsumed into business as usual (BAU) for directorates. The projections will change therefore, as Whole Council Design develops.

Financial Savings / Benefits Overview

- 16 As well as driving up performance, a significant proportion of the investment being made is designed to unlock material financial savings to help support our MTFS.

Agenda Item 8
Appendix 6

17 Transformation typically requires up-front, fixed term investment, with the aim being to deliver ongoing savings. The cumulative value of savings identified to the end of this financial year is £7.513m, as shown in the table.

Year of Implementation for Transformation Activity	Savings Impact per Year		Cumulative Value of Savings (since implementation)
	2017/18	2018/19	
2017/18 Programme	£2.102m	£2.102m	£4.204m
2018/19 Programme	-	£3.309m	£3.309m
Total	£2.102m	£5.411m	£7.513m

- 18 Savings will continue to be generated in future as a result of the investment already made, or planned in this year. Assuming savings continue at the current rate, the £11m investment to date will be recouped in full mid-way during 2019/20. Thereafter, as savings continue to flow from that investment, a net return will be generated.
- 19 Further investment will generate more savings; payback periods and returns will continue to change, as new investment and new savings are identified.
- 20 In terms of future reporting of financial savings and benefits, as part of plans to close the former Step Up programme, plans are in place to complete 3 and 6 month evaluation reviews and the financial headlines from these will be included in future Total Performance Monitoring reports. Thereafter, reporting will focus on the Whole Council Design Programme.

Whole Council Design

21 There are 21 projects identified that will form the scope for the Whole Council Design Programme and our transformation agenda. Details of these projects are shown below:

CUSTOMER MANAGEMENT LAYER

- 1 Digital customer transactions - Rachel North
- 2 Customer channels and pathways - Rachel North
- 3 Pre - front door demand and community resilience - Rachel North
- 4 Complex customer requests and interactions - Kim Curry

SERVICE DELIVERY

- 5 Mobile workforce - Lee Harris
- 6 Provision for community led support - Kim Curry
- 7 Place based teams - Nicola Bulbeck

ENABLING SUPPORT LAYER

- 8 Digitising democratic services - Tony Kershaw
- 9 Internal digital customer capabilities - Heather Daley
- 10 Effective administration and business support - Katharine Eberhart
- 11 Procurement and contract management model implementation - Katharine Eberhart
- 12 HR implementation - Heather Daley
- 13 IT function - Katharine Eberhart
- 14 Finance - Katharine Eberhart
- 15 Facilities management - Lee Harris
- 16 Legal - Tony Kershaw

STRATEGIC CORE LAYER

- 17 Data analytics and intelligence - Katharine Eberhart
- 18 Improved corporate strategy and performance management - Nathan Elvery
- 19 Effective strategic commissioning - Kim Curry
- 20 Delivering the Public Health vision - Anna Raleigh
- 21 Schools service offer and relationships - Kim Curry

- 22 Our new transformation programme will help shape our organisation and how it rises to its financial, performance and cultural challenges.
- 23 Whole Council Design is based on three key themes; Customer, Community and One Council. Underpinning these, three cross-cutting themes of Accelerated Activity, Digital by Design and Culture Change will build momentum in delivery. Each includes initiatives to:
 - Put our customers first,
 - Unlock the power of the community together, and
 - Create a culture of collaboration.
- 24 As the Whole Council Design Programme matures, an update of the actions taken/delivered will be reported through the Total Performance Monitor, together with an overview of the financial investment and benefits realisation.
- 25 The cost and projected benefits associated with the Whole Council Design Project are currently being developed and will be included in the Budget Report when it is presented to Council in February 2019.

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Performance and Finance Select Committee
22 November 2018
Capital Programme Quarter 2 Performance Report
Report by Executive Director of Economy, Infrastructure and Environment

<p>Executive Summary</p> <p>The attached report provides a status position on the Capital Programme, as at 30 September 2018.</p> <p>Focus for Scrutiny</p> <p>The Committee is asked to review, comment on and make any relevant recommendations for action to the Cabinet Member in relation to the quarterly performance report of the capital programme.</p>
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- 1.1 An Equality Impact Report is not required as it is a report dealing with internal or procedural matters only.

Lee Harris

Executive Director
Economy, Infrastructure and Environment

Contact: Matt Hall – 033 022 22539

Annex Capital Programme 2018/19 – 2022/23 Quarter 2 Performance Report

Appendix A Quarter 2 Performance by Portfolio Report

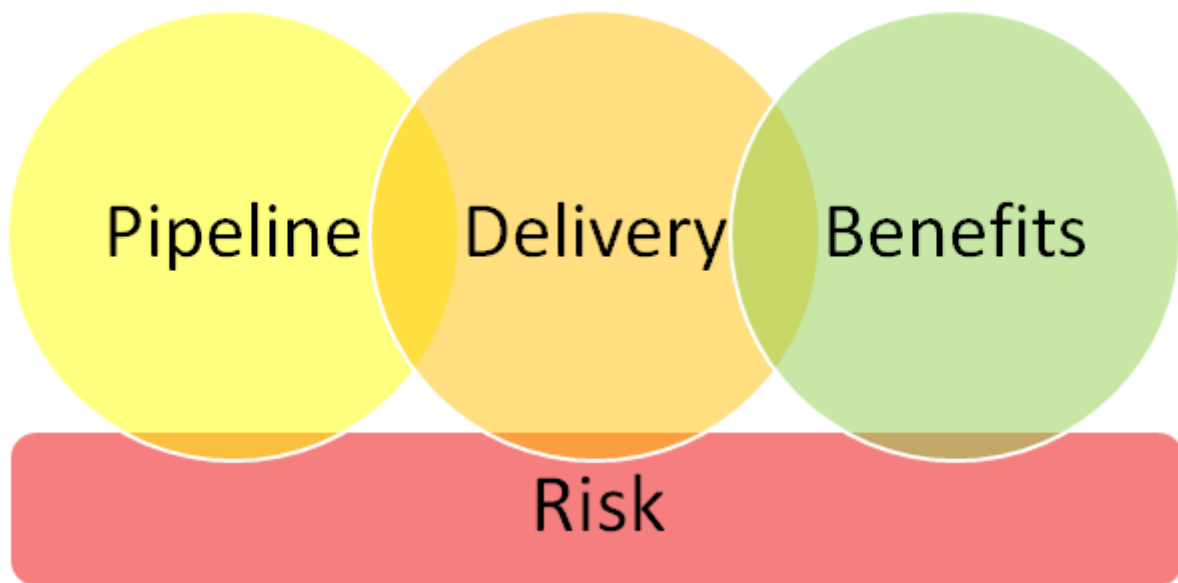
Appendix B 2018/19 Capital Monitor as at the end of September 2018

Background papers

None

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Capital Programme 2018/19 – 2022/23
Quarter 2
Performance Report



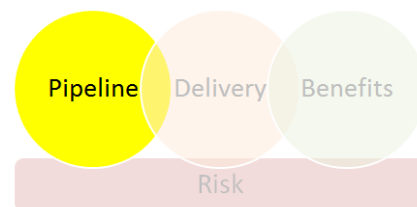
Performance and Finance Select Committee

22 November 2018

Capital Programme 2018/19 – 2022/23

1. Pipeline

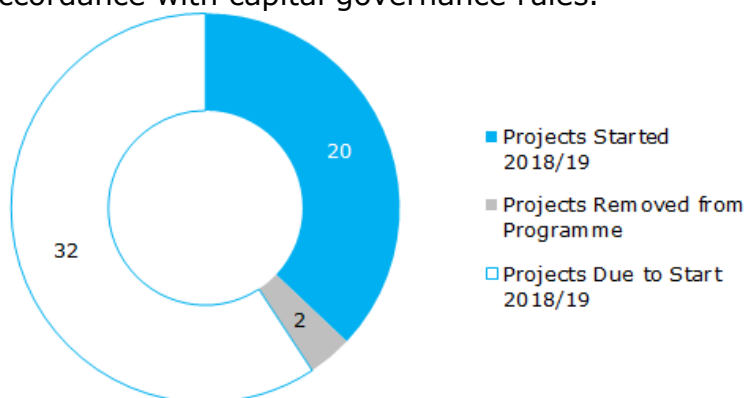
1.1 Projects that have had a Strategic Outline Case (SOC) approved and are included in the approved 5-year capital programme are considered to be in the pipeline. The preferred option/s will be developed into a Full Business Case (FBC) for a decision to proceed, in accordance with the approved capital programme governance, before the project can enter into delivery stage.



1.2 For some programmes of work, further updated Strategic Outline Cases are required before individual projects start dates are identified. Once projects are approved in accordance with capital governance, they will be considered “in delivery” and produce highlight reports that will be reported in the delivery section of this report.

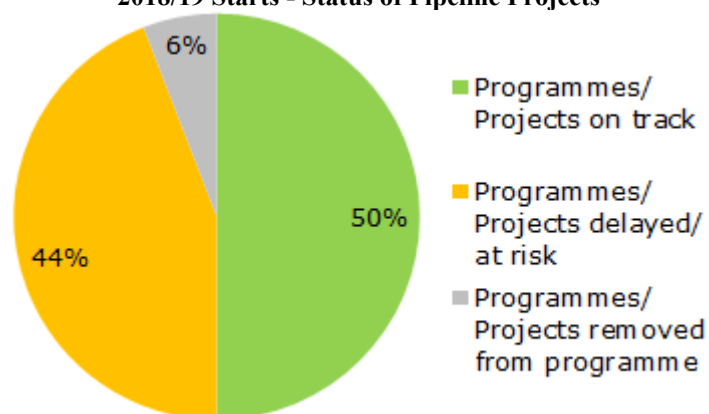
1.3 The Capital Programme Office (CPO) is currently monitoring the development of 92 programmes and projects in the 5-year pipeline.

1.4 So far in 2018/19, 20 projects have been approved to go to delivery stage, including the asset management block allocations. In September, 32 projects remain due to be approved to go into delivery in 2018/19, subject to the approval of a Full Business Case in accordance with capital governance rules.



1.5 Each of the proposed projects in the Pipeline is subject to monthly review at one of the officer Hubs to ensure that progress remains on track. At the end of Quarter 2, 17 projects due to start in 2018/19 were reported to be on track. 15 projects due to start in 2018/19 reported an issue affecting the originally planned progress to reaching delivery stage:

2018/19 Starts - Status of Pipeline Projects



1.6 2 projects have been removed from the pipeline:

Project	Location	Reason
PropCo – Wallis Centre, East Grinstead	Mid Sussex	Review of the business case leading to revised estimated value for money indicating the project should not be progressed
Crawley Streetlighting LED Replacement	Crawley	Strategic review of project outcomes leading to the project being returned to pipeline

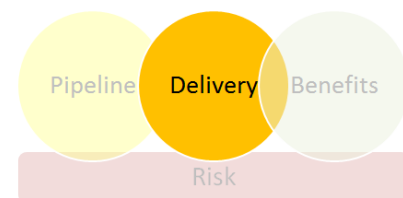
1.7 A summary of the project rated “delayed” or “at risk” is set out in the table below:

Profiled start	Project	Status	Reason	Outcome Status as at 12 Nov 2018
May 2018	Crawley Growth Programme – Grade A Commercial in Crawley Town Centre	DELAYED	Full business case delayed to enable a range of funding and delivery models to be considered	GREEN
July 2018	One Public Estate - Combined Horsham Blue Light Centres	DELAYED	Valuations of disposable land require consideration in line with wider Asset Strategy Full Business Case expected in April 2019	GREEN
July 2018	One Public Estate – East Street, Littlehampton	DELAYED	Issues with consultant capacity and resource planning, Full Business Case expected in May 2019	GREEN
October 2018	Relocation of Burgess Hill Fire Station	DELAYED	Full business case being prepared for decision in March 2019 – no impact on overall project timeline	GREEN
July 2018	One Public Estate – Drayton Depot Blue Light Maintenance Facility	DELAYED	Increased specification requirements from services being considered in revised feasibility, Full Business Case expected in April 2019	GREEN
July 2018	PropCo – Angel’s Nursery, Barnham	DELAYED	Design stage expected to reach practical completion in December 2018.	GREEN
Sept 2018	Worthing Community Hub	DELAYED	Public consultation during September, full business case to be developed on basis of responses for decision in March 2019	GREEN
June 2018	Solar Farms/Battery Storage – St Joseph’s, Hunston	AT RISK	Review of options leading to proposal to withdraw the project	GREY
June 2018	Watery Lane, Hunston Battery Storage	DELAYED	Delayed due to availability of surveyor resources and delay securing grid connection, Full Business	GREEN

			Case expected in May 2019	
Oct 2018	Easthampnett, Aldingbourne Solar Farms and Battery Storage	DELAYED	Delay due to resource capacity with the team. Full Business Case expected in May 2019	GREEN
August 2018	Halewick Lane, Sompting Battery Storage	DELAYED	Decision delayed until after Planning	GREEN
April 2018	Small Commercial Battery Storage Pilot	DELAYED	Originally proposed at Oathall Community College, expanded to include other smaller-scale sites as a pilot for further works. Full Business Case expected in February 2019	GREEN
July 2018	School Basic Need – Bourne Community College	DELAYED	Decision currently profiled for November 2018	GREEN
June 2018	School Basic Need - Crawley Down Primary	DELAYED	Cabinet Member approved in October 2018	IN DELIVERY
June 2018	School Basic Need - St Mary's RC Primary School	DELAYED	Cabinet Member approved in October 2018	IN DELIVERY

2. 2018/19 Delivery

2.1 Each of the projects in delivery are subject to monthly highlight reports produced by the Project Manager. The highlight reports are scrutinised by a service-specific officer "Hub" and a summary and analysis is presented in this report.

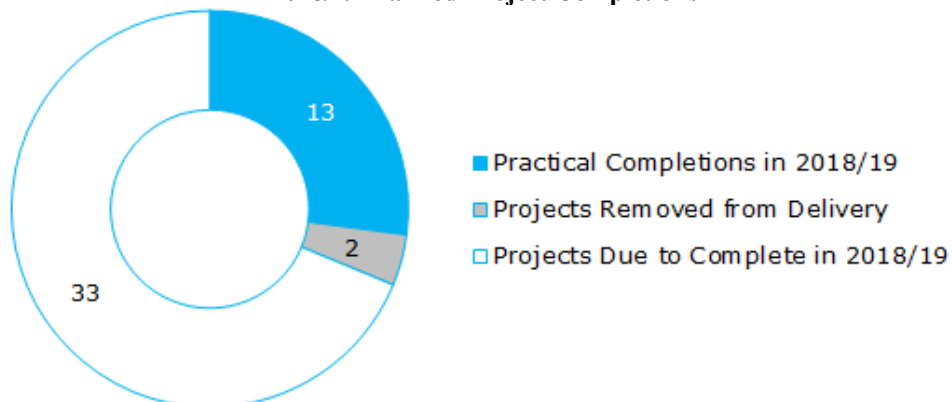


2.2 The highlight reports provide a colour-coded rating for each project as follows:

- **GREEN** - the project is reporting to plan
- **AMBER** - there is an issue having an effect on the project, but that it can be dealt with by the project manager or project delivery team
- **RED** - there are significant issues with the project, requiring corrective action
- **WHITE** - no highlight report was submitted
- **BLUE** - a project had reached practical completion
- **GREY** - a project has been withdrawn from the programme

2.3 The CPO is monitoring the 66 projects that are in delivery, of which 33 remain due to complete during 2018/19.

2018/19 Planned Project Completions



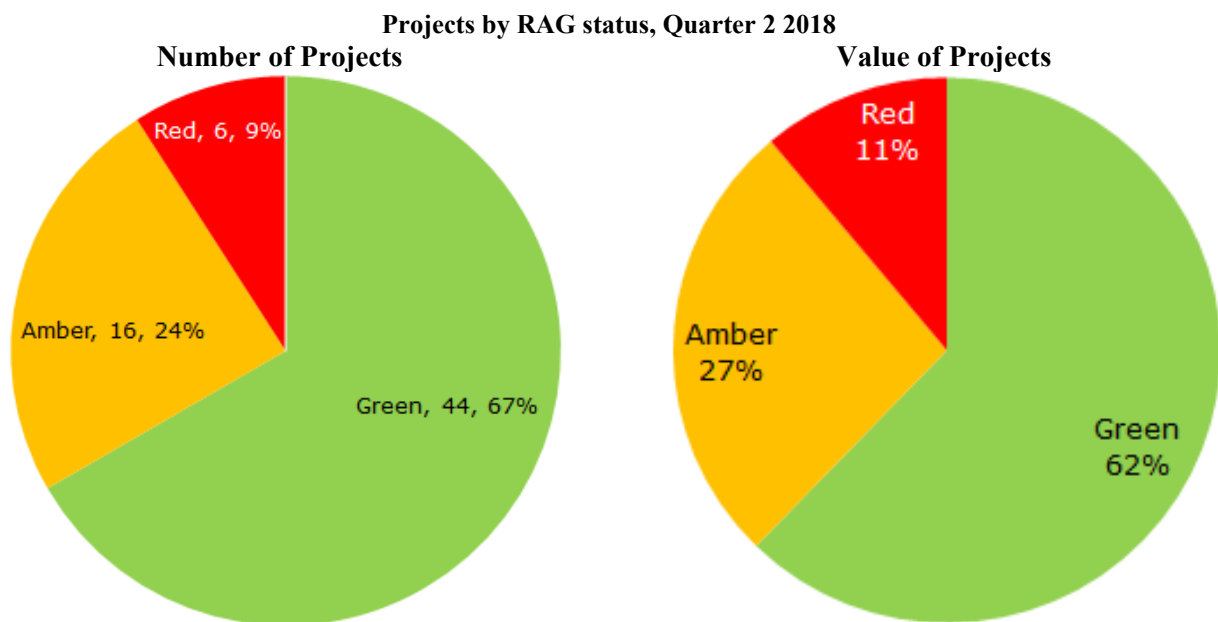
2.4 2 projects reached practical completion during Quarter 2:

September		
Project	Location	Description
Turners Hill Fire Station Breathing Apparatus Cleaning Facilities	Mid Sussex	Building modifications at Turners Hill Fire Station to provide cleaning facilities for fire service breathing apparatus
Westhampnett Gas	Chichester	Construction of a gas extraction system on the Westhampnett closed landfill site

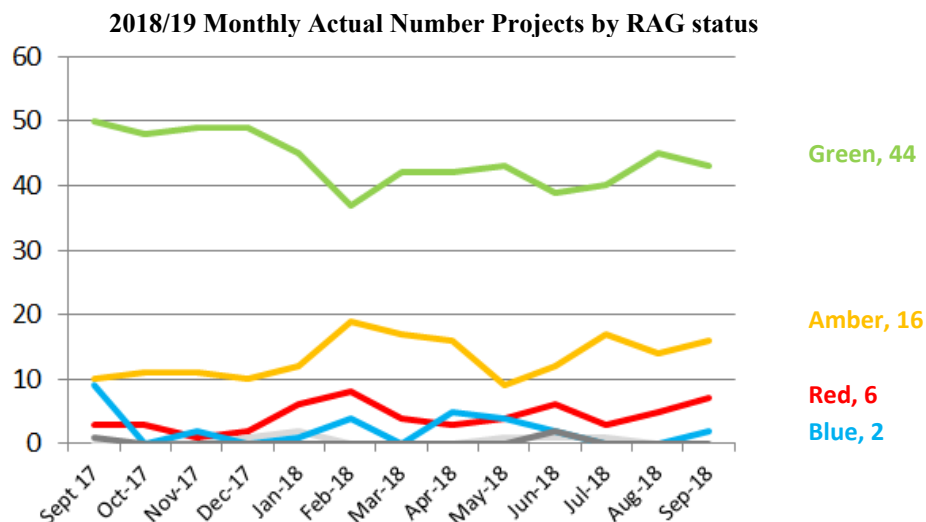
2.7 2 projects have been removed from the delivery section of the programme:

Project	Location	Reason
Crawley Streetlighting LED Replacement	Crawley	Strategic review of project outcomes leading to the project being returned to pipeline
Waste RDF Handling Facility	Horsham	Strategic review of project outcomes leading to the project being returned to pipeline

2.4 At the end of Quarter 2, 44 projects in delivery were rated **GREEN**. 16 were rated at **AMBER**. 6 were rated as **RED**.



2.5 The graph below sets out monthly RAG statuses over the last year:

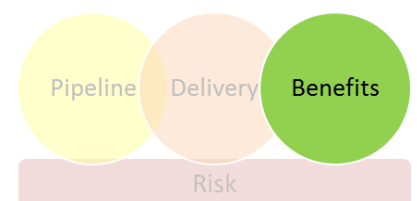


2.6 A summary of all projects is set out by portfolio in Appendix A. The table below sets out the projects rated **RED** at the end of Quarter 2, the action being taken to address the issues and a CPO assessment of the impact on the project outcomes:

Scheme	RAG at 30 Sept	Reason	Updated position at 12 November		
			Updated RAG	Latest Update	Impact
Community Schools Capital Maintenance Programme	3	Staff Resource issues leading to delays in progressing the programmed works	Red	Vacant posts advertised. Multidisciplinary Contractor resources assigned	High
Northgate Primary School	1	Additional costs due to kitchen, highways, electrical, drainage and IT works required - Change Request by Key Decision pending to add school contribution to meet costs	Red	Change Request required to add school contribution to meet additional costs	Low
Oathall Community College	5	New IT equipment required to complete the works - additional costs subject to Change Request	Red	Change Request required. Project due to complete in November	Low
Parklands Primary School	5	Project completed. Significant defects leading to additional works and costs subject to Change Request	Red	Change Request required	Low
Sackville School	1	Unexpected asbestos and roof maintenance works leading to additional costs, subject to Change Request	Red	Asbestos issues resolved within contingency budget. Change Request required to transfer funds for roof maintenance works	Low
A284 Lyminster Bypass	6	Changes in design to meet enhanced Environment Agency flood mitigation standards leading to increased costs beyond current budget. Alternative funding options are being considered	Amber	Additional funds to be included in the 2019/20 - 2023/24 capital programme	High

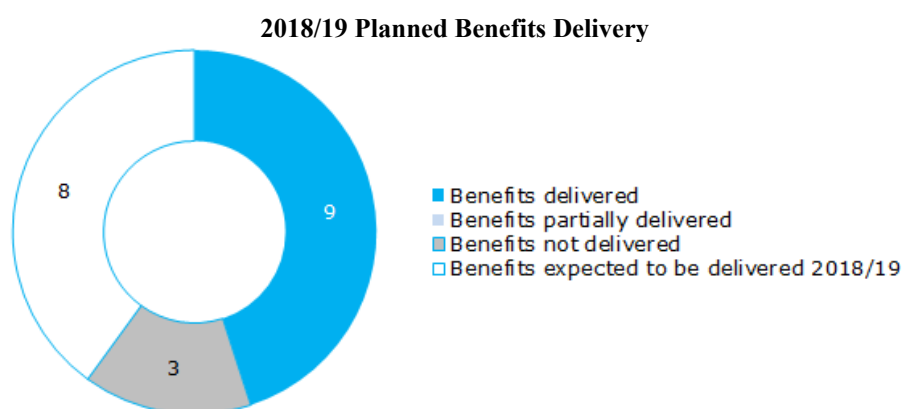
3. Benefits

3.1 Benefits are the positive outcomes that a project/ programme delivers, which justify the investment and contributes towards one or more organisational objectives.



3.2 A benefits realisation framework was put in place in October 2016. Projects approved since then are required to identify at least one benefit to be tracked throughout the lifecycle of the investment and beyond project closure. Project benefits and measures are identified in each project’s Full Business Case, along with review dates for monitoring their delivery and the benefit owners. The delivery of benefits is scrutinised by the service-specific officer “Hub” and progress is reported to the Strategic Capital Investment Board.

3.3 The Benefits Tracker is currently monitoring 70 benefits to be delivered between now and March 2043. There are 8 benefits that remain profiled to be delivered in 2018/19. 9 benefits have been fully realised so far in 2018/19.



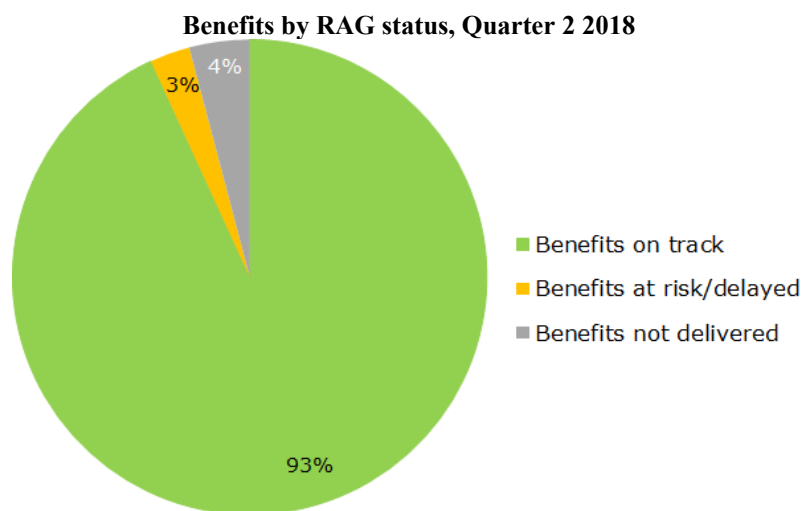
3.4 3 benefits have been removed from delivery and returned to the Pipeline:

Project	Location	Benefit Type	Mitigation
Crawley Streetlight LED Replacement	Crawley	Revenue saving	Project returned to pipeline, revised project/benefits to be developed
Waste RDF Handling Facility	Horsham	Reduced Tonnage RDF to landfill	Project returned to pipeline, revised project/benefits to be developed
		Revenue saving	Project returned to pipeline, revised project/benefits to be developed

3.6 A RAG rating is provided for each of the benefits:

- **BLUE** – benefits have been delivered
- **GREEN** - benefits remain on track to be delivered
- **AMBER** - benefits will still be delivered but may be delayed, reduced or there may be unexpected disbenefits
- **GREY** - benefits have been withdrawn from the tracker

3.7 Of the 70 benefits in the tracker at the end of Quarter 2, 68 were reported to be on track for planned delivery and 2 were reported as delayed or “at risk”. So far in 2018/19, 3 benefits have been withdrawn from the tracker:

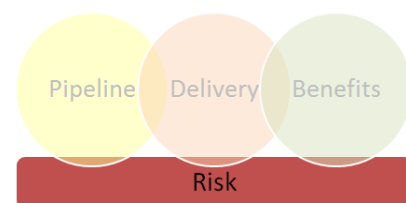


3.8 A summary of the projects where the benefit is reported reduced or at risk is set out below:

Project	Location	Status	Issue	Benefit Outcome Status
NHS Capital Grant - BC	Worthing	AT RISK	Changes in clients leading to amended benefit. Initial projection for a reduction in savings against approved business case – options for additional client placements to be considered	AMBER
Findon Valley Library and Children and Families Centre	Worthing	AT RISK	Grant clawback clause restricting options for use. Reduced rental income agreed with school – benefit to be reset to lower amount	AMBER

4. Risk

4.1 The capital programme risk register sets out the key risks to the delivery of the programme and significant risks to individual projects. The capital programme risk register sets out programme risks being managed by the Capital and Assets Board and project risks, which are managed by the appropriate service.



4.2 The CPO is managing 9 programme risks and reporting 8 project risks managed by services. 1 new risk was added to the register at Hub meetings on September's performance:

Risk	Impact	Status	Owner	Mitigations
Capacity of delivery services	Ability to deliver maintenance block allocations reduced, works may not be completed in programmed timeframes and funding may be required to be reprofiled	Impact 5 Likelihood 5	Lee Harris	Multidisciplinary Contractor engaged to provide resource. Posts advertised to fill vacancies

5. Finance

Core Programme

Adults - £211k

- Tempe £102k was approved to undertake the necessary repair and redesign of Tempe to be funded from the Asset Improvement allocation in the Capital Programme.
- Westergate Extra Care £211k - A total budget of £1.5m funded by grant was approved from the pipeline to enable the Westergate extra care housing scheme to proceed. This will be delivered by Housing and Care 21 with £750k to be paid in 2018/19 and £750k in 2019/20 meaning acceleration of £211k from 2019/20 to 2018/19.
- NHS Capital Grants (£102k) – Scheme has not progressed as first estimated and so has been re-profiled into 2019/20.

Education - £14,274k

- Manor Green Primary SEND Provision (£200k) - Scheme has not progressed as first estimated and so has been re-profiled into 2019/20.
- Titnore Lane (£50k) - Scheme has not progressed as first estimated and so has been re-profiled into 2019/20.
- Basic Need Pipeline – (£14,024k) - Schemes have not progressed as first estimated and so have been re-profiled into future years.

Environment – (£4,493k)

- Brookhurst Wood Site HA (£4,493k) - Scheme has not progressed as first estimated and so has been re-profiled into 2019/20.

Finance – £1,234k

- Gypsy £150k - Budget from the 2019/20 capital allocation held in the pipeline has been accelerated into 2018/19 to facilitate the next phase of dilapidation repairs.
- Asset Improvement Programme - £1,134k Acceleration from 2019/20 to 2018/19 to deliver numerous minor asset improvements.
- OPE (£50k) - Scheme has not progressed as first estimated and so has been partly re-profiled into 2019/20.

Highways – (£2,198k)

- A259 Corridor Enhancement Capacity, East Arun £9k - Scheme has progressed quicker than first estimated and so has been accelerated into 2019/20.

- Crawley Transport Package Phase 1 £135k - Scheme has progressed quicker than first estimated and so has been accelerated into 2019/20.
- Block £2,461k - Additional works approved and progressed funded from external sources.
- A2300 Corridor capacity enhancement, Burgess Hill - £920k - £2,005k was approved from the £22.58m Capital Programme allocation to support the next stage of scheme development profiled to spend £920k in 2018/19 and £1,130k in 2019/20.
- Pothole Action Fund £1,765k - Additional grant received for potholes in West Sussex from the DfT.
- 1. A284 Lyminster Bypass (£3,960k) - project has been further delayed due to the Environment Agency requiring a change in design standards to now include a viaduct. Up to £8.5m of additional funding may be required to allow the scheme to proceed to the new design.
- Flood Management (£441k) - Scheme has not progressed as first estimated and so has been re-profiled into 2019/20.
- West Of Horsham (£2,405k) - Budgets have been revised to reflect changes to design development, and subsequently to take account of environmental factors and framework contract procurement processes.
- Broadband (£282k) - Underspend from contract 1 has not yet been reallocated by BT for the future rollout of the project.
- Crawley Street Lighting LED (£400k) - Scheme has not progressed as first estimated and so has been re-profiled into 2019/20.

Leader including Economy – (£2,301k)

- Worthing Public Realm £400k - was approved from the Growth Programme line in the Capital Programme to support the progression of the detailed design for the delivery of public realm improvements in Portland Road, South Street South and South Street North. This is all profiled to spend in 2018/19.
- Broadband (Growth is Digital) (£28k) - Project completed under budget and so grant money has been returned to the LEP.
- Crawley Growth Programme (£2,673k) - Schemes have not progressed as first estimated and so have been re-profiled into 2019/20.

Safer Stronger Communities – (£513k)

- Fire Equipment (£163k) - Projects associated with emergency rescue equipment have come in under budget in particular the hydraulic rescue equipment. This

underspend was funded corporately and so will be used to finance the future capital programme.

- Haywards Heath Adaptations for Sussex Control Centre (£93k) - Project has completed under budget, the remaining budget was funded equally between external contributions and corporate funding.
- Future Years Fire Equipment (£247k) - Schemes have not progressed as first estimated and so have been re-profiled into 2019/20.

Income Generating Initiatives

Environment (£1,800k)

- YES (£1,000k) - Schemes have not progressed as first estimated and so have been re-profiled into 2019/20.
- Waste Infrastructure (£800k) - Scheme has not progressed as first estimated and so has been re-profiled into 2019/20.

Finance and Resources (£9,106k)

- Propco: Orchard Street £35k - Two year liability amount has now been settled and paid for therefore budget has been accelerated from 2019/20 to match expenditure.
- Investment Property Opportunities (£8,500k) - Schemes have not progressed as first estimated and so have been re-profiled into 2019/20.
- PropCo- Barnham (£641k) - Scheme has not progressed as first estimated and so has been re-profiled into 2019/20.

Highways and Infrastructure £2,610k

- County Gigabit £2,610k – Scheme has progressed quicker than first estimated and so has been accelerated into 2019/20.

Leader including Economy £20k

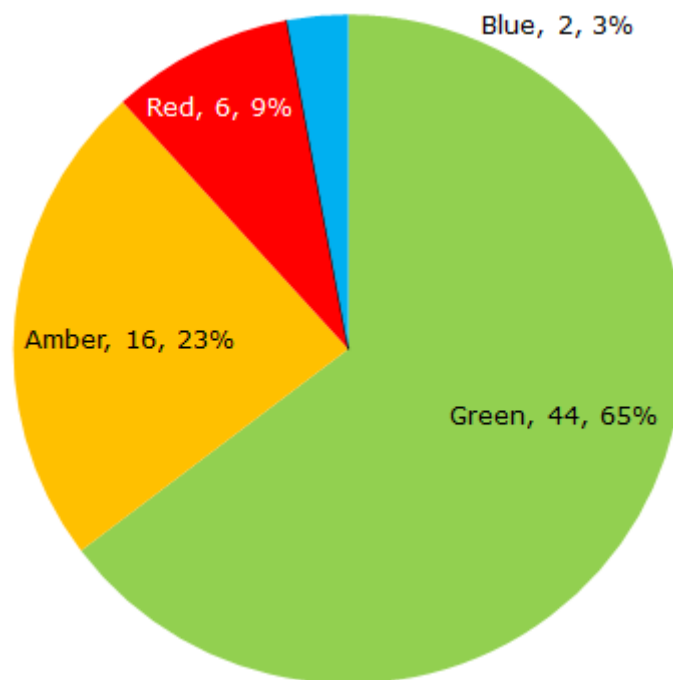
- Horsham Business Park £20k - Scheme has progressed quicker than first estimated and so has been accelerated into 2019/20.

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Capital Programme Quarter 2 Performance Report 2018/19

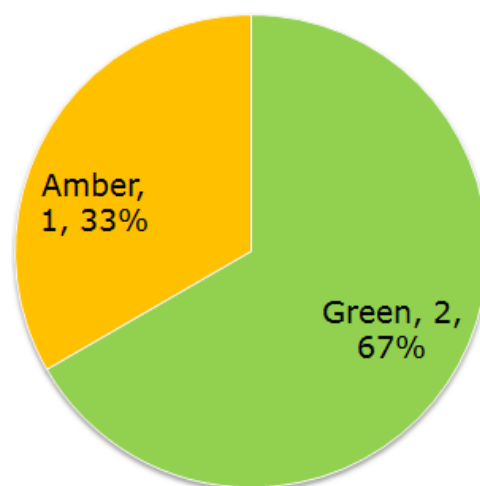
Performance by Portfolio

1. Each of the capital programme projects in delivery is required to submit a highlight report on a monthly basis to consider progress towards delivering the outputs against time, cost and quality. A summary of the RAG status of projects at the end of Quarter 2 is set out in the pie chart below:



2. The performance of project by individual Cabinet Member portfolio is set out below:

Adults and Health

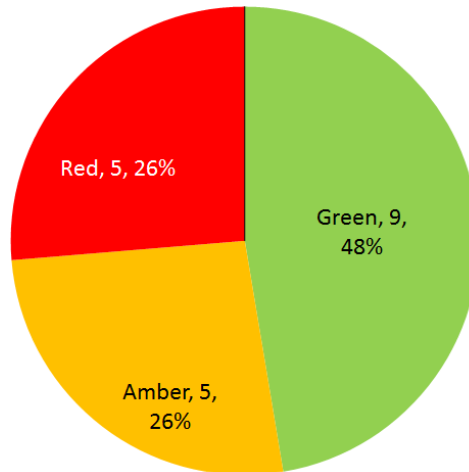


3. 3 projects submitted highlight reports at the end of September. 2 schemes in delivery were rated **GREEN**, indicating that the projects are reporting to plan. 1 was rated at **AMBER**, indicating that there is an issue having an effect on the project, but that it can be dealt with by the project manager or project delivery team.

4. The table below sets out the reason the project was **AMBER** along with an update on the latest position:

Scheme	RAG at 30 September	Reason	Updated RAG at 12 November	Updated Position
No. 2 Boundary Close	AMBER	Change in service-user specifications delaying completion	AMBER	Project expected to complete in November

Education and Skills



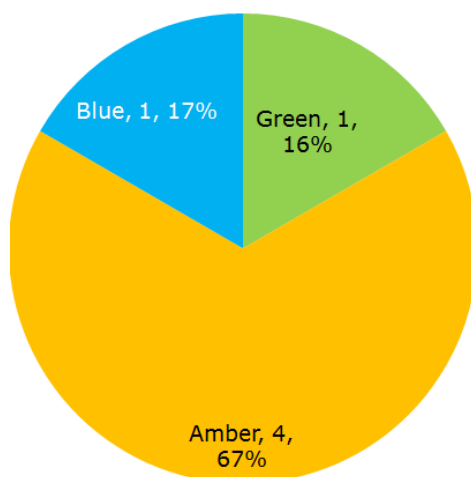
5. 19 projects submitted highlight reports at the end of September. 9 of the schemes in delivery were rated **GREEN**, indicating that the project is reporting to plan. 5 were rated at **AMBER**, indicating that there is an issue having an effect on the projects, but that it can be dealt with by the project manager or project delivery team. 5 were rated as **RED**, indicating that there are significant issues with the projects, requiring corrective action.

6. The table below sets out the reason individual project/s were rated **RED** or **AMBER** and provides an update on the latest position:

Scheme	RAG at 30 September	Reason	Updated RAG at 12 November	Updated Position
Alternative Provision	AMBER	Project completed and objectives delivered, however building condition issues require attention to ensure the property remains suitable for occupation	AMBER	Additional works identified, costs to be met through transfer of maintenance budgets – Change Request pending
Bramber Primary School	AMBER	Delay and potential additional costs due to ground conditions – significant flints in the soil and drainage issues	AMBER	Additional costs remain subject to Change Request. Project due to complete in November
Community Schools Capital Maintenance	RED	Staff resource issues leading to delays in progressing the programme of works.	RED	Vacant posts advertised. Multidisciplinary Contractor resources assigned
East Preston	AMBER	Additional works required on replacement	AMBER	Change Request to be

Infants School		roof leading to increased costs		prepared to fund additional costs from existing Basic Need budgets. Project due to complete in November
Littlegreen School	AMBER	Contractor in liquidation. Potential defects with foundations and drainage	AMBER	Potential defects notified to insurers. Project due to complete in November
Manor Green Primary	AMBER	Project delayed due to need to re-tender	AMBER	
Northgate Primary	RED	Additional costs due to kitchen, highways, electrical, drainage and IT works required	RED	Change Request required to add school contribution to meet additional costs
Oathall Community College	RED	Additional costs due to need to upgrade IT infrastructure	RED	Change Request required. Project due to complete in November
Parklands Primary	RED	Project complete. Significant defects leading to additional works and costs	RED	Change Request required
Sackville School	RED	Unexpected asbestos and roof maintenance works leading to additional costs.	RED	Asbestos issues resolved within contingency budget. Change Request required to transfer funds for roof maintenance works

Environment



7. 5 projects submitted highlight reports at the end of September. 1 project was rated **GREEN**, indicating that the project is reporting to plan. 4 were rated as **AMBER**, indicating that there is an issue having an effect on the projects, but that it can be dealt with by the project manager or project delivery team.

8. The table below sets out the reason individual project/s were rated **AMBER** and provides an update on the latest position:

Scheme	RAG at 30 September	Reason	Updated RAG at 12 November	Updated Position
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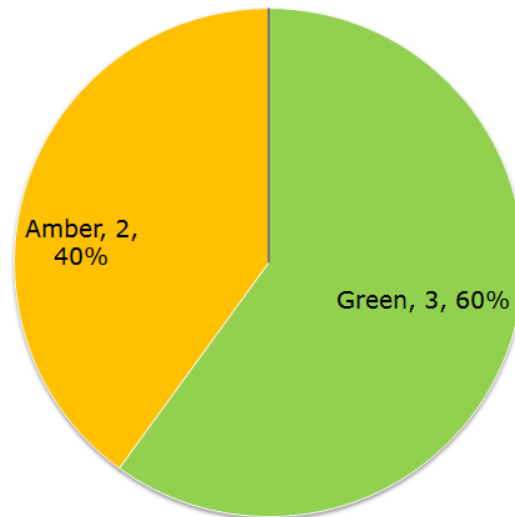
Agenda Item 9
Appendix A

Downslink	AMBER	Delay to programme to allow a review of deliverability of remaining schemes.	AMBER	Proposals to be finalised during November
Schools Solar PV Installation	AMBER	Additional legal requirements for Rustington Primary leading to delay in installation	AMBER	Legal requirements clarified and resolved. Contractor resource issues contributing to delay
Waste General Aftercare	AMBER	Changes to profiled works leading to re-profiling of works to 2020/21	GREEN	Plan scoped and profiled
Westhampnett Solar Farm	AMBER	Delay caused by cable specification issues	GREEN	Site energised – End of Project Report expected in November

9. 1 project reached practical completion during Quarter 1:

Project	Location	Description	Status
Westhampnett Gas	Chichester	Construction of gas extraction system on the Westhampnett closed landfill site	COMPLETE

Finance and Resources

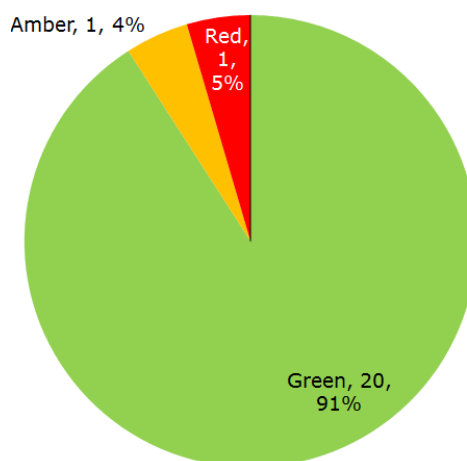


10. 5 projects submitted highlight reports at the end of September. 3 of the schemes in delivery were rated **GREEN**, indicating that the project is reporting to plan. 2 were rated at **AMBER**, indicating that there is an issue having an effect on the projects, but that it can be dealt with by the project manager or project delivery team. The table below sets out the reason individual project/s were rated **AMBER** and provides an update on the latest position:

Scheme	RAG at 30 September	Reason	Updated RAG at 12 November	Updated Position
Energy – Carbon Reduction	AMBER	Unexpected gasworks requirements causing delay of installation of Combined Heat and Power unit at Parkside, Horsham	AMBER	
Minor Asset	AMBER	Anticipated demand for capital works not	AMBER	Proposal to transfer unspent

Improvement Programme		realised – potential underspend for 2018/19		allocation to Capital Maintenance budget at end of November, subject to Change Request
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Highways and Infrastructure

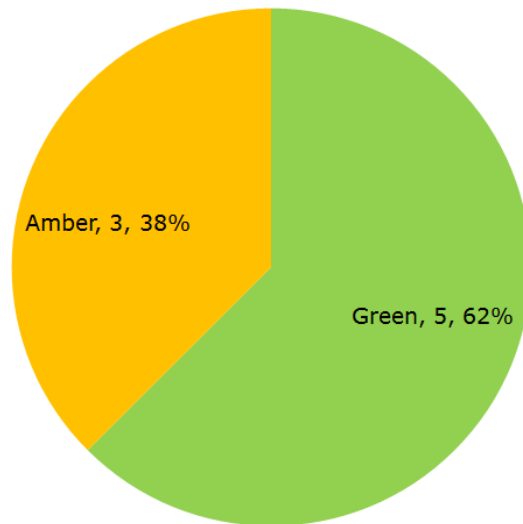


11. 22 projects submitted highlight reports at the end of September. 20 of the projects in delivery were rated **GREEN**, indicating that the project is reporting to plan. 1 was rated as **AMBER**, indicating that there is an issue having an effect on the projects but that it can be dealt with by the project manager or project delivery team. 1 project was rated as **RED**, indicating that there is a significant issue with the project, requiring corrective action.

12. The table below sets out the reason individual projects were rated **AMBER** and **RED** and provides an update on the latest position:

Scheme	RAG at 30 September	Reason	Updated RAG at 12 November	Updated Position
A259 Corridor Improvements	AMBER	Complexity of drainage system design works causing delay. Utility diversion costs higher than anticipated.	AMBER	Coordination of works with developer to be explored as well as potential cost savings if the WSCC contractor undertakes the trenching works for the new apparatus, during detailed design to reduce duplication of costs
A284 Lyminster Bypass	RED	Changes in design to meet enhanced Environment Agency flood mitigation standards leading to additional costs	RED	Additional funds to be included in the 2019/20 – 2023/24 capital programme

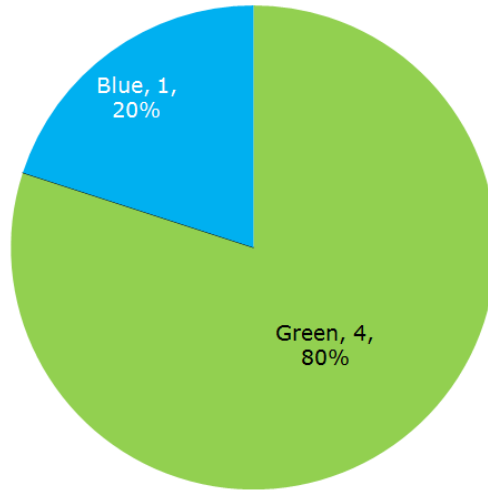
Leader



13. 8 projects submitted highlight reports at the end of September. 5 of the projects in delivery were rated **GREEN**, indicating that the project is reporting to plan. 3 projects were rated at **AMBER**, indicating that there is an issue having an effect on the projects, but that it can be dealt with by the project manager or project delivery team.

14. The table below sets out the reason individual projects were rated **AMBER** and provides an update on the latest position:

Scheme	RAG at 30 September	Reason	Updated RAG at 12 November	Updated Position
Broadband Contract 2	AMBER	Contract delivery is two quarters behind delivery schedule	GREEN	Remedial plan agreed with contractor
Manor Royal Outdoor Media	AMBER	Power connection issues at 2 of 6 sites.	AMBER	Alternative arrangements being considered
Station Gateway Design Stage	AMBER	Delay in commissioning consultants due to partner commitment to development	AMBER	Partnership approach to deliver to be considered



15. 4 projects submitted highlight reports at the end of September, all of which were rated **GREEN**, indicating that the project is reporting to plan.

16. 1 project reached practical completion during June:

Project	Location	Description	Status
Turners Hill Fire Station Breathing Apparatus cleaning facilities	Mid Sussex	Building modifications at Turners Hill Fire Station to provide cleaning facilities for fire service breathing apparatus	COMPLETE

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2018/19 CAPITAL MONITOR as at the end of September 2018

Portfolio	(1)	(2)	(3)	(4)	(5) Forecast	(6)	(7) Variance
	18/19 Capital Programme (December County Council)	Slippage/ (Acceleration) from 2017/18	Total 18/19 Capital Programme	Actuals to Date	Forecast for Remaining Period	Full Year Forecast	Over/(Under) Spend
	£000	£000	£000	£000	£000	£000	£000
Core Programme							
Adults and Health	739	157	896	160	947	1,107	211
Education and Skills/ Children and Young People	46,352	982	47,334	8,735	24,325	33,060	(14,274)
Environment	4,590	903	5,493	60	940	1,000	(4,493)
Finance and Resources	4,406	120	4,526	867	4,893	5,760	1,234
Highways and Infrastructure	34,625	559	35,184	11,283	21,703	32,986	(2,198)
Leader including Economy	8,773	361	9,134	212	6,621	6,833	(2,301)
Safer, Stronger Communities	4,873	429	5,302	2,707	2,082	4,789	(513)
Total Core Programme	104,358	3,511	107,869	24,024	61,511	85,535	(22,334)
Income Generating Initiatives							
Environment (Waste Infrastructure & YES)	7,090	2,697	9,787	2,036	5,951	7,987	(1,800)
Finance and Resources (inc Propco)	21,000	48	21,048	318	11,624	11,942	(9,106)
Highways and Infrastructure (Gigabit)	2,700	0	2,700	524	4,786	5,310	2,610
Leader including Economy (5 Bold Ideas)	833	567	1,400	5	1,415	1,420	20
Total IGI	31,623	3,312	34,935	2,883	23,776	26,659	(8,276)
Total Capital Programme	135,981	6,823	142,804	26,907	85,287	112,194	(30,610)

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Performance and Finance Select Committee

22 November 2018

Business Planning Group Report

Report by Chairman, Business Planning Group
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Executive Summary

Each Select Committee has a Business Planning Group (BPG) to oversee the Committee's work programme and prioritise issues for consideration by the Committee.

This report provides an update to the Committee from the latest Performance and Finance Select Committee (PFSC) BPG meeting held on 5 November 2018 setting out the key issues discussed.

Changes to the interim work programme are reflected in the PFSC work programme included as Appendix A.

The Committee is also responsible for the over-arching review of Scrutiny Task and Finish Groups (TFGs). The Committee is asked to review the Task and Finish Group (TFG) rolling progress report included as Appendix B.

Focus for Scrutiny

The Committee is asked to support the updates to the work programme as recommended by the Business Planning Group and reflected in the updated work programme at Appendix A to ensure that the highest priority issues are being scrutinised. The Committee is also asked to note the Task and Finish Group Rolling Programme attached as Appendix B.

1. Introduction

The BPG met on 5 November 2018, members in attendance were Mr Montyn (Chairman), Mrs Dennis, Mrs Mullins and Dr Walsh.

2. 5 November 2018

2.1. In reviewing the Action Notes of the previous meeting the Group discussed the **What Matters to You? survey** item presented to the October Select Committee. They agreed that a Member Task and Finish Group (TFG) should be established to contribute to the questions included in the next survey as recommended by the Committee. The TFG would therefore be added to the list of proposed TFGs in the Rolling Programme.

2.2. The Director of Finance, Performance and Procurement and Director of Law and Assurance attended the meeting to discuss the concerns raised in relation to **large scale procurements**, as identified at a recent

Environment, Community and Fire Select Committee (ECFSC). It was agreed that the processes would be included within the remit of the reconvening Contracts Management TFG, as agreed at the previous BPG meeting, and that the Director of Law and Assurance would provide a response in relation to the governance arrangements around large-scale procurements for the Chairman to send to the Chairman of ECFSC.

- 2.3. The Director of Law and Assurance also provided an update on the **Orbis Public Law** agreement. The Group were satisfied that the work to align structures and budgets was progressing satisfactorily and that joint scrutiny was too early in the process as yet. It was determined that a joint scrutiny exercise would be more appropriate once the structures and budgets were fully aligned, after April 2019. If any concerns arose the Cabinet Member for Corporate Relations and Director of Law and Assurance would bring these to the BPG as appropriate.
- 2.4. Following the last meeting of the Group when the **Quarterly Capital Programme Performance Monitor** was discussed the additional information provided by the Capital Programme Manager was reviewed. The Group agreed that the Quarter 2 report to be presented to PFSC in November would remain as presented previously, but that additional supporting information would be provided for all Members via the Members Information site of the web-site (MINE). This was determined due to the detail and volume of information presented being too much for a public committee meeting. The extra information would provide Members with the information they need on the capital programme to raise specific, detailed questions outside of the meeting. Any strategic issues or concerns could still be questioned at the committee meetings. The BPG would review the arrangements at a future meeting to ensure it is meeting Member needs.

3. **Scrutiny Work Programme Planning**

- 3.1 Members of the Group reviewed the outstanding items on the current work programme. Appendix A details the items and timings to be reviewed as part of the 2018/19 work programme for the Committee. These changes include:-
 - The **budget report** to be presented to the November meeting would be a high level report updating the Medium Term Financial Strategy following the Autumn budget statement and the current budget gap.
 - Inclusion of an up-date on the progress of the **One Public Estate (OPE)** programme would be presented to the November meeting of the Committee. This should include updates of all the current projects within the programme.
- 3.2 The Group requested that an officer attend the next meeting of the Group (February 2019) to provide information around the **Whole Council Design** work programme. The Group also supported a need for an all Member Day on this so that all Members understood the direction of travel and how it will contribute to the savings for the whole Council.
- 3.3 A proposal was made to hold a **Questioning Skills** workshop session for all Members on the scheduled PFSC Project Day in December (7th). Members of the Group determined that the day should not be used for this session on its own and that if no other development/training session was required that the

Project Day should be cancelled and another day found for the questioning skills session.

- 3.4 Mrs Dennis asked about the finances around **school place planning** and how this has been affected by the lack of take-up of academies and free schools. It was agreed that this was more appropriate to be looked at by the Children and Young People’s Services Select Committee (CYPSSC) and that Members would therefore raise the issue there.

4. Scrutiny Task and Finish Groups

- 4.1 The progress report of Task and Finish Groups is attached as Appendix B. This includes the current position of the Groups established as part of the Scrutiny Work Programme which was approved at County Council in December 2017 and the proposed TFG in relation to the What Matters to You? survey.

5. Implications

- 5.1 There are no resource, risk management, Crime and Disorder Act or Human Rights Act implications arising directly from this report. However, if any substantive reports to the Committee have implications, an Equality Impact Report will be included in appropriate substantive reports to the Committee.

Pieter Montyn

Chairman, Performance and Finance Business Planning Group

Contact Susanne Sanger, 033 022 22550

Appendices

Appendix A PFSC Work Programme 2018/19

Appendix B Scrutiny TFG Rolling Progress Report

Background Papers

None

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Select Committee Meeting date	Subject/Theme	Objectives/Comments	Key Contacts	Source
22 November 2018 Dispatch: 13 November PrAM: 7 November PrAM dispatch: 31 October	Review of savings proposals for 2019/20	Scrutiny ahead of approval of budget at February County Council. To include an update on the savings gap, summary of the Autumn Budget Statement, and an update on the Forward Plan decisions going to the Select Committees.	Katharine Eberhart, Steve Harrison	BPG 21/05/18
	Treasury Management Mid-year Review	Scrutiny of the mid-year performance of Treasury Management.	Katharine Eberhart, Vicky Chuter	Work Prog
	Quarter 2 Capital Programme Performance Report	Review of the capital programme performance.	Lee Harris, Matt Hall	BPG 13/09/18
	One Public Estate	Scrutinise the progress, ongoing work, costs and efficiency savings in relation to the One Public Estate programme.	Lee Harris Miranda Shawcross	BPG 13/09/18
	TPM - September	Review of the latest TPM report. To include an update on the Whole Council Design project (previously called Service Transformation Programme), and the quarterly HR update.	Katharine Eberhart Nadine Muschamp Martin Farrell	Work Prog
	November BPG Report	Summary of the November BPG	Susanne Sanger	
	Appointment to BPG	Appointment of the Vice Chairman to the BPG	Susanne Sanger	
7 December 2018 PROJECT DAY	TO BE CANCELLED			
17 January 2019 Dispatch: 8 January PrAM: 4 January PrAM dispatch: 27 December	2019/20 Draft Budget: revenue and capital	Review of the draft budget (revenue, capital, savings) prior to County Council in February. Comments from the Committee will be presented to Cabinet at the end of January.	Katharine Eberhart, Steve Harrison	Work Prog
	TPM October (November to follow TBC)	Review of latest TPM, including larger quarterly report.	Katharine Eberhart Nadine Muschamp Martin Farrell	Work Prog
	Treasury Management Strategy 2019/20	Scrutiny of the 2019/20 Treasury Management Strategy	Katharine Eberhart, Vicky Chuter	Work Prog
20 March 2019 Dispatch: 11 March PrAM: 4 March PrAM dispatch: 25 February	Annual Capita Review	Scrutiny of Capita performance as outlined in report to March'18 Committee meeting	Katharine Eberhart Linda Corn	March PFSC
	TPM - December	Review of latest TPM.	Katharine Eberhart Nadine Muschamp Martin Farrell	Work Prog
	Quarter 3 Capital Programme Performance Report	Review of the capital programme performance	Lee Harris Matt Hall	Work Prog
	Novartis Full Business Case - TBC	Review the full business case ahead of a Cabinet member decision	Carolyn Carr, Gary Cox	PrAM 21/06/18
	Business Planning Group report - February	Summary of the February BPG	Susanne Sanger	

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Task and Finish Group Rolling Programme

Title	Type of TFG	Membership	Focus	Current Status/ timetable	Officer Contact	Recommendations	Cabinet Member Response
JOINT SCRUTINY (with District & Borough Councils)							
NONE IN PROGRESS							
TFGs in PROGRESS							
Fire and Rescue Service	ECFSC	Simon Oakley (Ch), Michael Jones, Andrew Baldwin, Carol Purnell, Ann Bridges, Francis	To act as a critical friend to development and implementation of action plans arising from the Integrated Risk Management Plan, specifically work on the recruitment and retention of on-call firefighters, and on our emergency response standards.	First meeting TBC, likely late November. Three more meetings envisaged.	Ninesh Edwards		
PROPOSED TFGs							
Working with the Voluntary Sector	Cross-cutting	TBC	TBC: select cttee chairmen have been briefed: suggestion was that there should be updates through CLCs on what work with voluntary sector is being undertaken in the CLC area and proposals to improve this work. This will then determine whether a TFG is required and if so what the focus should be.	On-hold till after place-based sessions have been held at CLCs.	Susanne Sanger		
What Matters to You? survey	PFSC	TBC	October 2018 PFSC recommendation. To contribute to the design and questions included within the next What Matters to You? survey to ensure it better reflects what Members need to know in relation to resident priorities.	To be timetabled ahead of the next survey.	Susanne Sanger		
COMPLETED TFGs (to be reported through PFSC)							
Education and Skills Annual Report	CYPSSC	Paul High, Jacky Pendleton, Sue Mullins, Eileen Le Rossignol	To review performance of the Education and Skills service and attainment of pupils at schools in West Sussex.	Single meeting TFG to meet on 19 February 2018 and report back to CYPSSC on 14 March 2018.	Rachel Allan	Recommendations made as follows to the CYPSSC: 1. That officers are requested to undertake a pooling and cross-checking of Key Stages 1 and 2 data in advance of the published national deadline to enable West Sussex County Council officers to scrutinise the data at the first opportunity, enabling confidence and clear direction for forward planning.	CYPS 14 March 2018
School Funding Review	CYPSSC	Paul High, Jacky Pendleton, Sue Mullins, Joy Dennis, Anne Jones, Paul Marshall.	To preview school funding decision, as all the information was not available at the January Committee.	Single meeting TFG to meet on 8 February 2018.	Rachel Allan	Letter written to Cabinet Member for Education and Skills, endorsing the decision.	CYPS 14 March 2018
Contract Management	PFSC	Roger Elkins (Ch), Duncan Crow, Joy Dennis, Nigel Jupp, James Walsh, Kate O'Kelly, Chris Oxlade	To review the contract management and monitoring arrangements in place at WSCC.	Three meetings of the Group took place during April and May 2018. The final report and recommendations were presented to PFSC in July 2018.	Susanne Sanger	Final report was accepted by PFSC in July 2018. The Cabinet Member for Finance accepted all the recommendations included in the report (October 2018).	PFSC October 2018

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Forward Plan of Key Decisions

Explanatory Note

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

- Best Start in Life
- A Prosperous Place
- A Safe, Strong and Sustainable Place
- Independence in Later Life
- A Council that Works for the Community

The Forward Plan is updated regularly and key decisions can be taken daily. Published decisions are available via this [link](#). The Forward Plan is available on the County Council's website www.westsussex.gov.uk and from Democratic Services, County Hall, West Street, Chichester, PO19 1RQ, all Help Points and the main libraries in Bognor Regis, Crawley, Haywards Heath, Horsham and Worthing.

Key decisions are those which:

- Involve expenditure or savings of £500,000 or more (except decisions in connection with 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:

Decision	The title of the decision, a brief summary and proposed recommendation(s)
Decision By	Who will take the decision
West Sussex Plan priority	See above for the five priorities contained in the West Sussex Plan
Date added to Forward Plan	The date the proposed decision was added to the Forward Plan
Decision Month	The decision will be taken on any working day in the month stated
Consultation/ Representations	Means of consultation/names of consultees and/or dates of Select Committee meetings and how to make representations on the decision and by when
Background Documents	What documents relating to the proposed decision are available (via links on the website version of the Forward Plan). Hard copies of background documents are available on request from the decision contact.
Author	The contact details of the decision report author
Contact	Who in Democratic Services you can contact about the entry

For questions about the Forward Plan contact Helena Cox on 033022 22533, email helena.cox@westsussex.gov.uk.

Published: 13 November 2018

Forward Plan Summary

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

Page No	Decision Maker	Subject Matter	Date
 Best Start in Life			
5	Executive Director Economy, Infrastructure and Environment	Award of Contract for expansion of Crawley Down Primary School	November 2018
5	Executive Director Economy, Infrastructure and Environment	Award of Contract for the expansion of St Mary's Catholic Primary School, Bognor Regis	November 2018
6	Cabinet Member for Education and Skills	Expansion of Bourne Community College	November 2018
7	Executive Director Economy, Infrastructure and Environment	Award of Contract for the expansion of Bourne Community College	November 2018
8	Executive Director Children, Adults, Families, Health and Education	Award of Dynamic Purchasing System Agreements	December 2018
8	Cabinet Member for Education and Skills	Proposed increase in space at Manor Green Primary School, Crawley	December 2018
9	Cabinet Member for Education and Skills	School Funding 2019/20	January 2019
 A Prosperous Place			
10	Cabinet Member for Highways and Infrastructure	Policy on Commuted Sums for maintaining infrastructure in association with S278 and S38 Highway Agreements	November 2018
11	Cabinet Member for Highways and Infrastructure	Strategic Transport Investment Programme (2018/2019)	November 2018
12	Cabinet Member for Highways and Infrastructure	Procurement of new Highways Contract	November 2018
13	Cabinet Member for Highways and Infrastructure	Update of the Surface Water Management Policy	November 2018
14	Director of Hghways and Transport	Award of design contract for the A2300 Corridor Improvements	November 2018

14	Cabinet Member for Highways and Infrastructure	Extension to Interim Highways Contract	December 2018
15	Cabinet Member for Highways and Infrastructure	A29 Realignment Scheme	December 2018
16	Cabinet Member for Highways and Infrastructure	Gatwick Airport Draft Master Plan 2018: Approval of Consultation Response	January 2019
17	Cabinet Member for Highways and Infrastructure	Guidance on Parking in New Developments	February 2019



A Strong, Safe and Sustainable Place

18	Cabinet Member for Environment	Soft Sand Review - Issues and Options Consultation (Regulation 18 stage)	December 2018
19	Cabinet Member for Environment	Halewick Lane Energy Storage Project	March 2019



Independence in Later Life - none



A Council that works for the Community

20	Cabinet Member for Finance and Resources, Leader	Total Performance Monitor (Rolling Entry)	Between April 2018 and April 2019
21	Cabinet Member for Finance and Resources	Review of Property Holdings (Rolling Entry)	Between September 2018 and September 2019
22	Cabinet Member for Finance and Resources	Procurement of Outdoor Media Services	November 2018
22	Cabinet Member for Corporate Relations	Procurement of a Microsoft Enterprise Service Agreement	November 2018
23	Executive Director Children, Adults, Families, Health and Education	Approval of Contract Variations Regarding the Review of Charges for the Care and Support at Home Framework	November 2018
24	Director of Adult Services	Procurement of a Direct Payment Support Service	November 2018
25	Cabinet Member for Adults and Health	Procurement of Mortuary Services for West Sussex	December 2018
26	Cabinet Member for	Community Hubs	December

Agenda Item 13

	Safer, Stronger Communities		2018
27	Cabinet	Approval of the County Council's Revenue Budget 2019/20 and Capital Programme 2019/20 to 2023/24	January 2019
Strategic Budget Options 2019/20			
28	Cabinet Member for Environment	Funding for Recycling Credits	November 2018
29	Cabinet Member for Children and Young People	Provision of accommodation for Care Leavers	November 2018
29	Cabinet Member for Education and Skills	Creation of additional Special Support Centres	November 2018
30	Cabinet Member for Highways and Infrastructure	Passenger Transport (Bus) Strategy and Supported Services Review	December 2018
31	Cabinet Member for Highways and Infrastructure	On-street parking to support traffic management	December 2018
32	Cabinet Member for Children and Young People	Alterations to the Integrated Prevention and Earliest Help Service	December 2018
33	Cabinet Member for Adults and Health	Housing Related Support	December 2018
34	Cabinet Member for Adults and Health	Minimum Income Guarantee for Working Age Adults	December 2018
35	Cabinet Member for Adults and Health	Local Assistance Network (LAN)	December 2018

Best Start in Life

Executive Director Economy, Infrastructure and Environment

Award of Contract for expansion of Crawley Down Primary School	
<p>Due to growing demand for school places in the Crawley Down area there is a need to expand the local Primary School to accommodate additional pupils. The Cabinet Member for Education and Skills will be asked to approve the allocation of funds required to enable the expansion to proceed and to delegate authority to the Executive Director of Economy, Infrastructure and Environment to award the contracts for the works.</p> <p>Following receipt of this approval from the Cabinet Member, the Executive Director of Economy, Infrastructure and Environment will be asked to award the construction contract to expand Crawley Down Primary School.</p>	
Decision By	Lee Harris - Executive Director Economy, Infrastructure and Environment
West Sussex Plan priority	Best Start in Life
Date added to Forward Plan	17 April 2018
Decision Month	November 2018
Consultation/ Representations	<p>Executive Director Children, Adults, Families, Health and Education</p> <p>Representations concerning this proposed decision can be made to the Executive Director Economy, Infrastructure and Environment, via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>
Background Documents (via website)	None
Author	Rob White Tel: 033 022 23045
Contact	Wendy Saunders Tel: 033 022 22553

Executive Director Economy, Infrastructure and Environment

Award of Contract for the expansion of St Mary's Catholic Primary School, Bognor Regis	
<p>Due to growing demand for school places in the Bognor Regis area there is a need to expand St Mary's Catholic Primary School to accommodate additional pupils. The Cabinet Member for Education and Skills will be asked to approve the allocation of funds required to enable the expansion to proceed and to delegate authority to the Executive Director of Economy, Infrastructure and Environment to award the contracts for the</p>	

works. Following receipt of this approval from the Cabinet Member, the Executive Director of Economy, Infrastructure and Environment will be asked to award the construction contract to expand St Mary's Catholic Primary School.	
Decision By	Lee Harris - Executive Director Economy, Infrastructure and Environment
West Sussex Plan priority	Best Start in Life
Date added to Forward Plan	17 April 2018
Decision Month	November 2018
Consultation/ Representations	Executive Director Children, Adults, Families, Health and Education Representations concerning this proposed decision can be made to the Executive Director Economy, Infrastructure and Environment, via the officer contact, by the beginning of the month in which the decision is due to be taken.
Background Documents (via website)	None
Author	Rob White Tel: 033 022 23045
Contact	Wendy Saunders Tel: 033 022 22553

Cabinet Member for Education and Skills

Expansion of Bourne Community College	
<p>The County Council has a statutory duty to provide sufficient school places for all children who need a place. Due to the growing demand for school places, in March 2017 the Cabinet Member for Finance and Resources approved an expansion of Bourne Community College to increase the admission number from 150 pupils in each year group to 180 pupils in each year group with effect from September 2019.</p> <p>The Cabinet Member for Education and Skills will be asked to approve the allocation of the funds required to enable the project to proceed.</p>	
Decision By	Mr Burrett - Cabinet Member for Education and Skills
West Sussex Plan priority	Best Start in Life
Date added to Forward Plan	20 March 2018
Decision Month	November 2018
Consultation/	School

Representations	Parents and local residents Parish and District Councils Cabinet Member for Finance and Resources Representations concerning this proposed decision can be made to the Cabinet Member for Education and Skills, via the officer contact, by the beginning of the month in which the decision is due to be taken.
Background Documents (via website)	Cabinet Member Decision Report FIN09(16/17)
Author	Leigh Hunnikin Tel: 033 022 23051
Contact	Wendy Saunders Tel: 033 022 22553

Executive Director Economy, Infrastructure and Environment

Award of Contract for the expansion of Bourne Community College	
<p>Due to growing demand for school places there is a need to expand Bourne Community College to accommodate additional pupils. The Cabinet Member for Education and Skills will be asked to approve the allocation of funds required to enable the expansion to proceed and to delegate authority to the Executive Director of Economy, Infrastructure and Environment to award the contracts for the works.</p> <p>Following receipt of this approval from the Cabinet Member, the Executive Director of Economy, Infrastructure and Environment will be asked to award the construction contract to expand Bourne Community College.</p>	
Decision By	Lee Harris - Executive Director Economy, Infrastructure and Environment
West Sussex Plan priority	Best Start in Life
Date added to Forward Plan	17 April 2018
Decision Month	November 2018
Consultation/ Representations	Executive Director Children, Adults, Families, Health and Education Representations concerning this proposed decision can be made to the Executive Director Economy, Infrastructure and Environment, via the officer contact, by the beginning of the month in which the decision is due to be taken.
Background Documents (via website)	None
Author	Leigh Hunnikin Tel: 033 022 23051
Contact	Wendy Saunders Tel: 033 022 22553

Executive Director Children, Adults, Families, Health and Education**Award of Dynamic Purchasing System Agreements**

The County Council has a statutory responsibility to ensure the sufficiency of a variety of accommodation based services for children, young people and young adults. This responsibility includes children who are looked after (CLA), those with special educational needs and disabilities (SEND), care leavers, those on the edge of care, unaccompanied asylum seekers (UASC) and those at risk of homelessness.

Whilst the County Council provides some of these services, the demand is such that a significant number of placements have to be purchased from the external market and evaluation shows this is a trend expected to continue.

In July 2018 the Cabinet Member for Children and Young People and the Cabinet Member for Education and Skills jointly approved the procurement of a Dynamic Purchasing System (DPS), to facilitate the purchasing of placements for individual children from providers of accommodation based services including independent foster and residential care and independent and non-maintained special schools, as and when they are required. The term of the DPS is to be 7 years in total, starting on 1 March 2019 and concluding on 28th February 2026. The Cabinet Members also delegated authority to a responsible officer to implement the DPS.

A procurement process has taken place and the Executive Director Children, Adults, Families, Health and Education will be asked to approve the commencement of awards to providers qualified to join the DPS.

Decision By	- Executive Director Children, Adults, Families, Health and Education
West Sussex Plan priority	Best Start in Life
Date added to Forward Plan	12 November 2018
Decision Month	December 2018
Consultation/ Representations	Representations concerning this proposed decision can be made to the Executive Director, via the officer contact, by the beginning of the month in which the decision is due to be taken.
Background Documents (via website)	Cabinet Member Decision Report
Author	Stuart Gibbons Tel: 033 022 226218
Contact	Wendy Saunders - 033 022 22553

Cabinet Member for Education and Skills**Proposed increase in space at Manor Green Primary School, Crawley**

The County Council has a statutory duty to provide sufficient school places for all children who need a place. The County Council has been closely monitoring the number of pupils across the county and this number has been rising for the last five years, including the number of children with Special Educational Needs and Disabilities (SEND).

Manor Green Primary School in Crawley, a school which caters for children with a wide range of SEND, has admitted increasing numbers of children in recent years. The School requires expansion to provide additional teaching space to accommodate the growing pupil population; it is intended that this additional space will be in place for September 2019.

This proposal will be the subject of a public consultation during October and November 2018. Following assessment of the outcome of the consultation the Cabinet Member for Education and Skills will be asked to decide whether the expansion should proceed.

Decision By	Mr Burrett - Cabinet Member for Education and Skills
West Sussex Plan priority	Best Start in Life
Date added to Forward Plan	16 October 2018
Decision Month	December 2018
Consultation/ Representations	<p>A public consultation exercise with parents, education stakeholders and the wider community will be completed during October and November 2018. This complies with statutory guidance published by the Department for Education.</p> <p>A summary of responses will be available on the County Council website upon completion of the consultation exercise.</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Education and Skills, via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>
Background Documents (via website)	Public Consultation
Author	Vanessa Cummins Tel: 033 022 23046
Contact	Wendy Saunders - 033 022 22553

Cabinet Member for Education and Skills

School Funding 2019/20

In September 2017 the Government announced its plans to allocate funding to Local Authorities (LAs) for Schools and High Needs through a new National Funding Formula (NFF). It is the long term intention for mainstream schools to receive this funding directly from Government, and this could happen as early as 2021/22. Until then the County Council is responsible for distributing funding to schools through its locally agreed formula. The County Council needs to review its local formula factors and unit values for the allocation of funding to mainstream schools to determine how best to

make changes to move towards full NFF implementation.

Finance regulations require that schools and academies are consulted about any proposals to change the local formula or other funding arrangements that may affect future school funding. Formal consultation with schools and academies about proposed changes for 2019/20 is taking place during November 2018 before a report is considered by the Schools Forum at its meeting in December.

Along with proposals to change the local formula, the consultation will also cover the potential transfer of funds from both the Schools block and Early Years block to the High Needs block to address cost pressures in this budget.

Following analysis of the responses from schools to the consultation proposals and the outcome of the consultation with the Schools Forum the Cabinet Member will be asked to consider whether to approve the changes to the distribution of funding for 2019/20.

Decision By	Mr Burrett - Cabinet Member for Education and Skills
West Sussex Plan priority	Best Start in Life
Date added to Forward Plan	
Decision Month	January 2019
Consultation/ Representations	All West Sussex Maintained Schools and Academies Schools Forum - 6th December 2018 and 21st January 2019 Children and Young People’s Services Select Committee - 10th January 2019 Representations concerning this proposed decision can be made to the Cabinet Member for Education and Skills, via the author or officer contact, by the beginning of the month in which the decision is due to be taken.
Background Documents (via website)	DfE School Funding 2019/20 Operational Guidance
Author	Graham Olway Tel: 033 022 223029
Contact	Wendy Saunders - 033 022 22553

A Prosperous Place

Cabinet Member for Highways and Infrastructure

Policy on Commuted Sums for maintaining infrastructure in association with S278 and S38 Highway Agreements

In association with development proposals, third parties enter into agreements with the Council under Section 278 and Section 38 of the Highways Act 1980. These agreements enable them to make modifications to the existing public maintainable highway and also to offer up new highways for adoption by the County Council. Where

this infrastructure will create an additional maintenance burden on the authority, commuted sums are secured for the future maintenance of the asset that is being adopted.

The policy on commuted sums provides clarity on the Council's approach and which assets will attract commuted sums. It will reflect current rates for maintenance of the various assets.

The Cabinet Member for Highways and Infrastructure will be recommended to adopt the policy on commuted sums as the Council's approach to securing contributions for the future maintenance of assets adopted under S278 and S38 Highway Agreements.

Decision By	Mr Elkins - Cabinet Member for Highways and Infrastructure
West Sussex Plan priority	A Prosperous Place
Date added to Forward Plan	7 August 2018
Decision Month	November 2018
Consultation/ Representations	Internally with officers in the highways and transport, finance, and legal services teams Representations concerning this proposed decision can be made to the Cabinet Member for Highways and Infrastructure, via the officer contact, by the beginning of the month in which the decision is due to be taken.
Background Documents (via website)	None
Author	Andrew Howick Tel: 033 022 25704
Contact	Judith Shore Tel: 033 022 26052

Cabinet Member for Highways and Infrastructure

Strategic Transport Investment Programme (2018/2019)

In July 2013, the Council established a Strategic Transport Investment Programme (STIP) to identify and develop strategic (i.e. larger than local) transport schemes that are needed to support sustainable economic growth in the county. A long list of potential schemes was identified at that time, largely building on technical work to prepare local plans and these schemes were prioritised.

The STIP has been reviewed periodically since 2013 and consideration is again being given to adding new priorities for investment and also removing schemes that are no longer considered to be priorities. Consultation has taken place with elected members and other stakeholders who were invited to put forward suggestions to inform the review. As the majority of funding for strategic transport projects will be subject to scheme appraisal in line with Department for Transport guidance, any new potential priorities will be appraised using a similar standardised approach.

The Cabinet Member for Highways and Infrastructure will be provided with an update on

<p>progress with current priorities and recommended to approve a revised Strategic Transport Investment Programme list of priorities, including the need for feasibility work on schemes in 2019/20.</p>	
Decision By	Mr Elkins - Cabinet Member for Highways and Infrastructure
West Sussex Plan priority	A Prosperous Place
Date added to Forward Plan	7 August 2018
Decision Month	November 2018
Consultation/ Representations	<p>Local Members, Local Planning Authorities and other key stakeholders were invited to put forward suggestions</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Highways and Infrastructure, via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>
Background Documents (via website)	None
Author	Paul Eagle Tel: 033 022 25298
Contact	Judith Shore Tel: 033 022 26052

Cabinet Member for Highways and Infrastructure

Procurement of new Highways Contract	
<p>The Highways Maintenance Term Contract is used to deliver a range of statutory highways maintenance services and the existing contract expires on 31 March 2019. The length and scope of the contract and the detailed terms will be developed using a commissioning based approach.</p> <p>The Cabinet Member will be asked to:</p> <ol style="list-style-type: none"> (1) approve the commencement of a procurement process for a new Highways Maintenance Term Contract, to commence on expiry of the current contract; and (2) delegate authority to the Director of Highways and Transport to enter into the contract, and to extend if appropriate, in accordance with the Council's Standing Orders on Procurement and Contracts. 	
Decision By	Mr Elkins - Cabinet Member for Highways and Infrastructure
West Sussex Plan priority	A Prosperous Place
Date added to Forward Plan	29 August 2018
Decision Month	November 2018

Consultation/ Representations	Environment, Communities and Fire Select Committee All-member briefing Executive Director Economy, Infrastructure and Environment Director of Finance, Performance and Procurement Director of Law and Assurance Representations concerning this proposed decision can be made to the Cabinet Member for Highways and Infrastructure, via the officer contact, by the beginning of the month in which the decision is due to be taken.
Background Documents (via website)	None
Author	Chris Barrett Tel: 033 022 26707
Contact	Judith Shore Tel: 033 022 26052

Cabinet Member for Highways and Infrastructure

Update of the Surface Water Management Policy	
<p>The Surface Water Management Policy was adopted in August 2017 and is an important regulatory tool against which planning applications can be challenged. At the request of engineering colleagues in the West Sussex Districts and Borough councils, the County Council as Lead Local Flood Authority (LLFA) was requested to write further guidance relating to non-major developments (notably householder extensions and housing developments of less than 10 properties). The Policy has been reviewed over the past 9 months and consulted upon internally and externally.</p> <p>The Cabinet Member for Highways and Infrastructure will be asked to approve the adoption of the updated Surface Water Management Policy.</p>	
Decision By	Mr Elkins - Cabinet Member for Highways and Infrastructure
West Sussex Plan priority	A Prosperous Place
Date added to Forward Plan	17 July 2018
Decision Month	November 2018
Consultation/ Representations	District and Borough Councils, internal consultation with Director of Highways and Transport and Executive Director for Economy, Infrastructure and Environment Representations concerning this proposed decision can be made to the Cabinet Member for Highways and Infrastructure, via the officer contact, by the beginning of the month in which the decision is due to be taken.
Background Documents (via website)	West Sussex (LLFA) Policy for the Management of Surface Water

Author	Ray Drabble Tel: 033 022 24077
Contact	Judith Shore Tel: 033 022 26052

Director of Hghways and Transport

Award of design contract for the A2300 Corridor Improvements	
<p>The Department for Transport has provided £1.7m of Local Growth Fund to assist with the design and development of the A2300 corridor improvements following the submission of an outline transport business case for the scheme by the County Council in June 2018.</p> <p>In May 2018, the Cabinet Member for Highways and Infrastructure delegated authority to the Director of Highways and Transport to tender, procure and award the services of Design and Build and Contract Administration from the approved list of contractors on the Highways and Transport Frameworks. [Ref: HI03 (18/19)] A competitive tender exercise has been undertaken and the Director of Highways and Transport will award the design contract to the selected contractor.</p>	
Decision By	Mr Elkins - Director of Hghways and Transport
West Sussex Plan priority	A Prosperous Place
Date added to Forward Plan	26 October 2018
Decision Month	November 2018
Consultation/ Representations	<p>Executive Director Economy, Infrastructure and Environment Director of Highways and Transport</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Highways and Infrastructure, via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>
Background Documents (via website)	None
Author	Hiong Ching Hii Tel: 033 022 22636
Contact	Judith Shore Tel: 033 022 26052

Cabinet Member for Highways and Infrastructure

Extension to Interim Highways Contract
<p>The Highway Maintenance Contract is used to deliver a range of statutory highway maintenance services and the existing, interim, contract will expire before a new contract can be put in place. The contract needs to be extended to allow the procurement of a new contract to be effectively processed and completed.</p>

The Cabinet Member will be asked to:	
<p>(1) approve the extension of the current interim contract with Balfour Beatty Living Places; and</p> <p>(2) delegate authority to the Director of Highways and Transport to finalise the terms and award the interim contract, and to extend further if appropriate, in accordance with the Council's Standing Orders on Procurement and Contracts.</p>	
Decision By	Mr Elkins - Cabinet Member for Highways and Infrastructure
West Sussex Plan priority	A Prosperous Place
Date added to Forward Plan	13 November 2018
Decision Month	December 2018
Consultation/ Representations	<p>Executive Director of Economy, Infrastructure and Environment Director of Finance, Performance and Procurement Director of Law and Assurance</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Highways and Infrastructure, via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>
Background Documents (via website)	None
Author	Chris Barrett Tel: 033 022 26707
Contact	Judith Shore Tel: 033 022 26052

Cabinet Member for Highways and Infrastructure

A29 Realignment Scheme
<p>The proposed A29 Realignment Scheme would deliver a ~4km bypass to the east of Eastergate, Westergate and Woodgate villages. The new road alignment would provide the highway infrastructure needed to mitigate the impacts of planned strategic development of 30ha of employment land and 3,720 new homes in the area. Along with alleviating problems of traffic congestion along the existing A29, notably at the Woodgate level crossing which causes delays on a key access route to Bognor Regis.</p> <p>To date, West Sussex County Council has commissioned the consultants WSP to carry out a Route Option Review of the A29 Realignment Scheme, develop the preliminary design and Full Business Case (FBC). The previously submitted Strategic Outline Business Case to the Coast to Capital Local Enterprise Partnership (LEP) allocated in principle £13m of Local Growth fund to the scheme, subject to submission and approval of a FBC.</p> <p>The Cabinet Member will be recommended to approve that the FBC is submitted</p>

to Coast to Capital LEP, commence public consultation in spring 2019 and commence the procurement process to select a contractor for the next stage of the project.	
Decision By	Mr Elkins - Cabinet Member for Highways and Infrastructure
West Sussex Plan priority	A Prosperous Place
Date added to Forward Plan	16 October 2018
Decision Month	December 2018
Consultation/ Representations	<p>Consultation with internal departments and external stakeholders. Full public consultation in spring 2019</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Highways and Infrastructure, via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>
Background Documents (via website)	None
Author	Elaine Martin Tel: 033 022 24105
Contact	Judith Shore Tel: 033 022 26052

Cabinet Member for Highways and Infrastructure

Gatwick Airport Draft Master Plan 2018: Approval of Consultation Response
<p>Gatwick Airport Limited (GAL) has revised the non-statutory Gatwick Airport Master Plan, setting out its vision about how the airport can meet growing demand for air travel and deliver global connections into the early 2030s. The draft of the new Master Plan was published for comment on 18 October 2018 for 12 weeks until 10 January 2019.</p> <p>The new Master Plan, which will replace the current 2012 Master Plan, explains how Gatwick would develop and grow, balancing economic growth and environmental impact. It sets out the plan for the next five years together with three growth scenarios looking 5-15 years ahead to 2032. The scenarios, which could be taken forward separately or in combination, are: increase capacity using the existing main runway; bring the existing standby (or emergency) runway into routine use alongside the main runway; and continue to safeguard land for an additional runway to the south (while not actively pursuing one at this stage).</p> <p>GAL considers that the proposals are in line with the Government’s policy for making best use of existing runways and that it will deliver highly-productive, incremental new capacity with minimal environmental impact, to complement expansion schemes at other airports across the South East (including a third runway at Heathrow).</p> <p>The draft Master Plan also contains environmental information as well as information on economic and employment strategies and community engagement strategies. A number of questions have been posed by GAL as part of the consultation.</p>

The Cabinet Member for Highways and Infrastructure will be asked to approve the County Council's formal response to the consultation.	
Decision By	Mr Elkins - Cabinet Member for Highways and Infrastructure
West Sussex Plan priority	A Prosperous Place
Date added to Forward Plan	1 November 2018
Decision Month	January 2019
Consultation/ Representations	Internal with officers and members. Environment, Communities and Fire Select Committee on 6 December 2018 Representations concerning this proposed decision can be made to the Cabinet Member for Highways and Infrastructure, via the officer contact, by the beginning of the month in which the decision is due to be taken.
Background Documents (via website)	None
Author	Mike Elkington Tel: 033 022 26463
Contact	Judith Shore Tel: 033 022 26052

Cabinet Member for Highways and Infrastructure

Guidance on Parking in New Developments	
<p>The Council provides guidance on parking in new residential and commercial developments to inform the determination of planning applications by Local Planning Authorities (LPA). It addresses the amount of car and cycle parking that is expected to be provided and includes advice to developers and the LPAs on the highway impacts of parking provision in new developments.</p> <p>The current guidance was last reviewed in 2010 (residential), and 2003 (commercial). There is a need to review the current guidance to ensure it is fit for purpose, up to date and consistent with current national planning policy and guidance. A review of the current guidance has been undertaken in consultation with the LPAs to provide an updated evidence base and recommendations on which the new guidance will be based.</p> <p>The Cabinet Member for Highways and Infrastructure will receive a report on the review of current guidance and be asked to approve the Council's updated Guidance on Parking in New Developments.</p>	
Decision By	Mr Elkins - Cabinet Member for Highways and Infrastructure
West Sussex Plan priority	A Prosperous Place
Date added to	7 August 2018

Forward Plan	
Decision Month	February 2019
Consultation/ Representations	Local Planning Authorities in West Sussex Representations concerning this proposed decision can be made to the Cabinet Member for Highways and Infrastructure, via the officer contact, by the beginning of the month in which the decision is due to be taken.
Background Documents (via website)	None
Author	Paul Eagle Tel: 033 022 25298
Contact	Judith Shore Tel: 033 022 26052

A Strong, Safe and Sustainable Place

Cabinet Member for Environment

Soft Sand Review - Issues and Options Consultation (Regulation 18 stage)	
<p>The County Council, in partnership with the South Downs National Park Authority, is required to undertake a single issue Soft Sand Review of the West Sussex Joint Minerals Local Plan (JMLP). The timetable to undertake the Review is set out in the County Council's approved Minerals and Waste Development Scheme (the statutory management plan). Informal public consultation (Regulation 18) is timetabled to take place during January–March 2019.</p> <p>The Review will consider the demand and supply of soft sand required during the plan period (to 2033), and how this demand will be met, including the potential need for site allocations. An Issues and Options consultation document will seek the views on the options for meeting the demand for soft sand. The results of the consultation, and further technical work, will inform the preparation of the Proposed Submission Draft document, which will identify the proposed changes to the relevant sections of the JMLP.</p> <p>The Cabinet Member for Environment will be asked to approve the Issues and Options consultation document in December, for publication in January 2019.</p>	
Decision By	Mrs Urquhart - Cabinet Member for Environment
West Sussex Plan priority	A Strong, Safe and Sustainable Place
Date added to Forward Plan	9 October 2018
Decision Month	December 2018
Consultation/ Representations	Internal with planning officers in the County Council and the South National Park Authority prior to the Key Decision being

	<p>taken.</p> <p>There will be full public consultation on the Issues & Options Document in January 2019, in line with the Minerals and Waste Development Scheme.</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Environment, via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>
Background Documents (via website)	None
Author	Rupy Sandhu Tel: 033 022 26454
Contact	Judith Shore, Democratic Services Officer Tel: 0330 22 26052

Cabinet Member for Environment

Halewick Lane Energy Storage Project	
<p>The project forms part of the agreed objectives of the Your Energy Sussex (YES) partnership by increasing and enabling the expansion of renewable energy generation in the county as well as developing the low carbon economy and reducing CO₂ emissions. It also supports the outcomes identified in the approved Energy Strategy. The project will also facilitate a much needed re-development of the site, with the existing buildings being demolished and the site fully secured. The site has in recent years suffered problems with safety, break-ins and vandalism.</p> <p>Since 1 April 2014 the YES team has been working to develop a significant pipeline of energy related projects including:</p> <ul style="list-style-type: none"> • The imminent completion of Westhampnett solar farm with 4 mega-watts of energy storage on site, • Development of Tangmere Solar farm, which is now complete, • Installation of commercial scale PV (photovoltaic) systems on schools and third party roofs including at Goodwood Aerodrome, • PV systems for 225 houses owned by Crawley Borough Council, and • For Adur & Worthing councils, installation of gas central heating systems in houses served by a newly installed gas main. <p>Generation of income for all the energy schemes will be achieved through the Council's energy purchaser (N-Power) selling power on its behalf, maximising the income opportunities available as an energy generator. The dual expansion of solar generation and stand-alone battery storage is a key part of the YES energy project pipeline, with solar farms and battery storage continuing to represent a relatively low risk investment for capital.</p> <p>The Cabinet Member will be asked to approve the development of the previous Sompting Waste Destructor site (Halewick Lane, Sompting) into a battery storage facility.</p>	
Decision By	Mrs Urquhart - Cabinet Member for Environment
West Sussex Plan priority	A Strong, Safe and Sustainable Place

Date added to Forward Plan	14 August 2018
Decision Month	March 2019
Consultation/ Representations	Member for Sompting and North Lancing, Sompting Parish Council, District councillors, resident engagement session planned for North Lancing and surrounding area, South Downs National Park Authority Representations concerning this proposed decision can be made to the Cabinet Member Environment, via the officer contact, by the beginning of the month in which the decision is due to be taken.
Background Documents (via website)	Full planning documentation (when submitted - October 2018)
Author	Tom Coates Tel: 033 022 26458
Contact	Judith Shore Tel: 033 022 26052

Independence in Later Life

None

A Council that works for the Community

Cabinet Member for Finance and Resources, Leader

Total Performance Monitor (Rolling Entry)	
The Monitor details the Council's performance in relation to revenue and capital spending, savings, workforce projections, performance and risk by portfolio against the Cabinet's key priorities. The Leader and Cabinet Member for Finance and Resources will be recommended to approve the Total Performance Monitor and any items of financial and performance management within the Monitor.	
Decision By	Mr Hunt - Cabinet Member for Finance and Resources Ms Goldsmith - Leader
West Sussex Plan priority	A Council that works for the Community
Date added to Forward Plan	6 April 2018
Decision Month	Between April 2018 and April 2019
Consultation/ Representations	Cabinet Board; Performance and Finance Select Committee where possible. Representations concerning this proposed decision can be made

	to the Leader and/or the Cabinet Member for Finance and Resources, via the officer contact.
Background Documents (via website)	None
Author	Fiona Morris Tel: 033 022 23811
Contact	Suzannah Hill 033 022 22551

Cabinet Member for Finance and Resources

Review of Property Holdings (Rolling Entry)	
<p>As part of its capital programme management the Council continually reviews its property estate and those assets which are likely to become surplus to operational requirements, i.e. no longer needed. In addition the Council acquires or develops assets to meet statutory and service requirements as well as the Council's wider purposes, including investment or to promote social and economic development opportunities. From time to time these activities give rise to decisions to purchase, dispose of or to develop an asset. As a result of this continuous review the Cabinet Member is making a number of decisions about property. Details of these will be included in individual decision reports.</p>	
Decision By	Mr Hunt - Cabinet Member for Finance and Resources
West Sussex Plan priority	A Council that Works for the Community
Date added to Forward Plan	25 September 2018
Decision Month	Between September 2018 and September 2019
Consultation/ Representations	<p>Cabinet Board; Performance and Finance Select Committee where possible.</p> <p>Representations concerning this proposed decision can be made to the Leader and/or the Cabinet Member for Finance and Resources, via the officer contact.</p>
Background Documents (via website)	None
Author	Lee Harris Tel: 033 022 24846
Contact	Suzannah Hill 033 022 22551

Cabinet Member for Finance and Resources

Procurement of Outdoor Media Services
The Council has a revenue generation target for outdoor media services. This involves

utilising County Council land capacity for the purposes of offering outdoor media development opportunities, in line with local planning consent, to third party providers. In order to realise and maximise the revenue generation opportunity the Council has analysed the land it owns, adjacent to key highways and population areas where outdoor media would be viable.

To maximise the use of this land and potential revenue, the Council intends to grant a lease/licence of specific sites to a Service Provider to facilitate advertising and/or sponsorship revenue through the use of outdoor media infrastructures, at appropriate sites in the county.

The Cabinet Member for Finance and Resources will be asked to approve the commencement of a procurement process for the above outlined services and utilisation of specific sites.

Decision By	Mr Hunt - Cabinet Member for Finance and Resources
West Sussex Plan priority	A Council that works for the Community
Date added to Forward Plan	2 July 2018
Decision Month	November 2018
Consultation/ Representations	Local members, Cabinet Member for Highways and Infrastructure and West Sussex Estates Team. Representations concerning this proposed decision can be made to the Cabinet Member for Finance and Resources, via the officer contact, by the beginning of the month in which the decision is due to be taken.
Background Documents (via website)	None
Author	Angela Redman Tel: 033 022 22404
Contact	Suzannah Hill Tel: 033 022 22548

Cabinet Member for Corporate Relations

Procurement of a Microsoft Enterprise Service Agreement

The County Council uses Microsoft products to provide critical IT capabilities, including Microsoft Office products, Windows operating system usage on laptops, mobile devices and other equipment, security software and products for technical management of equipment and software.

The Council's IT Strategy 2016-2020 set out an intent that the Council would implement the Microsoft Office 365 product set which is hosted from within the Microsoft cloud. The migration to Office 365 has begun and is due for completion by March 2019.

Licensing for Microsoft products is procured via a Microsoft Enterprise Service Agreement (ESA). The current ESA will terminate at the end of March 2019. A new ESA is required for a three-year period from the end of March 2019.

Pricing of Microsoft products for UK government use is agreed with Microsoft at the national level and applies to all UK government contracts with Microsoft. An early agreement to renew the ESA in March 2019 may enable the Council to avoid scheduled price increases due before then.

Microsoft do not sell direct to customers. Instead licence acquisition is achieved via licenced resellers whose main function is to provide advice and guidance around appropriate licence structures. It is estimated that the total value of the contract would be approximately £5m over 3 years.

The Cabinet Member will be asked to:

- (1) approve the commencement of the procurement process for renewing Microsoft licensing; and to
- (2) delegate authority to the Director of Finance, Performance and Procurement to enter into the contract.

Decision By	Mr Lanzer - Cabinet Member for Corporate Relations
West Sussex Plan priority	A Council that Works for the Community
Date added to Forward Plan	23 October 2018
Decision Month	November 2018
Consultation/ Representations	Jeremy Hunt, Cabinet Member for Finance and Resources Representations concerning this proposed decision can be made to the Cabinet Member for Highways and Infrastructure, via the officer contact, by the beginning of the month in which the decision is due to be taken.
Background Documents (via website)	None
Author	Roland Mezulis Tel: 033 022 22103
Contact	Suzannah Hill 033 022 22551

Executive Director Children, Adults, Families, Health and Education

Approval of Contract Variations Regarding the Review of Charges for the Care and Support at Home Framework

The Care and Support at Home Framework for the commissioning of care for people living in their own home, incorporates a mechanism for providers on the framework to submit a request to review charges where there has been an unexpected and exceptional change in market factors or in the circumstances of the Service Provider which has led to a significant change in costs of the Service Provider since its appointment to the Framework.

Since the incorporation of this mechanism within the contract, a number of providers have applied to the Council to increase contracted charges and have evidenced the contractual requirements in relation to the review of charges.

<p>The Executive Director for Children, Adults, Families, Health & Education will be asked to approve the contract variation of charges resulting from the applications from providers under this Framework Agreement.</p>	
Decision By	- Executive Director Children, Adults, Families, Health and Education
West Sussex Plan priority	A Council That Works For the Community
Date added to Forward Plan	9 October 2018
Decision Month	November 2018
Consultation/ Representations	Interim Director of Adults Services
Background Documents (via website)	None
Author	Juliette Garrett Tel: 033 022 223748
Contact	Erica Keegan Tel: 033 022 26050

Director of Adult Services

<p>Procurement of a Direct Payment Support Service</p>
<p>The County Council is committed to giving customers choice and control over their support services; one method of enabling this is through Direct Payments, where the customer receives a cash allocation to purchase support to meet their assessed care and support needs. A Direct Payment Support service is required to ensure that people can receive the appropriate advice and support to make the best use of their money, including the employment of a Personal Assistant.</p> <p>Following Cabinet Member decision, in February 2018, to commence a competitive procurement exercise for a Direct Payment and Personal Budget Support Service and to delegate responsibility to award the contract to the Director of Adult Services (Reference Cabinet Member Decision Report AH6 17.18.) the Director of Adult Services now seeks to award the contract.</p> <p>A robust open tender procurement process in compliance with West Sussex County Council Standing Orders on Procurement and Contracts has been undertaken. The procurement attracted a good number of competitive bids which have been evaluated robustly on both technical and financial aspects. Prior to commencement of evaluation, it was agreed that the contractor submitting the most economically advantageous tender would be recommended for award of the contract and a successful bidder has been identified.</p> <p>The Director of Adult Services seeks to award the contract to the successful bidder and to extend the contract, if appropriate, in accordance with the County Council’s Standing Orders on Procurement and Contracts, subject to this being affordable within the limits of planned budgets.</p>

Decision By	- Director of Adult Services
West Sussex Plan priority	A Council that Works for the Community
Date added to Forward Plan	1 November 2018
Decision Month	November 2018
Consultation/ Representations	Representations concerning this proposed decision can be made to the Director of Adult Services, via the officer contact, by the beginning of the month in which the decision is due to be taken.
Background Documents (via website)	Background to decision AH6 17-18 Report
Author	Liz Merrick Tel: 033 022 23733
Contact	Erica Keegan Tel: 033 022 26050

Cabinet Member for Adults and Health

Procurement of Mortuary Services for West Sussex	
<p>The County Council provides mortuary services throughout the county for the bodies of those who die in West Sussex where the death is referred to the Coroner. Current arrangements for this service are due to expire in 2019.</p> <p>An open procurement process to determine a future model for this provision has been undertaken by the County Council from May 2018. This process includes the option of a new mortuary built by a third party for use by the County Council to meet the service need.</p> <p>The Cabinet Member will be asked to agree proposals for future mortuary services for West Sussex and if appropriate to delegate authority to the Director of Communities to award a contract to the successful bidder for a design and build project to run from October 2018, subject to the submission of a satisfactory bid.</p> <p>The contract would need to overlap with the existing contracts to ensure the seamless provision of essential services during the design and any build phase. The existing contracts may be terminated on six months' notice once the progress of a design and build contract is clear and a date for the commencement of the new arrangement is established.</p>	
Decision By	Mrs Jupp - Cabinet Member for Adults and Health
West Sussex Plan priority	A Council that Works for the Community
Date added to Forward Plan	4 June 2018
Decision Month	December 2018

Consultation/ Representations	There has been market consultation with seven potential suppliers. Representations concerning this proposed decision can be made to the Cabinet Member for Adults and Health at County Hall, Chichester by the beginning of the month in which the decision is due to be taken.
Background Documents (via website)	Decision report SSC03 (18/19)
Author	Rachel North Tel: 033 022 22681
Contact	Erica Keegan Tel: 033 022 26050

Cabinet Member for Safer, Stronger Communities

Community Hubs	
<p>The County Council continues to explore opportunities for maximising the strengths of the County’s communities and to make the most effective use of the spaces in our communities where services are provided.</p> <p>In Worthing over the last few months the views of residents and service users have been sought on ideas for remodelling the main library building and the services available within it. This is to include the transfer of services currently provided at the children and family centre. These proposals have received very positive support and are now ready to be described in more detail on order to secure the full engagement of members, residents and service users in the delivery of this project.</p> <p>The Cabinet Member will take a decision on the timing and form of the implementation of a plan to remodel Worthing library and for it to incorporate the services currently provided in the Worthing children and family centre and to become a more flexible and adaptable community hub.</p> <p>This project will also be used to help inform and support longer term plans to consider options for similar remodelling of County Council facilities and service buildings, focusing on libraries, children and family centres and other community based buildings to consider whether they can provide similar benefits as ‘community hubs’, whilst maximising the most effective use of the County Council estate.</p> <p>The strategy that will develop would recognise the critical role paid by libraries and children and family centres in local areas in providing information, places to connect people, support for residents in need and in building community resilience and capacity. The aim would also be to increase community engagement through redesigning these services with the communities who use them and incorporating space for community led activities and for partners to deliver their services locally.</p> <p>By bringing local services together and using council buildings more flexibly and effectively we should also realise financial benefits whilst improving our offer to local communities and protect these important services for the future of West Sussex.</p>	
Decision By	Ms Kennard - Cabinet Member for Safer, Stronger Communities
West Sussex Plan priority	A Council that Works for the Community
Date added to	1 November 2018

Forward Plan	
Decision Month	December 2018
Consultation/ Representations	Representations concerning the proposed decision can be made to the Cabinet Member for Safer, Stronger, Communities by the beginning of the month in which the decision is due to be taken.
Background Documents (via website)	
Author	Rachel North Tel: 033 022 22681
Contact	Erica Keegan Tel: 033 022 26050

Cabinet

Approval of the County Council's Revenue Budget 2019/20 and Capital Programme 2019/20 to 2023/24	
<p>The Budget report details the County Council's revenue budget, the level of council tax proposed for 2019/20, the nature of its expenditure, income and savings for a balanced budget. It will also outline the County Council's Capital Programme to cover the five year period 2019/20 to 2023/24, which will update the programme previously agreed by County Council.</p> <p>Cabinet will be asked to endorse the Revenue Budget and Capital Programme for approval at County Council on 15 February 2019.</p>	
Decision By	Mr Marshall, Mr Elkins, Mrs Urquhart, Mr Lanzer, Ms Goldsmith, Mr Burrett, Mrs Jupp, Ms Kennard, Mr Hunt - Cabinet
West Sussex Plan priority	A Council that Works for the Community
Date added to Forward Plan	12 November 2018
Decision Month	January 2019
Consultation/ Representations	<p>Performance and Finance Select Committee 17 January 2019 All Member Session – 9 January 2019</p> <p>Representations concerning this proposed decision can be made to the Cabinet, via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>
Background Documents (via website)	Previous County Council Budget Books
Author	Steve Harrison Tel: 033 022 23391
Contact	Katherine De La Mora Tel: 033 022 22535

Strategic Budget Options 2019/20

As part of the County Council's budget process 2019/20 and in light of current financial challenges, Cabinet Members will be asked to determine various portfolio budget proposals as set out below.

Cabinet Member for Environment

Funding for Recycling Credits	
<p>The County Council must increase recycling and reduce the amount of residual waste. In order to increase the recycling rate the Council needs, together with district and borough partners, to work differently to make sure as much as possible is removed from the waste stream. By changing the way recycling services are funded, the aim is to drive change in the amount and variety of material collected for recycling. The County Council is working closely with district and borough partners to ensure this change has the desired effect and works towards a cleaner, greener, West Sussex.</p> <p>The Cabinet Member will be asked to approve changes to the funding arrangement with district and borough councils whilst maintaining the requirements of the Recycling Credit Provisions under the Environmental Protection (Waste Recycling) Payments (England) Regulations 2006.</p>	
Decision By	Mrs Urquhart - Cabinet Member for Environment
West Sussex Plan priority	A Strong, Safe and Sustainable Place
Date added to Forward Plan	29 August 2018
Decision Month	November 2018
Consultation/ Representations	<p>District and Borough Councils in West Sussex Environment, Communities and Fire Select Committee</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Environment, via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>
Background Documents (via website)	None
Author	Kelly Goldsmith Tel: 033 022 27714
Contact	Judith Shore Tel: 033 022 26052

Cabinet Member for Children and Young People

Provision of accommodation for Care Leavers	
The County Council has a statutory responsibility to provide a variety of accommodation	

based services for children, young people and young adults. This responsibility extends beyond children who are looked after (CLA) and includes care leavers.

Whilst the County Council provides some of these services for care leavers a significant volume of accommodation is obtained via the external market. Due to the rising unit costs and a lack of a suitable supply it is proposed that the County Council makes arrangements to acquire properties suitable for care leavers. This would enable care leavers to develop personal skills, resilience and life experience to help them to progress in to the wider housing market.

The Cabinet Member for Children and Young People will be asked to agree proposals for the acquisition of appropriate properties to accommodate care leavers.

Decision By	Mr Marshall - Cabinet Member for Children and Young People
West Sussex Plan priority	Best Start in Life
Date added to Forward Plan	29 August 2018
Decision Month	November 2018
Consultation/ Representations	Internal advice Children and Young People's Services Select Committee – 31 st October 2018 Cabinet Member for Finance and Resources Representations concerning this proposed decision can be made to the Cabinet Member for Children and Young People, via the officer contact below, by the beginning of the month in which the decision is due to be taken.
Background Documents (via website)	None
Author	Stuart Gibbons Tel: 033 022 226218
Contact	Wendy Saunders Tel: 033 022 22553

Cabinet Member for Education and Skills

Creation of additional Special Support Centres

The West Sussex County Council Special Educational Needs and Disability (SEND) Strategy 2016-19 includes as one of its objectives 'To build a model of educational provision and support in West Sussex which enables young people, wherever possible, to live and go to school/college locally'.

In order to assist in achieving this objective it is proposed to increase the number of Special Support Centres (SSCs); SSCs are units attached to mainstream schools which provide additional support for children with various types of SEND. Provision of up to 11 new SSCs across the county will enable more children and young people with SEND to be educated locally and in mainstream education. It will also reduce the number of more costly out of county placements for pupils in the independent and non-maintained special schools sector.

Agenda Item 13

<p>The Cabinet Member for Education and Skills will be asked to agree the proposal to create up to 11 additional Special Support Centres in various locations across the county.</p>	
Decision By	Mr Burrett - Cabinet Member for Education and Skills
West Sussex Plan priority	Best Start in Life
Date added to Forward Plan	29 August 2018
Decision Month	November 2018
Consultation/ Representations	<p>Schools Cabinet Member for Finance and Resources</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Education and Skills, via the officer contacts below, by the beginning of the month in which the decision is due to be taken.</p>
Background Documents (via website)	SEND Strategy 2016-19
Author	Helen Johns Tel: 07715 616560, Graham Olway Tel: 033 022 223029
Contact	Wendy Saunders Tel: 033 022 22553

Cabinet Member for Highways and Infrastructure

<p>Passenger Transport (Bus) Strategy and Supported Services Review</p>	
<p>The Cabinet Member established an Executive Task and Finish Group (TFG) in November 2017 to consider:</p> <ul style="list-style-type: none"> • the county-wide passenger transport strategy relating to buses • the criteria by which the County Council intervenes in the bus market • the application of the revised policy to the County Council's current level of investment into the bus market; and • a review of how funding is spent across the county to allow residents to have equitable access <p>The TFG is due to meet in November 2018 and make recommendations to the Cabinet Member for consideration in December 2018.</p>	
Decision By	Mr Elkins - Cabinet Member for Highways and Infrastructure
West Sussex Plan priority	A Prosperous Place
Date added to Forward Plan	29 August 2018

Decision Month	December 2018
Consultation/ Representations	<p>Bus operators and key stakeholders Environment, Communities and Fire Select Committee Public consultation on the strategy and forthcoming impact consultation</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Highways and Infrastructure, via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>
Background Documents (via website)	Documents arising from the Task and Finish Group process
Author	Bill Leath Tel: 033 022 25438
Contact	Judith Shore Tel: 033 022 26052

Cabinet Member for Highways and Infrastructure

On-street parking to support traffic management	
<p>Providing parking in a well-managed way helps to support local businesses, residents and communities. Road Space Audits are being used to identify where there is a need to implement better settlement wide parking solutions that support the County Council's aspirations in terms of economic development, improved safety and sustainable transport.</p> <p>The Cabinet Member will be asked to agree a parking management programme to implement on-street parking controls in various locations across the county and to review the operation of the parking service county-wide, including charges. Specific proposals for each settlement will be put to the Cabinet Member as they arise from the programme of Road Space Audits which is already underway. Road Space Audits will be progressively rolled out to the majority of urban areas across the county.</p>	
Decision By	Mr Elkins - Cabinet Member for Highways and Infrastructure
West Sussex Plan priority	A Prosperous Place
Date added to Forward Plan	29 August 2018
Decision Month	December 2018
Consultation/ Representations	<p>County Local Committees District and Borough Councils in West Sussex Environment, Communities and Fire Select Committee Local members, statutory public notices and website advertising proposed changes</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Environment, via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>

Background Documents (via website)	None
Author	Miles Davey Tel: 033 022 26688
Contact	Judith Shore Tel: 033 022 26052

Cabinet Member for Children and Young People

Alterations to the Integrated Prevention and Earliest Help Service	
<p>One of the external sources of funding for the Integrated Prevention and Earliest Help (IPEH) service is grant arising from the national Troubled Families initiative, which has supported the turn-around of families struggling with multiple and complex problems. This national programme is due to close in March 2020, with a tailing-off of grant receivable by the County Council starting in 2019/20.</p> <p>At the present time, no national successor initiatives have been announced, although strong representations have been made to central government about the continued need for an equivalent programme, both from this County Council and other local government organisations across the country.</p> <p>Due to this reduction in funding starting in 2019/20, it is proposed that a more targeted family support service is developed, aimed at supporting the most vulnerable and disadvantaged families within West Sussex. This will involve developing a revised service offer, and further work to ensure that the whole of IPEH's resource base is geared to the most efficient delivery of its objectives, so that the greatest number of families can continue to be helped.</p> <p>The Cabinet Member for Children and Young People will be asked to approve proposals to achieve a more bespoke service for IPEH, deliverable within a smaller budget.</p>	
Decision By	Mr Marshall - Cabinet Member for Children and Young People
West Sussex Plan priority	Best Start in Life
Date added to Forward Plan	29 August 2018
Decision Month	December 2018
Consultation/ Representations	<p>Staff, Unions, District and Borough Councils, other delivery partners. Service users where affected. Children and Young People's Services Select Committee – 31st October 2018</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Children and Young People, via the officer contact below, by the beginning of the month in which the decision is due to be taken.</p>
Background Documents (via website)	None

Author	Hayley Connor Tel: 033 022 23792
Contact	Wendy Saunders Tel: 033 022 22553

Cabinet Member for Adults and Health

Housing Related Support	
<p>The County Council commissions a range of housing related support services through contracts with voluntary sector organisations. The services include specialist accommodation based schemes for residents who are risk of homelessness as well as non-accommodation services to residents living in community settings.</p> <p>These services used to be funded via a ring-fenced government grant as part of the Supporting People Programme. This was removed in 2011, and since then the Council has continued to fund services from its base budget. In view of the discretionary nature of many of the services involved, it is proposed that consideration be given to whether it is sustainable and appropriate to continue to fund some or all of these services. A process of engagement to gather evidence to inform this funding decision and to plan for its impact will finish on 3 December 2018.</p> <p>The County Council will be working closely with district and borough partners and the voluntary sector, throughout the engagement period, to look at how requirements can be met in the future. This work will ensure that the County Council's responsibilities for the care and wellbeing of vulnerable adults and children can be met in a coordinated way. The County Council will look at financial sustainability in the context of the range of other service responsibilities the councils carry and future pressures that have to be planned for.</p> <p>The Cabinet Member will be asked to consider the outcome of the engagement and proposals for the County Council's future funding arrangements for housing related support services from.</p>	
Decision By	Mrs Jupp - Cabinet Member for Adults and Health
West Sussex Plan priority	Strategic Budget Options 2019/20
Date added to Forward Plan	8 November 2018
Decision Month	December 2018
Consultation/ Representations	<p>District and Borough Councils/Voluntary Sector organisations/current providers</p> <p>Health and Adult Social Care Select Committee – 12 December 2018</p> <p>Representations should be made to the Cabinet Member for Adults and Health, via the officer contact, by the beginning of the month in which the decision is due to be taken.</p>
Background Documents	None

(via website)	
Author	Mark Dow Tel: 033 022 27513
Contact	Erica Keegan Tel: 033 022 26050

Cabinet Member for Adults and Health

Minimum Income Guarantee for Working Age Adults	
<p>For West Sussex residents receiving publicly arranged care and support, the Care Act 2014 requires the County Council to ensure that they have sufficient money to cover day-to-day living costs. This is known as the Minimum Income Guarantee. Up until now, the County Council has set its level above the statutory minimum set by the Government, for those residents of working age (under 65 years). In view of the financial situation facing the County Council, a period of engagement with affected residents and stakeholders has been undertaken to consider the potential impact of reducing the level of Minimum Income Guarantee to the statutory level. The period of engagement will conclude on 3 December 2019.</p> <p>The Cabinet Member will consider the outcome of the engagement and consider whether financial assessment of customer contributions for working age adults receiving County Council arranged care and support, other than in a care home, will be based on the statutory Minimum Income Guarantee with effect from April 2019.</p>	
Decision By	Mrs Jupp - Cabinet Member for Adults and Health
West Sussex Plan priority	Strategic Budget Options 2019/20
Date added to Forward Plan	8 November 2018
Decision Month	December 2018
Consultation/ Representations	<p>Residents/Voluntary organisations</p> <p>Health and Adult Social Care Select Committee – 12 December 2018</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Adults and Health at County Hall by the beginning of the month in which the decision is due to be taken.</p>
Background Documents (via website)	None
Author	Deborah Robinson Tel: 033 022 28413
Contact	Erica Keegan Tel: 033 022 26050

Cabinet Member for Adults and Health**Local Assistance Network (LAN)**

The Council currently provides discretionary assistance to households in crisis situations through the Local Assistance Network (LAN). The LAN is delivered through a partnership with voluntary sector agencies which provide non cash based assistance, very largely on an 'in kind' basis, to households facing hardship as a result of a crisis or emergency.

The scheme was launched in 2013 when funding for discretionary welfare provision was 'ring-fenced' for this purpose. The LAN now falls entirely on the Council's base budget. In the current financial context it is not considered sustainable to maintain expenditure on the LAN at the current level and a reduction is therefore proposed. A period of engagement is being undertaken to gather evidence to inform this decision and to establish the priorities for the use of this funding going forward.

The Cabinet Member will be asked to consider the outcome of the engagement and whether County Council funding for the Local Assistance Network (LAN) should be reduced and to what level.

Decision By	Mrs Jupp - Cabinet Member for Adults and Health
West Sussex Plan priority	Strategic Budget Options 2019/20
Date added to Forward Plan	8 November 2018
Decision Month	December 2018
Consultation/ Representations	<p>District and Borough Councils and Voluntary Sector Partners Health and Adult Social Care Select Committee – 12 December 2018</p> <p>Representations concerning this proposed decision can be made to the Cabinet Member for Adults and Health by the beginning of the month in which the decision is due to be taken.</p>
Background Documents (via website)	None
Author	Ivan Western Tel: 033 022 23740
Contact	Erica Keegan Tel: 033 022 26050

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