



## CABINET

TUESDAY, 28 JANUARY 2020

10.00 AM COUNCIL CHAMBER - COUNTY HALL, LEWES

MEMBERSHIP - Councillor Keith Glazier (Chair)  
Councillors Nick Bennett (Vice Chair), Bill Bentley, Claire Dowling,  
Carl Maynard, Rupert Simmons, Bob Standley and Sylvia Tidy

## A G E N D A

- 1 Minutes of the meeting held on 18 December 2019 (*Pages 3 - 4*)
- 2 Apologies for absence
- 3 Disclosures of interests  
Disclosures by all members present of personal interests in matters on the agenda, the nature of any interest and whether the member regards the interest as prejudicial under the terms of the Code of Conduct.
- 4 Urgent items  
Notification of items which the Chair considers to be urgent and proposes to take at the appropriate part of the agenda. Any members who wish to raise urgent items are asked, wherever possible, to notify the Chair before the start of the meeting. In so doing, they must state the special circumstances which they consider justify the matter being considered urgent.
- 5 Reconciling Policy, Performance and Resources (*Pages 5 - 158*)  
Report by Chief Executive
- 6 East Sussex Health and Social Care Plan (*Pages 159 - 266*)  
Report by Director of Adult Social Care and Health
- 7 Transport for the South East's draft Transport Strategy - formal consultation response (*Pages 267 - 290*)  
Report by the Director of Communities, Economy and Transport
- 8 Treasury Management Policy and Strategy 2020/21 (*Pages 291 - 318*)  
Report by Chief Operating Officer
- 9 Conservators of Ashdown Forest Budget 2020/21 (*Pages 319 - 330*)  
Report by Chief Operating Officer
- 10 Any other items considered urgent by the Chair
- 11 To agree which items are to be reported to the County Council

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20 January 2020

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## **CABINET**

MINUTES of a meeting of the Cabinet held on 18 December 2019 at Council Chamber - County Hall, Lewes

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PRESENT     Councillors Keith Glazier (Chair)  
                 Councillors Nick Bennett (Vice Chair), Bill Bentley, Claire Dowling,  
                 Carl Maynard, Rupert Simmons and Sylvia Tidy

Members spoke on the items indicated

Councillor Barnes	- item 5 (minute 38)
Councillor Godfrey Daniel	- item 5 (minute 38)
Councillor Philip Daniel	- item 5 (minute 38)
Councillor Ensor	- item 5 (minute 38)
Councillor Field	- item 5 (minute 38)
Councillor Liddiard	- item 5 (minute 38)
Councillor Stephen Shing	- item 5 (minute 38)
Councillor Ungar	- item 5 (minute 38)
Councillor Tutt	- item 5 (minute 38)
Councillor Webb	- item 5 (minute 38)
Councillor Whetstone	- item 5 (minute 38)

### 34     MINUTES OF THE MEETING HELD ON 10 DECEMBER 2019

34.1     The minutes of the Cabinet meeting held on 10 December 2019 were agreed as a correct record.

### 35     APOLOGIES FOR ABSENCE

35.1     An apology for absence was received on behalf of Councillor Bob Standley.

### 36     DISCLOSURES OF INTERESTS

36.1     Councillor Tom Liddiard declared a personal non prejudicial interest in item 5 as his professional work involved working with members of the Conservative Group at West Sussex County Council

### 37     REPORTS

37.1     A copy of the report referred to below is included in the minute book.

### 38     PARTNERSHIP WORKING PROPOSAL

38.1     The Cabinet considered a report by the Assistant Chief Executive.

38.2     It was RESOLVED to:

1) approve the proposal to work with West Sussex County Council as an improvement partner including sharing the services of the Chief Executive of East Sussex County Council and other officers as required;

2) approve the entering into an agreement under s113 of the Local Government Act 1972 with West Sussex County Council; and

3) delegate authority to the Assistant Chief Executive, in consultation with the Leader of the Council, to take any action he considers appropriate to give effect to the above recommendations, including but not limited to, agreeing the terms of and entering the s113 agreement.

#### Reason

38.3 There are many areas of joint work and shared interest in which East and West Sussex have common challenges and opportunities and where resource and impact could be enhanced by a strong partnership. These include working with local NHS and other partners, economic development, climate change and adaptation work, management of markets for social care and other providers, workforce development, transport and infrastructure planning, Brexit preparations and work in response to new Government initiatives following the election.

#### 39 ITEMS TO BE REPORTED TO THE COUNTY COUNCIL

39.1 It was agreed that no items would be reported to the County Council



Committee:	<b>Cabinet</b>
Date:	<b>28 January 2020</b>
Title of Report:	<b>Reconciling Policy, Performance and Resources (RPPR)</b>
By:	<b>Chief Executive</b>
Purpose of Report:	<b>To ask Cabinet to approve the draft Council Plan, Council Tax levels, Revenue Budget and Capital Programme for recommendation to the County Council</b>

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## **RECOMMENDATIONS:**

**Cabinet is recommended to:**

**1. recommend the County Council to:**

- i) Approve in principle the draft Council Plan at Appendix 1 and authorise the Chief Executive to finalise the Plan in consultation with the relevant Lead Members;**
- ii) Increase Council Tax by 1.99%;**
- iii) Increase the Adult Social Care precept by 2%;**
- iv) Issue precepts to be paid by Borough and District Councils in accordance with the agreed schedule of instalments at Appendix 6;**
- v) Approve the net Revenue Budget estimate of £403.4m for 2020/21 set out in Appendix 2 (MTFP) and Appendix 3 (Budget Summary) and authorise the Chief Operating Officer, in consultation with the Chief Finance Officer, Leader and Deputy Leader, to make adjustments to the presentation of the Budget Summary to reflect the final settlement and final budget decisions;**
- vi) Approve the Capital Strategy and Programme at Appendix 9;**
- vii) Note the MTFP forecast for 2020/21 to 2022/23, set out in Appendix 2;**
- viii) Note the comments of the Chief Finance Officer on budget risks and robustness, as set out in Appendix 7;**
- ix) Note the comments from engagement exercises set out in Appendix 8; and**
- x) Note the schedule of fees and charges that have increased above inflation at Appendix 10.**

**2. agree that Chief Officers consult, where appropriate, on the savings proposals set out in Appendix 4.**

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## **1. Introduction**

1.1 The services the Council provides are crucial to the residents of the county, particularly those who are most vulnerable. The Council has set out its priority outcomes for the county and the core set of services and infrastructure which residents and businesses most need from the Council to ensure those needs are met and its priorities are delivered. This has been done against a background of diminishing resources and increased demand over the last 10 years.

1.2 The Council has been able to do this by having a realistic and challenging business and budget planning process which links resources to priorities and which ensures members have the demographic trends and performance information to enable them to monitor progress. Our Reconciling Policy, Performance and Resources (RPPR) process matches available resources with our delivery plans for our priority outcomes. It has enabled us to give relative protection to activity that delivers our priority objectives most effectively. The RPPR process has been applied across all services in the development of the Council Plan

(Appendix 1) supported by the Budget (Appendix 3), MTFP (Appendix 2) and Capital Programme (Appendix 9) set out in this report.

1.3 Robust and innovative management and strong partnerships means we have transformed the way the Council works and made savings of £134m between 2010 and 2020. We have done everything possible to make the most of the money available. We have a joint back office function with Surrey County Council and Brighton & Hove City Council; we have implemented outstanding arrangements in Children's Services which have helped us to avoid the level of rise in the number of children being taken into care that has been seen elsewhere in the country; and we have put in place some excellent services to support health and social care integration. A joint venture with Costain provides the county with an effective Highways maintenance and management programme; the Waste PFI partnership with Brighton & Hove City Council continues to drive efficiencies and improve recycling, while the Council's commitment, alongside 16 local transport authorities and five local enterprise partnerships, to the Transport for the South East initiative will help to shape and improve all aspects of transport and travel in the region in the coming years. The next year will see the County Council entering into a ground breaking partnership with West Sussex County Council which we anticipate will bring benefits to both councils, enabling us to share mutual learning and improvement. There are many areas where we have shared interests and opportunities including working with the local NHS, police and other partners, lobbying government, economic and transport development, adapting to climate change and managing markets for social care. The partnership will make us stronger in all these areas.

1.4 Our lobbying of Government has met with success and the Provisional Local Government Finance Settlement saw some acknowledgement of the issues that local government faces, particularly in relation to social care. The additional funding announced, together with our prudent planning has put us in a position where members can consider options for investment of unallocated resources in areas where it will lead to a reduction in future spending and to delay some of the savings considered by Cabinet and County Council in February 2019.

1.5 The Capital Programme provides only minimum basic need provision, including essential budgets for school places and highways infrastructure.

1.6 This report sets out:

- changes to the national context since the report to Cabinet on 12 November 2019;
- the draft Council Plan 2020/21 and updated MTFP;
- updated Q2 performance;
- proposals for the 2020/21 revenue budget, taking account of changes in the financial picture since November and based on an increase in Council Tax of 1.99% and an Adult Social Care precept by 2%;
- the savings planned for the next two years and options for use of unallocated funding;
- the Capital Programme update and the rationale on which it has been developed; and
- feedback from engagement exercises and equalities impacts.

## **2. National Context**

2.1 Since the last report to Cabinet in November the General Election saw the Conservative Party returned with an increased majority. Its manifesto had the following provisions in relation to the County Council's functions:

### **Social care**

- Build cross-party consensus on a solution to social care funding, with talks to begin within first 100 days;
- Solution to include condition that nobody needing care should be forced to sell their home to pay for it;
- £1 billion additional funding in each year of the next Parliament.

### **Schools and child care**

- Extra £4.3 billion in real-terms for schools by 2023/24, with funding increases to be legislated within first 100 days;
- At least £5,000 a year for each secondary school pupil and at least £4,000 for each primary school pupil;
- £1 billion fund for child care, including before and after school and during holidays.

### **Transport**

- Invest £100 billion of additional infrastructure spending, including roads, rail and flood defences;
- Create £4.2 billion fund for new bus and metro rail links in cities outside London;
- Launch pothole-filling programme.

### **Devolution**

- Publish an English Devolution white paper.

2.2 The notes to accompany the post General Election Queen's speech indicated that an additional £1bn for Social Care will continue to be allocated for the lifetime of this Parliament. This has been included in the MTFP. It provides a grant of £10.2m for the Council in 2020/21. The detail of how this funding is distributed may change after 2020/21, but will provide some relief for the Council. In addition, the provisional Local Government Finance Settlement saw a roll into the Social Care Grant of adult social care winter pressures of £2.6m, previous Social Care Grant of £4.4m and SEND High Needs Block additional funding of £5.8m. The proposal that Councils can raise an additional 2% precept for Social Care is being consulted on as part of the provisional settlement. This funding has been included in our planning assumptions in accordance with the steer from Cabinet in November.

2.3 The Government has indicated that it wishes to start cross-party talks to find a sustainable solution for funding social care early in the new-year. Whilst the additional funding which the Government has made available is very welcome and will allow Members to make some choices about unallocated funding for the next year, it is imperative that a long term solution for social care funding is agreed before this funding runs out. The Council will continue, with its partners, to press the case for urgent action on sustainable funding for local services including social care.

2.4 The Government has also announced that a white paper on English Devolution would be published in the Spring with more mayors and powers for "functional economic areas".

2.5 The Government's main priority for the next year will be to get the Brexit Withdrawal Agreement Bill through Parliament and for the UK to negotiate a trade deal before the transition arrangements expire at the end of 2020. Becky Shaw has been acting as a regional lead to ensure all councils in the South East have consistent information from Government about the impact of Brexit for their functions, local residents and businesses. Over the next year we will continue to fulfil this role and to pass on intelligence about the impact of Brexit on residents as any issues arise.

## **3. Council Plan**

3.1 The draft Council Plan is attached at Appendix 1. The Council Plan continues to be built on the Council's four overarching priority outcomes: driving sustainable economic growth; keeping vulnerable people safe; helping people help themselves; and making best use of resources. Making best use of resources is the priority test through which any activity must pass. The remaining three priority outcomes guide our activities, direct our resources and are reflected in our Council Plan activities and targets.

3.2 The Council Plan contains the targets and milestones used to judge our performance. The Cabinet and County Council actively consider performance during the year and may decide to adjust targets to reflect any changed circumstances. The Council Plan takes account

of the resources available so in some areas this means maintaining performance at current levels rather than seeking improvement. Defining clearly the outcomes we wish to achieve and monitoring our success in delivering these outcomes for the county's residents, communities and businesses is critical. We also keep track of a wide range of key data about East Sussex and related to our priority outcomes. These help us to assess our impact more fully and respond appropriately when we need to do so. Key data will be monitored annually as part of the State of the County report.

3.3 A new delivery outcome has been added to the making the best use of resources priority to reflect the Council's ambition in relation to Climate Change. Overarching targets will be added to the outcome "East Sussex County Council activities are carbon neutral as soon as possible and in any event by 2050" in the Resources Portfolio to ensure we work as one Council towards the aim of reducing our carbon footprint. Targets in relation to individual service activity will be included in the appropriate Portfolio Plans. This may include lobbying for legislative change or funding from central Government where changes in national policy and practice are needed to achieve the target.

3.4 The Council Plan is still a work in progress until final budget allocations are made and firm targets can be set. It will be published in April 2020 and refreshed in July when final performance outturn figures for 2019/20 are available. Authorisation is sought for the Chief Executive to make final changes pre and post publication in consultation with Lead Members, as appropriate.

#### **4. Progress with Council Plan & Budget 2019/20 since Quarter 2 (Q2)**

4.1 Between April and October 2019 there were an average of 46.6 Delayed Transfers of Care (DTC) from hospital care per day, against a target of 39.8 or less. This is an improvement from 85.3 (down 45%) compared to the same period in 2017 (the baseline). The average of 46.6 DTCs are broken down as follows:

- An average 8.1 DTC per day due to Council social services, against a target of 11.5 or less. An improvement from 33.1 (down 76%) from the same period in 2017
- An average 37.5 DTC per day due to local NHS, against a target of 24.4 or less. An improvement from 49.6 in the same period in 2017 (down 24%).
- An average 1.0 DTC per day jointly attributable to Council social services and local NHS.

4.2 Although the targets of 39.8 for all DTC and 24.4 for NHS DTC are not being achieved, implementation of a number of actions across the county has led to a significant reduction from the 2017 baseline. This includes Discharge to Assess beds, designed to avoid unnecessary admissions to acute hospitals and, where an admission is necessary, ensure that people are discharged as soon as is safe and practical back to their own homes, or as close to home as possible.

4.3 83% of Health Hub Referrals were handled within the correct time scales across all priorities, against a target of 90%, between April and August 2019. The shortfall in performance is due to a deficit of nurses within the Health Hub. This is being remedied and staffing is expected to be at normal levels by the end of the financial year. Performance in August improved to 85%, but, due to lower performance in the first half of the year, it is not anticipated currently that the target will be achieved by year-end.

4.4 There is minimal change to the projected Q2 revenue budget forecast service overspend of £6.1m. The general contingency of £3.6m will offset the deficit after applying underspends from Treasury Management, other centrally held budgets and Business Rates. Therefore there is currently an estimated break even position, subject to further Government announcements and final service review; any minor surplus or deficit will be managed through reserves.

## 5. Revenue Budget 2020/21

5.1 MTFP reported to Cabinet in November has been updated as set out below.

	Ref	Estimate (£m)			
		2020/21	2021/22	2022/23	Total
<b>Cabinet 12 November 2019 DEFICIT/(SURPLUS)</b>		<b>(1.105)</b>	<b>23.176</b>	<b>10.468</b>	<b>32.539</b>
Savings 2020/21-2021/22	A	(5.208)	(1.972)		(7.180)
<b>DEFICIT/(SURPLUS) - after savings</b>		<b>(6.313)</b>	<b>21.204</b>	<b>10.468</b>	<b>25.359</b>
<b>Pressures added to / (removed from) the MTFP</b>					
CSD: Core Service Offer: reprofile Family Key Worker element of Early Help savings	A	0.981	(0.981)		0.000
CSD: Looked After Children - update to model	B	0.300			0.300
CSD: Disabled access regulations for buses/coaches	C	0.012	0.043	0.098	0.153
CSD: Residential homes - staffing	C	0.549			0.549
BSD: IT&D licences	C	0.123	0.025		0.148
CET: Climate change staff resource	C	0.055			0.055
CET: Waste housing growth	C	(0.066)	0.023	0.038	(0.005)
CET: waste contract inflation	C	(0.382)	(0.118)	(0.078)	(0.578)
GOV: Coroners - post mortems / pathology	C	0.033			0.033
<b>Investment of Unallocated Funding</b>					
Revenue schemes	D	2.453	(0.746)	(1.707)	0.000
Temporary mitigation of savings	A/D	0.686	(0.298)	(0.388)	0.000
Capital schemes	D	1.242	(1.242)		0.000
Second-year funding of schemes above	D	2.095	(2.095)		0.000
<b>Spending Round Funding</b>					
SEND High Needs Block Additional funding (one-off)	E		(0.814)	(1.324)	(2.138)
Revenue Support Grant adjustment	F	0.013	(0.005)	(0.006)	0.002
Social Care Grant (share of £1bn over life of the Parliament, plus £4.4m grant rolled in from previous years)	G		(14.630)		(14.630)
<b>Normal Updates</b>					
Council Tax (reductions in projected growth from Districts & Boroughs) / Collection Fund	H	1.271	(0.072)	0.040	1.239
Inflation & Pay Award updates	F	(0.196)	(0.288)	(0.247)	(0.731)
Business Rates adjustment	F	(0.248)	(0.004)	(0.005)	(0.257)
Business Rates Pooling - arrangements confirmed by MHCLG	I	(1.452)	1.452		0.000
Treasury Management (capital impact)	J	0.000	0.000	1.000	1.000
General Contingency	K	0.150	(0.010)	(0.010)	0.130
Pensions	L	(1.300)			(1.300)
Levies	M	(0.006)	(0.001)		(0.007)
<b>DEFICIT/(SURPLUS) AFTER UPDATES TO THE MTFP</b>		<b>(0.000)</b>	<b>1.443</b>	<b>7.879</b>	<b>9.322</b>

5.2 The changes to the MTFP shown above are as follows:

**A Savings**

The latest saving proposals are set out in Appendix 4. Changes have been made to reflect that the Early Help Family Key Worker savings of £0.981m will not be taken in 2019/20 and 2020/21. Changes have also been made for the investment of unallocated funding to reprofile savings for Safeguarding, Library Services and Trading Standards (see paragraph 7 below).

	2020/21 £m	2021/22 £m	Total £m	2022/23 £m
Communities, Economy & Transport	1.362	0.629	1.991	0.388
Children's Services	0.770	1.835	2.605	
Adult Social Care	0.248		0.248	
Business Services / Orbis	1.161	0.787	1.948	
<b>Total Departments</b>	<b>3.541</b>	<b>3.251</b>	<b>6.792</b>	<b>0.388</b>

**B Looked After Children (LAC)** - The structural pressure within Children's Services relating to LAC has been updated to reflect the latest modelled projections.

**C Pressures** - A number of new pressures have been included in the MTFP and the amount included for pressures in relation to waste has been reduced. The net pressures total £0.355m.

**D Investment of Unallocated Funding** – Cabinet and Scrutiny Committees considered potential use of available unallocated funding (Appendix 5) and provision for its use as set out in paragraph 7 below has now been included in the MTFP and budget.

**E SEND High Needs Block additional funding** - Funding of £700m nationally for SEND has been distributed as part of the high needs block, giving an additional £5.8m to the Council. Profiled use of this is included in the MTFP.

**F Inflation adjustments** - relevant items have been adjusted for RPI and CPI published at September 2019.

**G Social Care Grant** –The Government has indicated that councils will receive an additional £1 billion for adults and children's social care in every year of this Parliament. The Council's share of this is £10.2m a year which has been included as permanent funding during the MTFP period. This new funding along with the £4.4m Social Care Support Grant, which was first provided in 2019/20, have been merged together to form the Social Care Grant. The MTFP also assumes the continuation of this funding, although the specific allocation methodology is still to be confirmed.

**H Council Tax** - Issues with tax base calculations provided by Districts and Boroughs have resulted in reduced council tax income for the Council. The Council is working with Districts and Boroughs to put measures in place to improve forecasting, monitoring and debt recovery in the future. The resulting deficit on the Collection Fund represents a cash flow issue between 2020/21 and 2021/22, and will be managed through reserves so as not to impact on Council Tax or longer term reserve balances.

**I Business Rates** – The MHCLG has confirmed that East Sussex Councils will revert to pre-pilot pooling arrangements for 2020/21. Proceeds of pooling have been estimated using published information from Districts and Boroughs Councils.

As is normal practice, any variations in Business Rates will be managed in-year, as Districts and Boroughs are not required to submit final Business Rates until the 31<sup>st</sup> January (any deficit will be managed through reserves).

**J Treasury Management** - The change in 2022/23 reflects the revenue impact of increased capital borrowing required to fund the new Capital Strategy set out in Appendix 9.

**K General Contingency** - The general contingency is currently set at 1% of net budget less treasury management, and has been updated to reflect changes in the MTFP since November Cabinet.

**L Pensions** – preliminary figures have been included for the outcome of the triennial actuarial review.

**M Levies** - Confirmation of the Council's Sussex Inshore Fisheries Levy has now been received.

5.3 The MTFP does not yet include the likely impacts of:

- Final position for the Pensions Fund triennial valuation, preliminary figures have been included as stated at L;
- Confirmation of Final Finance Settlement;
- Final pay award currently budgeted at 2.5%; and
- The final position for the Collection Fund and Business Rates.

5.4 Whilst the Council has received some very welcome additional funding from the Government; it still needs to make savings of £9.3m, in addition to the £7.2m already identified as potential areas for savings, by 2022/23 in order to achieve a balanced budget. The Reserves and Robustness Statement is set out in Appendix 7.

## **6. Engagement Feedback and Future Consultation**

6.1 The views of the Scrutiny Committees including their priorities for use of unallocated funding as a result of the additional funding made available by the Government is set out in Appendix 8. The views of partners are also included in the Appendix.

6.2 The outcomes of engagements events with representatives of young people, Trades Unions and business ratepayers will be made available to members once the meetings have been held.

## **7. Investment of unallocated funding and savings**

7.1 Cabinet and Scrutiny Committees considered potential use of any available unallocated funding in November and December as set out in Appendix 5, based on projected funding announced in the Government's September 2019 Spending Round. The MTFP has been updated in the light of the Provisional Local Government Finance Settlement and post-General Election Queen's Speech. This left £6.6m funding in 2020/21, once the savings proposed in February 2019 have been made, which had not been allocated to services.

7.2 Chief Officers have considered the use of this funding in the light of the views of the principles agreed by Cabinet, the views of the Scrutiny Committees and local partners and the changing national landscape. The budget and MTFP appended to this report allocates provision in the relevant service heads for the following:

i) Deferral of savings

- Children's Services Safeguarding savings [£586,000]
- Part of Libraries savings [£288,000]
- Trading Standards savings deferred by two years [£200,000] – although this was not included in the options put forward in November, the agreement of the Brexit Withdrawal Bill by the House of Commons and the negotiations of new trading arrangements over the course of the year will mean that businesses may need support in moving to a new regulatory framework and could mean additional responsibilities for council Trading Standards services in future. It would therefore be prudent to keep the capacity we have, which is already small, until the implications of Brexit and new trading arrangements are clear.

ii) Investment in projects to reduce future demand:

- ASC/CS Accommodation and Floating Support [£1.560m]
- CS No Wrong Door [£2.250m]
- CS Family Group Conferencing expansion [£350,000]

These projects are intended to produce savings in the longer term for the Council and it is recommended therefore that Cabinet agree provision of funding for the projects for the next two years, with the expectation that they are self-funding thereafter.

iii) Capital

It is recommended that Cabinet agree a revenue contribution to Capital to cover:

- Remodelling of Disability Children's Homes [£242,000]
- Investment of £1m in Highways for dropped kerbs, lining and patching

7.3 If agreed as the basis of the budget plans, the decisions about progressing these projects will be made in line with the delegations set out in the County Council's constitution.

7.4 In relation to the remaining proposed projects considered by the Scrutiny Committees, provision may be made for them within the Transformation Reserve, following business cases identifying benefits, in line with the County Council's constitution.

## **8. 2021/22 & 2022/23 and beyond**

8.1 The budget is balanced in 2020/21, but has a forecast deficit of £9.3m by 2022/23, after savings have been made. The Council has a robust planning process and sufficient reserves, and will continue to work towards a balanced position in 2021/22, taking account of the impacts of the Fair Funding Review and the Business Rates Review which are expected to inform budget setting in 2021/22. There may also be a further Spending Review in 2020.

## **9. Council Tax requirement**

9.1 Cabinet agreed in November that budget planning should be on the basis that Council Tax is increased by 1.99% and that the Council applies the 2% Adult Social Care precept proposed by the Government. It therefore proposed that the County Council be asked to consider increasing Council Tax in 2020/21 by 3.99%. If agreed, the proposed band D charge for 2019/20 would therefore be:

Changes in Council Tax	Council Tax Annual	Council Tax Weekly
Band D 2019/20	£1,434.78	£27.59
Council Tax increase*	£28.62	£0.55
Adult Social Care precept*	£28.62	£0.55
Indicative Band D 2020/21*	£1,492.02	£28.69

\* Council Tax is rounded to allow all bands to be calculated in whole pounds and pence.

9.2 The formal precept notice for issue to the Borough and District Councils will follow for formal recommendation to County Council. This will be subject to change following the final



settlement and final figures on Council Tax base and collection fund from Borough and District Councils at the end of January. The draft precept calculation and dates are at Appendix 6.

## 10. Capital Programme

10.1 The current approved programme has now been updated to include the Quarter 2 position and other approved variations and updates. This is in line with revisions to the Chartered Institute of Public Finance and Accounting Prudential Code for Capital Finance in Local Authorities (December 2017), and work has been ongoing with service departments to develop further the 20 year Capital Strategy and a supporting 10 year planned programme to 2029/2030.

10.2 The areas of targeted core need have been developed and included:

- Schools Places (early years, primary, secondary and special);
- Highways Structural Maintenance; Bridge Strengthening; Street Lighting; Rights of Way and Bridge Replacement Programme;
- Property Building Maintenance (schools and corporate);
- IT&D;
- Economic Intervention;
- Adults' and Children's House Adaptations Programme; and
- Libraries.

10.3 It is proposed that a core programme of £662m be set from 2019/20 to 2029/30 and will require £260m borrowing over the MTFP period. An update to the capital programme is at Appendix 9 with the full proposed programme detailed at Appendix 3.

## 11. Robustness and Reserves

11.1 The State of the County report gave an estimated total reserves balance of £73.8m. Since then there have been some updates and, moving the estimates on a year, balance at 31 March 2024 is now £77.8m of which only £26.6m relates to strategic reserves. The current reserves position is shown below.

	At State of the County July 2019	Full Council February 2020
	Estimated Balance at 31.03.23 £m	Estimated Balance at 31.03.24 £m
<b>Earmarked Reserves:</b>		
<b>Held on behalf of others or statutorily ringfenced</b>		
<b>Named Service Reserves</b>		
Waste Reserve	8.6	9.7
Capital Programme Reserve	0.0	5.8
Insurance Reserve	4.8	5.4
<b>Subtotal named service reserves</b>	<b>13.4</b>	<b>20.9</b>
<b>Strategic Reserves</b>		
Financial Management	24.7	22.5
Priority Outcomes and Transformation	4.4	4.1
<b>Subtotal strategic reserves</b>	<b>29.1</b>	<b>26.6</b>
<b>Total Earmarked Reserves</b>	<b>63.8</b>	<b>67.8</b>
<b>General Fund Balance</b>	<b>10.0</b>	<b>10.0</b>
<b>TOTAL RESERVES</b>	<b>73.8</b>	<b>77.8</b>

11.2 The level of reserves held by the Council is considered appropriate. It is becoming increasingly important to hold sufficient reserves for the future given the continued financial uncertainty. It continues to be essential to, wherever possible, transfer resources to the Financial Management reserve. Details of the reserves held and the Chief Finance Officer Statement on Reserves and Budget Robustness is set out in Appendix 7.

## **12. Equalities**

12.1 A high level Equalities Impact Assessment (EqIA) of the revenue savings proposals has been undertaken and is set out in Appendix 4. Further EqIAs will be undertaken where appropriate when individual proposals are being considered. EqIAs have been undertaken of the proposed Capital spending. These are summarised in Appendix 9. In considering the proposals in this report, Cabinet Members are required to have 'due regard' to the objectives set out in Section 149 of the Equality Act 2010 (the Public Sector Equality Duty). EqIAs are carried out to identify any adverse impacts that may arise as a result of proposals for those with protected characteristics and to identify appropriate mitigations. The full version of relevant completed EqIAs have been placed in the Members' and Cabinet Rooms and are available on the Cabinet pages of the County Council's website. They can be inspected upon request at County Hall. Members must read the full version of the EqIAs and take their findings into consideration when determining these proposals.

12.2 Whilst the Cabinet is being asked to recommend, and subsequently the County Council asked to agree the Revenue Budget and Capital Programme, the budget decision does not constitute final approval of what policies would be or what sums of money will be saved or spent under the service proposals. The recommendations in the report do not commit the Council to implement any specific saving or spending proposal. When the Executive come to make specific decisions on budget reductions or expenditure, where necessary, focussed consultations and the full equalities implications of doing one thing rather than another will be considered in appropriate detail. If it is considered necessary, in light of equalities or other considerations, it will be open to those taking the decisions to spend more on one activity and less on another within the overall resources available to the Council.

## **13. Fees & Charges**

13.1 The Chief Finance Officer is delegated to approve all fees and charges and to report to Cabinet and County Council those set at a level above inflation; a reasonable inflation level with regard to CPI and RPI being 2.5%. Appendix 10 shows a schedule of the fees and charges that have increased by more than 2.5% at Q3 as part of the budget setting process.

## **14. Conclusion**

14.1 Prudent planning by the Council has led to the Council being able to make investment in services next year of £6.6m once savings of have been made. Whilst the additional funding by the Government in Social Care is welcome, it does not make up for the amount of funding lost over the last 10 years and neither will it be sufficient to prevent savings needing to be made in other areas in future to fund pressures from the rising demand for and cost of social care. The Council will continue to press the case for East Sussex to receive a fair share of the funding available from Government and for it to urgently address the need for it to put in place sustainable funding for local services, in particular social care.

**BECKY SHAW**  
**Chief Executive**

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## Introduction

This Council Plan sets out our ambitions and what we plan to achieve by 2023 for our four overarching priority outcomes: driving sustainable economic growth; keeping vulnerable people safe; helping people help themselves; and making best use of resources.

The Council provides services used by all residents in East Sussex, including providing care and support to children, families and the elderly; maintaining the roads and providing library services; and working to boost the local economy. We have a long term track record for delivery, producing excellent results for the public.

The Council's resources have reduced in real terms since 2010 while demand, particularly for social care and health services, has grown significantly. The new Government elected in December 2019 has indicated its wish for a sustainable funding solution for social care and made additional funding available which is very welcome. Until a long term solution is agreed, however, we face an ongoing challenge. Grants from Government have reduced, so we depend on local council tax and business rates. These bear little relationship to the need for the services we provide for the young and elderly. As our resources do not reflect these realities, we will continue to adjust our services to match the funds we have. We have been democratic, open and honest in determining the best quality services we can provide, within available resources, as set out in our Core Offer. We consider this to be the realistic level of service we must provide, to both fulfil our statutory duties, but also meet local need. In doing this we have based our decisions on local evidence of need and what works and makes a difference locally.

We do not work in isolation, so we will work with all our partners to make sure there is a shared view of priorities and that we make the most of opportunities and resources available locally. We lobby hard to protect and promote the interests of East Sussex.

We have set a number of delivery outcomes under each overarching priority outcome. These shape the Council Plan performance measures and targets that are the main tool we use to assess our progress. We also keep track of a wide range of related key data evidencing local need in East Sussex. These help us assess our impact more fully and respond appropriately when we need to do so. We review this data when making our plans and publish them with our State of the County report each year. A selection of this information is provided throughout the plan and listed in more detail at the end.

As a member of the Environment Board for East Sussex, the Council is playing a role in developing an updated Environment Strategy for the county, and this is due to be published in 2020. The Council declared a climate emergency in October 2019, and is now working on plans to move towards carbon neutrality in all its operations as soon as possible, and by the latest 2050.



**Keith Glazier**  
Leader



**Becky Shaw**  
Chief Executive

January 2020



Apprentices across East Sussex were celebrated at the first ever East Sussex graduation ceremony



Careers Hub partners celebrate the first year of the hub

## The Priority Outcomes

The Council has four overarching priority outcomes: driving sustainable economic growth; keeping vulnerable people safe; helping people help themselves; and making best use of resources. Making best use of resources is the gateway priority through which any activity and accompanying resources must pass. The remaining three priority outcomes guide our activities, direct our resources and are reflected in our Council Plan activities and targets. As resources tighten, we will need to have an ever sharper focus on these priority areas, define clearly the outcomes we wish to achieve, and monitor our success in delivering these outcomes for the county's residents, communities and businesses.

Driving  
sustainable  
economic  
growth

Keeping  
vulnerable  
people safe

Helping  
people help  
themselves

Making best use of resources

## Driving sustainable economic growth - delivery outcomes

- Employment and productivity rates are high throughout the county
- Individuals, communities and business thrive in East Sussex with the environment and infrastructure to meet their needs
- The workforce has and maintains the skills needed for good quality employment
- All children progress well from early years to school leaver and into education, training and employment

## Keeping vulnerable people safe - delivery outcomes

- All vulnerable people in East Sussex are known to relevant local agencies and services are delivered together to meet their needs
- People feel safe at home
- People feel safe with support services

## Helping people help themselves - delivery outcomes

- Commissioners and providers from all sectors put people first when providing services and information to help them meet their needs
- The most vulnerable adults get the support they need to maintain their independence and this is provided at or close to home
- Individuals and communities are supported and encouraged to be responsible, help others and make the most of community capacity and assets

## Making best use of resources - delivery outcomes

- Working as One Council, both through the processes we use and how we work across services
- Working in partnership across the public, voluntary community, and private sectors to ensure that all available resources are used to deliver maximum benefits to local people
- Ensuring we achieve value for money in the services we commission and provide
- Maximising the funding available through bidding for funding and lobbying for the best deal for East Sussex
- To help tackle Climate Change East Sussex County Council activities are carbon neutral as soon as possible and in any event by 2050
- Applying strategic commissioning to ensure that resources are directed to meet local need

## Priority overview

A thriving economy in East Sussex is key to the wellbeing of the county. Ensuring that local people have access to well-paid employment will have positive impacts on the health and education outcomes of our young people, and will mean that they are less dependent on shrinking public sector resources. Growing a sustainable economy will increase the resources we can raise locally to provide the services needed by the most vulnerable people in our society, which is becoming increasingly important as central Government funding reduces and is replaced with local funding.

## Employment and productivity rates are high throughout the county

The county is an economy of small businesses with great potential for growth. We provide programmes that support small businesses with grants and loans to help them thrive.

As a body with significant spending power in the county we constantly review our procurement processes to ensure they are accessible to local suppliers, maximise the use of local providers in the supply chains, and secure added economic, social and environmental benefits.

The Council has been paying the Apprenticeship Levy of approximately £1m per year since 2017. We have successfully implemented a workforce-based approach and have developed a strategy and action plan to maximise our draw down of the Levy to support employing new apprentices and current staff receiving qualifying apprenticeship training. The Local Government Association (LGA) has recognised the work the Council's Apprenticeship team have done within our maintained schools and have used the Council as a case study to promote good practice for other authorities.

We will support the growth of well paid employment across the county so that local people can afford a mortgage should they wish to own their home.

## Businesses are able to thrive in East Sussex and can access the skills and infrastructure they need

Businesses can only thrive if they have the local infrastructure they need and access to the right skills in the local workforce. Our Highways contract with Costain and Jacobs is helping to maintain and improve our roads, while ensuring value for money for the Council. We also coordinate street works and manage parking controls, to help the local transport infrastructure cope with increasing demand. A number of infrastructure projects will be delivered in 2020/21, including the Queensway Gateway Road and the Newhaven Port Access Road. Planning will continue on a replacement to the Exceat Bridge and new improvements to Terminus Road in Eastbourne.

Our Public Transport Strategic Commissioning Strategy sets out how we prioritise support for bus services to meet local needs, such as transport to schools and key employment locations.

Business in the 21st century also needs modern digital support. Our e-Sussex project to rollout faster broadband in previously isolated areas has improved access to services, jobs and education. Over 75,000 premises have been connected to improved broadband speeds during our first and second contracts of work with BT. We will deliver a third phase of works in 2020/21, with the aim to connect as close to 100% of premises in the county as possible.

We want all local people to have the skills they need to succeed and for businesses to have access to a skilled workforce. Skills East Sussex (SES, the local employment and skills board) will continue to operate, bringing together education suppliers and businesses to make sure people have the skills businesses need to grow. SES has launched a number of projects to match schools and colleges with employers to improve the quality of careers advice; help young people become work ready; and give young people the chance to visit employers in the county.

We will pursue new freedoms that allow us, and our partners, to deliver economic growth whenever there

is an opportunity to do so. Together with a number of partner organisations we have launched a shadow Sub-National Transport Body (STB) called Transport for the South East (TfSE), and have published a draft Transport Strategy for the South East, which sets out a plan through which the South East's economy could double over the next 30 years.

## State of the County 2018/19

- Working age residents with a level 4 qualification or above (degrees, HNC, HND etc.), 37.0% (England 39.0%)
- Working age residents with no qualifications or qualified only to NVQ1, 20.9% (England 18.2%)
- Annual gross full time earnings, median average (residence based), £29,345 (England £30,661)
- Working age population in employment, 73.6% (England 75.6%)
- Working age residents claiming unemployment related benefits (alternative claimant count), 3.0% (England 3.1%)
- New business registrations per 10,000 people over 16, 48.5 (England 75.2)
- New houses built, 1,734, including 295 affordable houses
- Children achieving a good level of development in the Early Years Foundation Stage, 76.0% (England 71.8%)



Take a look at the targets we have set to measure our progress against delivering the aims under this priority on page 14



## Examples of planned work 2020/21

- Construction of the Newhaven Port Access Road and Queensway Gateway Road will be completed
- We will deliver our third phase of works with BT to ensure as close to 100% of premises in the county as possible have access to superfast broadband
- We will continue to ensure at least 54% of the Council's procurement spend is with local companies
- Our Social Value Measurement Charter (SVMC) will continue to boost the level of social value secured from Council procured contracts



Construction of the Newhaven Port Access Road

## Thriving East Sussex economic growth sectors

Our East Sussex Growth Strategy sets out our plans to support and improve the local economy. Team East Sussex (TES), our locally federated board to the South East Local Enterprise Partnership, will continue work to create new jobs, homes, and commercial spaces in the county.

We will build on the county's economic strengths and unique characteristics to drive economic growth in sectors with the most potential to grow and provide employment. We will build on the areas where the county already performs strongly, such as culture and tourism, and look to the future to attract and retain new businesses that will provide the jobs of tomorrow.

Locate East Sussex will continue to support business looking to move into East Sussex, expand or access funding. We will also provide further grants and loans to businesses through East Sussex Invest 6.

## All children progress well from early years to school leaver and into education, training or employment

We want every child to do well from their earliest years until they enter employment. Working with schools, colleges and early years providers, we will target our limited resources to assist them in

improving educational outcomes for all pupils in the county. In line with the Core Offer we will operate a light-touch monitoring of performance of maintained schools and use our best endeavours to intervene when a school is at high risk of failure. We want to ensure the gap between the most disadvantaged pupils and the rest is kept as small as possible and where possible closes and we aim to improve the outcomes of vulnerable pupils. Notable progress has been made in educational attainment, particularly with our younger children but this is not consistent across all ages and groups of pupils. We will target our work to increase the number of pupils making good levels of progress each year.

The Hastings Opportunity Area is working with local businesses, schools, colleges and nurseries to improve the education and employment prospects of young people in the town.

Educational attainment is negatively affected by poor rates of attendance. Across East Sussex, our pupils have lower rates of attendance and higher exclusion than their peers nationally. We will continue to focus on working with schools to improve the engagement of some families so that they ensure their children are in school. We will continue to work closely with schools, Behaviour and Attendance Partnerships, and Education Improvement Partnerships (EIPs) to identify ways in which they can help bring about improvements in attendance and a reduction in

exclusions.

We will work with our partners, within our resources, to promote post 16 participation, in education or employment with training until they are 18, including provision and support for young people with learning difficulties/disabilities. We will work with internal and external partners to prepare young people for work, and to improve their employability and skills.

The updated Excellence for All strategy 2019 - 2021, published in September 2019, outlines the shared vision, values and ambitions the Council and our partners have for creating an excellent education system in East Sussex where no pupil or educational establishment is left behind.

## State of the County 2018/19

- Percentage of pupils reaching the expected standard at key stage 2 in reading, writing and mathematics 62% (England 65%)
- Average Attainment 8 score per pupil state funded secondary schools 45.2 (England 46.7)
- Average Progress 8 score for state funded secondary schools -0.05 (England -0.03)
- Percentage of pupils who achieved a 9-5 pass in English and maths GCSEs 41.5% (England 43.0%)
- Average Attainment 8 score for Looked After Children, 18.4 (England 18.9)
- Average point score (APS) per entry for level 3 exams including A levels, 30.91 (England 32.02)
- Attainment of A level students average point score (APS) per entry, best 3, 29.44% (England 32.17%)
- Attainment of A level students achieving grades AAB or better at A level, of which at least two are in facilitating subjects, 9.2% (England 13.4%)

## Priority overview

Ensuring vulnerable children and adults are safe is one of our key priorities and responsibilities to the community.

There will always be children and adults who cannot be looked after at home by their families. Where it is clear this is the case for children, we will intervene early and find permanent or long-term placements for them through fostering or adoption where appropriate. We will also ensure that vulnerable adults are safeguarded whether they are looked after at home or somewhere else.



Young people promote the East Sussex Youth Cabinet's 'Top Ten Tips' guide, which helps schools promote positive mental health amongst young people

## All vulnerable people in East Sussex are known to relevant local agencies and services are delivered together to meet their needs

One of our key objectives is that there is an effective multi-agency early help and child protection system, which ensures that children and young people who are, or are likely to be, at risk of harm are identified, supported and protected. This is part of a wider multi-agency safeguarding system, underpinned by strong statutory multi-agency governance and scrutiny by the East Sussex Safeguarding Children Board.

We may reduce the training and preventative services that social workers can use to work with children and families. Though not a statutory responsibility, these services are important contributors to preventing children requiring a child protection plan or being taken into care.

For Looked After Children we will be ambitious so that they can achieve their best and we will continue with effective placement planning to ensure that the right child is cared for, in the right place, for the right amount of time and at the most appropriate cost.

The East Sussex Safeguarding Adults Board (SAB) oversees the work undertaken towards the prevention of abuse, the SAB's areas of focus include:

- Ensuring the SAB provides strategic leadership to embed the principles of safeguarding across agencies and contributes to the prevention of abuse and neglect.
- Establishing robust feedback mechanisms on safeguarding policies and procedures.
- Making safeguarding personal, making sure adults are involved and consulted in the process of helping them to stay safe and agreeing goals to achieve.
- Ensuring learning from reviews is effectively embedded into practice to facilitate organisational change across agencies.

- Ensuring the workforce is equipped to support adults appropriately where abuse and neglect are suspected.



Work continues with NHS partners to transform health and care services in East Sussex. We need to deliver efficiencies and develop an integrated health and social care system to improve health and wellbeing; enhance care, quality and experience for local people; and make the best use of our combined resources to ensure sustainable services as part of the wider Sussex Health and Care Partnership.

The partnership has produced the East Sussex Health and Care Plan. It aims to improve, extend and save lives, by focusing on keeping people healthier for longer and giving our local populations the right care, in the right place at the right time. The plan represents a response to the ever-changing local health and care needs of our populations and the national ambitions and expectations set out in the NHS Long Term Plan.

East Sussex has been covered by three Clinical Commissioning Groups (CCGs): High Weald Lewes Havens; Hastings and Rother; and Eastbourne Hailsham and Seaford. From April 2020 these will be replaced with a single East Sussex CCG, which will allow for a more joined up approach to commissioning

Health and Social Care Connect (HSCC) provides the public and professionals with a single point for information, advice and access to community health and social care services. HSCC is available from 8:00am to 10:00pm every single day of the year and ensures that people get access to the right services in the right place without unnecessary delay.





## Examples of planned work 2020/21

- We will continue to help victims of mass marketing fraud
- We will support people who have been a victim of sexual violence and domestic abuse through the specialist domestic abuse and sexual violence service



Vinny the Van, which promotes fostering around the county

## People feel safe at home

We work with partners, including health services, police, ambulance, and fire and rescue services, to ensure people are safeguarded and able to live independently and free from abuse. We will raise awareness of safeguarding issues and enquire into concerns of abuse.

We support the most vulnerable families, helping them to find ways to manage independently and cope with problems so that they can stay together and achieve better outcomes for children and parents.

Early Help services support families to tackle their problems before they become more difficult to

reverse. Following a review of services, we are implementing a strategy to support vulnerable families in East Sussex and help manage the demand for statutory social care. The strategy includes keywork with vulnerable families, early years family support services integrated with delivery of the Healthy Child Programme by our health visitors, and evidence-based youth work with vulnerable young people. We will also offer universal, open-access and drop-in early help services for children, families and young people where these are fully externally funded. We will retain a network of 16 children's and youth centres, plus provision of services in Council and other community buildings when needed, but de-designate 14 children's centres - working with partners to support ongoing local early years and education services. Rainbow and Cygnets nurseries in Bexhill will no longer be operated by the Council and, as in the rest of the county, we will work with other providers to secure, so far as is reasonably practicable, an offer of sufficient nursery places in the area. Implementing the strategy will make the best use of the available resources to help vulnerable families and young people stay safe and well.

We work in partnership to reduce crime, anti-social behaviour and domestic abuse and help victims to stay safe from harm. We work with a number of partners to provide support services and raise awareness of domestic abuse across the county.

Our Trading Standards service helps to protect vulnerable people from exploitation such as rogue traders and cold callers. We also investigate food fraud, illicit tobacco and counterfeit alcohol to protect people from the increased risks associated with these. These services may need to be reviewed in the coming years, and we may reduce the level of prevention and support work we offer to the residents and businesses of East Sussex.

## People feel safe with support services

While we aim to help people stay safe and independent, this is not always possible. There will always be children and young people who cannot be

cared for at home and with their families. Where it is clear this is the case for children, we will intervene early and find permanent or long-term, cost effective, placements for them through fostering or adoption where appropriate. Vulnerable adults that cannot cope by themselves need to have support services that are safe and of good quality; we will continue to monitor satisfaction with our commissioned services including through service user evaluations.

## State of the County 2018/19

- Looked after children per 10,000 0-17 population, 57.3 (England 65.0)
- Children with a Child Protection Plan per 10,000 0-17 population, 53.5 (England 43.7)
- Percentage of children who ceased to be looked after adopted during the year ending 31 March, 16% (England 12%)
- Hospital emergency admissions caused by injuries in children aged 0-14 per 10,000, **112.5** (England **96.4**)
- Adult Social Care service users who feel safe, 72.7% (England 70.0%)
- People aged 65+ still at home 91 days after discharge from hospital, 92.8% (England 82.4%)
- Suicide rate per 100,000 2016 - 2018, 13.7 (England 9.6%)

**Take a look at the targets we have set to measure our progress against delivering the aims under this priority on page 19**



## Priority overview

Whilst we must keep vulnerable people safe, people prefer and need to be independent. If we can encourage families and communities to work together to build better local communities, meet local need, and support individuals to stay independent, we can meet our objectives of breaking dependency, while reducing demand for services and therefore costs. Helping people to be self-supporting will become increasingly important as the resources available to public services decline.

## We put people first when providing services and information to help them meet their needs

One of the best things we can do to support people is to focus very clearly on their needs when designing and providing services and when we make information available so people can help themselves.

Our focus is to provide people with the support they need as early as possible to help them remain healthy and independent. When they need them, our services will be provided by integrated health and care teams, meaning their care will be more efficient and personal, delivered by one system.

Our focus on providing support as early as possible should mean that people don't need health and care services as much. But when they do, we will make sure they can get services quickly, easily and, before they reach crisis point.

We want to ensure that local people receive the right services, in the right place, at the right time. This may mean they access and use services differently. We aim to empower them with the knowledge of how to best use available health and social care services, and how to best get the support they need.

The integrated community health and social care services are implementing Discharge To Assess (D2A)/Home First pathways. The pathways are designed to avoid prolonged stays in hospital for people awaiting assessment or commissioned

services to enable their discharge. Where possible D2A will aim to avoid unnecessary admissions to hospital, and where an admission is necessary, it will ensure that people are discharged as soon as is safe and practical, back to their own homes or to a D2A bed to have their assessments and services arranged outside of an acute hospital.

Locality Link Workers will continue to work across the county, acting as a conduit between statutory services and communities and building links between the community, voluntary services and health and care services.

As part of the Core Offer for Adult Social Care we will provide information and advice for all those seeking care and support; and provide support that reduces the need for social care in the longer term and/or prevents the need for a more expensive service.

We provide online access to information, for children and young people with Special Educational Needs and Disabilities (SEND) and their families, about services and expertise available in the area from a range of local organisations, including providers of education, health and social care. It also gives families the opportunity to feed back about services that are available.

We will continue to promote these schemes to ensure that people are able to quickly find information about a range of support options available in their local area.

People generally prefer to have as much control and choice as possible over the services they receive. Self-directed support offers control to clients and carers over how their care and support is provided.

Inclusion, Special Educational Needs and Disability (ISEND) has an important role to play in supporting pupils who are vulnerable to underachievement to do their very best. The service helps improve the lives and outcomes of pupils with SEND, helping them to achieve their ambitions and become successful adults. We will carry out statutory assessments of children with SEN where there are significant barriers to learning and we will aim to secure the right education provision for those with the greatest need. Due to the financial restrictions facing the Council we may have to target our attendance annual review meetings for children with Education Health and Care Plans and will not be able to attend all of them.

## State of the County 2018/19

- 4-5 year olds with excess weight, 23.4% (England 22.6%)
- 10-11 year olds with excess weight, 28.2% (England 34.3%)
- Younger adults admitted to residential and nursing care homes per 100,000, 14.4 (England 13.9)
- Older people (65+) admitted to residential and nursing care homes per 100,000, 502.9 (England 580.0)
- Older people (65+) offered reablement services following discharge from hospital, 2.9% (England 2.8%)
- People who received short term services where no further request was made for ongoing support, 92.2% (England 79.6%)



The 'Be There Tomorrow' campaign urged smokers to quit

## The most vulnerable adults get the support they need to maintain their independence and this is provided at or close to home

It is often best if people in need of care and support receive this at home, if possible, with the help of friends and family. We work to ensure that people's homes are safe, providing access to care services, and personal budgets so that people can choose the care and support they need.

Frail adults across East Sussex can receive Technology Enabled Care Services (TECS), to help manage risks and maintain independence at home. TECS includes Telecare, which offers a range of sensors and detectors to meet different needs, such as wearable alert buttons, fall detectors and medication dispensers. The sensors can be monitored 24/7 by a local contact center. Environmental sensors, such as smoke alarms or flood detectors are also linked to the center for automatic alerts. Individuals can also benefit from scheduled live or recorded telephone calls to provide welfare checks or reminders during periods of reablement.

## Individuals and communities are supported and encouraged to be responsible, help others and make the most of community capacity and assets

People, families and communities across East Sussex have huge potential to thrive and to support each other. There is a substantial infrastructure of public, voluntary and community sector work across the county that can seek to help local people achieve their

ambitions. We work with partners and communities across the county to help local communities thrive and tackle some of the most difficult issues that impact on people's happiness and wellbeing, such as loneliness.

We are working with partners across health, social care, the voluntary and community sector, and others to increase community and personal resilience in East Sussex. We aim to increase volunteering; improve and coordinate support to strengthen communities; and help individuals to improve their own health and well-being and take action to prevent disease and ill health.

As driver error contributes to over 90% of road collisions where people are killed or seriously injured (KSI), we are implementing a £1m project to deliver behaviour change initiatives, alongside our ongoing programme of work to improve the road infrastructure. The programme has identified a number of target groups who are at the greatest risk having a road traffic collision resulting in a KSI casualty and trials of behaviour change initiatives focusing on these groups has begun.

**Take a look at the targets we have set to measure our progress against delivering the aims under this priority on page 21**

### State of the County 2018/19

- Adult Social Care service users who find it easy to find information about services, 75.5% (England 69.7%)
- Adult Social Care service users who have as much social contact as they would like, 49.2% (England 45.9%)
- Number of people killed or seriously injured on the roads, 355



'The Passenger', a thought provoking theatre production, toured East Sussex schools in November 2019 to empower young people to speak out against dangerous driving

### Examples of planned work 2020/21

- We will increase the number of members of the Support with Confidence scheme, which provides a register of people and organisations that have been vetted and approved by us, so users can be confident in their safety, training and quality



- We will continue to offer health checks to those eligible, while encouraging those offered a check to take it up
- We will support households as part of the government's Troubled Families programme

## Priority overview

This priority underpins all our activities and is a key measure of success for all our priority outcomes. It applies to all the resources available for East Sussex, not only within the Council, but across the public sector, voluntary and community sector and private partners, and within local communities. We will work as a single unified organisation to deliver our priorities; ensuring high quality, streamlined services are commissioned and developed in partnership; working to reduce demand for services and focusing on our residents and communities.

## One Council

We will ensure that we work in a unified way so that resources are focused on delivering our priority outcomes. This means minimising the cost of back office services and directing resources to frontline services. We will focus on delivering services close to local people in the most cost effective way possible.

Our People Strategy recognises that the Council workforce is the key to our success. The strategy is based on the four themes of Leadership and Management; Performance Development and Reward; Employee Engagement and Recognition; and Employee Health, Wellbeing and Inclusion. In conjunction with this, a 'Leadership and Management Capability Framework' has been developed which sets out the management and leadership expectations in support of the Council's priority outcomes and operating principles. We are committed to the development of our workforce and our People Strategy is becoming embedded in our culture.

## Working in partnership

We will work in partnership across the public, voluntary and community, and private sectors to ensure that all appropriate available resources are used to deliver maximum benefits to local people. We will be proactive in making the best use of our assets, sharing property, ICT and staff with partners so we work as efficiently as possible, removing duplication

and increasing flexibility. We will join with partners to seek opportunities to achieve better value through our procurement.

Orbis, our partnership with Surrey County Council (SCC) and Brighton & Hove City Council (BHCC) for all Business Services, has allowed us to provide resilient services while achieving savings which are being used to sustain services for residents of all the counties.



The Council has agreed to enter into an improvement partnership with West Sussex County Council (WSCC), to address the significant challenges that WSCC are facing but also offer opportunities for both authorities to work together on shared priorities, such as infrastructure, social care and climate change. A detailed action plan will be produced in 2020, setting out the challenges and actions that will be taken as part of the improvement partnership.

## Value for money

Across all our resources, services and partnerships we will seek to achieve the maximum positive impact to deliver our priority outcomes for people in East Sussex.

We may need to consider further changes to our Waste and Library services to ensure we are providing the best service possible within the resources available.

We have been working to reduce the cost of occupancy of corporate buildings, by consolidating our buildings and reducing our spend on energy, by 2% each year since 2016/17. We are aiming for the same saving in 2020/21.

## Maximising funding

We will continue to take all available opportunities to raise the distinct funding needs of the Council with Government until we have commitment of fair funding for our services; and to work with partners to press for the best outcomes for the county. In view of the

ongoing financial challenge we face, the Council has developed a Core Offer, which sets out the ambitious but realistic level of service we think we must provide to both fulfil our statutory duties and meet local need in the current financial climate. Feedback from our residents, partners and businesses helped develop the Core Offer and we are working with communities to build resilience where the Council can no longer provide services. Due to our funding position, even this Core Offer is unaffordable in the near future so we will use this model to work with our local MPs to press for the Government funding we need to provide the decent services we know are needed by this county.

## Climate change

We will build on our earlier work to ensure all Council activities are carbon neutral as soon as possible and in any event by 2050. Working with partners and through the East Sussex Environmental Strategy, which will be published in 2020, we will take further action to tackle the wider climate emergency.

## Strategic commissioning

We will consider the outcomes we are trying to achieve for local people first and then achieve those outcomes in the most effective way possible.

### Examples of planned work 2020/21

- We will continue to embed the Orbis partnership; making cost savings while providing more effective and efficient services
- We will reduce the cost of the buildings we occupy and the amount of CO2 produced from Council operations
- We will maintain or reduce the number of working days lost to sickness absence

**Take a look at the targets we have set to measure our progress against delivering the aims under this priority on page 24**

## Revenue budget: gross and net

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The charts below show how we will spend your revenue budget money in 2020/21, and where the money will come from (gross and net). More information on our revenue budget can be found in our [financial budget summary](#) which explains the difference between the gross and net budgets.

Pie charts to be added when  
budgets finalised

# Revenue budget

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The diagram below is a visual representation of our gross revenue budget for 2020/21. It also shows East Sussex County Council spend inclusive of partnership working where we are the lead authority. More information on our revenue budget can be found in our [financial budget summary](#).

Bubble chart to be added  
when budgets finalised

Pie charts and updated  
capital projects to be added  
when budgets finalised



All Council Plan targets aim to deliver positive outcomes for the people of East Sussex. We challenge discrimination and encourage respect, understanding and dignity for everyone living, working in or visiting East Sussex. We do this through our influence in the community, strategic planning, employment policies, and service delivery.

## Equality impact assessment summary report for Council Plan 2019/20

**Date of assessment:** TBC

**Summary of findings:** All Council Plan targets aim to deliver positive outcomes for the people of East Sussex. This equality impact assessment has found that a number of the measures in the Council Plan will have a positive impact upon the lives of groups of people with protected characteristics. There should not be any negative impacts on any equality target groups.

**Summary of recommendations and key points of action plan:** None.

**Groups that this project or service will impact upon:**

	Positive	Negative	Neutral
Age	x	-	-
Disability	x	-	-
Ethnicity	x	-	-
Gender/Transgender	x	-	-
Marital Status/Civil Partnership	-	-	x
Pregnancy and Maternity	x	-	-
Religion/Belief	-	-	x
Sexual Orientation	-	-	x
Other (carers, literacy, health, rurality,	x	-	-

In line with the Equality Act 2010 we no longer publish equality objectives in a separate equality scheme. Instead, equalities data has been taken into consideration when developing performance targets for our Portfolio Plans and this Council Plan.

We will continue to report on our progress in ensuring equality is embedded throughout our work while delivering our priorities. This will form part of our annual report, which will be published in Autumn 2020.



More information on equality and diversity can be found on our [equality and diversity web page](#).

# Driving sustainable economic growth – performance measures and targets

14

Performance measure	2019/20 Outturn (Target)	2020/21 Target	2021/22 Target	2022/23 Target	2019 - 2023 Outcome Summary
Work with Seachange Sussex to deliver major transport infrastructure – Queensway Gateway Road	(Complete second phase of the road)	Complete final phase of the road	Monitor impact	No target set project completed	Improved connectivity between Queensway and the A21, improving journey times and reducing congestion on the local network. Enable the development of land for commercial and residential use in North Hastings, supporting economic growth, job creation and the delivery of new homes in the area
Deliver major transport infrastructure – Newhaven Port Access Road	(Continue construction)	Complete construction and monitor impact	Monitor impact	Monitor impact	Improved connectivity into Newhaven Port from the strategic road network, supporting the delivery of the Enterprise Zone and unlocking employment land within the Port
Deliver pedestrian improvements in Terminus Road (Eastbourne) using 'Shared Space' concepts to coincide with the opening of the new Arndale Centre	(Construction complete and monitor impact)	Monitor impact	No target set project completed	No target set project completed	Pedestrian and bus improvements to Eastbourne town centre, promoting more sustainable travel choices. The improvements will support the significant private sector investment in the Arndale Centre and reinvigorate the retail and leisure offering in the town centre
Number of additional premises with improved broadband speeds	(To be set once deployment plans are set)	To be set	To be set 2020/21	To be set 2021/22	As close to 100% of premises as possible have access to high speed broadband. Supporting employment, productivity, individuals and communities
Report progress on the level of broadband improvement in the Intervention Area	(Report progress on the level of broadband improvement in the Intervention Area)	Report progress on the level of broadband improvement in the Intervention Area	Report progress on the level of broadband improvement in the Intervention Area	Report progress on the level of broadband improvement in the Intervention Area	



# Driving sustainable economic growth – performance measures and targets

15

Performance measure	2019/20 Outturn (Target)	2020/21 Target	2021/22 Target	2022/23 Target	2019 - 2023 Outcome Summary
Deliver the new Employability and Skills Strategy: East Sussex business sector skills evidence base developed	(Seven sector task groups maintained, with each working to establish a new annual action plan and reporting to Skills East Sussex on actions and achievements)	Seven sector task groups maintained, with each working to establish a new annual action plan and reporting to Skills East Sussex on actions and achievements. Establish Careers East Sussex task group and develop All Age Careers Campaign to promote key careers in Priority sectors	Seven sector task groups maintained, with each working to establish a new annual action plan and reporting to SES on actions and achievements. Deliver Careers East Sussex All-age Campaign to promote key job roles in our priority sectors including delivery of two sector-focused careers events	To be set 2021/22	Training providers are developing a curriculum which is informed by sector skills evidence and our local businesses are actively engaged in supporting training provision in the county, supporting sustainable economic development
Deliver the new Employability and Skills Strategy: East Sussex Careers Hub	(Establish a Careers Hub and support schools to achieve an average of 3 national benchmarks Recruit 15 further Industry Champions to support Careers Hub activities)	East Sussex Careers Hub to support schools to achieve an average of 4 national benchmarks Recruit 15 further Industry Champions to support Careers Hub activities (Subject to funding)	To be set 2020/21	To be set 2021/22	Helping our young people and adults become aware of careers opportunities available to them, supporting sustainable economic development
Deliver Culture East Sussex agreed actions to grow Cultural Tourism	(Trial the T Stats (Tourism Statistics) monitoring tool with tourism businesses in the Lewes, Eastbourne and Wealden area)	Deliver first wave of England's Creative Coast with the commissioning of three new art works	To be set 2020/21	To be set 2021/22	Grow the visitor economy by raising the visibility of East Sussex, enhancing perceptions, increasing the number of visitors to the coast, and increasing length of stay and spend
Job creation from East Sussex Programmes	(Support businesses to create 135 jobs)	To be set June 2020 pending funding confirmation	To be set 2020/21	To be set 2021/22	Grow the East Sussex economy and create more jobs by supporting the growth of businesses through capital investment

# Driving sustainable economic growth – performance measures and targets

16

Performance measure	2019/20 Outturn (Target)	2020/21 Target	2021/22 Target	2022/23 Target	2019 - 2023 Outcome Summary
Percentage of Principal roads requiring maintenance	(8%)	8%	8%	8%	Achieve and maintain a good standard of road condition across all road types
Percentage of Non Principal roads requiring maintenance	(9%)	9%	9%	9%	
Percentage of Unclassified roads requiring maintenance	(15%)	15%	15%	15%	
In partnership with funding organisations provide online learning (including skills for life and ICT courses) in libraries (subject to contract)	(80 courses)	To be set June 2020 once external funding finalised	To be set 2020/21	To be set 2021/22	People have access to free qualifications that support them into, or back into, work and education
The number of businesses and professionals receiving advice and support through training workshops and bespoke advice provided by Trading Standards	(300)	150	To be set 2020/21	To be set 2021/22	Businesses in East Sussex are equipped to thrive, comply with the law, and are supported to "get it right first time"
The Council's Apprenticeship Levy strategy supports the Council's workforce development and training plans	(Where appropriate standards exist, ensure apprenticeship training is available and taken up (subject to the needs of the business), addressing skills shortages in the Council)	Where appropriate Standards exist, to ensure apprenticeship training is available and taken up (subject to the needs of the business), which addresses skills shortages in the Council	To be set 2020/21	To be set 2021/22	Apprenticeships in the Council provide a positive opportunity for staff to develop and grow, enhancing the Council's workforce and career opportunities
The percentage of Council procurement spend with local suppliers	(54%)	54%	54%	54%	Support local businesses and help drive economic growth and employment in the county through our purchasing power
Economic, social and environmental value committed through contracts, as a percentage of our spend with suppliers	(≥10.0% of value of annual contracts awarded)	>10%	To be set 2020/21	To be set 2021/22	The Social Value Measurement Charter is used to provide robust measures in eligible contracts that commit suppliers to deliver the Council's social value objectives

# Driving sustainable economic growth – performance measures and targets

17

Performance measure	2019/20 Outturn (Target)	2020/21 Target	2021/22 Target	2022/23 Target	2019 - 2023 Outcome Summary
The percentage of eligible 2 year olds who take up a place with an eligible early years provider	(Above national average)	In line with national average	In line with national average	In line with national average	All children engage, attain and progress well from early years into education, training and employment
The percentage of pupils achieving a “good level of development” at the Early Years Foundation Stage	(Ac year 2018/19 At or above national average)	Ac Year 2019/20 At or above national average	Ac Year 2020/21 At or above national average	Ac Year 2021/22 At or above national average	
Average Progress 8 score for state funded schools	(Ac year 2018/19 At national average)	Ac year 2019/20 No more than 0.2 points below national average	Ac year 2020/21 No more than 0.2 points below national average	Ac year 2021/22 No more than 0.2 points below national average	
The percentage of disadvantaged pupils achieving at least the expected standard in each of reading, writing and maths at Key Stage 2	(Ac year 2018/19 No more than 4 percentage points below national average)	Ac year 2019/20 No more than 5 percentage points below national average	Ac year 2020/21 No more than 7 percentage points below national average	Ac year 2021/22 No more than 7 percentage points below national average	The gap for disadvantaged pupils at all Key Stages is kept as small as possible so that all children attain and progress well from early years into education, training and employment
The average Attainment 8 score for disadvantaged pupils	(Ac year 2018/19 No more than 4 points below national average)	Ac year 2019/20 No more than 5 points below national average	Ac year 2020/21 No more than 6 points below national average	Ac year 2021/22 No more than 6 points below national average	

# Driving sustainable economic growth – performance measures and targets

18

Performance measure	2019/20 Outturn (Target)	2020/21 Target	2021/22 Target	2022/23 Target	2019 - 2023 Outcome Summary
The percentage of young people meeting the duty of RPA (Raising the Participation Age) by either participating in education, training or employment with training or undertaking re-engagement provision at academic age 16 (Year 12)	(93%)	93%	93%	93%	Young people participate in education, training or employment with training until they are at least 18 improving their long term employment and health prospects
The percentage of young people meeting the duty of RPA by either participating in education, training or employment with training or undertaking re-engagement provision at academic age 17 (Year 13)	(86%)	86%	86%	86%	
Average Progress 8 score for Looked After Children (LAC)	(Ac Year 2018/19 No more than 0.5 points below the national average for LAC)	Ac Year 2019/20 No more than 0.5 points below the national average for LAC	Ac Year 2020/21 No more than 0.5 points below the national average for LAC	Ac Year 2021/22 No more than 0.5 points below the national average for LAC	All children progress well from early years, through compulsory education, into education, training and employment
The percentage of LAC participating in education, training or employment with training at academic age 16 (Year 12)	(80%)	80%	80%	80%	Looked after Children participate in education, training and employment with training until they are at least 18 improving their long term employment and health prospects
The percentage of LAC participating in education, training or employment with training at academic age 17 (Year 13)	(70%)	70%	70%	70%	

# Keeping vulnerable people safe – performance measures and targets

Performance measure	2019/20 Outturn (Target)	2020/21 Target	2021/22 Target	2022/23 Target	2019 - 2023 Outcome Summary
National outcome measure: The proportion of people who use services who say that those services have made them feel safe and secure	(≥87.0%)	≥87.0%	≥87.0%	≥87.0%	Services received by adults with long term support also have a positive impact on their safety
Health and Social Care Connect – percentage of referrals triaged and progressed to required services within required timescales	(90%)	90%	90%	90%	Services are provided in a timely manner
Health and Social Care Connect – % of Health and Social Care Connect contacts that are appropriate and effective (i.e. lead to the provision of necessary additional services)	(95%)	95%	95%	95%	Monitor the number of contacts from health professionals that aren't taken any further
Percentage of people affected by domestic violence and abuse who feel safe upon leaving the service	(88%)	88%	88%	88%	To enable vulnerable people who have been affected by domestic violence to feel safe and have the skills they need to improve their wellbeing and their self-esteem
When they leave the service the % of those affected by rape, sexual violence and abuse who have improved coping strategies	(88%)	88%	88%	88%	Protect vulnerable people who have been affected by rape, sexual violence and abuse, and provide them with skills which enable them to be more in control of their lives and more optimistic about the future

# Keeping vulnerable people safe – performance measures and targets

20

Performance measure	2019/20 Outturn (Target)	2020/21 Target	2021/22 Target	2022/23 Target	2019 - 2023 Outcome Summary
Rate of children with a Child Protection Plan (per 10,000 children)	(54.2 (574 children))	To be set	To be set 2020/21	To be set 2021/22	Children at risk from significant harm are kept safe
Rate (of 0-17 population) of referrals to children's social care services (per 10,000 children)	(518.0)	518.0	518.0	518.0	
Rate (of 0-17 population) of assessments completed by children's social care services (per 10,000 children)	(503.8)	503.8	503.8	503.8	
Rate of Looked After Children (per 10,000 children)	(60.7 (644 children))	60.7 (644 children)	60.7 (644 children)	60.7 (644 children)	
Average time between a child entering care and moving in with its adoptive family, for children who have been adopted (days) (Adoption Scorecard)	(Less than or equal to national average)	Less than or equal to national average	Less than or equal to national average	Less than or equal to national average	Children are placed for adoption as quickly as possible in order to achieve permanency
The number of positive interventions for vulnerable people who have been the target of rogue trading or financial abuse	(100)	75	To be set 2020/21	To be set 2021/22	Residents of East Sussex are safe in their own home and protected from criminals. Residents are empowered to feel safe and supported to say "no" to criminals and deter and disrupt criminal activity

# Helping people help themselves – performance measures and targets

21

Performance measure	2019/20 Outturn (Target)	2020/21 Target	2021/22 Target	2022/23 Target	2019 - 2023 Outcome Summary
Road Safety: Implement behaviour change projects to reduce the speeding reoffending rate	(Implement measures to reduce speeding reoffending rate)	20% reduction in reoffending rate (from 2017/18 baseline)	To be set 2020/21	To be set 2021/22	Reduce the number of KSI on East Sussex roads using behavioural change methods and the implementation of infrastructure schemes to improve outcomes for residents, businesses and visitors to East Sussex
Road Safety: Implement infrastructure schemes on identified high risk routes to improve road safety	(10 schemes (subject to funding))	10 schemes (subject to funding)	To be set 2020/21	To be set 2021/22	
Number of hospital bed days lost due to delayed transfers from hospital care (Daily average)	(39.8)	39.8	39.8	39.8	There are no unnecessary delayed discharges from hospital
Number of hospital bed days lost due to delayed transfers from hospital care due to Council social services (Daily average)	(11.5)	11.5	11.5	11.5	
Number of hospital bed days lost due to delayed transfers from hospital care due to local NHS (Daily average)	(24.4)	24.4	24.4	24.4	
National outcome measure: Proportion of working age adults and older people receiving self-directed support	(100%)	100%	100%	100%	Adults are able to take control of the support they receive
National outcome measure: Proportion of working age adults and older people receiving direct payments	(31.5%)	33%	33%	33%	

# Helping people help themselves – performance measures and targets

22

Performance measure	2019/20 Outturn (Target)	2020/21 Target	2021/22 Target	2022/23 Target	2019 - 2023 Outcome Summary
Number of carers supported through short-term crisis intervention	(540)	390	390	390	Carers are supported when they most need it enabling them to carry on in their caring role
Number of people receiving support through 'STEPS to stay independent'	(2,500)	2,500	2,500	2,500	Adults can maintain their independence
Number of people at risk of crisis receiving support through Homeworks	(800)	800	800	800	
Enhance the delivery of Technology Enabled Care Services (TECS) more rapidly and more widely across areas including falls; frailty; crisis response; medication management, to avoid hospital admissions or re-admissions	(7,926 people receiving TECS)	8,166 people receiving TECS	8,166 people receiving TECS	8,166 people receiving TECS	
Number of providers registered with Support With Confidence	(244 (10% increase on 2018/19 outturn))	10% increase on 2019/20 outturn	10% increase on 2020/21 outturn	10% increase on 2021/22 outturn	Increase the options for people who need support ensuring vulnerable people are given effective reliable support to help maintain their independence
The proportion of people who received short-term services during the year, where no further request was made for ongoing support	(>90.5%)	>90.5%	>90.5%	>90.5%	Provide effective early intervention to ensure people are given the support they need as quickly as possible, this will also reduce the need for more expensive intensive interventions at a later date ensuring the most effective use of resources
Cumulative percentage of the eligible population who have received an NHS health check since 2015/16 (five year period)	(50%)	50%	50%	50%	People understand their future risk of developing vascular disease and make changes to their lifestyle, or receive additional clinical advice and support to reduce their risk



# Helping people help themselves – performance measures and targets

Performance measure	2019/20 Outturn (Target)	2020/21 Target	2021/22 Target	2022/23 Target	2019 - 2023 Outcome Summary
Number of new service user interventions started through One You East Sussex as part of the Integrated Lifestyle Service	(6,000)	7,000	7,000	7,000	Support people (particularly those with multiple lifestyle risk factors such as smoking, excessive alcohol consumption, poor diet and low physical activity) to make changes to improve health outcomes and reduce their risk of developing conditions such as diabetes, cancer and heart disease
The number of health and social care staff and voluntary sector organisations trained to deliver brief interventions and advice to promote, encourage and help people make healthier choices as part of the Making Every Contact Count (MECC) initiative	(600)	600	600	600	Frontline workers and volunteers across health, care and the wider system have the knowledge, skills and confidence to raise lifestyle issues with the people they are in contact with and provide brief advice or refer into services and support including help with self-care
Percentage of annual SEND review meetings where the child gave their view and/or participated	(85%)	87%	85%	85%	Children and young people with SEND participate in decisions to ensure that their needs are understood, and they are supported to achieve their potential
The proportion of respondents to the feedback surveys who agree that things have changed for the better as a result of getting targeted support from Early Help or Children's Centre Keywork Services	(80%)	80%	80%	80%	The services provided are making a difference to the lives of service users
Number of households eligible under the government's Troubled Families programme receiving a family support intervention	(Cumulative: 3,450)	To be set	All applicable families will be engaged by the programme by the end of 2020/21	All applicable families will be engaged by the programme by the end of 2020/21	Families supported by family keywork achieve their goals and the Council is able to maximise payment by results claims

## Making best use of resources – performance measures and targets

24

Performance measure	2019/20 Outturn (Target)	2020/21 Target	2021/22 Target	2022/23 Target	2019 - 2023 Outcome Summary
Number of working days lost per FTE (Full Time Equivalent) employee due to sickness absence in non-school services	(9.24)	9.24	9.24	9.10	To maximise the use of resources and improve staff and customer wellbeing
Deliver the Property Asset Investment Strategy	(Development of feasibility studies for a minimum of 4 key sites)	Outline business cases brought forward against at least 2 priority projects	To be set 2020/21	To be set 2021/22	Our Property Asset Investment Strategy will explore income generation from property, optimise capital receipts and promote economic growth across the county
Cost of occupancy of corporate buildings per sq. metre	(£148.46 / sq. metre (2% reduction on 2018/19))	To be set	To be set 2020/21	To be set 2021/22	The net occupancy cost per square metre of corporate buildings is reduced per annum. Thus reducing operating costs to the Council with the aim of delivering efficient management of resources and suppliers
All East Sussex County Council activities are carbon neutral as soon as possible and in any event by 2050	TBC	TBC	TBC	TBC	TBC

# State of the County data

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We review a wide range of data to help us understand the context for our plans and the impact we are having through our work and in partnership. We publish this data each year in State of the County - Focus on East Sussex, when we start the planning process that leads to this Council Plan. A selection of this data is listed below. Unless otherwise stated the data refers to 2018/19. Where possible official national statistics are used for comparison with the England average (figures in brackets).

DSEG	Percentage of working age residents (16-64 year olds) with a level 4 qualification or above (includes degrees, HNC, HND and others)	37.0% (39.0%) CY 2018
DSEG	Percentage of working age residents (16-64 year olds) with no qualifications or qualified only to NVQ1	20.9% (18.2%) CY 2018
DSEG	Annual gross full time earnings, median average (residence based)	£29,345 (£30,661)
DSEG	Percentage of working age population (16-64 year olds) in employment	73.6% (75.6%)
DSEG	People claiming unemployment related benefits (alternative claimant count), percentage of population 16-64 years old	3.0% (3.1%)
DSEG	New business registration rate per 10,000 people over 16	48.5 (75.2)
DSEG	New houses built, total completed / total affordable	1,734 / 295
DSEG	Percentage of children achieving a good level of development in all areas of learning ('expected' or 'exceeded' in the three prime areas of learning and within literacy and numeracy) in the Early Years Foundation Stage (EYFSP)	76.0% (71.8%)
DSEG	Percentage of pupils reaching the expected standard at key stage 2 in reading, writing and mathematics	62% (65%)
DSEG	Average Attainment 8 score per pupil state funded secondary schools	45.2 (46.7)
DSEG	Average Progress 8 score for state funded secondary schools	-0.05 (-0.03)
DSEG	Percentage of pupils who achieved a 9-5 pass in English and maths GCSEs	41.5% (43.0%)
DSEG	Average Attainment 8 score per pupil for Looked After Children	18.4 (18.9)
DSEG	Average point score (APS) per entry for level 3 exams including A levels (16-18 year olds)	30.91 (32.02)
DSEG	Attainment of A level students (age 16-18) average point score (APS) per entry, best 3	29.44% (32.17%)
DSEG	Attainment of A level students (age 16-18) % achieving grades AAB or better at A level, of which at least two are in facilitating subjects	9.2% (13.4%)

KVPS	Rate per 10,000 (aged 0 –17 population) of Looked After Children	57.3 (65.0)
KVPS	Rate per 10,000 (aged 0-17 population) of children with a Child Protection Plan	53.5 (43.7)
KVPS	Percentage of children who ceased to be looked after adopted during the year ending 31 March	16% (12%)
KVPS	Rate of hospital emergency admissions caused by unintentional and deliberate injuries in children and young people aged 0-14 years per 10,000 population	112.5 (96.4)
KVPS	Proportion of people who use Adult Social Care services who feel safe	72.7% (70.0%)
KVPS	Percentage of people (65 and over) who were still at home 91 days after discharge from hospital	92.8% (82.4%)
KVPS	Suicide rate per 100,000 of population three year average	13.7 (9.6) 2016-18
HPHT	Percentage of children aged 4-5 years with excess weight (overweight or obese), by postcode of child	23.4% (22.6%)
HPHT	Percentage of children aged 10-11 years with excess weight (overweight or obese) by postcode of child	28.2% (34.3%)
HPHT	Long-term support needs of younger adults (aged 18-64) met by admission to residential and nursing care homes, per 100,000 population per year	14.4 (13.9)
HPHT	Long-term support needs of older adults (aged 65 and over) met by admission to residential and nursing care homes, per 100,000 population per year	502.9 (580.0)
HPHT	Proportion of older people aged 65 and over who received reablement services following discharge from hospital	2.9% (2.8%)
HPHT	The outcome of short-term services: sequel to service: proportion of people who received short-term services during the year, where no further request was made for ongoing support or support of a lower level	92.2% (79.6%)
HPHT	Proportion of people who use Adult Social Care services who find it easy to find information about services	75.5% (69.7%)
HPHT	Social Isolation: percentage of Adult Social Care users who have as much social contact as they would like	49.2% (45.9%)
HPHT	Number of people killed or seriously injured on the roads	355 CY 2019

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## Appendix 2: Medium Term Financial Plan

Medium Term Financial Plan	2019/20	2020/21	2021/22	2022/23
	Approved Budget	Estimate	Estimate	Estimate
	£million	£million	£million	£million
<b>TAXATION &amp; GOVERNMENT FUNDING</b>		(375.145)	(403.437)	(410.842)
Business Rates (Inclusive of BRR Pilot in 19/20; BR Pooling in 20/21 has been approved)	(83.761)	1.852	0.414	(1.745)
Revenue Support Grant		(3.548)	1.413	1.528
Council Tax	(290.498)	(6.314)	(9.572)	(9.148)
Adult Social Care Precept		(5.771)	(0.175)	(0.180)
New Homes Bonus	(0.886)	0.119	0.515	0.138
Social Care Grant (share of £1bn over life of the Parliament, plus £4.4m grant rolled in from previous years)		(14.630)		
<b>TOTAL TAXATION &amp; GOVERNMENT FUNDING</b>	<b>(375.145)</b>	<b>(403.437)</b>	<b>(410.842)</b>	<b>(420.249)</b>
<b>SERVICE PLAN</b>				
Service Expenditure	340.888	341.236	365.210	377.998
Investment of unallocated funding – Revenue (Appendix 5)		2.453	(0.746)	(1.707)
<b>Inflation</b>				
Pay Award	3.635	3.415	3.033	3.135
Contractual inflation (contract specific)	0.889	0.658	0.841	0.839
Normal inflation for contracts	6.270	9.182	8.485	8.898
<b>Adult Social Care</b>				
Growth & Demography	3.538	3.840	3.500	3.500
Winter Pressures		2.586	(2.586)	
Improved Better Care Fund	(18.551)	(2.586)		
<b>Children's Services</b>				
Dedicated Schools Grant	4.891	1.778	0.422	
Growth & Demography	1.656	1.555	1.070	2.822
Looked After Children	1.043	5.015	1.909	
Post 16 i-Send (New Responsibility)	0.269			
Fostering	0.374			
Care leavers (New Responsibility)	0.163			
Home to School Transport	0.726			
Disabled Access Regulations for Buses/Coaches		0.012	0.043	0.098
Residential Homes - staffing		0.549		
SEND High Needs Block Additional funding		(1.276)	0.462	(1.324)
<b>Communities, Environment &amp; Transport</b>				
Waste Housing Growth	0.233	0.108	0.236	0.238
Street lighting Electricity/Re-payment of Investment		(0.195)	(0.655)	
Libraries Hastings rates and utilities	0.046			
Climate Change Officer		0.055		
<b>Business Services</b>				
IT & Digital Licences	0.297	0.123	0.025	
IT & Digital Data Centre		0.093		
Apprenticeship Team		0.117		
<b>Governance Services</b>				
Coroners - post mortems / pathology		0.033		
<b>Savings</b>				
Savings 2019/20 - 2021/22	(5.131)	(4.227)	(2.953)	
Temporary mitigations to savings (Appendix 5)		0.686	(0.298)	(0.388)
<b>NET SERVICE EXPENDITURE</b>	<b>341.236</b>	<b>365.210</b>	<b>377.998</b>	<b>394.109</b>

## Appendix 2: Medium Term Financial Plan

Corporate Expenditure		33.909	38.227	34.287
Treasury Management	17.696	0.542	(0.179)	0.221
Treasury Management (Capital Programme to 2022/23 impact)				1.000
Funding Capital Programme - New Homes Bonus		0.767	(0.515)	(0.138)
Investment of unallocated funding – Capital (Appendix 5)		1.242	(1.242)	
General Contingency	3.570	0.280	0.080	0.080
Contribution to balances and reserves	0.908	1.878	(2.095)	
Pensions	10.338	(0.515)		
Apprenticeship Levy	0.600			
Levies & Grants	0.797	0.124	0.011	0.012
<b>TOTAL CORPORATE EXPENDITURE</b>	<b>33.909</b>	<b>38.227</b>	<b>34.287</b>	<b>35.462</b>
<b>TOTAL PLANNED EXPENDITURE</b>	<b>375.145</b>	<b>403.437</b>	<b>412.285</b>	<b>429.571</b>
<b>CUMULATIVE DEFICIT/(SURPLUS)</b>	<b>0.000</b>	<b>0.000</b>	<b>1.443</b>	<b>9.322</b>
<b>ANNUAL DEFICIT/(SURPLUS)</b>	<b>0.000</b>	<b>0.000</b>	<b>1.443</b>	<b>7.879</b>

# Budget Summary 2020/21

Revenue Budget 2020/21

Medium Term Financial Plan 2020/21 to 2022/23

Capital Programme to 2029/30

APPENDIX 3

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Further information can also be obtained from our website:  
[eastsussex.gov.uk](https://www.eastsussex.gov.uk)

or by writing to:  
 Ian Gutsell  
 Chief Finance Officer  
 East Sussex County Council  
 County Hall, St Anne's Crescent  
 Lewes  
 East Sussex BN7 1UE  
 or by email to:  
[finance@eastsussex.gov.uk](mailto:finance@eastsussex.gov.uk)

# Chief Finance Officer's Foreword

## Introduction

This budget summary provides detail on the 2020/21 revenue budget and the Capital Programme to 2029/30. It gives analysis of expenditure by type and also by accountability, along with detail of our resources to finance that expenditure. The summary provides a useful source of information for Council officers, elected members and the public alike.

## The 2020/21 Approved Budget

In 2020/21 the Council (including schools) will spend £831.2m to deliver services to the people of East Sussex, with a further £97.9m of investment in infrastructure and assets through its capital programme. The Council's stated priorities outcomes are:-

- Economic Growth;
- Helping people to help themselves;
- Keeping vulnerable people safe; and
- Making the best use of resources.

## Revenue Budget

Making best use of our resources means achieving all stated outcomes within the context of increasing demand and diminishing resources available to the Council. For 2020/21, savings of £3.5m will be delivered; however, careful management has allowed an opportunity for extra investment of £4.4m to be made in priority areas, that will help reduce costs in future as well as doing more for residents. While for 2020/21 the budget is balanced, there remain significant uncertainties. During 2020, it is expected that there will be a Comprehensive Spending Review which, together with the Fair Funding Review and Business Rates Retention, will impact on 2020/21 and beyond. At the same time, key services have been protected as far as possible from the effects of increased prices and demand with a core offer being developed.

Government grants amount to £318.6m; 38% of the total expenditure of the Council.

Council Tax finances 36% of the total expenditure of the Council. For 2020/21 the Council Tax will be increased by 3.99%. Band D Council Tax will therefore be £1,492.02 per annum; an increase of £57.24 on current

## Capital Programme

The Capital Strategy to 2040 has provided the opportunity to review the programme, reset priorities and present a ten-year programme that commits to funding core basic need capital investment to maintain capital assets delivering core services to the residents of East Sussex.

The programme to 2029/30 is £662m gross, £587m net over 10 years. The programme focusses on a strategy to deliver core need, in support of the delivery of priority outcomes, as efficiently as possible. Of this, an estimated 36% will be funded by Central Government grants.

## Climate Change

An evidence-based climate emergency plan is being developed to identify the measures required for the County Council to get to net zero emissions by 2050 or earlier. This will build on the measures taken to date, which have already reduced the corporate carbon footprint by 46% over the last ten years.

Performance measures and actions will be built into the Council Plan and agreed through the RPPR process in future years; updating our corporate priorities to reflect the priority to reduce emissions to net-zero.

**Ian Gutsell**  
**Chief Finance Officer**  
**February 2020**

## Medium Term Financial Planning

£'m	2019/20 Budget	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
<b>CORPORATE FUNDING</b>		(375.145)	(403.437)	(410.842)
Business Rates (Inclusive of BRR Pilot in 2019/20, BR Pooling in 2020/21 has been approved)	(83.761)	1.852	0.414	(1.745)
Revenue Support Grant		(3.548)	1.413	1.528
Council Tax	(290.498)	(6.314)	(9.572)	(9.148)
Adult Social Care Precept		(5.771)	(0.175)	(0.180)
New Homes Bonus	(0.886)	0.119	0.515	0.138
Social Care Grant (share of £1bn over life of Parliament, plus £4.4m grant rolled in from previous years)		(14.630)		
<b>TOTAL CORPORATE FUNDING</b>	<b>(375.145)</b>	<b>(403.437)</b>	<b>(410.842)</b>	<b>(420.249)</b>
<b>SERVICE PLAN</b>				
Service Expenditure	340.888	341.236	365.210	377.998
Investment of unallocated funding – Revenue		2.453	(0.746)	(1.707)
<b>Inflation</b>				
Pay Award	3.635	3.415	3.033	3.135
Contractual inflation (contract specific)	0.889	0.658	0.841	0.839
Contractual Inflation at OBR rates	6.270	9.182	8.485	8.898
<b>Adult Social Care</b>				
Growth & Demography	3.538	3.840	3.500	3.500
Winter Pressures		2.586	(2.586)	
Improved Better Care Fund	(18.551)	(2.586)		
<b>Children's Services</b>				
Dedicated Schools Grant	4.891	1.778	0.422	
Growth & Demography	1.656	1.555	1.070	2.822
Looked After Children	1.043	5.015	1.909	
Post 16 i-Send (New Responsibility)	0.269			
Fostering	0.374			
Care leavers (New Responsibility)	0.163			
Home to School Transport	0.726			
Disabled Access Regulations for Buses/Coaches		0.012	0.043	0.098
Residential Homes - staffing		0.549		
SEND High Needs Block Additional funding		(1.276)	0.462	(1.324)
<b>Communities, Environment &amp; Transport</b>				
Waste Housing Growth	0.233	0.108	0.236	0.238
Street lighting Electricity/Re-payment of Investment		(0.195)	(0.655)	
Libraries Hastings rates and utilities	0.046			

## Medium Term Financial Planning

£'m	2019/20 Budget	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
Climate Change Officer		0.055		
<b>Business Services</b>				
IT & Digital Licences	0.297	0.123	0.025	
IT & Digital Data Centre		0.093		
Apprenticeship Team		0.117		
<b>Governance Services</b>				
Coroners - post mortems / pathology		0.033		
<b>Savings</b>				
Savings 2020/21-2021/22	(5.131)	(4.227)	(2.953)	
Temporary mitigations to savings		0.686	(0.298)	(0.388)
<b>Total Net Service Expenditure</b>	341.236	365.210	377.998	394.109
<b>Corporate Budgets</b>		33.909	38.227	34.287
Treasury Management	17.696	0.542	(0.179)	0.221
Treasury Management (capital impact)				1.000
Funding Cap Programme - New Homes Bonus		0.767	(0.515)	(0.138)
Investment of unallocated funding – Capital		1.242	(1.242)	
General Contingency	3.570	0.280	0.080	0.080
Contribution to balances and reserves	0.908	1.878	(2.095)	
Pensions	10.338	(0.515)		
Apprenticeship Levy	0.600			
Levies & Grants	0.797	0.124	0.011	0.012
<b>Total Corporate Expenditure</b>	33.909	38.227	34.287	35.462
<b>TOTAL PLANNED SPENDING</b>	<b>375.145</b>	<b>403.437</b>	<b>412.285</b>	<b>429.571</b>
<b>CUMULATIVE DEFICIT/(SURPLUS)</b>	<b>0.000</b>	<b>0.000</b>	<b>1.443</b>	<b>9.322</b>

## Resources - funding / core spending power

### Settlement Funding Assessment 2020/21

For the first time since the introduction of current formula, Government funding to local authority services has increased. An inflationary increase has been given, bringing an end to year on year decreases.

#### Settlement Funding Assessment (SFA):

Funding	2019/20	2020/21	1 year change	1 year change
	£'000	£'000	£'000	%
Business Rates Retention	34,939	12,291	-22,648	-64.8
Business Rates Top-up	42,413	62,773	20,360	48.0
<b>Total Business Rates</b>	77,352	75,064	-2,288	-3.0
Revenue Support Grant (RSG)	0	3,548	3,548	
<b>Total - ESCC</b>	77,352	78,612	1,260	1.6

The SFA represents the general funding level provided by Government to local authorities. For 2020/21, the increase in SFA is £1.260m or 1.6%. This is in line with CPI and is a change in approach from previous settlements. However the increase is small in comparison to the decreases the Council has experienced in SFA, 2019/20 was the final year of the four year offer, in those four years the SFA decreased £59.653m or (43.5)%

Business rates retention is based on the Government's national assessment of business rate yield. The Council's budget for business rates retention reflects its 9% share of locally collected business rates from information provided by the District and Borough Councils. This is a change to 2019/20 where the East Sussex Business Rates Pilot took place and the Council had a 26% share of locally collected business rates.

## Resources - funding / core spending power

### Core Spending Power

Core Spending Power represents the Government's assessment of the funding they provide to us. It includes their assumptions on growth and inflation. The calculation is designed to give their view as to how local authority spending is changing overall.

The table below details changes to the County Council's Spending Power for 2015/16 to 2020/21; 2020/21 reflecting a one-year settlement only.

Core Spending Power	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	5 Year Change £'000	%
Business Rates retention	11,302	11,396	11,462	11,855	34,939	12,291	989	8.8%
Business Rates Top-Up	56,828	57,302	58,638	60,351	42,413	62,773	5,945	10.5%
Revenue Support Grant	68,875	45,107	26,727	14,966		3,548	-65,327	-94.8%
<b>Settlement Funding Assessment</b>	<b>137,005</b>	<b>113,805</b>	<b>96,827</b>	<b>87,172</b>	<b>77,352</b>	<b>78,612</b>	<b>-58,393</b>	<b>-42.6%</b>
Compensation for business rates capping	994	994	1,053	1,655	2,407	3,009	2,015	202.8%
Council Tax	227,221	242,632	257,380	276,720	289,773	303,744	76,523	33.7%
Improved Better Care Fund			11,313	15,157	18,551	21,136	21,136	
New Homes Bonus	2,275	2,720	2,078	1,231	886	767	-1,508	-66.3%
New Homes Bonus returned funding	222	159	168				-222	-100.0%
Transition Grant		2,704	2,696				0	
Adult Social Care Support Grant			2,597	1,616			0	
Winter pressures Grant <sup>1</sup>				2,586	2,586		0	
Social Care Support Grant <sup>2</sup>					4,417		0	
Social Care Grant						14,631	14,631	
<b>ESCC Core Spending Power</b>	<b>367,716</b>	<b>363,012</b>	<b>374,113</b>	<b>386,136</b>	<b>395,972</b>	<b>421,898</b>	<b>54,182</b>	<b>14.7%</b>

<sup>1</sup> For 2020-21, Winter Pressures Grant allocations will be rolled into the Improved Better Care Fund, and no longer ringfenced for alleviating winter pressures.

<sup>2</sup> For 2020-21, Social Care Support Grant allocations will be rolled into the Social Care Grant.

For the Council, last years Spending Power calculation showed that spending would increase by £28.3m or 7.7%, over the life of the 4 year deal. This year's calculation suggests a 5 year increase in Spending Power of £54.2m or 14.7%. The increase is due to the Government's anticipated Council Tax growth and assumes that councils will take up the allowance to increase general Council Tax by 3.99% in 2020/21. Also new social care funding of £10.2m

The Government revises this measure each year, the combination of additional inclusions and changes to Core Spending Power mean the Government's presentation of Core Spending Power may lead to public confusion with regards to the County Council's financial position.

## Resources - specific and special grant funding

### Direct impact on County Council Services

	Rebased Budget 2019/20 £'000	Estimate 2020/21 £'000	Change £'000
<b>Adult Social Care/Public Health</b>			
Public Health Grant	26,550	26,816	266
Improved Better Care Fund (incl. rolled in Winter Pressure	18,551	21,137	2,586
L R and C V Grant - War Pensions scheme disregard	241	248	7
Local Reform and Community Voices Grant	54	54	0
Former Independent Living Fund (ILF) Recipient Grant	956	956	0
	<b>46,352</b>	<b>49,211</b>	<b>2,859</b>
<b>Children's Services</b>			
Troubled Families Grant	1,444	2,348	904
Unaccompanied Asylum Seeking Children (UASC)	801	1,580	779
Extended Rights to Free Transportation	672	672	0
Youth Justice Good Practice Grant	389	386	(3)
Staying Put	292	292	0
YOT Secure Remand	197	197	0
School Improvement grant	190	190	0
Hastings Opportunity Area Fund (ends Aug 20)	3,122	176	(2,946)
Early Years Professional Development grant	0	111	111
DfE 18+ Care Leavers Service	17	81	64
Junior Attendance Centre Grant	27	27	0
KS2 moderation and phonics	19	19	0
SSIF funding	147	0	(147)
	<b>7,317</b>	<b>6,079</b>	<b>(1,238)</b>
<b>Communities Economy and Transport</b>			
PFI Grant - Waste	2,996	2,996	0
Bus Service Operators Grant	443	443	0
DEFRA - AONB - High Weald	294	294	0
Bikeability Grant for Local Highway Authorities	118	118	0
Lead Local Flood Authority Grant	48	48	0
Arts Council	15	2	(13)
ACCESS Fund	371	0	(371)
Transport of the SE	500	0	(500)
	<b>4,785</b>	<b>3,901</b>	<b>(884)</b>
<b>Governance Services</b>			
Local Reform and Community Voices Grant	310	307	(3)
	<b>310</b>	<b>307</b>	<b>(3)</b>
<b>Business Services</b>			
PFI Grant - Peacehaven Schools	1,759	1,759	0
	<b>1,759</b>	<b>1,759</b>	<b>0</b>
<b>Centrally Held items</b>			
Inshore Fisheries Conservation Authorities Grant	58	58	0
MHCLG New Burdens grant	15	12	(3)
Social Care Grant (rolled into core spending power)	4,417	0	(4,417)
	<b>4,490</b>	<b>70</b>	<b>(4,420)</b>
<b>Total Direct Impact</b>	<b>65,013</b>	<b>61,327</b>	<b>(3,686)</b>

### Indirect impact - where the Council acts as "agent" to transfer funds

	Rebased Budget 2019/20 £'000	Estimate 2020/21 £'000
<b>Children's Services</b>		
Dedicated Schools Grant	225,591	228,797
Pupil Premium Grant	8,847	8,847
Teachers Pension Grant	0	3,611
Universal Infant Free School Meals	3,671	3,362
PE and Sport Grant	2,007	2,073
Teachers Pay Grant	0	1,861
Higher Education Funding Council grant	791	755
Sixth Form Funding from the Education Funding Agency	70	70
	<b>240,977</b>	<b>249,376</b>

### Communities Economy and Transport

Skills Funding Agency	564	564
Community Learning	195	202

### Adult Social Care/Public Health

Disabled Facilities Grant (passported to Districts & Boroughs)	6,635	7,160
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<b>Total Indirect Impact</b>	<b>248,371</b>	<b>257,302</b>
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### Grant Funding Summary

<b>Government Specific and Special Grants</b>		
Total Direct Impact	65,013	61,327
Total Indirect Impact	248,371	257,302
	<b>313,384</b>	<b>318,629</b>
<b>Grants from other agencies</b>		
Music Service - Arts Council grant *	643	0
Initial teacher Training Grant - Teacher Training Agency	24	0
	<b>667</b>	<b>0</b>
<b>Total</b>	<b>314,051</b>	<b>318,629</b>

\* Service transferred to Brighton Dome & Brighton Festival Ltd in Sept 19

<b>Summary by department</b>		
Adult Social Care/Public Health	52,987	56,371
Children's Services	248,294	255,455
Communities Economy and Transport	5,544	4,667
Governance Services	310	307
Business Services	1,759	1,759
	<b>308,894</b>	<b>318,559</b>
Corporate items	4,490	70
	<b>313,384</b>	<b>318,629</b>
Grants from other agencies	667	0
<b>Total</b>	<b>314,051</b>	<b>318,629</b>

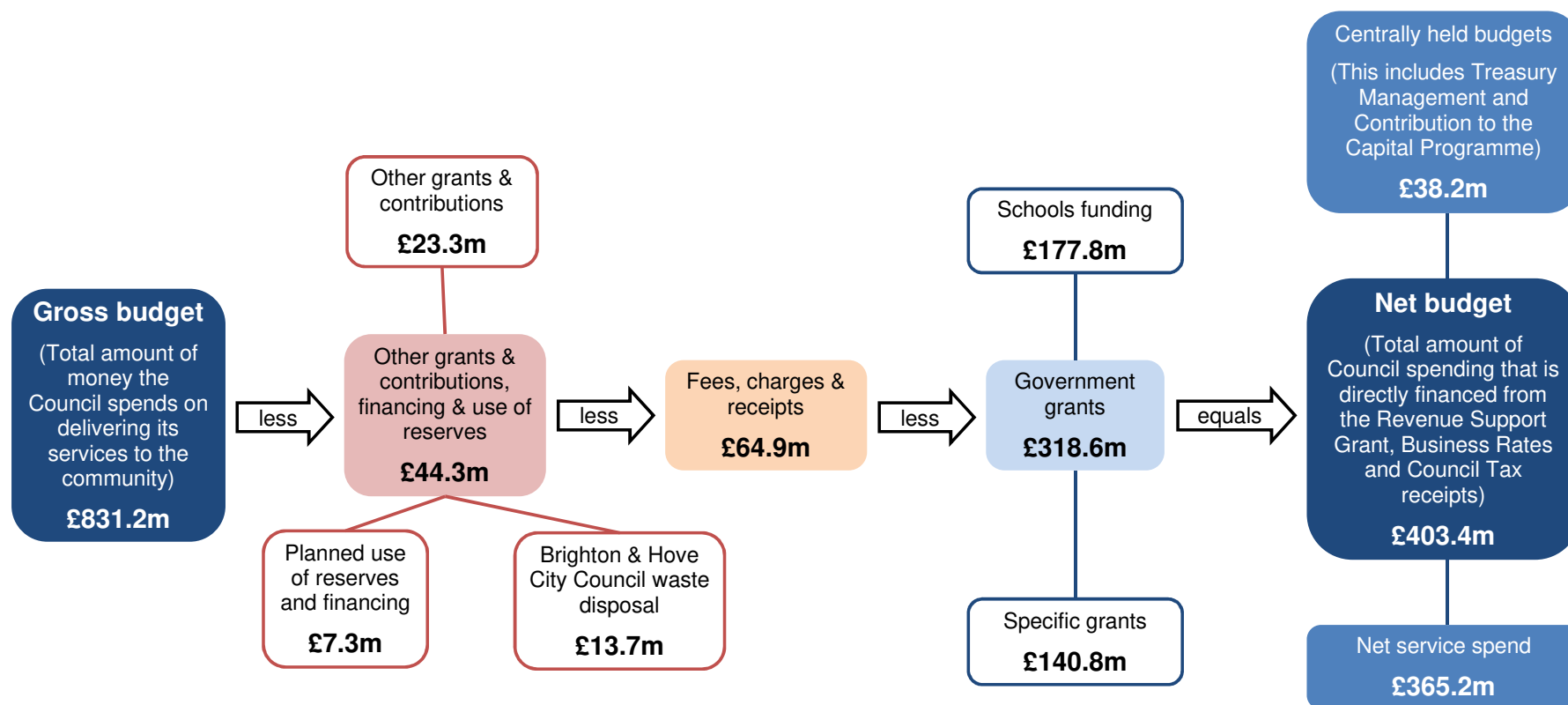
(please note, at this stage not all grants are confirmed)



# Revenue Budget Summary 2020/21

ESCC Budget	2019/20 Budget £000	2020/21 Budget £000	Change £000	%
<b>Gross Expenditure</b>	<b>795,277</b>	<b>831,228</b>	<b>35,951</b>	<b>4.52%</b>
Less:				
Fees, Charges & Receipts	(62,527)	(64,917)	(2,390)	
Specific Government Grants	(311,338)	(318,629)	(7,291)	
Financing and Planned use of reserves	(6,293)	(7,264)	(971)	
Other grants and contributions	(39,974)	(36,981)	2,993	
<b>Net Expenditure</b>	<b>375,145</b>	<b>403,437</b>	<b>28,292</b>	<b>7.54%</b>
Made up of:-				
Net Service Expenditure	<b>341,236</b>	<b>365,210</b>	<b>23,974</b>	
Treasury Management	17,696	18,238		
Funding Capital Programme - New Homes Bonus		767		
Investment of unallocated funding – Capital		1,242		
Contingency	3,570	3,850		
Pay & inflation provision (incl National Living Wage)	3,021			
Contribution to balances and reserves	(2,113)	2,786		
Pensions	10,338	9,823		
Apprenticeship Levy	600	600		
Levies and Grants	797	921		
<b>Net corporate expenditure</b>	<b>33,909</b>	<b>38,227</b>	<b>4,318</b>	<b>12.73%</b>
<b>Net Budget</b>	<b>375,145</b>	<b>403,437</b>	<b>28,292</b>	<b>7.54%</b>
Funded by:-				
Business Rates & S31 Grants	(83,761)	(81,909)		
Revenue Support Grant		(3,548)		
New Homes Bonus	(886)	(767)		
Social Care Grant		(14,630)		
Collection Fund adjustment	(2,822)	(830)		
Collection Fund Council Tax (Surplus)/ Deficit		(879)		
<b>Funding Other Than Council Tax</b>	<b>(87,469)</b>	<b>(102,563)</b>	<b>(15,094)</b>	<b>17.26%</b>
<b>Council Tax Requirement</b>	<b>287,676</b>	<b>300,874</b>		
Taxbase: Number of "Band D" equivalent dwellings	200,502	201,656		
<b>Band D Council Tax</b>	<b>£1,434.78</b>	<b>£1,492.02</b>		<b>3.99%</b>

## Revenue Budget Summary 2020/21 - gross budget to net budget

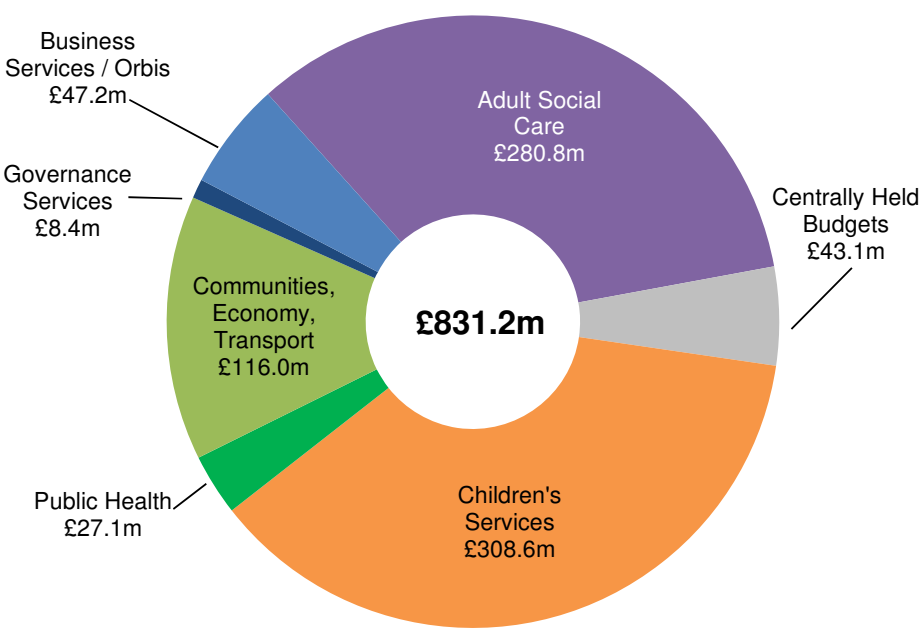


## Revenue Budget Summary - departmental budget movements 2016/17 to 2019/20

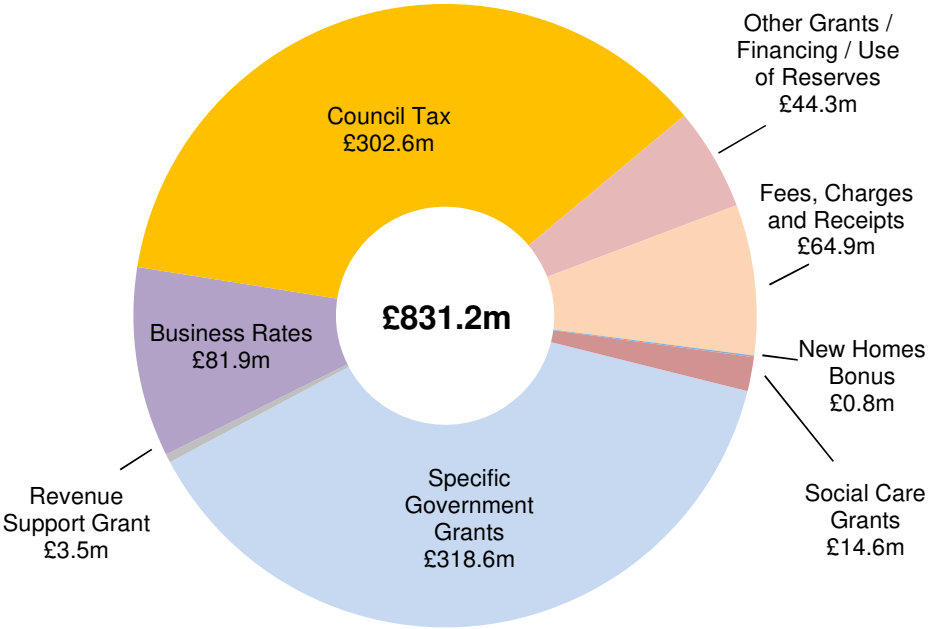
	2016/17 Rebased Budget £'000	Net Movt %	2017/18 Rebased Budget £'000	Net Movt %	2018/19 Rebased Budget £'000	Net Movt %	2019/20 Rebased Budget £'000	Net Movt 16/17 to 19/20 %
Adult Social Care	163,572	3.08%	168,608	-1.90%	165,407	3.66%	171,456	4.82%
Public Health	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Business Services / Orbis	21,601	-1.48%	21,282	4.64%	22,270	4.30%	23,227	7.53%
Children's Services (excl. schools)	64,593	6.14%	68,562	0.14%	68,655	12.61%	77,314	19.69%
Communities, Economy & Transport	60,818	4.22%	63,384	-1.86%	62,206	-0.93%	61,626	1.33%
Governance Services	7,499	-2.92%	7,280	-1.21%	7,192	2.42%	7,366	-1.77%
<b>Total Departments</b>	<b>318,083</b>	<b>3.47%</b>	<b>329,116</b>	<b>-1.03%</b>	<b>325,730</b>	<b>4.68%</b>	<b>340,989</b>	<b>7.20%</b>

Revenue Budget Summary 2020/21 - gross revenue budget

How we will spend your money (gross)

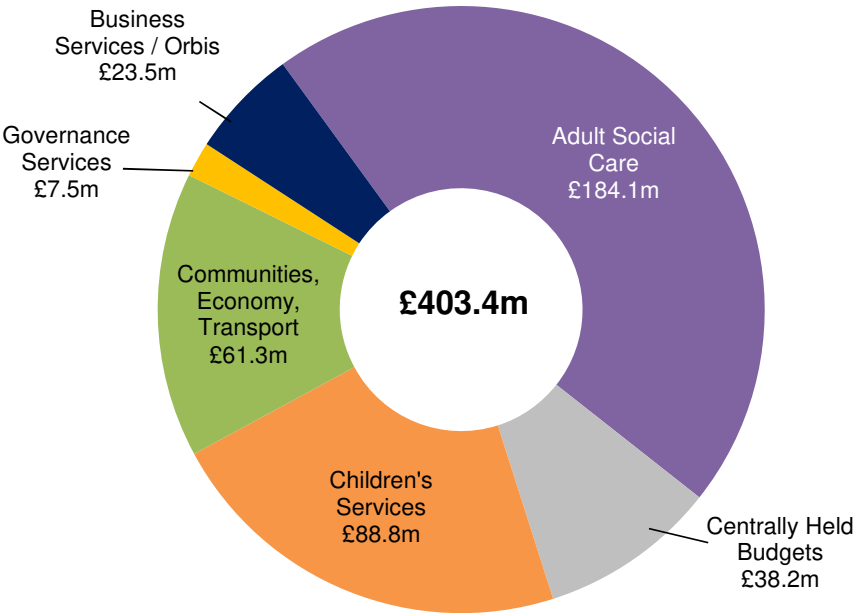


Where the money comes from (gross)

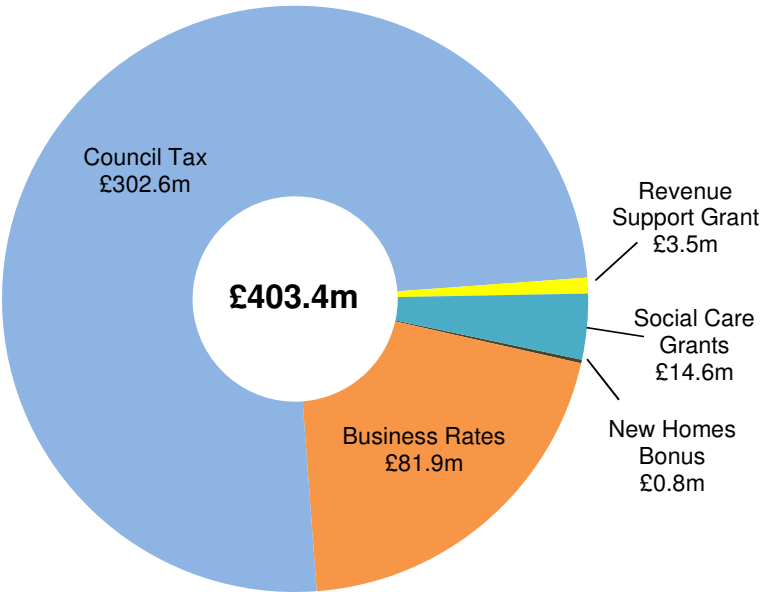


# Revenue Budget Summary 2020/21 - net revenue budget

How we will spend your money (net)



Where the money comes from (net)



## Revenue Budget Summary 2020/21 - budget changes 2019/20 to 2020/21

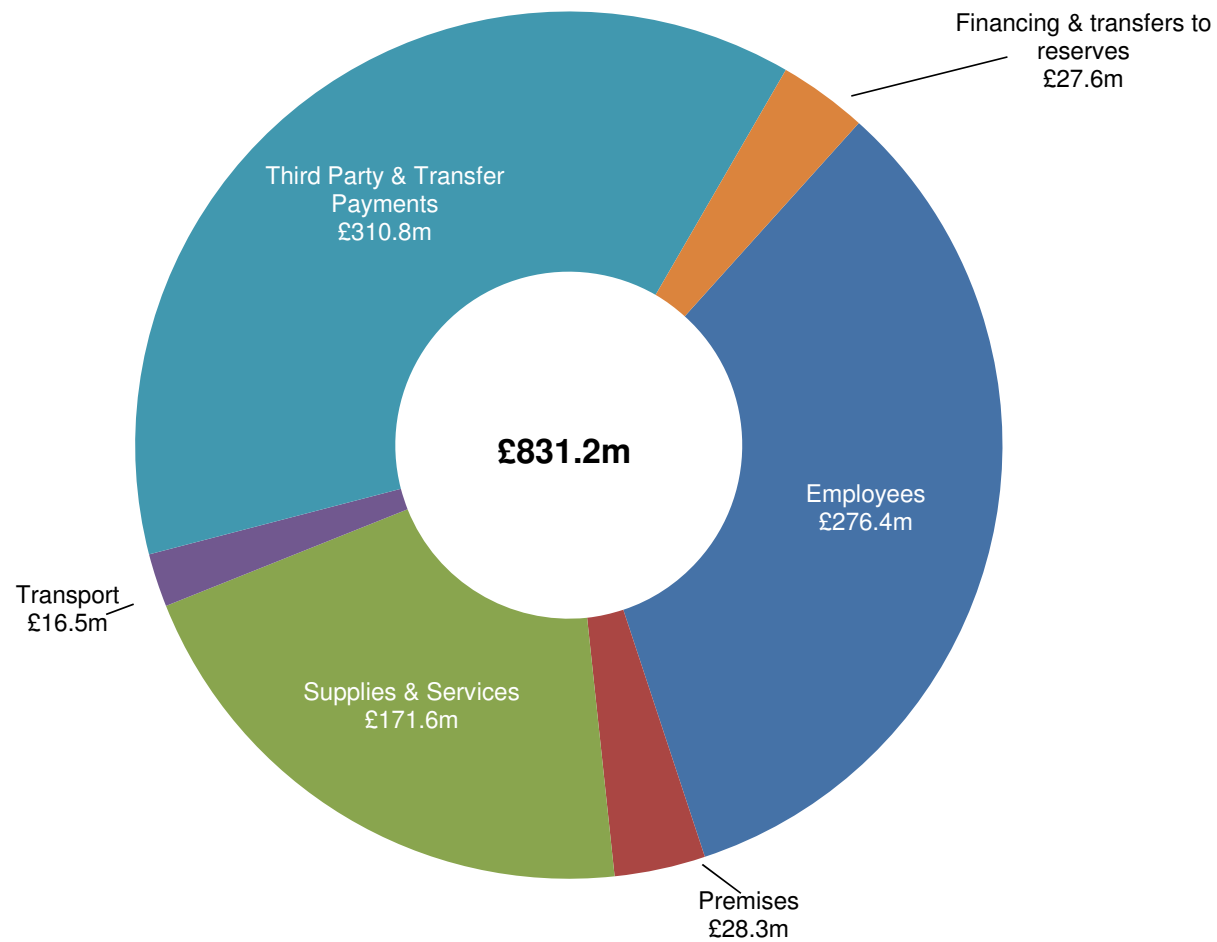
	2019/20 Rebased Net Budget £'000	Additions £'000	Reductions £'000	2020/21 Net Budget £'000	Change	
					£'000	%
Adult Social Care	171,456	12,880	(274)	184,062	12,606	7.35%
Public Health	-	-	-	-	-	0.00%
Business Services / Orbis	23,227	4,078	(3,782)	23,523	296	1.27%
Children's Services (inc. schools)	77,314	13,471	(1,957)	88,828	11,514	14.89%
Communities, Economy & Transport	61,626	1,183	(1,544)	61,265	(361)	-0.59%
Governance Services	7,366	168	(2)	7,532	166	2.25%
<b>Total Departments</b>	<b>340,989</b>	<b>31,780</b>	<b>(7,559)</b>	<b>365,210</b>	<b>24,221</b>	<b>7.10%</b>
Centrally held budgets	34,156	11,136	(7,065)	38,227	4,071	11.92%
<b>Total</b>	<b>375,145</b>	<b>42,916</b>	<b>(14,624)</b>	<b>403,437</b>	<b>28,292</b>	<b>7.54%</b>

## Revenue Budget Summary 2020/21 - subjective analysis

Department	Employees	Premises	Transport	Supplies & Services	Transfers & Third Party Payments	Financing & Transfers to Reserves	Total Expenditure	Government Grants	Other Grants & Contributions	Fees, Charges & Receipts	Financing & Planned Use of Reserves	Total Income	Internal Recharges (exp & inc)	Net Service Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adult Social Care	52,473	1,133	1,127	10,311	215,725	4	280,773	(29,555)	(31,935)	(35,894)	(88)	(97,472)	761	184,062
Public Health	2,195	-	16	157	24,738	-	27,106	(26,816)	-	-	(607)	(27,423)	317	-
Business Services / Orbis	2,671	11,553	82	30,948	1,920	11	47,185	(2,195)	(2,910)	(8,825)	(72)	(14,002)	(9,660)	23,523
Children's Services	185,445	11,230	1,564	44,038	66,146	153	308,576	(254,966)	15,830	(3,527)	(430)	(243,093)	23,345	88,828
Communities Economy & Transport	15,897	4,071	13,690	79,392	523	2,486	116,059	(4,667)	(17,644)	(16,491)	(1,264)	(40,066)	(14,728)	61,265
Governance Services	5,043	317	60	2,097	912	-	8,429	(360)	(322)	(180)	-	(862)	(35)	7,532
<b>Services</b>	<b>263,724</b>	<b>28,304</b>	<b>16,539</b>	<b>166,943</b>	<b>309,964</b>	<b>2,654</b>	<b>788,128</b>	<b>(318,559)</b>	<b>(36,981)</b>	<b>(64,917)</b>	<b>(2,461)</b>	<b>(422,918)</b>	<b>-</b>	<b>365,210</b>
Centrally held budgets	12,626	-	-	4,651	881	24,942	43,100	(70)	-	-	(4,803)	(4,873)	-	38,227
<b>Total</b>	<b>276,350</b>	<b>28,304</b>	<b>16,539</b>	<b>171,594</b>	<b>310,845</b>	<b>27,596</b>	<b>831,228</b>	<b>(318,629)</b>	<b>(36,981)</b>	<b>(64,917)</b>	<b>(7,264)</b>	<b>(427,791)</b>	<b>-</b>	<b>403,437</b>



## Revenue Budget Summary 2020/21 - subjective analysis



# Revenue Budgets - Adult Social Care

2019/20 Rebased Net Budget	Employees	Premises	Transport	Supplies & Services	Transfers & Third Party Payments	Financing & Transfers to Reserves	Total Expenditure	Government Grants	Other Grants & Contributions	Fees, Charges & Receipts	Financing & Planned Use of Reserves	Total Income	Internal Recharges (exp & inc)	Net Service Expenditure
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Physical Support, Sensory Support and Support for Memory &amp; Cognition</b>														
53,363 Residential & Nursing	3,776	394	93	373	74,105	-	78,741	-	(3,097)	(18,801)	-	(21,898)	119	56,962
5,927 Supported & Other Accommodation	-	-	-	-	6,334	-	6,334	-	-	-	-	-	-	6,334
25,929 Home Care	6,016	-	342	93	21,950	-	28,401	-	(790)	-	-	(790)	6	27,617
1,419 Day Care	178	123	5	22	1,477	-	1,805	-	-	(399)	-	(399)	157	1,563
17,140 Direct Payments	-	-	-	-	17,716	-	17,716	-	-	-	-	-	-	17,716
(11,178) Other Services	1,747	20	92	1,360	2,815	-	6,034	(2,048)	(15,961)	(2)	-	(18,011)	-	(11,977)
(9,540) Fairer Charging *	-	-	-	-	-	-	-	-	-	(9,824)	-	(9,824)	-	(9,824)
- Meals in the Community	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>83,060 Subtotal</b>	<b>11,717</b>	<b>537</b>	<b>532</b>	<b>1,848</b>	<b>124,397</b>	<b>-</b>	<b>139,031</b>	<b>(2,048)</b>	<b>(19,848)</b>	<b>(29,026)</b>	<b>-</b>	<b>(50,922)</b>	<b>282</b>	<b>88,391</b>
<b>Learning Disability Support</b>														
34,483 Residential & Nursing	1,618	103	13	93	38,622	-	40,449	-	-	(2,866)	-	(2,866)	26	37,609
12,361 Supported & Other Accommodation	1,615	15	36	26	12,180	-	13,872	-	(21)	(137)	-	(158)	17	13,731
1,205 Home Care	-	-	-	-	1,287	-	1,287	-	-	-	-	-	-	1,287
3,717 Day Care	1,908	131	33	40	1,726	4	3,842	-	-	(389)	-	(389)	312	3,765
6,896 Direct Payments	-	-	-	-	7,369	-	7,369	-	-	-	-	-	-	7,369
1,907 Other Services	1,298	11	67	159	980	-	2,515	(153)	(59)	(94)	-	(306)	5	2,214
(1,313) Fairer Charging *	-	-	-	-	-	-	-	-	-	(1,352)	-	(1,352)	-	(1,352)
<b>59,256 Subtotal</b>	<b>6,439</b>	<b>260</b>	<b>149</b>	<b>318</b>	<b>62,164</b>	<b>4</b>	<b>69,334</b>	<b>(153)</b>	<b>(80)</b>	<b>(4,838)</b>	<b>-</b>	<b>(5,071)</b>	<b>360</b>	<b>64,623</b>
<b>Mental Health Support</b>														
3,114 Residential & Nursing	-	-	-	-	3,127	-	3,127	-	-	(538)	-	(538)	-	2,589
2,430 Supported & Other	-	-	-	-	2,596	-	2,596	-	-	-	-	-	-	2,596
370 Home Care	-	-	-	-	395	-	395	-	-	-	-	-	-	395
31 Day Care	36	3	1	15	34	-	89	-	(52)	(2)	-	(54)	-	35
953 Direct Payments	-	-	-	-	1,018	-	1,018	-	-	-	-	-	-	1,018
4 Other Services	-	-	-	-	3,005	-	3,005	(34)	(2,933)	-	-	(2,967)	-	38
(483) Fairer Charging *	-	-	-	-	-	-	-	-	-	(497)	-	(497)	-	(497)
<b>6,419 Subtotal</b>	<b>36</b>	<b>3</b>	<b>1</b>	<b>15</b>	<b>10,175</b>	<b>-</b>	<b>10,230</b>	<b>(34)</b>	<b>(2,985)</b>	<b>(1,037)</b>	<b>-</b>	<b>(4,056)</b>	<b>-</b>	<b>6,174</b>

## Revenue Budgets - Adult Social Care

2019/20 Rebased Net Budget	Employees	Premises	Transport	Supplies & Services	Transfers & Third Party Payments	Financing & Transfers to Reserves	Total Expenditure	Government Grants	Other Grants & Contributions	Fees, Charges & Receipts	Financing & Planned Use of Reserves	Total Income	Internal Recharges (exp & inc)	Net Service Expenditure
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Substance Misuse Support</b>														
476 Other Services	-	-	-	-	591	-	591	-	(115)	-	-	(115)	-	476
<b>476 Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>591</b>	<b>-</b>	<b>591</b>	<b>-</b>	<b>(115)</b>	<b>-</b>	<b>-</b>	<b>(115)</b>	<b>-</b>	<b>476</b>
<b>Other Adult Services</b>														
1,154 Other Services	467	5	5	417	1,966	-	2,860	-	(1,707)	-	-	(1,707)	-	1,153
<b>1,154 Subtotal</b>	<b>467</b>	<b>5</b>	<b>5</b>	<b>417</b>	<b>1,966</b>	<b>-</b>	<b>2,860</b>	<b>-</b>	<b>(1,707)</b>	<b>-</b>	<b>-</b>	<b>(1,707)</b>	<b>-</b>	<b>1,153</b>
<b>2,958 Equipment &amp; Assistive Technology</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,316</b>	<b>2,283</b>	<b>-</b>	<b>5,599</b>	<b>-</b>	<b>(2,557)</b>	<b>(544)</b>	<b>-</b>	<b>(3,101)</b>	<b>-</b>	<b>2,498</b>
<b>6,989 Supporting People</b>	<b>858</b>	<b>13</b>	<b>-</b>	<b>5</b>	<b>5,957</b>	<b>-</b>	<b>6,833</b>	<b>-</b>	<b>(310)</b>	<b>-</b>	<b>-</b>	<b>(310)</b>	<b>-</b>	<b>6,523</b>
<b>336 Safer Communities</b>	<b>458</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>461</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>461</b>
<b>22,952 Assessment &amp; Care Management</b>	<b>24,287</b>	<b>71</b>	<b>379</b>	<b>582</b>	<b>692</b>	<b>-</b>	<b>26,011</b>	<b>(54)</b>	<b>(2,660)</b>	<b>(334)</b>	<b>-</b>	<b>(3,048)</b>	<b>26</b>	<b>22,989</b>
<b>13,042 Management &amp; Support</b>	<b>8,211</b>	<b>244</b>	<b>58</b>	<b>3,810</b>	<b>7,500</b>	<b>-</b>	<b>19,823</b>	<b>1,031</b>	<b>(1,673)</b>	<b>(115)</b>	<b>(88)</b>	<b>(845)</b>	<b>93</b>	<b>19,071</b>
<b>(25,186) Improved Better Care Fund and Disabled Facilities Grant</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(28,297)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(28,297)</b>	<b>-</b>	<b>(28,297)</b>
<b>171,456 Total</b>	<b>52,473</b>	<b>1,133</b>	<b>1,127</b>	<b>10,311</b>	<b>215,725</b>	<b>4</b>	<b>280,773</b>	<b>(29,555)</b>	<b>(31,935)</b>	<b>(35,894)</b>	<b>(88)</b>	<b>(97,472)</b>	<b>761</b>	<b>184,062</b>

\* Fairer Charging is income from clients for non residential/nursing services. This represents contributions towards packages of care that may include a combination of Supported Accommodation, Home Care, Day Care, Direct Payments or Other Services.

Main changes between years	£'000
<b>Rebased Net Budget 2019/20</b>	<b>171,456</b>
Growth / Pressures	4,818
Inflation	6,849
Savings	(248)
Pay Award	1,213
Tfrs between depts	(26)
<b>Departmental Estimate 2020/21</b>	<b>184,062</b>

# Revenue Budgets - Public Health

2019/20 Rebased Net Budget		Employees	Premises	Transport	Supplies & Services	Transfers & Third Party Payments	Financing & Transfers to Reserves	Total Expenditure	Government Grants	Other Grants & Contributions	Fees, Charges & Receipts	Financing & Planned Use of Reserves	Total Income	Internal Recharges (exp & inc)	Net Service Expenditure
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
4,363	Health Improvement Services	12	-	-	84	4,771	-	4,867	-	-	-	-	-	-	4,867
6,101	Drug & Alcohol Services	-	-	-	-	6,101	-	6,101	-	-	-	-	-	-	6,101
4,160	Sexual Health Services	-	-	-	30	4,058	-	4,088	-	-	-	-	-	50	4,138
8,769	Health Visiting and School Nursing	-	-	-	-	8,769	-	8,769	-	-	-	-	-	-	8,769
778	NHS Health Checks	-	-	-	-	898	-	898	-	-	-	-	-	-	898
(24,171)	Management support and Public Health programmes	2,183	-	16	43	141	-	2,383	(26,816)	-	-	(607)	(27,423)	267	(24,773)
- Total		2,195	-	16	157	24,738	-	27,106	(26,816)	-	-	(607)	(27,423)	317	-

Main changes between years		£'000
<b>Rebased Net Budget 2019/20</b>		-
Growth / Pressures		-
Inflation		-
Savings		-
Pay Award		-
Tfrs between depts		-
<b>Departmental Estimate 2020/21</b>		-

## Revenue Budgets - Business Services / Orbis

2019/20 Rebased Net Budget	Employees	Premises	Transport	Supplies & Services	Transfers & Third Party Payments	Financing & Transfers to Reserves	Total Expenditure	Government Grants	Other Grants & Contributions	Fees, Charges & Receipts	Financing & Planned Use of Reserves	Total Income	Internal Recharges (exp & inc)	Net Service Expenditure
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
1,157 Finance	363	825	24	985	7	-	2,204	(230)	(2)	(4)	(13)	(249)	(1,408)	547
3,238 IT & Digital	(290)	39	1	6,241	-	-	5,991	(122)	(1,473)	(41)	-	(1,636)	(779)	3,576
(155) HR & Organisational Development	113	-	2	273	-	6	394	(61)	-	(302)	(31)	(394)	-	-
(80) Procurement	-	-	-	-	-	-	-	-	-	-	-	-	(80)	(80)
5,181 Property	2,485	10,689	55	11,800	1,913	5	26,947	(1,782)	(1,435)	(8,478)	(28)	(11,723)	(7,393)	7,831
13,886 Contribution to Orbis Partnership	-	-	-	11,649	-	-	11,649	-	-	-	-	-	-	11,649
<b>23,227 Total</b>	<b>2,671</b>	<b>11,553</b>	<b>82</b>	<b>30,948</b>	<b>1,920</b>	<b>11</b>	<b>47,185</b>	<b>(2,195)</b>	<b>(2,910)</b>	<b>(8,825)</b>	<b>(72)</b>	<b>(14,002)</b>	<b>(9,660)</b>	<b>23,523</b>

Main changes between years	£'000
<b>Rebased Net Budget 2019/20</b>	<b>23,227</b>
Growth / Pressures	333
Inflation	468
Savings	(1,161)
Pay Award	482
Tfrs between depts	174
<b>Departmental Estimate 2020/21</b>	<b>23,523</b>

# Revenue Budgets - Children's Services

2019/20 Rebased Net Budget	Employees	Premises	Transport	Supplies & Services	Transfers & Third Party Payments	Financing & Transfers to Reserves	Total Expenditure	Government Grants	Other Grants & Contributions	Fees, Charges & Receipts	Financing & Planned Use of Reserves	Total Income	Internal Recharges (exp & inc)	Net Service Expenditure
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Early Help &amp; Social Care</b>														
999 Policy Support & Commissioned Services	2,556	-	10	118	710	-	3,394	(2,348)	(150)	-	-	(2,498)	236	1,132
5,535 Early Help Keywork and Children's Centres	6,710	327	118	811	99	-	8,065	(148)	(1,596)	(214)	-	(1,958)	(59)	6,048
12,248 Locality Social Work & Family Assessment	8,734	-	221	361	3,672	-	12,988	-	(262)	-	-	(262)	29	12,755
26,371 Looked After Children	11,371	151	596	2,043	22,692	153	37,006	(1,871)	(405)	(1,928)	(157)	(4,361)	173	32,818
2,493 Other Children & Families	1,629	58	87	46	3,300	-	5,120	(1,580)	(409)	-	-	(1,989)	(214)	2,917
550 Youth Justice	1,181	28	32	27	319	-	1,587	(609)	(281)	-	-	(890)	-	697
<b>48,196 Subtotal</b>	<b>32,181</b>	<b>564</b>	<b>1,064</b>	<b>3,406</b>	<b>30,792</b>	<b>153</b>	<b>68,160</b>	<b>(6,556)</b>	<b>(3,103)</b>	<b>(2,142)</b>	<b>(157)</b>	<b>(11,958)</b>	<b>165</b>	<b>56,367</b>
<b>Education &amp; ISEND</b>														
9,319 ISEND	15,189	92	319	4,234	33,617	-	53,451	(40,066)	(148)	(663)	-	(40,877)	(858)	11,716
2,684 Standards & Learning Effectiveness	3,787	-	59	24,164	511	-	28,521	(25,904)	(1,287)	(264)	-	(27,455)	1,715	2,781
281 Other Education	214	-	-	521	-	-	735	(454)	-	-	-	(454)	-	281
<b>12,284 Subtotal</b>	<b>19,190</b>	<b>92</b>	<b>378</b>	<b>28,919</b>	<b>34,128</b>	<b>-</b>	<b>82,707</b>	<b>(66,424)</b>	<b>(1,435)</b>	<b>(927)</b>	<b>-</b>	<b>(68,786)</b>	<b>857</b>	<b>14,778</b>
- <b>Schools</b>	127,664	10,553	59	8,613	1,125	-	148,014	(177,826)	20,619	-	(200)	(157,407)	9,393	-
<b>Management &amp; Support</b>														
12,772 Admissions & Transport	425	-	7	101	2	-	535	(1,061)	-	(18)	-	(1,079)	13,879	13,335
2,718 Management & Support	4,704	21	23	2,862	97	-	7,707	(3,099)	(152)	(432)	(73)	(3,756)	(964)	2,987
1,344 Safeguarding	1,281	-	33	137	2	-	1,453	-	(99)	(8)	-	(107)	15	1,361
<b>16,834 Subtotal</b>	<b>6,410</b>	<b>21</b>	<b>63</b>	<b>3,100</b>	<b>101</b>	<b>-</b>	<b>9,695</b>	<b>(4,160)</b>	<b>(251)</b>	<b>(458)</b>	<b>(73)</b>	<b>(4,942)</b>	<b>12,930</b>	<b>17,683</b>
<b>77,314 Total</b>	<b>185,445</b>	<b>11,230</b>	<b>1,564</b>	<b>44,038</b>	<b>66,146</b>	<b>153</b>	<b>308,576</b>	<b>(254,966)</b>	<b>15,830</b>	<b>(3,527)</b>	<b>(430)</b>	<b>(243,093)</b>	<b>23,345</b>	<b>88,828</b>

Main changes between years		£'000
<b>Rebased Net Budget 2019/20</b>		<b>77,314</b>
Growth / Pressures		9,108
Inflation		1,880
Savings		(540)
Pay Award		1,207
Tfrs between depts		(141)
<b>Departmental Estimate 2020/21</b>		<b>88,828</b>

## Revenue Budgets - Communities, Economy & Transport

2019/20 Rebased Net Budget	Employees	Premises	Transport	Supplies & Services	Transfers & Third Party Payments	Financing & Transfers to Reserves	Total Expenditure	Government Grants	Other Grants & Contributions	Fees, Charges & Receipts	Financing & Planned Use of Reserves	Total Income	Internal Recharges (exp & inc)	Net Service Expenditure
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Community Services</b>														
(209) Registration	1,351	93	33	71	-	-	1,548	-	(5)	(1,721)	-	(1,726)	-	(178)
724 Road Safety	842	8	35	122	-	-	1,007	(118)	(95)	(72)	-	(285)	(12)	710
659 Trading Standards	859	-	10	79	-	-	948	-	(165)	(46)	(44)	(255)	4	697
72 Travellers Sites	208	70	5	15	-	-	298	-	(100)	(115)	(7)	(222)	2	78
220 Emergency Planning	335	-	3	14	-	-	352	-	(123)	(1)	-	(124)	-	228
<b>1,466 Subtotal</b>	<b>3,595</b>	<b>171</b>	<b>86</b>	<b>301</b>	<b>-</b>	<b>-</b>	<b>4,153</b>	<b>(118)</b>	<b>(488)</b>	<b>(1,955)</b>	<b>(51)</b>	<b>(2,612)</b>	<b>(6)</b>	<b>1,535</b>
<b>Customer &amp; Library Services</b>														
4,013 Libraries	2,715	1,212	44	999	-	3	4,973	(202)	(107)	(264)	(99)	(672)	(218)	4,083
792 Archives & Record	507	587	4	870	-	-	1,968	-	(1,042)	(96)	(103)	(1,241)	5	732
199 Customer Care	215	-	1	53	-	-	269	-	-	-	(43)	(43)	-	226
<b>5,004 Subtotal</b>	<b>3,437</b>	<b>1,799</b>	<b>49</b>	<b>1,922</b>	<b>-</b>	<b>3</b>	<b>7,210</b>	<b>(202)</b>	<b>(1,149)</b>	<b>(360)</b>	<b>(245)</b>	<b>(1,956)</b>	<b>(213)</b>	<b>5,041</b>
<b>Transport &amp; Operational Services</b>														
7,772 Passenger Services	-	-	-	10,124	-	-	10,124	(426)	(155)	(34)	(26)	(641)	(2,598)	6,885
(1) Home to School and ASC Transport	108	-	12,775	1,210	-	-	14,093	(17)	(10)	(86)	-	(113)	(13,980)	-
(265) Parking	751	-	3	3,222	96	330	4,402	-	(250)	(6,719)	(526)	(7,495)	2,830	(263)
28,287 Waste Disposal	365	383	13	47,506	188	-	48,455	(2,996)	(13,694)	(2,982)	-	(19,672)	2	28,785
724 Rights of Way/Countryside Management	770	129	41	256	3	-	1,199	-	(95)	(434)	-	(529)	9	679
345 Other Transport & Operational Services	795	7	625	190	-	48	1,665	-	-	(289)	(155)	(444)	(887)	334
<b>36,862 Subtotal</b>	<b>2,789</b>	<b>519</b>	<b>13,457</b>	<b>62,508</b>	<b>287</b>	<b>378</b>	<b>79,938</b>	<b>(3,439)</b>	<b>(14,204)</b>	<b>(10,544)</b>	<b>(707)</b>	<b>(28,894)</b>	<b>(14,624)</b>	<b>36,420</b>



# Revenue Budgets - Communities, Economy & Transport

2019/20 Rebased Net Budget	Employees	Premises	Transport	Supplies & Services	Transfers & Third Party Payments	Financing & Transfers to Reserves	Total Expenditure	Government Grants	Other Grants & Contributions	Fees, Charges & Receipts	Financing & Planned Use of Reserves	Total Income	Internal Recharges (exp & inc)	Net Service Expenditure
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Highways</b>														
2,111 Contract Management	858	-	9	409	-	655	1,931	-	-	-	-	-	4	1,935
11,042 Contract Costs (fixed & reactive)	-	1,384	-	11,974	-	-	13,358	-	-	(2,230)	-	(2,230)	-	11,128
327 Non Contract Works	-	50	-	234	188	-	472	-	(232)	-	-	(232)	-	240
<b>13,480 Subtotal</b>	<b>858</b>	<b>1,434</b>	<b>9</b>	<b>12,617</b>	<b>188</b>	<b>655</b>	<b>15,761</b>	<b>-</b>	<b>(232)</b>	<b>(2,230)</b>	<b>-</b>	<b>(2,462)</b>	<b>4</b>	<b>13,303</b>
<b>Planning &amp; Environment</b>														
227 Environment	373	70	4	84	-	-	531	-	-	(223)	(43)	(266)	-	265
583 Planning	1,310	-	27	279	-	-	1,616	(48)	(66)	(864)	(26)	(1,004)	12	624
- High Weald	328	23	7	344	-	-	702	(294)	(444)	-	-	(738)	35	(1)
<b>810 Subtotal</b>	<b>2,011</b>	<b>93</b>	<b>38</b>	<b>707</b>	<b>-</b>	<b>-</b>	<b>2,849</b>	<b>(342)</b>	<b>(510)</b>	<b>(1,087)</b>	<b>(69)</b>	<b>(2,008)</b>	<b>47</b>	<b>888</b>
<b>Economic Development Skills and Growth</b>														
1,160	1,313	55	22	1,169	26	-	2,585	(566)	(418)	(315)	(192)	(1,491)	86	1,180
<b>Management &amp; Support</b>														
2,844	1,894	-	29	168	22	1,450	3,563	-	(643)	-	-	(643)	(22)	2,898
<b>61,626 Total</b>	<b>15,897</b>	<b>4,071</b>	<b>13,690</b>	<b>79,392</b>	<b>523</b>	<b>2,486</b>	<b>116,059</b>	<b>(4,667)</b>	<b>(17,644)</b>	<b>(16,491)</b>	<b>(1,264)</b>	<b>(40,066)</b>	<b>(14,728)</b>	<b>61,265</b>

Main changes between years	£'000
<b>Rebased Net Budget 2019/20</b>	<b>61,626</b>
Growth / Pressures	(32)
Inflation	643
Savings	(1,344)
Pay Award	377
Tfns between depts	(5)
<b>Departmental Estimate 2020/21</b>	<b>61,265</b>

## Revenue Budgets - Governance Services

2019/20 Rebased Net Budget	Employees	Premises	Transport	Supplies & Services	Transfers & Third Party Payments	Financing & Transfers to Reserves	Total Expenditure	Government Grants	Other Grants & Contributions	Fees, Charges & Receipts	Financing & Planned Use of Reserves	Total Income	Internal Recharges (exp & inc)	Net Service Expenditure
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
2,639 <b>Corporate Governance</b>	1,570	2	40	1,137	8	-	<b>2,757</b>	-	(27)	(3)	-	<b>(30)</b>	(32)	<b>2,695</b>
<b>Corporate Support</b>														
976 Communications	1,058	-	3	43	-	-	<b>1,104</b>	(53)	(47)	(2)	-	<b>(102)</b>	(3)	<b>999</b>
1,724 Legal	1,914	-	10	134	-	-	<b>2,058</b>	-	(114)	(175)	-	<b>(289)</b>	-	<b>1,769</b>
<b>2,700 Subtotal</b>	<b>2,972</b>	<b>-</b>	<b>13</b>	<b>177</b>	<b>-</b>	<b>-</b>	<b>3,162</b>	<b>(53)</b>	<b>(161)</b>	<b>(177)</b>	<b>-</b>	<b>(391)</b>	<b>(3)</b>	<b>2,768</b>
<b>Community Services</b>														
956 Coroners	275	315	4	412	-	-	<b>1,006</b>	-	(11)	-	-	<b>(11)</b>	-	<b>995</b>
546 Third Sector	72	-	1	-	904	-	<b>977</b>	(307)	(123)	-	-	<b>(430)</b>	-	<b>547</b>
<b>1,502 Subtotal</b>	<b>347</b>	<b>315</b>	<b>5</b>	<b>412</b>	<b>904</b>	<b>-</b>	<b>1,983</b>	<b>(307)</b>	<b>(134)</b>	<b>-</b>	<b>-</b>	<b>(441)</b>	<b>-</b>	<b>1,542</b>
<b>Senior Management &amp; Organisational Development</b>														
525	154	-	2	371	-	-	<b>527</b>	-	-	-	-	<b>-</b>	-	<b>527</b>
<b>7,366 Total</b>	<b>5,043</b>	<b>317</b>	<b>60</b>	<b>2,097</b>	<b>912</b>	<b>-</b>	<b>8,429</b>	<b>(360)</b>	<b>(322)</b>	<b>(180)</b>	<b>-</b>	<b>(862)</b>	<b>(35)</b>	<b>7,532</b>

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Main changes between years	£'000
<b>Rebased Net Budget 2019/20</b>	<b>7,366</b>
Growth / Pressures	33
Inflation	-
Savings	-
Pay Award	135
Tfrs between depts	(2)
<b>Departmental Estimate 2020/21</b>	<b>7,532</b>

# Capital programme to 2029/30

## Introduction

The 10-year planned capital programme supports the Council's 30-year plans to support its target led basic needs services in the delivery of the priority outcomes to 2029/30. It includes providing for essential school places, investments in roads and transport infrastructure, enhancing the life of existing assets and ensuring they are fit for purpose, and supporting strategic investment.

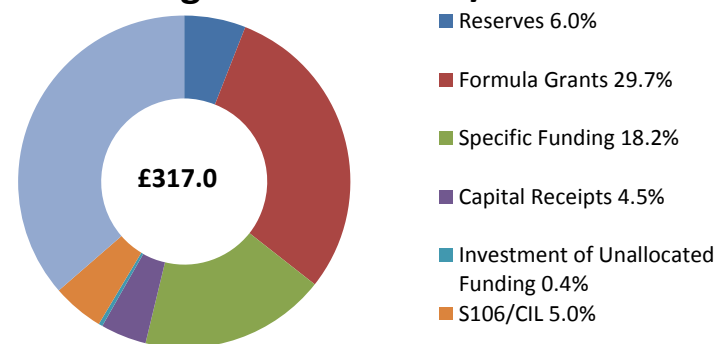
The proposed programme includes:

- Improvement to roads and transport infrastructure;
- Integrated transport schemes;
- Providing necessary school places and school access initiatives, safeguarding and temporary accommodation;
- Capital Building Improvements and energy saving measures;
- Supported accommodation and improvements;
- Essential Libraries work to keep libraries in their current condition and stop them from deteriorating;
- Support of Economic Growth and Strategic Infrastructure investment; and
- Investment in energy efficiency technologies.

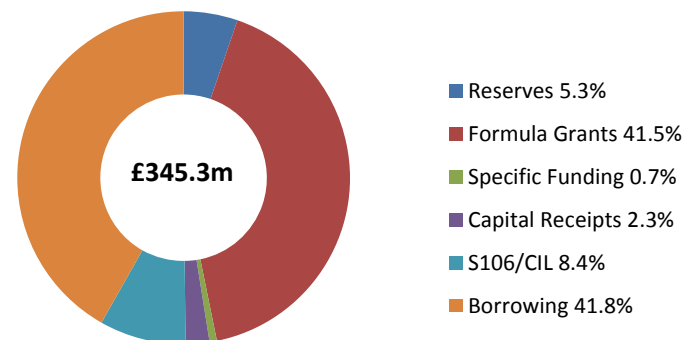
An estimated 36% (£237.7m) will be funded from Government grants, with 9% (£60.1m) funded from scheme-specific income, requiring the remainder (£364.5m) funded locally through borrowing, capital receipts and use of reserves set aside for a specific purpose.

## Total Programme of £662.3m comprising:

### MTFP Programme to 2022/23



### Programme 2023/24 to 2029/30



Capital programme - current programme and resources

Capital Programme	2019/20	2020/21	2021/22	2022/23	2019-23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Remaining
	MTFP Period				Programme Total								Budget Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adult Social Care	2,018	1,144	50	50	3,262								3,262
Business Services	37,000	41,023	25,180	33,760	136,963	24,760	20,893	24,343	19,578	22,241	17,982	16,178	282,938
Children's Services	1,748	856	810	779	4,193								4,193
Communities, Economy & Transport	58,829	57,433	32,849	23,447	172,558	26,409	26,968	27,557	28,360	29,124	30,404	30,560	371,941
Gross Expenditure by Department	99,595	100,456	58,889	58,036	316,976	51,169	47,861	51,900	47,938	51,365	48,386	46,738	662,334
S106	(4,802)	(5,620)	(1,727)	(1,897)	(14,046)								(14,046)
Community Infrastructure Levy	(1,600)	(300)			(1,900)								(1,900)
Other Specific Funding	(24,235)	(25,144)	(4,679)	(2,384)	(56,442)	(370)	(371)	(350)	(350)	(350)	(350)	(350)	(58,933)
Net Expenditure	68,958	69,392	52,483	53,755	244,588	50,799	47,490	51,550	47,588	51,015	48,036	46,388	587,455
Current Funding Assumptions	2019/20	2020/21	2021/22	2022/23	2019-23	2023-30	Total						
	MTFP Period				Programme Total	Programme Total	Resource						
		£'000	£'000	£'000	£'000	£'000	£'000	£'000					
Capital Receipts	3,122	2,915	3,260	4,945	14,242	8,000	22,242						
Formula Grants	37,605	17,854	17,251	21,551	94,261	143,403	237,664						
S106 Contributions Target						5,000	5,000						
Community Infrastructure Levy Target						24,000	24,000						
Investment of Unallocated Funding		1,242			1,242		1,242						
New Homes Bonus		767			767		767						
Reserves - capital and set aside	5,851	5,368	3,894	3,092	18,205	18,141	36,346						
Borrowing	24,950	38,676	28,078	24,167	115,871	144,323	260,194						
	71,528	66,822	52,483	53,755	244,588	342,867	587,455						

Capital programme - Adult Social Care

Adult Social Care	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Remaining Budget Total
	MTFP Period											
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Specific Projects:												
Greenacres	2,018	1,094										3,112
House Adaptations		50	50	50								150
Gross Expenditure	2,018	1,144	50	50	0	0	0	0	0	0	0	3,262
S106												
Community Infrastructure Levy												
Other Specific Funding	(920)											(920)
Net Expenditure	1,098	1,144	50	50	0	0	0	0	0	0	0	2,342

Capital programme - Business Services

Business Services	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Remaining Budget Total
	MTFP Period											
	£'000	£'000	£'000	£'000								
Target led basic need:												
Schools Basic Need (delivered on behalf of CSD)	17,431	21,511	11,641	12,248	6,650	10,525	12,025	6,275	3,400	2,600	2,400	106,706
Capital Building Improvements	7,140	9,361	7,982	7,982	7,982	7,982	7,982	7,982	7,982	7,982	7,982	88,339
IT & Digital Strategy Implementation	5,132	5,378	4,251	11,580	8,978	2,036	3,986	4,971	10,509	7,050	5,446	69,317
Specific Projects:												
Lansdowne Secure Unit Phase 2	6,343	607	96									7,046
Energy Efficiency - SALIX scheme	283	440	350	350	350	350	350	350	350	350	350	3,873
Special Educational Needs			800	1,600	800							3,200
Specialist Provision in Secondary Schools	350	2,175	60									2,585
Disability Children's Homes		242										242
Westfield Lane (delivered on behalf of CSD)		1,200										1,200
Property Agile Works	286	109										395
Early Years Nurseries	35											35
Gross Expenditure	37,000	41,023	25,180	33,760	24,760	20,893	24,343	19,578	22,241	17,982	16,178	282,938
S106	(4,611)	(4,720)	(1,727)	(1,853)								(12,911)
Community Infrastructure Levy	(1,600)											(1,600)
Other Specific Funding	(6,515)	(953)	(350)	(350)	(350)	(350)	(350)	(350)	(350)	(350)	(350)	(10,618)
Net Expenditure	24,274	35,350	23,103	31,557	24,410	20,543	23,993	19,228	21,891	17,632	15,828	257,809

Capital programme - Children's Services

Children's Services	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Remaining Budget Total
	MTFP Period											
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Target led basic need:												
Schools Delegated Capital	1,370	791	760	729								3,650
Specific Projects:												
House Adaptations	67	50	50	50								217
Conquest Centre redevelopment	311	15										326
Gross Expenditure	1,748	856	810	779	0	0	0	0	0	0	0	4,193
S106												
Community Infrastructure Levy												
Other Specific Funding	(837)	(791)	(760)	(729)								(3,117)
Net Expenditure	911	65	50	50	0	0	0	0	0	0	0	1,076

Capital programme - Communities, Economy & Transport

Communities, Economy & Transport	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Remaining Budget Total
	MTFP Period											
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Target led basic need:												
Bridge Assessment Strengthening	1,266	1,300	1,285	1,260	1,626	1,675	1,725	1,777	1,830	1,885	1,942	17,570
Highways Structural Maintenance	23,624	18,476	17,850	12,946	18,644	19,203	19,779	20,373	20,984	21,614	22,262	215,755
Highways Maintenance (eg Drop Kerbs and Patching)		1,000										1,000
Rights of Way Surface Repairs and Bridge Replacement Programme	416	565	565	565	465	475	484	494	504	514	524	5,571
Street Lighting and Traffic Signals (life expired)	1,115	2,390	2,727	623	1,980	2,039	2,101	2,164	2,229	2,295	2,364	22,027
Specific Projects:												
Broadband	1,304	3,484	3,276	3,277								11,341
Bexhill & Hastings Link Road	1,497	784	643	252								3,176
BHLR Complementary Measures	133	238										371
Community Match Fund	119	759	250	250								1,378
Economic Growth & Strategic Infrastructure Programme												
Economic Intervention Fund	999	1,280	1,066	619								3,964
EDS Upgrading Empty Commercial Property	117	60										177
Skills for Rural Businesses Post Brexit	2,134	784										2,918
Sidney Little Road Business Incubator Hub	381	119										500
Queensway Gateway Road	1,570											1,570
East Sussex Strategic Growth Package	350											350
Enabling Fund	230	146	150	47								573
Bexhill Enterprise Park North		1,940										1,940
Exceat Bridge Replacement	660	1,500	1,656									3,816
Hailsham HWRS	73	24										97
Hastings Library	130											130
Integrated Transport - LTP plus Externally Funded												
Hastings & Bexhill Movement & Access Package	1,747	6,169										7,916
Eastbourne Town Centre Phase 2	148	3,110										3,258
Eastbourne/South Wealden Walking & Cycling Package	814	2,988										3,802



Capital programme - Communities, Economy & Transport

Communities, Economy & Transport	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Remaining Budget Total
	MTFP Period											
	£'000	£'000	£'000	£'000								
Hailsham/Polegate/Eastbourne Movement & Access Corridor	679	1,203										1,882
Other Integrated Transport Schemes	1,453	3,235	2,969	2,969	3,069	3,019	3,019	3,019	3,019	3,019	3,019	31,809
The Keep		24	73	49	96	26		85	110	628		1,091
Library Refurbishment	539	763	169	526	449	449	449	449	449	449	449	5,140
Newhaven Port Access Road	13,143	3,515	170	20	20	21						16,889
Real Time Passenger Information	127	189		44	60	61						481
Parking Ticket Machine Renewal	559											559
Queensway Depot Development (Formerly Eastern)	500	1,138										1,638
Registration Ceremonies Website	7											7
Terminus Road Improvements	2,995	250										3,245
Gross Expenditure	58,829	57,433	32,849	23,447	26,409	26,968	27,557	28,360	29,124	30,404	30,560	371,941
S106	(191)	(900)		(44)								(1,135)
Community Infrastructure Levy		(300)										(300)
Other Specific Funding	(15,963)	(23,400)	(3,569)	(1,305)	(20)	(21)						(44,278)
Net Expenditure	42,675	32,833	29,280	22,098	26,389	26,947	27,557	28,360	29,124	30,404	30,560	326,228

# Reserve Balances

	Anticipated Balance 1st Apr 2020 £'000	Net planned Movements 2020/21 £'000	Anticipated Balance 31st Mar 2021 £'000	Estimated Balance 31st Mar 2024 £'000
<b>Held on behalf of others or statutorily ringfenced</b>				
Balances held by Schools	13,655	0	13,655	13,655
Extended Schools	1,929	0	1,929	1,929
Schools Supply Teacher Insurance	335	0	335	0
<b>Schools</b>	<b>15,919</b>	<b>0</b>	<b>15,919</b>	<b>15,584</b>
Public Health	3,016	(607)	2,409	2,409
On Street Car Parking	1,515	(405)	1,110	843
EU Exit Funding	571	0	571	569
ACRES (Adult College of Rural East Sussex)	422	0	422	422
The Keep - Archive Service	476	(24)	452	237
High Weald	164	0	164	164
Sussex Air Quality Partnership	39	(38)	1	0
Lewes Athletics Track	30	0	30	30
<b>Subtotal held on behalf of others or statutorily ringfenced</b>	<b>22,153</b>	<b>(1,074)</b>	<b>21,079</b>	<b>20,259</b>
<b>Service-Specific Reserves:</b>				
Corporate Waste	14,613	0	14,613	9,732
Capital Programme	9,214	(1,476)	7,738	5,756
Insurance Risk	5,449	0	5,449	5,449
<b>Total Named Service Reserves</b>	<b>29,275</b>	<b>(1,476)</b>	<b>27,799</b>	<b>20,936</b>
<b>Strategic Reserves:</b>				
Priority Outcomes and Transformation reserve: to fund the transformation programme to change, protect and improve Council services	6,340	(1,079)	5,260	4,086
Financial Management reserve: to manage the potential financial consequences of risks recognised in the Council's risk management arrangements and the CFO's robustness statement, and to enable the effective management of the medium-term financial strategy and investment strategy	34,569	(397)	34,172	22,502
<b>Total Strategic Reserves</b>	<b>40,909</b>	<b>(1,476)</b>	<b>39,432</b>	<b>26,588</b>
<b>General Fund</b>	<b>10,000</b>	<b>0</b>	<b>10,000</b>	<b>10,000</b>
<b>Total Reserves</b>	<b>102,337</b>	<b>(4,026)</b>	<b>98,310</b>	<b>77,783</b>

This table provides a summary of planned movements in and out of the individual reserves over the financial year 2020/21.

# Explanation of key terms

## Balances

A working balance is needed so that payments can be made before income is received, and as a cushion against unexpected expenditure during the year.

## Band D Property

Property band commonly used to specify the average council tax. The band includes property values between £68,001 and £88,000 (as at 1<sup>st</sup> April 1991).

## Budget

An expression mainly in financial terms of the Council's policy for a specified period.

## Business Rates

A charge on commercial and industrial buildings fixed by the Government and collected by District and Borough Councils. As of 2013/14 a proportion is retained and shared locally amongst authorities (including Fire & Rescue), rather than going to the Government for redistribution on a national basis. That part of business rates going to Government is redistributed as "Top-Up" grant, where local need is assessed as greater than the share of business rates retained locally. All County Councils are "Top-Up" authorities, receiving only a small share of business rates.

## Depreciation

Amounts charged to services revenue for the use of assets/ infrastructure.

## Capital Expenditure / Capital Programme

Expenditure on the acquisition of assets, or which adds to rather than maintains the value of existing assets. It is financed mainly from borrowing and charged to the revenue account over a number of years.

## Capital Financing

Capital expenditure is financed by loans, Government grants, external contributions (e.g. developers' contributions to specific schemes) contribution from the revenue account, and proceeds from the sale of assets. The revenue budget bears the cost of direct revenue contributions, together with interest and the provision for repayments of these loans.

## Capital Receipts

Income received from the sale of capital assets, together with specific contributions, including Government grants, towards capital expenditure.

## Contingency

A sum set aside to meet future pay and price rises over and above provision made in departmental budgets.

## Council Tax Requirement

This is an amount calculated, in advance of each year, by each billing authority (e.g. Lewes District Council) and by each major precepting authority, (e.g. East Sussex County Council). It is the amount of revenue to be met from Council Tax, and is equivalent to an authority's Band D Council Tax multiplied by its council tax base.

## Dedicated Schools Grant (DSG)

A major ring-fenced government specific grant, introduced in 2006/07, which provides funding for schools and schools-related expenditure.

## Earmarked Reserves

Reserves which are set aside for specific purposes.

## Government Grants

Contributions by central Government towards either the revenue or capital cost of local authority services.

## Levies

A contribution which the County Council is required to make towards the costs of Ashdown Forest Conservators, Environment Agency (for flood defence) and Sussex Inshore Fisheries and Conservation Authority.

## Net Budget Requirement

The total expenditure (after deduction of income) that the Council can finance from the aggregation of Revenue Support Grant, Business Rates and Council Tax.

## New Homes Bonus

A government grant which is aimed at encouraging local authorities to increase the number of homes in their area.

## Precept

The income which the Council requires a District or Borough Council to raise on its behalf from Council Tax.

## Provisions and Reserves

Provisions are made for liabilities and losses which are likely or certain to be incurred but the amount or dates on which they will arise cannot be determined accurately. Internal reserves are set aside to finance future expenditure for purposes falling outside the definition of provisions.

## Revenue Expenditure

Expenditure that the Council incurs on the day-to-day costs of providing services including principally on pay, running costs of buildings, equipment, third party payments and capital financing costs.

## Revenue Support Grant (RSG)

Additional funding received from central government, outside that received through the business rates retention scheme.

## Slippage

Actual capital payments or income, spent or received in a year different to that planned in the capital programme.

## Specific and Special Grants

Grants paid by central Government for specific services and allocated to local authorities according to specific policies criteria.

## Supported Borrowing

The level of borrowing that the Government will support via grant towards interest and principal repayments.

## Tax Base

All domestic properties are placed in one of eight valuation bands. The council tax base is calculated according to Government regulations to assess, by proportion, the equivalent number of Band D properties. The County's net expenditure is divided by this number to give the council tax levy.

## Third Party Payments

Payments made to agencies and contracted service providers, e.g. payments to private sector nursing homes.

## Transfer Payments

Money paid by a local authority to an individual specifically to enable them to pay someone else e.g. awards paid to students to enable them to pay fees.

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**East Sussex County Council - Savings 2020/21 to 2021/22**

	<b>2020/21 £'000</b>	<b>2021/22 £'000</b>	<b>Total £'000</b>
Communities, Economy & Transport	1,362	629	1,991
Children's Services	770	1,835	2,605
Adult Social Care	248	0	248
Business Services / Orbis	1,161	787	1,948
<b>Total Departments</b>	<b>3,541</b>	<b>3,251</b>	<b>6,792</b>

**As presented in the MTFP (£m):**

Savings 2020/21 to 2021/22	4.227	2.953	7.180
Temporary mitigation of savings (Appendix 5)	(0.686)	0.298	(0.388)
	<b>3.541</b>	<b>3.251</b>	<b>6.792</b>

**Communities, Economy & Transport**

East Sussex County Council - Savings 2020/21 to 2021/22		Gross budget	Net budget	Savings			Protected characteristics								
		2018/19	2018/19	2020/21	2021/22	Total	Age	Disability	Gender / Transgender	Ethnicity	Marriage / Civil Partnership	Pregnancy / Maternity	Religion / Belief	Sexual Orientation	No significant relevance
Activity	Savings Proposal and impact Assessment	£'000	£'000	£'000	£'000	£'000									
<b>Community Services</b>															
Archives and Records Service	The Keep Sustainability Plan has been agreed and is a three-part savings and income plan to ensure the financial sustainability of The Keep. It would ensure that the partners still deliver our statutory and legal duties, and maintain a good degree of public access.. [2nd year of savings]	1,042	1,074	74	104	178	-								
Road Safety Services	Reduced road safety education and no engagement with Community Safety Partnerships or Joint Action Groups. [2nd year of savings]	944	720	33	0	33	-								
Library Services	We will keep our Needs Assessment and Accessibility Analysis under review, and as a result we may in future provide a reduced library service.	4,214	3,595	0	240	240	-	-	-						
<b>Transport</b>															
Parking: Civil Parking Enforcement	Increase on-street parking charges where possible. Surpluses to be used for transport related funding. [2nd year of savings]	6,134	(910)	1,000	0	1,000									y
Transport Hub Services	Reduced staffing capacity may result in a reduction in the overall level of service in the Transport Hub. This may mean answering public queries and our ability to resolve problems with bus operators and transport providers will be slower. This could increase public dissatisfaction and complaints to the Council.	1,525	594	100	0	100	-	-							
Rights of Way Services	We will provide a reduced footpath clearance focused on those priority / popular routes resulting in a deterioration in the condition of other paths. Staff reductions may also lead to delays and longer timescales for dealing with requests for Definitive Map modifications and requests for footpath diversions which may result in an increase in public dissatisfaction and complaints to the Council.	1,173	683	100	0	100		-							
<b>Waste Disposal</b>															
Household Waste Disposal	Ongoing review of commercial saving opportunities, with possible reductions in the number of HWRSS	1,144	884	0	250	250									y
<b>Planning and Environment</b>															

Communities, Economy & Transport

East Sussex County Council - Savings 2020/21 to 2021/22		Gross budget	Net budget	Savings			Protected characteristics									
		2018/19	2018/19	2020/21	2021/22	Total	Age	Disability	Gender / Transgender	Ethnicity	Marriage / Civil Partnership	Pregnancy /Maternity	Religion / Belief	Sexual Orientation	No significant relevance	
Activity	Savings Proposal and impact Assessment	£'000	£'000	£'000	£'000	£'000										
Environmental Advice Services	Income generation through traded services. [2nd year of savings]	1,631	420	25	35	60										y
Ashdown Forest	Reduce financial support to conservators where possible. [2nd year of savings]	131	61	30	0	30										y
TOTAL Communities, Economy & Transport				1,362	629	1,991										

**Children's Services**

East Sussex County Council - Savings 2020/21 to 2021/22		Gross budget	Net budget	Savings			Protected characteristics								
		2018/19	2018/19	2020/21	2021/22	Total	Age	Disability	Gender / Transgender	Ethnicity	Marriage / Civil Partnership	Pregnancy /Maternity	Religion / Belief	Sexual Orientation	No significant relevance
Activity	Savings Proposal and impact Assessment	£'000	£'000	£'000	£'000	£'000									
Support to schools and pupils															
SLES: Performance monitoring	Reduce staffing and management capacity for performance monitoring across maintained and academy schools, only light touch monitoring where risk of serious failure has been brought to attention of LA. This could reduce the proportion of good or outstanding schools. [2nd year of savings]	3,993	2,112	410	0	410	-								
I-Send: EHCP Assessment Services	Reduced staffing capacity may mean the process for completing statutory assessments will be slower. This could increase parental dissatisfaction and complaints to the Council and LGO and reduce the proportion of annual reviews we attend.	28,597	862	188	0	188	-	-							
I-Send: Inclusion Services	From 2020/21 statutory duties in relation to attendance will be met wholly through DSG. This will reduce the number of families we work with to improve attendance and may lead to an increase in pupil absence from schools.	9,364	1,061	19	0	19	-	-							
Early Years: Inclusion Services	No support to schools and early years providers to promote inclusion and share best practice. This may increase the proportion of pupils who are referred for statutory assessment, it may increase the proportion of pupils with EHCPs. We will need to continue to monitor the long term spend in SEN budget as the decisions made could have an impact throughout pupils' education.	27,746	326	85	0	85	-	-							



# Children's Services

East Sussex County Council - Savings 2020/21 to 2021/22		Gross budget	Net budget	Savings			Protected characteristics								
		2018/19	2018/19	2020/21	2021/22	Total	Age	Disability	Gender / Transgender	Ethnicity	Marriage / Civil Partnership	Pregnancy /Maternity	Religion / Belief	Sexual Orientation	No significant relevance
Activity	Savings Proposal and impact Assessment	£'000	£'000	£'000	£'000	£'000									
Children's Social Care															
Safeguarding Services	The ACT service, an assertive outreach service for young people aged 16-24 who are at risk of or being exploited criminally; the problem solving team which supports the Family Drug and Alcohol Court; and Video Interactive Guidance which helps parents who are already in difficulty learn how to respond better to their children will continue alongside existing activity levels for families who are going through court proceedings and the Foundations Project which works with families who have already had children removed from their care. The deferment of savings in 2020/21 means the Family Group Conferences/family meetings when children are subject to child protection plans will continue and be expanded, subject to the budget being agreed. These services will be reduced if savings are made in later years.	44,026	38,105	0	854	854	-								
Early Help	Following Lead Member decisions and remodelling the Early Help Service, there will be a reduction in the family key work service, which has been deferred until 2021/22. Savings will be generated in 2020/21 as a result of ceasing to run services from 10 children's centres.	9,592	5,652	68	981	1,049	-		-	-		-			
TOTAL Children's Services				770	1,835	2,605									

**Adult Social Care**

East Sussex County Council - Savings 2020/21 to 2021/22		Gross budget	Net budget	Savings			Protected characteristics								
		2018/19	2018/19	2020/21	2021/22	Total									
Activity	Savings Proposal and impact Assessment	£'000	£'000	£'000	£'000	£'000	Age	Disability	Gender / Transgender	Ethnicity	Marriage / Civil Partnership	Pregnancy /Maternity	Religion / Belief	Sexual Orientation	No significant relevance
Working Age Adults: Nursing, Residential and Community Based services	Review care packages to ensure these are focused on those with Care Act eligible needs and deliver support in the most cost effective way. The average spend on Working Age Adults is significantly higher in East Sussex than in other south east councils. The intention is to deliver an overall level of support which is fair, reflects need and achieves a level of spend comparable to other councils. Any decisions to change care arrangements will be dependent on reviews that take account of a clients individual circumstances. Some clients may however have their support reduced or removed. [2nd year of savings]	62,332	49,031	248	0	248	-	-	+/-	+/-	+/-	+/-	+/-	+/-	
<b>TOTAL Adult Social Care</b>				248	0	248									

**Business Services / Orbis**

East Sussex County Council - Savings 2020/21 to 2021/22		Gross budget	Net budget	Savings			Protected characteristics									
		2018/19	2018/19	2020/21	2021/22	Total	Age	Disability	Gender / Transgender	Ethnicity	Marriage / Civil Partnership	Pregnancy /Maternity	Religion / Belief	Sexual Orientation	No significant relevance	
Activity	Savings Proposal and impact Assessment	£'000	£'000	£'000	£'000	£'000										
Business Services: Orbis and Managed on Behalf of (MOBO) services: Finance, IT&D, Procurement, Property Services, HR and OD and Business Operations	The Advisory and Change areas of support are being analysed and presented to the 3 partner Councils to determine which elements need to form part of the Core Offer as they are essential in supporting the partners deliver their priorities, and which elements will no longer be provided. The aim would be to reduce spending as set out in this table although the details of how this might be achieved is still being developed. [2nd year of savings]	47,534	22,270	1,161	787	1,948									y	
TOTAL Business Services / Orbis				1,161	787	1,948										

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## Appendix 4 - Savings

### Summary of Equality Impact Assessment for RPP&R 2019/20

#### Equalities Implications

Following the introduction of the Equality Act 2010 ('the EA') a public authority must, in the exercise of its functions, have due regard to the need to –

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the EA;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic (as defined by the EA) and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The protected characteristics set out in the EA are as follows:

- Age
  - Disability
  - Gender Reassignment
  - Pregnancy/ maternity
  - Race
  - Religion or Belief
  - Sex
  - Sexual Orientation
- Marriage and civil partnership are also protected characteristics for the purposes of the duty to eliminate discrimination.

Prior to making a decision as to which savings proposals should be agreed in the budget, Members must have due regard to the Equality Duty contained in Section 149 of the EA.

Having “due regard” does not necessarily require the achievement of all the aims set out in section 149 of the EA. Instead it requires that Members’ understand the consequences of the decision for those with the relevant protected characteristics and consider these alongside other relevant factors when making the decision to pursue one course of action rather than another, alternative, course of action that may have different consequences. The regard which is necessary will depend upon the circumstances of the decision in question, and should be proportionate. Even though not all decisions will be made about which saving proposals to pursue at this stage it is necessary for the Council to begin to understand the potential impacts.

This means that in setting the Budget, the three equality aims set out above must be considered as a relevant factor alongside financial constraints and all other relevant considerations. Members’ must have in mind the equalities impacts, and in particular the negative impacts, that agreeing savings will have for those with protected characteristics. Despite maximising efficiency and exploiting new ways of working, the business planning process for 2018/19 and beyond requires difficult choices to be made both within and between portfolios and services.

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## Investment of Unallocated Funding

- 1.1 In November 2019 the updated MTFP was presented at Cabinet, along with options for the investment of unallocated funding in 2020/21 and beyond.
- 1.2 Scrutiny Committees have considered potential use of the available unallocated funding and their views are set out in appendix 8.
- 1.3 Table 1 shows the investments that have been incorporated within the MTFP and budget.

**Table 1: Investment of Unallocated Funding – included in MTFP**

Description	Ref	£m			
		2020/21	2021/22	2022/23	Total
Temporary mitigations to savings:					
CSD - total Safeguarding savings	A	0.586			0.586
CET - part of Libraries savings	B		0.288		0.288
CET Trading Standards saving	C	0.100	0.100		0.200
Subtotal temporary mitigations to savings		0.686	0.388	0.000	1.074
Revenue schemes:					
ASC/CS - Accommodation and Floating Support	D	0.978	0.582	0.160	1.720
Year 3 funded from savings				(0.160)	(0.160)
CS - No Wrong Door	E	1.125	1.125	1.125	3.375
Year 3 funded from savings				(1.125)	(1.125)
CS - Family Group Conferencing expansion	F	0.350			0.350
Subtotal revenue schemes		2.453	1.707	0.000	4.160
Capital schemes:					
CS - Disability Children's Homes	G	0.242			0.242
CET - Highways Works Programme Management (to include dropped kerbs, patching and other areas of highways maintenance)	H	1.000			1.000
Subtotal capital schemes		1.242	0.000	0.000	1.242
TOTAL		4.381	2.095	0.000	6.476

- 1.4 In relation to the remaining revenue projects shown at Table 2, provision may be made for them within the Priority Outcomes and Transformation Reserve, following business cases identifying benefits, in line with the County Council's constitution. Table 3 shows the schemes that are not recommended to be progressed.

**Table 2: Future Investment from Reserve – subject to business case**

Description	Ref	£m			
		2020/21	2021/22	2022/23	Total
Revenue schemes					
ASC - Assessment & Care Management journey	I	0.226	0.226		0.452
ASC - Behavioural Insight	J	0.250	0.250		0.500
ASC - Bedded Care	K	0.359	0.300	0.196	0.855
ASC - Home Care Commissioning	L	0.110			0.110
ASC/CS - IT Care Management System (LiquidLogic)	M	0.165	0.048	0.048	0.261
Total		1.110	0.824	0.244	2.178

**Table 3: Not recommended to be progressed**

Description	Ref	£m			
		2020/21	2021/22	2022/23	Total
Capital schemes					
CET - Economic Development	N	1.000			1.000
CET - Highways Works Programme Management	H	1.000			1.000
Total		2.000	0.000	0.000	2.000

1.5 A brief description of each project is provided below:

**A CS reprofile of safeguarding savings (£0.586m in 2020/21)**

Reprofile the entirety of Safeguarding savings from 2020/21 to 2021/22. This will allow a more cost effective response and a greater capacity to manage demand, and mean fewer children will become subject to Child Protection Plans or not enter (or stay for less time in) the care system.

**B CET reprofile of libraries savings (£0.288m in 2021/22)**

Reprofile part of the Libraries savings (£0.288m out of £0.528m) from 2021/22 to 2022/23. This would still deliver £0.240m of planned savings in 2021/22, to allow for a comprehensive review of the strategic library commissioning strategy and allow a phased approach to the review of options in respect of the Ropemaker Park lease.

**C CET reprofile of trading standards savings (£0.100m in 2020/21 and 2021/22)**

Defer Trading Standards savings by two years from 2020/21 to 2022/23. Although this was not included in the options put forward in November, the agreement of the Brexit Withdrawal Bill by the House of Commons and the negotiations of new trading arrangements over the course of the year will mean that businesses may need support in moving to a new regulatory framework and could mean additional responsibilities for council Trading Standards services in future. It would therefore be prudent to keep the small capacity we have until the implications of Brexit and new trading arrangements are clear.



NB: the savings table below has been revised for A to C (noting that the previously submitted option to slip Early Help savings has already been approved by Cabinet and is also reflected):

	<b>Revised Savings</b>			
	<b>2020/21</b>	<b>2021/22</b>	<b>Total</b>	<b>2022/23</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<i>Communities, Economy &amp; Transport</i>	1.362	0.629	1.991	0.388
<i>Children's Services</i>	0.770	1.835	2.605	
<i>Adult Social Care</i>	0.248		0.248	
<i>Business Services / Orbis</i>	1.161	0.787	1.948	
<b>Total Departments</b>	<b>3.541</b>	<b>3.251</b>	<b>6.792</b>	<b>0.388</b>

#### **D ASC/CS Accommodation and Floating Support (£0.978m, £0.582m in 2020/21, 2021/22 respectively)**

A project to test alternative referral and access routes into floating and accommodation based support to ensure the service model is fit for purpose; meeting the needs of the people the service is designed to support and to establish links / protocols with other pathways (e.g. Rough Sleeping Initiative). This would mitigate demand and provide more appropriate and effective signposting and support for people who are currently presenting to floating support services and District and Borough Housing services, with complex needs, and/or who are at risk of homelessness.

This investment will enable ASC/CS to test new models of service delivery and evaluate their effectiveness prior to producing the future specification and contracts for these services. The models that will be tested will aim to improve the efficiency and effectiveness of accommodation pathways for people with complex needs, including how they are supported to move-on into general needs housing, with reduced reliance on Adult Social Care.

The additional requirement in 2022/23 of £0.160m is expected to be funded via savings from this scheme.

#### **E CS No Wrong Door (£2.250m over the two years to 2021/22)**

Investment in a No Wrong Door (NWD) model – an innovative model developed by North Yorkshire CC to work with adolescents experiencing complex challenges with an innovative multi-agency “hub” at the heart of the service. This would use short-term placements and edge of care support (in and out of care) and a range of services, support and accommodation options always progressing to permanence where young people’s aspirations drive practice. If the model is successful it would become part of Core Services and would therefore be an ongoing cost, offset by savings; the full impact will be modelled should this option be taken forwards.

The additional requirement in 2022/23 of £1.125m is expected to be funded via savings from this scheme.

#### **F CS Family Group Conferencing expansion (£0.350m in 2020/21)**

Investment to expand the existing Family Group Conferencing (FGC) service to Children in Need (CiN) which is the most cost effective way to reduce risks and the likelihood of children being placed on CP plans or becoming LAC, and as a result reducing social care costs. The investment is expected to deliver non-cashable efficiency savings of £1.224m from 2021/22 resulting from reductions in Social Worker caseloads.

#### **G CS Disability Children’s Homes (£0.242m in 2020/21)**

Investment to remodel the Children’s Disabilities Children’s Homes to create additional capacity and reduce the costs of residential care placements in the independent sector by keeping more children in local provision within the county. This would create extra 3 beds and provide greater options for keeping children within local provision, minimising existing and onward costs and

delivering better outcomes for them in the longer term. It is expected to achieve net savings of £0.352m p.a. from 2020/21 to offset service pressures.

**H CET Highways Works Programme Management (£2.000m in 2020/21, £1.000m recommended for approval)**

A contribution towards the agreed basic need investment to be funded in the Capital Programme for Highways Works Programme Management in order to achieve agreed condition targets. £2.000m was proposed, with £1.000m now included in the MTFP, which would fund works including drop kerbs, patching and other areas of highways maintenance. It is not recommended to progress the other £1.000m.

**I ASC Assessment & Care Management journey (£0.452m over two years from 2020/21)**

Proposal to speed up work to make it easier for clients to get information and services via the internet and improve the systems used by ASC which will lead to people getting help faster, fewer people entering the social care system and more efficient use of staff capacity.

**J ASC Behavioural Insight (£0.500m over two years from 2020/21)**

Proposal to implement a behavioural insight project across the health and social care system to identify areas of focus and efficiency in: single health and social care economy, processes, systems, communications and Public Health interventions. This would deliver reduced demand entering the system, improved flows within the system, improved outcomes for residents in the health and social care system and reduced late/non-payment of debt.

**K ASC Bedded Care (£0.359m, £0.300m, £0.196m in 2020/21, 2021/22, 2022/23 respectively)**

Investment in the Bedded Care Team to increase brokerage capacity to purchase residential and nursing beds for ASC and the NHS. Also requested is investment in programme and project support to manage the work. This would facilitate a more efficient use of resources and timely hospital discharge.

The resources will increase capacity to ensure patients are able to be discharged from hospital in a timely way. Improving our contract management arrangements will also ensure we are able to purchase beds from the market to better meet changing demands and needs.

Increasing brokerage capacity within the bedded care team will have a direct and positive impact on patient flow out of hospital. Securing appropriate bedded care placements within a community setting to enable timely hospital discharge reduces the length of stay in hospital beds. This releases hospital bed capacity which is generally more costly than community based care and also ensures people are not staying longer in hospital than is necessary, which is often detrimental to people who are frail and elderly. The estimated cost to healthcare providers of one non-elective admission is £1,609 per admission and the cost of one excess bed day is £346 per day (£2,422 per week). The brokerage team ensure we take a consistent, whole system approach to purchasing beds.

**L ASC Home Care Commissioning (£0.110m in 2020/21)**

A project to work with providers to test different ways of working alongside the current core home care business model. The four areas to be tested are; complex cases, reviews, hospital discharge and Occupational Therapy involvement, with the aim to support people to live independently at home and reduce admissions to care homes. The learning will inform development of the service specification for the new contract.

The Home Care recommissioning work has commenced. The investment will enable ASC to test out new ways of working, including an outcomes based approach.

Best practice theory promotes outcomes-based commissioning, specifically in terms of reducing ongoing reliance on services and therefore reducing overall demand over time. This will directly and positively impact on Community Care budget spend.

**M     ASC/CS IT Care Management System (£0.165m in 2020/21 and £0.048m in each of 2021/22 and 2022/23)**

Investment to use the existing framework agreement with Liquidlogic (who supply ASC & CS case management system) to procure and implement the software called the 'Delegation Portal', for both ASC & CS. Funding is sought for a three-year period to determine the effectiveness of the portal; any recurrent costs beyond 2022/23 will be funded through social work force efficiencies.

This would give both ASC & CS the ability to electronically obtain multi-agency contributions from external professionals and providers into operational practice forms, which could save staff time in collating this information from professionals/providers, improve data quality /integrity and help manage the demand (e.g. in ASC reviews could be delegated from operational staff to care providers/other professionals to complete, rather than ASC staff doing this activity).

If the project progressed with just the ASC element, the costs would be reduced to £0.083m, £0.024m and £0.024m.

It is likely that in practice there could be efficiency savings of £0.010m-£0.050m p.a. from 2021/22 enabling a better core offer to be delivered from within existing resources, rather than cashable savings realised by reducing staffing levels.

**N     CET Economic Development (£1.000m supplement in 2020/21)**

The East Sussex Economic Intervention Fund (EIF), which consists of the ESInvest Business Grants and Loans fund, Stalled sites fund, upgrading empty properties and business incubation unit fund has been running for 6 years and directly addresses one of the four Council priorities: "driving sustainable economic growth" by supporting local businesses through capital investment to grow and create jobs. The overriding principle for economic intervention is that the Council does not borrow to fund grants or loans; the ambition is that this funding will be self-sustaining. Loan repayments being held in reserve to fund expenditure in future years and agreed through the RPPR process. Expenditure on these loans and grants will be included for the first three years of the programme in line with the MTFP period; the capital programme provides for £4.537m in this area, and therefore it is not recommended to be progressed. Any unused funding over the MTFP period will remain in reserve for use in future years as well as future repayments on loans.

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East Sussex County Council  
Council Tax Precepts for 2020/21 (Draft)

	£	£	£
Gross Expenditure		831,228,000	
Income		427,791,000	
Net Budget			403,437,000
Business Rates & S31 Grants	19,136,000		
Business Rates Top Up	62,773,000		
Revenue Support Grant	3,548,000		
New Homes Bonus	767,000		
Social Care Grant	14,630,000		
Previous year's surpluses/(deficits)			
Collection Fund Adjustment	829,715		
Council Tax	879,096		
		102,562,811	
			102,562,811
Council Tax Requirement			300,874,189
Tax base (total equivalent Band D properties)			201,655.6
Basic council tax			1,492.02

Therefore Council Tax per Category of Dwelling:-

	Proportion of Basic Council Tax	£
Band A	6/9	994.68
Band B	7/9	1,160.46
Band C	8/9	1,326.24
Band D	9/9	1,492.02
Band E	11/9	1,823.58
Band F	13/9	2,155.14
Band G	15/9	2,486.70
Band H	18/9	2,984.04

Precept to Each Billing Authority

	No of band D equivalent dwellings	£
Eastbourne	34,848.6	51,994,808
Hastings	26,197.0	39,086,448
Lewes	36,811.2	54,923,047
Rother	38,124.6	56,882,666
Wealden	65,674.2	97,987,220
Total	201,655.6	300,874,189

Schedule of Instalments for payment from Districts & Boroughs

- 14 April 2020
- 21 May 2020
- 29 June 2020
- 04 August 2020
- 10 September 2020
- 16 October 2020
- 23 November 2020
- 04 January 2021
- 08 February 2021
- 16 March 2021

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## Reserves and Budget Robustness Statement

### 1.0 Reserves

- 1.1 The Council's approach to the management and accounting for earmarked reserves is set out in the Reserve Strategy adopted by the Cabinet in June 2017. The Reserves have been reviewed using the principles set out in the Policy ensuring that they are reflective of the Council's strategic agenda and the current financial risks and issues the Council faces through the medium term.
- 1.2 It is crucial to bear in mind that the reserves are the only source of financing to which the Council has access to fund risks and one-off pressures over a number of years. If the Council minimises the level of reserves too significantly there is a risk that in future, the ability to properly manage unforeseen or one off costs will be significantly hampered. Reserves can only be spent once and the possibility of creating new reserves in an era where budgets are tight and can become overspent, not just individually but corporately, is limited.
- 1.3 Reserves are a key element of the Council's financial management arrangements. Reserves can be broadly categorised as follows:
- **General Fund Balance** - a working balance to manage in-year risks if they cannot be managed via other mitigations. It is best practice for a well-run authority to hold such a balance to assist in delivering services over a period longer than one financial year.
  - **Earmarked Reserves** - funds that are held to meet known or anticipated future one-off requirements, facilitating transformation and the management and mitigation of future financial risk and uncertainty.
- 1.4 ESCC General Fund Balance and Earmarked Reserves are estimated to total £102.3m as at 1 April 2020: a small estimated reduction of £0.5m against the actual reserves at 1 April 2019 totalling £102.8m. Movements in year are:
- A net decrease of £1.9m in reserves held on behalf of others or statutorily ringfenced;
  - Waste reserve – an increase of £1.8m due to a top up arising from contractual negotiations and one off backdated income;
  - Capital reserve – a £1.3m reduction is reflective of the use of reserve to fund items of investment for which the Council would not want to borrow and consistent with the new capital strategy;
  - Insurance reserve – the outcome of the annual actuarial review is awaited however due to some significant claims in 2019/20 an initial provision to top up the reserve in year by a net £0.6m has been made (£1.0m from the financial management less an estimated draw of £0.4m).
  - Financial Management – a net increase of £2.2m, movements shown in Table 1 below.

**Table 1: Movements in Financial Management Reserve 1 April 2019 to 1 April 2020**

Description	Movement
Contribution in 2019/20 from one-off grant, updated business rates & collection fund	£5.6m
Reduction in the planned draw for redundancies	£(1.1)m
Mitigation of slipped Early Help savings	£(1.0)m
Transfer to the Insurance Reserve, ahead of actuarial review	£(1.0)m
A number of small reductions in planned draws, including for the Music Service, Academy conversions, Waste & Minerals Sites Plan and Ropemaker.	£(0.3)m
<b>Total Movement</b>	<b>£2.2m</b>

- Priority Outcomes and Transformation – a net reduction of £1.9m, movements shown in Table 2 below.

**Table 2: Movements in Priority Outcomes and Transformation Reserve 1 April 2019 to 1 April 2020**

Description	Movement
Modern Records Paper Storage	£0.2m
Lansdowne Secure Children's Home Extension	£(0.4)m
Modernising Back Office Systems (MBOS) and Property Asset Management System (PAMS)	£(0.4)m
Orbis planned support (as approved 2015/16)	£(0.3)m
Accountable Care development & delivery	£(0.2)m
Mobile phone refresh	£(0.2)m
Early Help Transformation Project	£(0.1)m
Employability and Skills Strategy - Helping teenagers to move from school into employment	£(0.1)m
Reductions of less than £0.1m in a number of other projects/schemes	£(0.4)m
<b>Total Movement</b>	<b>£(1.9)m</b>

- 1.5 The estimated balance at 31 March 2024 is now £77.8m. Of this £26.6m relates to available strategic reserves: this position represents the known planned use for these reserves. The current reserves position is summarised in the table below.

**Table 3: Summary of Reserves**

	At State of the County July 2019		Full Council February 2020	
	01.04.19 Actual £m	Estimated Balance at 31.03.23 £m	01.04.20 Estimate £m	Estimated Balance at 31.03.24 £m
<b>Earmarked Reserves:</b>				
<b>Held on behalf of others or statutorily ringfenced</b>	<b>24.1</b>	<b>21.3</b>	<b>22.2</b>	<b>20.3</b>
<b>Named Service Reserves</b>				
Waste Reserve	12.8	8.6	14.6	9.7
Capital Programme Reserve	10.5	0.0	9.2	5.8
Insurance Reserve	4.8	4.8	5.4	5.4
<b>Subtotal named service reserves</b>	<b>28.1</b>	<b>13.4</b>	<b>29.2</b>	<b>20.9</b>
<b>Strategic Reserves</b>				
Financial Management	32.4	24.7	34.6	22.5
Priority Outcomes and Transformation	8.2	4.4	6.3	4.1
<b>Subtotal strategic reserves</b>	<b>40.6</b>	<b>29.1</b>	<b>40.9</b>	<b>26.6</b>
<b>Total Earmarked Reserves</b>	<b>92.8</b>	<b>63.8</b>	<b>92.3</b>	<b>67.8</b>
<b>General Fund Balance</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>
<b>TOTAL RESERVES</b>	<b>102.8</b>	<b>73.8</b>	<b>102.3</b>	<b>77.8</b>



- 1.6 At 1 April 2020 the estimated Earmarked Reserves are as follows:-
- 1.7 **Held on behalf of others or statutorily ringfenced** amount to £22.2m – most significantly this comprises £13.7m schools balances which cannot legally be spent on ESCC activities, and ringfenced Public Health Reserve of £3.0m.
- 1.8 **Named Service Reserves** that are set aside to manage a specific financial risk, amount to £29.2m and comprise of a:-
- Waste Reserve – to manage financial risks relating to the waste contract. These risks are reviewed and managed through this reserve on a 4 year rolling programme; the reserve is shown as reducing to reflect emerging risks, which include but are not limited to reduced recycle prices increasing disposal costs, reduced recycling during collection contractor transition in the next two years, and changes in law/compliance with waste regulations/contractor policy change.
  - Capital Programme Reserve – to support the Council's Capital Programme and to reduce the need to borrow, that has a consequential increase in pressure on revenue budgets. The estimated balance at 31 March 2024 is now £5.8m; this now reflects a plan to draw on the reserve over the life of the capital programme in support of expenditure on the Economic Intervention Fund and House Adaptations.
  - Insurance Reserve – this is to fund insurance liabilities that have arisen over previous years, this represents the liability that the actuary estimates may become payable in 2020/21 and beyond.
- 1.9 **Strategic reserves** are as follows:-
- A Financial Management reserve – to manage the potential financial consequences of risks recognised in the Council's risk management arrangements and the Chief Finance Officer's (CFO) robustness statement, including the risk of the pay award being over 2.5% (each additional 0.5% costs approx. £0.7m). It also enables wider management of the medium-term financial strategy and investment strategy.
  - The Priority Outcomes and Transformation reserve – to fund the transformation programme to change, protect and improve Council services.
- 1.10 There has been a movement overall on the strategic reserves since they were last reported; The balance at 31<sup>st</sup> March 2023 of the strategic reserves was estimated to be £29.1m at State of the County and is now estimated at £26.6m at 31<sup>st</sup> March 2024. The key movements in these balances are as follows:
- Priority Outcomes and Transformation reserve – a net reduction of £0.3m due to EU Exit Funding being moved into its own specific reserve under 'held on behalf of others or statutorily ring-fenced'.
  - Financial Management reserve – a net reduction of £2.2m, movements shown in Table 4 below.

**Table 4: Movements in Financial Management Reserve**

Description	Movement
Elections 2021/22: estimate based on May 2017 election costs uplifted for inflation.	£(0.9)m
Redundancy provision: update to estimated draw reflecting the core offer	£(0.3)m
Top-up the Insurance Reserve, awaiting the outcome of actuarial review	£(1.0)m
Estimated outturn position 2019/20 (subject to other Government announcements)	£0.0m
<b>Total Movement</b>	<b>£(2.2)m</b>

- 1.11 In the recent uncertain financial, economic and political times some councils have been close to collapse as they have grappled with the challenge of delivering services within a difficult financial landscape. That uncertainty is brought into sharp focus given the lack of clarity about what funding will be provided for councils beyond next year. The new Conservative Government's manifesto sets out a number of pledges, the financial impact of which is yet to be understood. It is essential that we maintain sufficient reserves to weather this period of uncertainty. It therefore continues to be a priority to, where possible, bolster the Financial Management reserve with any unused contingency once the final outturn position is known and other one-off funding.
- 1.12 Additionally it is proposed that, as in previous years, any changes to Business Rates and Collection Fund be managed through reserves. Details of the reserves summarised above can be found in the Budget Summary at Appendix 3. The Chief Finance Officer Statement on Budget Robustness follows.

## **2.0 Chief Finance Officer Statement on the Budget Robustness**

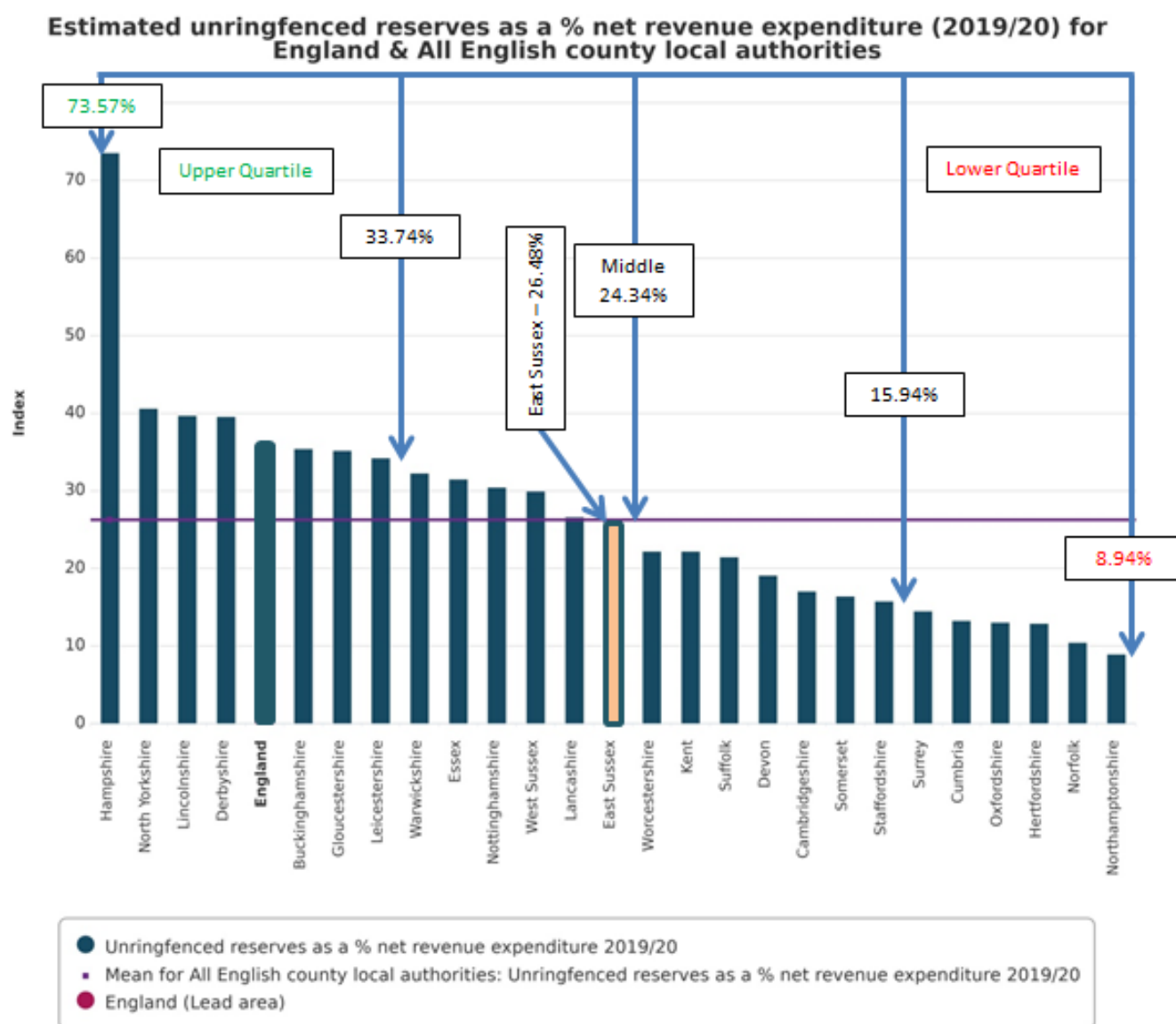
- 2.1 Section 25 of the Local Government Act 2003 places a statutory duty on the Chief Financial Officer (CFO) to review the Medium Term Financial Strategy and comment upon the robustness of the budget and the adequacy of the reserves to be held by the authority when it is making the statutory calculations required to determine its Council Tax or precept. The authority is required to take this report into account when making that decision.
- 2.2 Section 26 of the Local Government Act 2003, places an onus on the CFO to ensure the authority has established a minimum level of reserves to be retained to cover any unforeseen demands that could not be reasonably defined within finalising the proposed budget.

### **3.0 Report of the Chief Financial Officer on the robustness of the 2020/21 budget proposal.**

- 3.1 It is the opinion of the CFO that the draft budget for 2020/21 is based upon a sound financial strategy that will enable the Council to deliver its proposed Council Plan successfully.
- 3.2 Both the Revenue Budget and Capital Programme have been formulated having regard to a number of factors including funding availability; risks and uncertainties; inflation; priorities; demography and service pressures. The development of the Core Offer, although not specifically about setting a balanced budget, has enabled the Council to engage nationally and locally with Government Ministers, MPs and local partners and stakeholders to set out what level of services the residents of East Sussex should expect from a well-run, financially sound authority.
- 3.3 As the development of the Council Plan and budget for 2020/21 has progressed, the position has been subject to reviews with Chief Officers, other officers and Members, including Cabinet and Scrutiny Committees. Due consideration has also been given to reconciling the over-arching financial strategy with corporate priorities and hence all the proposals have been developed as an integral part of service planning (the process known as Reconciling Policy, Performance and Resources).
- 3.4 The 2020/21 budget is balanced and, in finalising the draft budget, consideration has been given to unforeseen issues that could arise during the year and ensuring that those risks can be managed. The strategic risk register has been reviewed and an analysis of ESCC's financial position in the current year has been carried out, to identify direct impacts and risks that are inherent within the 2019/20 budget. Notwithstanding that the draft budget for 2020/21 is balanced, there are significant risks to the budget arising from the continued growth in social care (particularly within Children's Services) and other service pressures together with the work required to progress towards the Core Offer. The Core Offer is not about setting a balanced budget, more about what agreed service level can be delivered; it has allowed engagement both locally and nationally on what the financial pressures on local authorities will mean. The County Council holds a general contingency of £3.85m within the base revenue budget to cushion the impact of unexpected events and emergencies in year. Additionally there is a sum (agreed at State of the County) for potential additional borrowing for the capital programme of £7.5m.
- 3.5 Increasing the Council Tax will provide a more sustainable income to the Council which will help to protect services. Implementing the 2% Adult Social Care precept and the allowed 1.99% precept (before triggering referendum) will support and help protect services that are already under significant pressure.

- 3.6 The **Adequacy of Earmarked Reserves** has been reviewed and is considered reasonable. The approach remains to take every opportunity to increase reserves to help future proof Council services. The strategic reserves of £26.6m remain available for smoothing the MTFP and mitigating any delayed achievement of savings, the core offer and any unforeseen events arising. In support of this consideration, graph 1 below shows the LGA's analysis of unringfenced reserves as a % of net revenue expenditure in 2018/19. The Council continues to be placed at 14<sup>th</sup> out of the 27 shire counties, with reserves slightly increased to 26.5%, from 25.1% last year, of net revenue expenditure. Even after applying estimated use in 2019/20 this would still see the county at 26.7% of net revenue expenditure.

**Graph 1: Unringfenced Reserves as a % of Net Revenue Expenditure 2019/20**

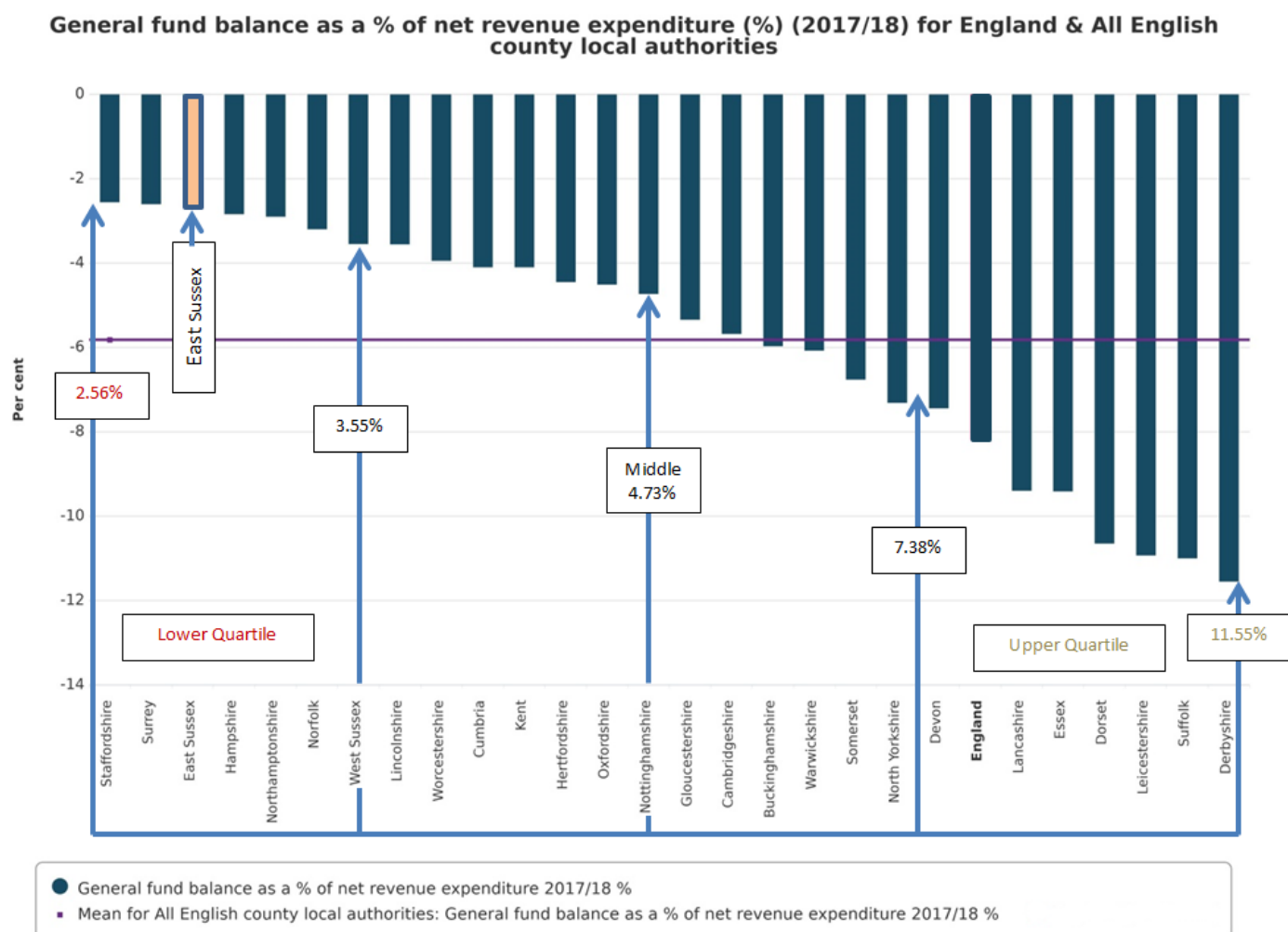


Source:  
Local Government Association

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- 3.7 For the **General Fund Balance** there are two main approaches taken by Councils to determine their required minimum level: either by a straight percentage of the Council's current spending: or an assessment of risks and the impact identified risks will have on the Council's overall financial position. The Local Government Association provided benchmarking data which shows that in 2017/18, the Council was ranked 25<sup>th</sup> out of the 27 shire counties in terms of general fund balance as a % of net revenue expenditure, see Graph 2 below.

**Graph 2: General Fund Balance as a % of Net Revenue Expenditure 2017/18**



Source:  
Local Government Association

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- 3.8 The challenge is to maintain an appropriate level of reserves, whilst also mitigating the pressures faced within the MTFP.
- 3.9 On 16<sup>th</sup> December the CIPFA resilience index was published, and at face value it suggests that East Sussex County Council is not as resilient as our analysis shows. The Council has a history of strong financial management that has stood us in good stead during austerity. The Council has always taken a longer term approach to financial planning and delivering savings whilst some other councils have done less well. The index from CIPFA merely reinforces these messages and there are no surprises in it. Of particular note is the indicator for fees and charges; it shows that the Council's fees and charges are 11.40% of total service expenditure. While this is only relative to other authorities' levels, it shows one of the highest and best performances of a county council. Over the last 4 years performance has improved in this area and the Council has moved from high risk to low risk, this reflects the focused work that has been done on fees and charges in recent years.
- 3.10 During the financial year, analysis has been undertaken to classify fees and charges into three categories:
1. No scope or discretion to set fees to fully recover costs (for example, if the fees & charges are statutory, pre-set or set within a framework, there is little opportunity to change the methodology for these in order to recover more costs).

2. May be scope to recover costs, but could be a good reason why not - for example, accepted element of subsidy, or the fee is to manage demand or shape behaviour.
3. Opportunity to change methodologies and to recover more costs, within the constraints of what the market will allow (i.e. likely impact on demand) (could be a phased move towards this).

Approximately 12% of the Council's fees & charges fall into category three (market led) and therefore this is a low risk area.

- 3.11 A risk-based assessment of issues, which could have a major impact on the Council's finances, provides a more flexible and responsive approach that better reflects the continuously changing environment within which Local Government has to work. This approach will take into account the type of risk, the potential magnitude of the financial risk and a judgement as to how likely the issue is to arise. Table 3 below identifies a number of the high level risks that may have financial implications, which assist in determining the required minimum level of General Fund Balance to be retained.

**Table 5: Financial Assessment of 2020/21 Risks**

Risk	Potential magnitude	Estimate of potential impact	Magnitude
			£m
Growing demand for services is already impacting on service budgets particularly in Children's Services (CSD) and Adult Social Care (ASC). Service departments are forecasting a £6.1m overspend in 2019/20 [Q2.5 position].	ASC 2020/21 budget £184.1m. CSD SEND budget for 2020/21 £11.7m.	2% increased unfunded demand	3.9
Risk that inflation on utilities and other areas where budgets were not uplifted for inflation become unmanageable within budget allocations.	Total utilities and other budget 2020/21 circa £86m.	3% increase in current provision.	2.6
Risk that inflation on pay is more than the allocated 2.5% due to pressure from unions and political commitment.	Between 0.5% and 2.5% additional increase	£0.7m per 0.5%	0.7 to 3.5
Delivery of the core offer is complex and plans still to be finalised. Therefore a risk exists that it will not be possible to make the planned service changes within the timeframe required.	Impact of moving to core offer is £3.5m of savings in 2020/21	20% non-achievement	0.7
Non achievement of Fees & Charges targets built into the revenue budget, due to the continuing economic climate.	Planned Fees & Charges for 2020/21 is £64.9m.	Underachievement provision of 5%	3.2
Business Rate Revaluation and forecasting risk significantly increases risk of inaccurate forecasts.	Reduction in anticipated revenue from Business rates local share of £12.1m.	Rates collected reduces by 5%	0.6
Changes in historic weather patterns may be being the potential for adverse weather conditions which may present the Council with additional unfunded costs. The impact of weather as opposed to additional prevention cannot be quantified. Additionally, the impact of the recently-declared Climate Emergency is yet to be quantified.	Historic winter maintenance spend is circa £1.1m.	10% increase in costs due to adverse weather	0.1
	Pressures due to unknown event impacts i.e. floods	0.5% of insurance reserve & provision	0.05

<b>Impact of Brexit:</b>			
Inflation (excl. pay award)	Inflation provided in MTFP £9.8m.	5% increase in current provision	0.5
Infrastructure (e.g. transportation links; emergency planning)	£49.3m estimated highways infrastructure expenditure 2020/21 to 2022/23	2% additional cost	1.0
Unexpected Costs (e.g. additional trading standards officers; waste collection; service delivery etc.)	Estimated net budget for ESCC in 2020/21 is £403.4m.	1% increase in costs	4.0

3.12 Taking everything into account, the General Fund Balance of £10.0m, is sufficient based on professional judgement which, given the level of risks, is a minimum general balance and remains lower proportionately than other shire counties. This is, however, considered adequate on the basis that the budget balances for 2020/21 and that, in addition, as noted at 3.4, an in-year contingency is held.

3.13 The MTFP provides an estimated position for the next three years, shown at Table 4.

**Table 6: Medium Term Financial Plan Position**

	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
Estimated Annual Deficit / (Surplus) - non cumulative	£0.000m	£1.443m	£7.879m
Estimated Annual Deficit / (Surplus) - cumulative	£0.000m	£1.443m	£9.322m

3.14 We are balancing the budget for 2020/21, and although there are challenges and significant levels of uncertainty, the Council has a robust planning process and sufficient reserves, and will continue to strive towards a balanced position in 2021/22.

3.15 For future years work will continue to identify. In addition the effects of a number of national funding decisions will impact on the financial position. These are significant areas of change that currently are not fully understood and cannot be fully quantified but will have potential significant financial impact, and include:-

- Changes to the Local Government finance system to pave the way for the implementation of Business Rate Retention. As part of these reforms, the main Local Government grant will be phased out and additional responsibilities devolved to Local Authorities. This will be through incorporating existing grants including Public Health (effectively ending the ring fence) and Revenue Support Grant. The new responsibilities are as yet unknown and could bring significant risks to funding, particularly if they are demand led. Business Rate Retention will sit alongside the implementation of the outcome from the fair funding review, and the Government have announced they will aim for local authorities to retain 75% of business rates from 2020/21. Business rates will then be redistributed according to the outcome of this new needs assessment. It is not currently possible to estimate the impact of this on the Council until further detail is provided;
- The Comprehensive Spending Review 2020 will change the total quantum of funding to Local Government;
- The Fair Funding Review consultation and outcome; this will be the basis of the new needs assessment upon which business rates will be redistributed;
- The future funding of social care;
- Impact of new Government policies;

- Potential taxation reform; and
- Environmental targets, including the impact of Climate Emergency.

- 3.16 The uncertainty regarding the future finance system means it is increasingly important to hold sufficient reserves to manage this unquantifiable financial risk. Therefore it continues to be proposed that every opportunity should be taken to top up the Council's strategic reserves.
- 3.17 In addition to all these areas of uncertainty, the effects of Brexit on the economy of the country, the duties the Government expects us to carry out and the workforce available to both the Council and the service providers on whom we rely, particularly in the Care Sector, remain unclear. It will be an additional factor that we need to take into account as the details of any deal and the practical realities begin to emerge.



## **Reserves and Balances Policy**

### **1.0 Background**

This policy sets out the Council's approach to reserves and balances. The policy has regard to LAAP Bulletin 77 "Local Authority Reserves and Balances", issued in November 2008.

- 1.1 In reviewing medium-term financial plans and preparing annual budgets, the Council will consider the establishment and maintenance of reserves for the general fund. The nature and level of reserves will be determined formally by the Council, informed by the judgement and advice of the Chief Finance Officer (CFO).

### **2.0 Types of Reserve**

The Council will maintain the following reserves:

- A working balance to manage in-year risks, called the General Fund Balance;
- A means of building up funds to meet known or predicted requirements, called Earmarked Reserves.

- 2.1 Earmarked reserves will be maintained as follows:

- priority outcomes and transformation reserve: to fund the transformation programme to change, protect and improve Council services;
- financial management reserve: to manage the potential financial consequences of risks recognised in the Council's risk management arrangements and the CFO's robustness statement, and to enable the effective management of the medium-term financial strategy and investment strategy.
- named service reserves will be held specifically for the capital programme, waste contract risk and insurance risk.
- other reserves will be held on behalf of others (e.g. Schools) and/or statutorily ring-fenced (e.g. Public Health).

- 2.2 The Council will also maintain a number of other reserves that arise out of the interaction between legislation and proper accounting practices. These reserves, which are not resource-backed, are for accounting purposes and will be specified in the annual Statement of Accounts.

### **3.0 Principles to assess the adequacy of reserves**

The CFO will advise the Council on the adequacy of reserves. In considering the general reserve, the CFO will have regard to:

- the strategic financial context within which the Council will be operating through the medium-term;
- the overall effectiveness of governance arrangements and the system of internal control;
- the robustness of the financial planning and budget-setting process;
- the effectiveness of the budget monitoring and management process

- 3.1 Having had regard to these matters, the CFO will advise the Council on the monetary value of the required general reserve.

- 3.2 In considering specific reserves, the CFO will have regard to matter relevant in respect of each reserve, and will advise the Council accordingly.

### **4.0 Underspends**

The process for determining the specific use of any underspend will be based upon the principles of effective financial management. Therefore underspends will not automatically be carried forward via reserves, nor will they only be available to the service that has identified the underspend.

- 4.1 Periodically during the year, Services will be asked to submit business cases for the use of underspend. Business cases will be determined by the CFO in conjunction with the Corporate Management Team. These will then be held in a Strategic Reserve.
- 5.0 Use of reserves  
Members, as part of agreeing the budget, will agree the policy for drawdown of reserves on the advice of the CFO. Use of reserves will be approved by CMT and reported to Cabinet as part of the RPPR monitoring process.
- 5.1 The CFO will monitor the drawdown of specific reserves in accordance with the agreed policy, and keep Members advised.

## **1. Place Scrutiny Committee's Comments on savings and use of additional funding**

1.1 The Place Scrutiny Committee RPPR Board discussed the comments it wished to make to Cabinet on the Portfolio Plans, MTFP Savings Plan and the priorities for the use of the one-off funding at its meeting on 17 December 2019.

1.2 The Board has some concerns about the impact of the savings planned for Trading Standards and the Library Service. For Trading Standards, the planned savings could reduce the capacity to work on Scams and to protect vulnerable people. If possible, this work should be protected as it contributes to keeping vulnerable people safe, particularly the elderly. For Libraries, the Board considered that it would be difficult to achieve the future savings of £0.528 million without having an impact on the provision of library services across the County.

### Priorities for the Use of One-off funding

1.3 The Place RPPR Board acknowledges the pressures faced by Children's and Adult's social care services. However, in the light of the additional funding being made available by central Government for social care, the Board considers that it is important for some of the one-off funding to be spent on visible, universal services that are important to the wider community and meet the Council's objectives. The Board considered that some priority should be given to one-off investments that council tax payers will see as improving council services for them.

1.3 With the above factors in mind, the Place RPPR Board agreed to recommend to Cabinet the following one-off options as priorities:

1. Highways Works Programme Management (£2.000million in 2020/21) - The Place RPPR Board's first priority for the use of one-off funding is to spend £2 million on the Highways Works Programme Management. The Board recommends that the £2 million is spent on Highways infrastructure in the following areas:
  - Dropped Kerbs - £75,000 is spent on installing dropped kerbs to promote access for the whole community, particularly those with disabilities. The additional funding will enable the backlog of requests to be dealt with and has a wide social benefit.
  - Road markings – Additional funding for road markings (lining and signing) based on the initial findings of the Scrutiny Review, which will help promote road safety and road capacity across the County.
  - Maintenance of Pavements – Additional funding to repair pavements to reduce falls and promote walking as a sustainable way of getting around.
  - Potholes – Additional expenditure to enhance the existing work to repair potholes which has a wide community benefit for road transport across the County.
2. Economic Development (£1.000 million in 2020/21) - The Board's second priority is the £1million expenditure on Economic Development. Additional investment in this area would have benefits for the wider community by increasing employment opportunities for residents and promoting sustainable economic growth in East Sussex.

1.4 In addition to the above, the Board asks Cabinet to consider the impact of the future savings in Trading Standards and Library Service budgets, as the Board has concerns about

size of the savings where it affects the capacity of Trading Standards to undertake work on scams to protect vulnerable people and the provision of the County's Library Service.

## **2. People Scrutiny Committee's Comments on use of additional funding**

2.1 The People RPPR Board met on 16 December 2019 and discussed in detail the draft portfolio plans, budget proposals and the nine one-off funding options which the People Scrutiny Committee had identified as potential priorities at its meeting in November. The Board were keenly aware of the limited funding available and that all the options before it had the potential to deliver significant benefits. To help with its prioritisation task therefore the Board agreed its discussion of the options would be informed by the following factors:

- that a priority for the Board would be a focus on safeguarding issues and supporting the most vulnerable;
- that the Board understood that reduced levels of support can have a disproportionately negative impact on the most vulnerable and disadvantaged (despite the best efforts of officers). Members were therefore keen to focus on identifying options that would maximise the interests of individuals in this group;
- that a further guiding principle for Members was the adoption of a 'holistic approach' to the individual which recognises their journey from child to adult (and the Council's role in supporting vulnerable individuals in this group at these different stages of life);
- that the Board agreed to recommend overall priority be given to services that support the most vulnerable children and young people. The Board made this decision on the basis that further support for this group had the potential deliver both short and long-term benefits for the individual. The Board reached this conclusion as they heard evidence that higher levels of support for the most vulnerable had the potential to leave them better placed to cope with the transition to adult life;
- that in addition to the longer-term benefits for the individual, the Board also felt its focus on the individual's journey from child to adult services brought a preventative element to its prioritisation task. Members heard that improvements in the levels of support available to vulnerable young people had the potential to decrease demands on adult social care services. This indicated to the Board that a focus on children's services would could help reduce demand on both departments in a way that would not be possible if adult services were given overall priority.

2.2 The Board agreed to recommend to Cabinet the following one-off funding options as its priorities:

1. **Children's Services reprofile of safeguarding savings** (£0.586m in 2020/21). The Board heard that the re-profiling of the savings for this service would allow proposed savings to be deferred for a year. The Board identified this as its top priority given its focus on the most vulnerable.
2. **Children's Services No Wrong Door** (£3.375m over the three years to 2022/23). The Board heard that this is a model developed by North Yorkshire County Council which works with adolescents aged 12-25 with complex challenges, via multi-agency hubs. If implemented the model would require significant change over an estimated period of two years. The expectation would be though that in time the model would result in the reduced use of expensive agency residential placements. Further benefits would also potentially include:
  - Young people being able to stay in their communities and within their families;
  - Increased partnership accountability and responsiveness and improvements in the safety and stability of young people; and
  - The model would become part of Core Services and therefore the ongoing cost would be offset by savings.

3. **Children's Services Disability Children's Homes** (£0.242m in 2020/21). Members were informed that investment to model this service area would help create additional capacity and reduce the costs of residential care placements in the independent sector by keeping more children within local provision.
4. **Adult Social Care Home Care Commissioning** (£0.110m in 2020/21). Whilst the Board accepted that overall priority should be given to children's services activities which are focused on the most vulnerable, Members were also keenly aware of the pressures on the services provided by the Adult Social Care and Health department. With this in mind, the Board were particularly appreciative of the importance of the County Council's home care contracts and noted the recommissioning process the department have recently commenced. Members agreed that recommissioning provides an excellent opportunity to test out different approaches to Home Care provision. Given the value of the contracts they also noted the relatively small estimated cost for this funding option and its potential to produce significant and wide-ranging benefits.
5. **Adult Social Care/Children's Services Accommodation and floating support** (£0.987m, £0.582m, £0.260m in 2020/21, 2021/22, 2022/23 respectively). The Board heard that poor accommodation can have serious long-term effects on both physical and mental health and wellbeing. It also noted that this option had the potential to be of benefit to clients of both the Children's Services and Adult Social Care and Health departments. With regard to adult social services, the Board was particularly mindful of the potential improvements this might help deliver to Rough Sleepers.

2.3 Members of the Board were keen to acknowledge that all nine of the one-off funding options which had originally been prioritised by the People Scrutiny Committee had potential clear benefits and that the list above should not be seen as an indication that Members were not supportive of the other options. However priorities 1 to 5 were considered of most importance and relevance.

### **3. East Sussex Wider Strategic Partners**

3.1 The Leader and Deputy Leader, supported by officers, met with representatives of the Council's wider strategic partners on 13 January 2020. The meeting was attended by representatives of public, private and voluntary sector partners and service user groups. A presentation was given, which recapped the Council's strategic priorities and the financial and demographic context that had required ESCC to set its Core Offer. Partners were updated on the Council's latest financial position, the additional funding Government had provided for social care in recognition of the pressures ESCC and others had lobbied on, and the opportunity for the Council to make provision in 2020/21 to spend additional unallocated funding on not taking some planned savings, investing in projects to reduce future demand, and/or increasing capital investment. 21 partner organisations were represented at the meeting and ESCC is grateful to all partners for the comments and feedback provided.

3.2 The following issues were discussed in the meeting:

- The option of retaining the additional unallocated funding in reserve for future use was raised. There was a need to balance prudent planning for future uncertainties with not being seen to raise but not use additional funding through the planned Council Tax increase and Adult Social Care precept, especially as East Sussex already had high Council Tax levels. Cabinet was therefore expected to recommend that County Council

agree to prioritise use of the unallocated money on prudent activity to manage pressures and future demand, although retaining the funding in reserve was another option available.

- Strategic commissioning was discussed, particularly how ESCC could continue to work with commissioned providers to simplify the contract bidding process, given all partners had reduced capacity; and ensure the resource available was adequate for the service capacity required and accounted for inflation. It was confirmed that a range of factors were considered when commissioning services, including the impact on providers' workforce, recruitment and capacity, and building inflation into longer-term contracts. Where the resource available was not sufficient to provide a service, the expectations for that service were fundamentally reviewed. The impact of the increase in the National Living Wage on the County Council and providers for 2020/21 was being worked through. Challenges providers had in granting pay uplifts to staff were noted.
- The causes of the in-year overspend in Children's Services were discussed. The majority of the increased costs were from supporting Looked after Children requiring higher level and more bespoke support to keep them safe. A small proportion of the increased costs were from supporting Children with Special Educational Needs and Disabilities (SEND). In response to those costs, the Council was working to increase SEND provision within the county to reduce costs and improve outcomes for children and young people; and one proposal for use of the additional unallocated funding in 2020/21 was to adapt a disability unit. The decision by Cabinet in November to not make family key worker sayings in 2019/20 or 2020/21 was welcomed by partners, as key workers were important for preventing escalation of need at the earliest opportunity.
- Concerns about deterioration in the condition of local roads were raised and an update on provisions to improve their condition was provided. The maintenance approach taken through the East Sussex Highways Contract was driven by an asset plan. Overall road condition had gradually improved in East Sussex, however to bring the condition of the overall highways network up to good condition would cost many times more than ESCC was currently able to invest. The asset plan enabled ESCC to determine the best use of available resources. The challenge was communicating the overall success of the current approach to residents, given that with the scale of work many would not necessarily see the benefits of the significant investment made. The Highways Contract and current investment strategy included contingency for improvements following bad weather and this would be kept under review as future adaptation to a changing climate was required.
- Partners recognised ESCC's experience that a small proportion of residents required the statutory services that the majority of ESCC's funding was spent on, as those residents were particularly vulnerable, their needs were high and they required support from a range of agencies. Strategic and collaborative working across partners and sectors would continue to be key to ensuring collective resources were effectively used to support those people.
- Partners offered to lobby, on the pressures on public services and the sustainability of the provider market, which was welcomed and would be powerful for reinforcing lobbying by the County Council. It was agreed joint lobbying was needed on the upcoming Government review of SEND and that the voice of voluntary sector partners, service user groups and parents would be particularly important.
- It was acknowledged that work to help people help themselves was vital for managing demand within current resources and a question was raised on whether more could be

done to communicate to residents what modern public services could offer and what residents could do to help themselves. The Core Offer was ESCC's mechanism for explaining to residents what the County Council could be expected to provide in the current financial climate and following the national decision to reduce spending on public services post-2010. Specifically in health, the NHS Long Term Plan emphasised prevention and helping people avoid the need for acute care. This was an ongoing joint endeavour with health colleagues and it was agreed that national leadership was required.

- Surrey and Sussex Association of Local Councils updated the group on a report published in 2017 which mapped the work of all layers of local government in West Sussex and how these services could better work together to meet the needs of residents. The intention to undertake similar work to map the work of parish councils in East Sussex to identify any additional opportunities for joint working was welcomed.
- Similarly, the opportunities afforded by the new corporate improvement partnership arrangement with West Sussex County Council and ongoing joint working with South East 7 partners were recognised.

3.3 Partners were encouraged to contact the Leader, Deputy Leader or Chief Officers if they wished to any make further comments on the budget following the meeting.

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## Appendix 9: Capital Programme 2019-30 and Capital Strategy 2020-41

### 1. Background

- 1.1 Through the Reconciling Policy Performance and Resources (RPPR) process the capital programme is reviewed and monitored to ensure that it supports the Council's Core Offer and departmental service strategies; either providing for basic need or via strategic investments demonstrating benefit to the Council.
- 1.2 Departments have worked together to develop a target led basic need capital strategy extending the timescale to 20 years and supported by 10 year planned capital programme.
- 1.3 The development of the capital programme is set on the following sections:
  - a. Update the Current Programme within Medium Term Financial Plan (MTFP) (Section 2);
  - b. Update the Current Programme where it has impact over 10 year programme (Section 3);
  - c. Development of the Capital Strategy to inform the new 10 year programme (Section 4);
  - d. Propose a 10 year programme (Section 5); and
  - e. Provide funding model for complete programme (Section 6)

### 2. Current Capital Programme Update

- 2.1 As part of the RPPR process and informed by the Quarter 2 monitoring position, Service Finance and Departmental Capital Teams have completed a Capital Programme refresh. Re-profiling their programmes and schemes as accurately as possible based on current knowledge held.
- 2.2 Table 1 summarises the movements to the approved programme 2019-23 since State of the County in July 2019. The changes include the refresh at quarter 2, plus any subsequent updates from services (Quarter 2.5).

**Table 1 – Current Programme Update**

	<b>2019/20 £000</b>	<b>2020/21 £000</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>Total £000</b>
Gross Approved Programme as at SoC 2019	109,162	81,094	45,592	46,263	<b>282,111</b>
Refresh of Programme post Q2*	(11,707)	10,028	453	1,155	<b>(71)</b>
Approved variations**	1,410	2,580	1,169	49	<b>5,208</b>
<b>Gross programme updated for refresh and variations</b>	<b>98,865</b>	<b>93,702</b>	<b>47,214</b>	<b>47,467</b>	<b>287,248</b>

*\*at Q2 there was a small underspend of £30k reported and £41k profiled outside the current programme period – this will be picked up in the future programme.*

*\*\* all variations to the programme are net nil and in line with variation policy*

### Funding updates

2.3 In addition to State of the County and approved variations there have been a number of areas of funding requiring update, these are as follows:-

- Payback of SEND – profiles the payback from SEND investment already agreed.
- Community Infrastructure Levy (CIL) funding for Seahaven Academy –the successful bid for CIL funding for expenditure already included in the capital programme.
- New Homes Bonus – the expected amount of New Homes Bonus not used to fund revenue expenditure.
- Reduction in Borrowing – the movement in the need to borrow after taking into account all of the movements above.

**Table 2 – Funding**

	<b>Total £000</b>
<b>Funding at State Of County</b>	
Other funding	193,861
Borrowing *	88,250
<b>Funding</b>	<b>282,111</b>
<b>Funding Updates</b>	
Funding for approved variations	5,208
Payback for SEND	486
Community Infrastructure Levy (CIL) funding of Seahaven Academy	400
New Homes Bonus	767
Reduction in borrowing **	(1,724)
<b>Gross programme updated for refresh and variations</b>	<b>287,248</b>

2.4 This reduces the overall borrowing to £86.5m (\* £88.2m less \*\* £1.7m) for the current approved programme. Should there be any unused underspend on Treasury Management in 2019/20 after outturn on service budgets is managed, it is proposed, as is normal policy and practice, that this would also be used to reduce borrowing.

### 3.0 Amendments to Current Programme impacting on future years

3.1 There are a number of updates to the current programme that also impact on future years that need to be noted as they will need to be reflected in the proposed programme to 2030. These are:-

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- **Newhaven Port Access** – Whilst the project remains on track, as part of the Quarter 2 monitoring the budget for the Newhaven Port Access Road has been profiled to more accurately reflect the landscaping aftercare period which extends to 5 years after completion. ESCC are responsible for aftercare in years 2, 3, 4 & 5 for which we have estimated £20,000 per year for budget profiling purposes and therefore moved £41,000 from the current programme to 2023/24 and 2024/25.
- **The Keep** – The replacement and update of equipment at the Keep has been identified as needed over the next 10 years, contributions from the partner organisations have been and will be kept in an earmarked reserve. Of the planned expenditure of £1.091m, £691,000 is currently matched by drawdowns from this reserve for the first 8 years. It is proposed that the council also provides for the additional £400,000 contribution required by the Council in 2028/29 in its capital programme as this is basic need in order for the Keep to remain functional.
- **House Adaptations** – House adaptations will now only be included for the first three years of the programme in line with the MTFP period, they will be net nil and funded by contribution from reserve. This will allow them to be more reflective of demand rather than representing a budget allocation that continuously slips. The amounts included in the programme are indicative and represent the historic trend, any variations will be managed through the RPPR process and reserve policy.

3.2 **Table 3** shows the amendments to the current programme and **Table 4** the related ongoing future programme requirement detailed above in section 2. This will give revised current programme to be funded of £ 286.2m (see Table 3) and a starting point for future years of £1.0m (see Table 4). Reducing borrowing by a further £1.1m to £85.3m.

**Table 3 – Summary of amendments to Current Programme for MTFP**

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	Total 2019/23 £000
<b>Current Programme (Table 1)</b>	98,865	93,702	47,214	47,467	287,248
Removal of Existing House Adaptations Budget	(160)	(160)	(568)	(540)	(1,428)
Adult House Adaptations		50	50	50	150
Children's House Adaptations	67	50	50	50	217
<b>(Decrease)/Increase in Expenditure</b>	<b>(93)</b>	<b>(60)</b>	<b>(468)</b>	<b>(440)</b>	<b>(1,061)</b>
<b>Revised Current Programme</b>	<b>98,772</b>	<b>93,642</b>	<b>46,746</b>	<b>47,027</b>	<b>286,187</b>

**Table 4 – Summary of amendments to Current Programme impacting 2023 - 2030**

	2023/ 24 £000	2024/ 25 £000	2025/ 26 £000	2026/ 27 £000	2027/ 28 £000	2028/ 29 £000	2029/ 30 £000	Total 2023/30 £000
Newhaven Port Access	20	21						41
The Keep	96	26		85	110	628		945
<b>Baseline Future Programme</b>	<b>116</b>	<b>47</b>		<b>85</b>	<b>110</b>	<b>628</b>		<b>986</b>

#### **4.0 Proposed Capital Strategy and 10 Year Programme**

- 4.1 In 2017, the CIPFA Prudential Code was revised and included the requirement for Local Authorities to produce a Capital Strategy. The Council's current Capital Strategy was approved as part of RPPR 2019/20, however, it was recognised that further development was required. A 30 year Capital Strategy has therefore been developed for 2020/21 and is supported by a 10 year planned capital programme in recognition of the need to provide a planned capital programme and strategy over a longer period. The Capital Strategy is attached at **Appendix 9a**.
- 4.2 The 10 year programme will be reviewed annually as part of the RPPR process to ensure it reflects current knowledge and service need. To be consistent and to allow alignment to the MTFP regarding investment decision, the first 3 years of the planned programme will represent firm planning assumptions and an agreed direction with future years being more indicative. This strategy has been developed during a period of significant unknowns: the economic effect of withdrawal from the European Union and the subsequent transition period; local government funding reform, and the level of funding that will be made available in future years as the government will review its capital funding in 2020.
- 4.3 In conjunction with reviewing the programme, the governance arrangements will also be reviewed to ensure that they remain in line with best practice as advised by CIPFA and the Council's Financial Regulations.

#### **5.0 Proposed Capital Programme from 2023/24 to 2029/30**

- 5.1 The proposed strategy focuses on basic need and allows the delivery of the Council's Core Offer. The level of basic need investment has been ascertained through a service target led approach. The following paragraphs provide a summary of the additional investment proposed from 2023/24 to 2029/30. The total proposed programme, which includes the revised current programme, is provided in detailed at appendix 3. Where strategic investment is required, beyond basic need, these will be considered separately via business cases. As such these will not be included in the Capital Programme until their overall impact, including funding implications, have been assessed and approved.

### Communities, Economy and Transport

- 5.2 **Libraries** – The existing approved capital programme to 2022/23 is £1.997m, the new capital budget allocation for 2023/24 to 2029/30 is £3.143m, giving a total revised capital budget of £5.140m. The budget only enables libraries to be maintained in a safe and suitable condition from which to deliver the outcomes of the Libraries Strategic Commissioning Strategy. There is no element of ‘enhancement’ in this programme. S106 targets will cover some of the cost.
- 5.3 **Economic intervention grants and loans** – will be treated as a single investment item and will include the Economic Intervention Fund, the Enabling Fund (previously called the Stalled Site Fund) and the Incubator Fund. The Economic Intervention (EI) Fund supports local businesses through investment to grow and create jobs. The Enabling Fund will be providing funding to enable sites to be developed. The Incubator Fund will support identifying further business incubator opportunities with Districts and Boroughs, together with our own assets or with Social Enterprises to allow wider benefit and access further private and public match funding to increase the number and quality of jobs in East Sussex. The overriding principle, however, is that the Council does not borrow to fund grants or loans. Therefore, the pump prime monies and loan repayments, plus any one off agreed funding, will be held in reserve to fund expenditure in future years through the RPPR process. Expenditure on loans and grants will be included for the first three years of the programme in line with the MTFP period; there is therefore no change to the expenditure profile in the current programme of £4.537m. Any unused funding over the MTFP period will remain in reserve for use in future years. It is proposed that working with CET detailed monitoring of the Economic Intervention Fund and its reserve will be presented to Capital Strategic Asset Board (CSAB) as part of the annual RPPR and monitoring process and will include future years for completeness.
- 5.4 **Integrated Transport** – The existing approved capital programme to 2022/23 is £10.326m, the new capital budget allocation for 2023/24 to 2029/30 is £21.483m, giving a total revised capital budget of £31.809m. The Integrated Transport Capital Programme delivers the objectives of the County’s Local Transport Plan (LTP) 2011 - 2026 which is complemented by a series of five year Implementation Plans that set out the priority schemes that could be delivered in the five year period subject to the availability of funding. It is proposed that funding for Integrated Transport is at the level of grant received, supported by other scheme specific funding from S106 and CIL which will be approved via variations to the programme. Should additional S106 and/or CIL not be available where required, decisions not to do work may have to be taken.

## Appendix 9: Capital Programme 2019-30 and Capital Strategy 2020-41

- 5.5 Real Time Transport Information** – The existing approved capital programme to 2022/23 is £0.165m, the new capital budget allocation for 2023/24 to 2029/30 is £0.316m, giving a total revised capital budget of £0.481m. Current installed Real Time Passenger Information (electronic bus signs) have an estimated life of 15 years. Maintenance and part replacements are covered from revenue budget. Where S106 is attracted this will be used to support replacement. If this funding is not available these life expired signs will have to be removed.
- 5.6 Highways Structural Maintenance** – The existing approved capital programme to 2022/23 is £72.896m, the new capital budget allocation for 2023/24 to 2029/30 is £142.859m, giving a total revised capital budget of £215.755m. The Highway Structural Maintenance budget includes carriage resurfacing as well as capital maintenance of footways, drainage replacement, street signs and street furniture, crash barriers and soft landscaping (trees and verges). Carriageway deterioration modelling that has been run in order to illustrate the likely impact on road condition of a number of investment scenarios, as summarised in **Table 5**.

**Table 5** – Road Condition (%) resulting from investment levels

Road Condition (%) resulting from Highway Investment									
	Original Targets	Current Targets	Current Condition	Future Level of Annual Investment in Carriageway Resurfacing					
				£5m	£10m	£13.2m	£14m	£15m	£16.5m
A Roads	8	8	5	19	12	8	8	6	5
B & C Roads	9	9	7	31	22	9	9	9	7
Unclassified Roads	20	15	9	36	22	20	15	12	9
£'000 at 2019/20 prices									
Highway Structural Maintenance Allocation Required				8,062	13,062	16,262	17,062	18,062	19,562
£'000 at 2023/24 prices									
Highway Structural Maintenance Allocation Required				8,810	14,273	17,770	18,644	19,736	21,376

- 5.7** The programme has been modelled to maintain the Council's currently agreed road condition targets and therefore is based on the £14.0m (at current prices) option highlighted in the table above. This option would require investment of £18.6m by 2023/24.
- 5.8** The Council currently receives formula grant in support of this investment, based on road length and category as well as some national weighting; it is therefore relatively static. A smaller incentive fund (c. £1.7m annually) is also available based the Council's standing as a Band 3 (highest) Highway Authority recognising its approach to highway asset management. The modelling aims to maintain condition at target levels, therefore any changes to the grant levels from Government is used to offset borrowing in the first instance.

## Appendix 9: Capital Programme 2019-30 and Capital Strategy 2020-41

- 5.9 It is proposed that a one off contribution of £1.000m is made in 2020/21 towards the Highways Works Programme in order to achieve agreed condition targets, including drop kerbs, patching and other areas of highways maintenance.
- 5.10 **Road Bridge Assessment Strengthening/Street Lights/Traffic Signals –** The existing approved capital programme to 2022/23 is £8.383m, the new capital budget allocation for 2023/24 to 2029/30 is £31.214m, giving a total revised capital budget of £39.597m. Investment in these assets is for priority health and safety works, and is maintained at current levels to ensure the safety of road users.
- 5.11 **Salix - Replacement of street lighting with LED Bulbs –** This includes Salix funding for street lighting energy efficiency of £3.583m. To improve energy efficiency, reduce carbon emissions and lower energy bills, repaid via the savings generated.
- 5.12 **Rights of Way (Surface Repairs and Bridge Replacement) –** The existing approved capital programme to 2022/23 is £1.706m, the new capital budget allocation for 2023/24 to 2029/30 is £3.865m, giving a total revised capital budget of £5.571m. The County Council has a statutory duty to maintain bridges and path surfaces so that they can be safely used by the public. The proposed level of investment is at current levels, increased for inflation. Additionally, three years of £135,000 has been added to 2020/21 to 2022/23 to invest in urgent bridge work where assets have come to the end of their natural lifespan.

### Business Services Department

- 5.13 **Salix - Energy Efficiency Schemes -** The existing approved capital programme to 2022/23 is £1.423m; the new capital budget allocation for 2023/24 to 2029/30 is £2.450m, giving a total revised capital budget of £3.873m. This investment is now fully funded by recycled loans and the £350,000 a year represents target investment which may fluctuate.
- 5.14 **School place planning -** The existing approved capital programme to 2022/23 is £52.076m; the additional proposed capital budget allocation for 2020/21 to 2029/30 is £54.630m, giving a total revised capital budget of £106.706m. Provided by the Business Services Directorate on behalf of Children's Services, place planning is driven by demand as a result of developments, migration and birth rates. It is supported by formula grant that either increases or decreases as a result of demand fluctuations. The provision of places is also supported by S106 contributions and more recently CIL. Risks and issues will continue to be managed through School Place Planning sub-board and escalated to CSAB where required. The level of investment only provides for current estimated places, supported by an estimated level of grant. There is therefore a risk that grant reduces and place requirements increase. Due to the potential significance of these risks a risk factor has been applied consistent with the level in the current approved programme.

## Appendix 9: Capital Programme 2019-30 and Capital Strategy 2020-41

- 5.15 **Special Educational Needs** - Proposed capital budget allocation for 2020/21 to 2029/30 is £3.6m. SEN Pupil forecasts show that there will continue to be significant increases in this cohort. Two new specialist facilities for primary and one new specialist facility for secondary will be required.
- 5.16 **Capital Buildings Maintenance** - The existing approved capital programme to 2022/23 is £16.104m, the new capital budget allocation for 2023 to 2030 is £28.000m, giving a total revised capital budget of £44.104m. This work is currently done on the basis of Priority 1 works; identified via condition reports as essential to meet health and safety requirements of the council's assets. It is proposed this strategy continues although refinement of need is required and a rationalisation of assets continues that will drive down cost. There is no specific funding attached to this investment need it is therefore funded via borrowing. This is a cash limited budget and therefore there is a risk that this might not cover all category 1 works in a financial year.
- 5.17 **Capital School Buildings Maintenance** - The existing approved capital programme to 2022/23 is £16.361m, the new capital budget allocation for 2023/24 to 2029/30 is £27.874m, giving a total revised capital budget of £44.235m. This work is currently done on the basis of Priority 1 works; identified via condition reports as essential to meet health and safety requirements of schools assets. Additionally it is considered necessary that a risk category is also applied where safeguarding issues arise that require immediate work. Currently the pot available is the grant received; it is proposed that this continues. This is a cash limited budget and therefore there is a risk that this might not cover all category 1 works in a financial year especially if safeguarding requirements emerge in year.
- 5.18 **IT&D** - The existing approved capital programme to 2022/23 is £14.281m, the new capital budget allocation for 2020/21 to 2029/30 is £55.036m, giving a total revised capital budget of £69.317m. This is for the cost of maintenance of the IT&D assets that allow the council to conduct its business. There is no funding to support this investment need so it is all funded via borrowing. Expenditure identified as basic need includes staff and member equipment refresh, server refresh, network upgrades and compliance and cyber defence. There is a risk that the profile of expenditure may change as further scoping work is undertaken and that at the authority works on understanding its risk appetite in relation to cyber security these costs may be reduced. The projects identified as basic need will enable the Council to continue to operate services that support the underpinning functioning of the organisation.

### Children's Services

- 5.19 It is proposed that a one off investment is made of £0.242m to remodel two disability children's homes. By creating greater in-house capacity the costs of residential care placements in the independent sector will reduce. It is estimated that there would be a reduction in costs of £0.352m p.a., which will help to alleviate the cost pressures on the service.



### General

- 5.20 Where inflation pressures have been identified as part of the individual schemes, indices appropriate to that business sector have been used; however no general inflation measure (i.e. Retail Price Index (RPI) or Consumer Price Index (CPI)) has been applied across the programme as a whole.

### Strategic Investment

- 5.21 Investment beyond basic need, including asset enhancements and strategic investments will be considered separately via business cases. Business cases should support organisational strategic direction. Payback will be expected as agreed in the Business Case and will annually be used to reduce the borrowing requirement as part of affordability management. As such these will not be included in the Capital Programme until their overall impact, including funding implications, have been assessed and approved.

Considerations emerging are:

- 5.22 **Adult Social Care (ASC)** - Over recent years there have been clearly identifiable and continued changes in the demand and supply of residential and nursing care beds across the East Sussex. People are increasing choosing to stay living at home with support for as longer. This is supported the ESCC ASC policy to help people maintain their independence for as long as possible. The demand for more traditional residential placements is therefore reducing, whilst the number of people requiring nursing placements has increased because by the time a person needs a bedded care placement they are likely to have a much higher level of acuity. This is particularly the case for those with complex dementia requiring nursing and also specialist residential placements. Recent developments of new residential and nursing facilities have been targeted firmly towards the self-funding market with bed prices being considerably in excess of ESCC 'published rates'. At the same time there have been continued home closures, a number of which were older facilities that took placements within published rates. The shift in demand and market dynamics has resulted in growing concerns within ESCC over the future ability to source certain types of beds at ESCC published rates. This is particularly so in relation to standard nursing beds as well as residential and nursing beds for people with complex dementia.

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5.23 During 2019 a needs assessment into the supply and availability of care and nursing home placements across the County was undertaken. The concerns over access to dementia specific nursing and residential care are set to become more pronounced unless there is an increase in supply of beds at ESCC published rates given well-rehearsed democratic predictions. The prevalence of dementia increases with age. It is predicted that by 2035 number of people living with dementia across East Sussex will increase by 60% from 10,793 to 18,250. The density of those with dementia across the County differs. The highest rates are in the most populous coastal towns and also in the middle of the County around Uckfield and Crowborough. ESCC could help mitigate increasing risks to access to residential and nursing beds through pro-active intervention in the form of the release of surplus land for this purpose or by the Council developing new facilities to lease to the provider market. Further work will be undertaken in relation to the opportunities and risks of the following options:

- Release of land to a provider for the development of new care of nursing home facilities.
- Leasing to a provider a facility built and owned by ESCC.

5.24 **Environmental Strategy** – On 15<sup>th</sup> October 2019 the Council recognised and declared a climate emergency and resolved to a number of actions. A revised Environmental Strategy is being developed and the impact of this will be incorporated into our capital strategy to ensure that it supports the Council's ambitions on carbon emissions.

### Total Proposed Additional Programme Investment

5.25 **Table 6** below shows the total proposed additional programme.

**Table 6 – Total New Programme**

2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Total
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
7,637	12,143	11,009	51,053	47,814	51,900	47,853	51,255	47,758	46,738	375,161

5.26 The updated capital programme and proposed investment aligned with the strategy as detailed elsewhere in this report is shown in table 6. Details of the final proposed programme are shown in appendix 3.

## Appendix 9: Capital Programme 2019-30 and Capital Strategy 2020-41

**Table 7 – Total**

<b>Expenditure</b>	<b>2019-23 £000</b>	<b>2023-30 £000</b>	<b>2019-30 £000</b>
Current Programme Update (Table 1)	287,248		<b>287,248</b>
Amendments to Current Programme in MTFP (Table 3)	(1,061)		<b>(1,061)</b>
Amendments to Current Programme in 2023-30 (Table 4)		986	<b>986</b>
<i>Subtotal</i>	<i>286,187</i>	<i>986</i>	<b>287,173</b>
New Programme (Table 5)	30,789	344,372	375,161
<b>Total</b>	<b>316,976</b>	<b>345,358</b>	<b>662,334</b>

### 6.0 Funding

6.1 The Capital Programme is funded by a combination of government grants, capital receipts, s106/CIL contributions and other specific contributions where they can be accessed. As these do not cover the required investment in basic need the programme has historically and will continue to also be supported by borrowing. This directly impacts the revenue budget. The following paragraphs provide updates to these funding sources an update to borrowing for the current programme and the proposed borrowing implications on the MTFP in support of the extended programme to 2030.

### 6.2 Capital receipts

6.2.1 Property Services schedule of capital receipts available to support the Capital Programme are reviewed regularly. Capital receipts of £14.2m are now reasonably expected over the period of the current MTFP to 2022/23, with £3.1m already held in balances. This compares to the previous estimate £15.7m, and has arisen due to an increase in expected receipts and earlier than previously anticipated sales. These estimates are based on Property Officers' professional judgement on a site by site basis. The profile of receipts, however, is subject to change for various reasons and therefore for prudence (at a maximum) only the estimated balance held is profiled to be used the following year this provides for £8m of receipts available to be used in the programme 2023/30; where assets which have been declared surplus have that decision rescinded (i.e. they are re used for another purpose), or if the asset is retained but transferred under a long term lease at below market value (i.e. under the Council's Community Asset Transfer policy for 99 years at a peppercorn rent).

## **Appendix 9: Capital Programme 2019-30 and Capital Strategy 2020-41**

6.2.2 The council also holds a number of assets that would generate Valuing People's Needs (VPN) receipts from disposal. These relate to properties granted to the Council by the NHS for the provision of accommodation for clients with a learning disability. A condition of the property grant is that capital receipts are ring-fenced to future Learning Disability developments. Such developments are beyond basic need and therefore require a business case to be approved for inclusion in the capital programme; as such, future VPN capital receipts currently estimated at £2.5m are not included in the estimated capital receipt figure. They will be brought into the capital programme to support business cases that are in line with NHS outcomes.

### **6.3 Non-specific grants**

6.3.1 The current approved capital programme to 2022/23 is supported by £94.3m of non-specific grants. There continues to be uncertainty in relation to these grants, 64% of which remain unconfirmed and therefore at risk. These estimates are based on current levels and formula projections.

6.3.2 The current assumption for the programme post 2022/23 to 2029/30 is that it will be supported at the same level by non-specific grants through the relevant government departments. In the case of the DfE grant for school basic need the formula makes an annual adjustment for estimated places required. Therefore this has been projected forward using a regressive analysis of percentage investment which has been agreed to be as reasonable an estimate as could be ascertained so far into the future.

6.3.3 The government is reviewing its capital budgets and new limits and updates to formula are expected to be announced in 2020 impacting on 2021/22 onward.

### **6.4 Section 106 (s106) and Community Infrastructure Levy (CIL)**

6.4.1 The current approved programme is supported by £14.0m of S106 receipts to 2023.

6.4.2 A high level analysis shows there to be in the region of an estimated £42.6m potentially available to the council. Low risks are those already held by either the County Council or Districts and Borough which amounts to £14.6m. A further £19.8m is for developments that have commenced but the contributions are yet to be collected are reasonable to assume. A further £8.3m is estimated for contributions for developments that are yet to start, these are higher risk as developments may not go ahead and additionally there is some risk that these could potentially revert to CIL.

6.4.3 For the future programme it is proposed that a reasonable target for s106 be set and that achievement of this is managed through the s106 and CIL working group. Of the £34.4m s106 that it is reasonable to assume, £14.0m is already applied to the programme. Over half of the remaining £20.4m is on LTP schemes (see below at 6.4.4) so will enter the programme through variation and there are concerns that others are not available for use in the right areas or are for investment outside basic need. Therefore a prudent target of £5.0m has been included although work to maximise use in support of basic need will continue.

- 6.4.4 Communities, Environment and Transport (CET) have identified £27m of basic need transport infrastructure requirements necessary up to 2024 to support the delivery of growth allocated in Local Plans across the County. These have been identified through joint infrastructure work with district, boroughs and the South Downs National Park Authority during the production of Local Plans and are included in the Infrastructure Delivery Plans which authorities have produced to outline essential infrastructure required to support these Local Plans. CET has confirmed these schemes will be principally funded by Development Contributions including S106 and the Community Infrastructure Levy (CIL) and external funding sources. These will therefore enter the programme in line with the current variation process as and when funding streams are confirmed.
- 6.4.5 S106 agreements are being replaced by the CIL and the Council has to bid to districts and boroughs for this funding, therefore there is a risk that income from CIL will not match previous levels arising from s106 agreements. The Council is working with the Borough and District Councils to ensure basic need is prioritised effectively across the county and has been successful in securing £1.9m.
- 6.4.6 There is a new requirement for contribution receiving authorities to publish an annual 'Infrastructure Funding Statement' (IFS). The first IFS needs to be published by 31 December 2020 and will report on the financial year 2019/20. The aim of IFS is to improve transparency, increase accountability and promote infrastructure delivery. We will need to publish data on S106 and CIL monies we hold including details on allocations and spending. Borough and District Councils will also need to provide future spending priorities on infrastructure linked to their Local Plans with a statement on projects or types of infrastructure they intend will be funded by CIL. Though this new requirement will put an additional burden on us, it will provide the opportunity to actively bring processes together on monitoring, spending and promote delivery. The Council will continue to work in partnership with Borough and District Councils on infrastructure planning and delivery through the IFS and Local Plan reviews
- 6.4.7 For the future programme it is proposed that a reasonable target for CIL be set and that achievement of this is managed through the s106 and CIL working group. Current estimates of CIL pots held and to be generated via developments by Districts and Boroughs is £82.5m. The County Council cannot bid for all of these and various limits are set. Based on these limits a prudent target of £24.0m has been included for 2023/24 to 2029/30. Given the process to access CIL, there is significant risk that the priorities set in the IFS will mean that securing the Council will be unable to secure all of this funding.

### **6.5 Specific Grants and External Contributions**

- 6.5.1 The current approved programme is supported by £58.5m of specific grants (in the main comprising of LEP funding; grant for Newhaven Port Access and Broadband) and contributions. There is currently £3.5m identified in support of the proposed programme to 2029/30.

### **6.6 New Homes Bonus**

- 6.6.1 Revised estimates have been included based on the CTB1 returns and affordable homes data for 2020/21, this may change due to a national redistribution, however the figure will not be confirmed until the Local Government Financial Settlement has been announced.

### **6.7 Capital Risk Provision**

- 6.7.1 There are a number of risks and uncertainties regarding the programme to 2022/23 and beyond which have necessitated holding a risk provision, these include:
- Inflationary pressures on construction costs;
  - Uncertainty about delivery of projects in the programme, e.g. highways and infrastructure requirements;
  - Any as yet unknown requirements;
  - Residual project provision (previously removed) if required; and
  - Uncertainty regarding the level of government grants and the ability to meet CIL and S106 targets.
- 6.7.2 At February 2019, the Capital Risk Provision was £7.5m, which represented 2% of the programme. While capacity within borrowing arrangements is ensured through Treasury Management for this provision, no borrowing for this is planned to be undertaken currently. These are not funds that are in the Council's accounts, but a permission to borrow for future emerging risks; it is proposed that this risk provision continues.

### **6.8 Borrowing**

- 6.8.1 The current updated capital programme has a borrowing requirement for the period 2019-23 of £115.7m (before the Capital Risk Provision). The addition of the proposed programme to 2029/30 would require a further £144.3m borrowing.

## Appendix 9: Capital Programme 2019-30 and Capital Strategy 2020-41

6.8.2 Current Treasury Management modelling had estimated, that for every £10m borrowed, there would be an associated revenue cost of £780,000 per annum over the current MTFP period (based on 20 year asset life) this rises to an average of £850,000 over the full life of the asset as under annuity methodology the cost increase in later years. On 9th October the Treasury announced that Public Works Loans Board (PWLB) rates would increase by 1% with immediate effect, which resulted in the comparable figures now being £900,000 per annum rising to an average of £970,000. The change, which is designed to dampen borrowing, is an indication of the volatility that is inherent in the current financial climate. As these revised rates bring PWLB rates closer to the general market, the Council will examine other rates available in the market to ensure that the best rates within our risk appetite are obtained.

6.8.3 Based on the latest PWLB borrowing rates and current Minimum Revenue Provision policy, the revenue cost of borrowing for the proposed capital strategy is:

**Table 8: Additional cost of borrowing**

Additional Borrowing to 2022/23 (MTFP period)	Annual Cost of Borrowing in MTFP Period	Total Borrowing Required to 2029/30	Annual Cost of Borrowing after 10 years
£m	£m	£m	£m
24.5	2.4	260.1	26.0

6.8.4 Using the treasury management model which takes a more holistic approach, for example, it reflects the repayment of loans, accounts for balances held and other cash management transactions, allows a more realistic assessment of the provision required within the Treasury Management budget, this is shown in **Table 9**:

**Table 9: Annual Revenue Cost of Borrowing over the MTFP**

2020/21		2021/22		2022/23		Total	
<i>Additional Borrowing</i>	Additional TM Budget Required	<i>Additional Borrowing</i>	Additional TM Budget Required	<i>Additional Borrowing</i>	Additional TM Budget Required	<i>Total Additional Borrowing</i>	Annual Cost of Borrowing by 2023
£000	£000	£000	£000	£000	£000	£000	£000
3,749	-	9,946	-	10,815	1,000	24,510	1,000

6.8.5 Where scheme specific business cases are agreed payback will be required and this will be used to reduce the borrowing need to limit the risk on the MTFP and Treasury Management budget for Minimum Revenue Provision.

## 6.9 Summary of Funding

6.9.1 As has been mentioned in this report, the funding of the 10 year programme is reliant on targets and estimates from external funding sources. Whilst based on the best information available there remains significant uncertainty and therefore risk. Updates through the normal RRPR process will consider these as they emerge, it is expected that further information will be available as part of the Government review of capital funding and the Spending Review 2020. Therefore this position represents our best understanding and a holding point until such time as further clarity is provided.

6.9.2 Additionally, as this programme provides for targeted basic need, any additional grants will be used to reduce the borrowing required, unless provided for a specific purpose outside of this basic need and agreed via a business case to Capital Strategic Asset Board (CSAB).

6.9.3 Table 10 below provides a summary of funding:-

**Table 10 – Summary of funding**

<b>Funding Source</b>	<b>2019-23 £000</b>	<b>2023-30 £000</b>	<b>2019-30 £000</b>
Capital receipts	(14,242)	(8,000)	<b>(22,242)</b>
Non-specific grants	(94,261)	(143,403)	<b>(237,664)</b>
Specific Funding: grants/external contributions/CERA	(56,442)	(2,491)	<b>(58,933)</b>
S106 Contributions	(14,046)	(5,000)	<b>(19,046)</b>
Community Infrastructure Levy	(1,900)	(24,000)	<b>(25,900)</b>
New Homes Bonus	(767)	-	<b>(767)</b>
Reserves - capital and set aside	(19,447)	(18,141)	<b>(37,588)</b>
Borrowing (excl. contingency)	(115,871)	(144,323)	<b>(260,194)</b>
<b>Total</b>	<b>(316,976)</b>	<b>(345,358)</b>	<b>(662,334)</b>

## 7.0 Other Corporate Strategies for Consideration

7.1 **Treasury Management (TM) Strategy** - The proposed investment has consideration directly to the TM Strategy, a specific model has been developed for the purpose. Any borrowing required is within the limits set by the TM Strategy, which sets out the acceptable limits on ratings, investment periods, amounts to be invested and the borrowing strategy.

7.2 **Property Asset Disposal and Investment Strategy** - At State of the County 2017 it was agreed to set some money aside in the Financing Reserve to help realise returns in future years through support for investment and/or for reduced borrowing in the capital programme. The Property Asset Disposal and Investment Strategy was approved at Cabinet on 24 April 2018. Opportunities will continue to be considered that align with the priorities within the strategy which can now be facilitated by the use of some of these funds to bring forward the development of potential investment sites. Updates will be provided to this through the RRPR process as necessary.



### **8.0 Conclusion and Recommendations**

- 8.1 It is recommended that the 20 Year Capital Strategy, to 2040/41, based on target driven basic need, which supports the Council's Core Offer and wider service strategies is adopted. It also allows for strategic opportunities that are outside core need that are either to be match funded or produce a business case that demonstrates benefits. Approved bids are added to the programme in line with current variation policy and financial regulations.
- 8.2 In support of the Strategy it is recommended that a total capital planned rolling programme to from 2019/20 to 2029/30 of £661.067m, is adopted. The programme is structured to reflect the MTFP period (3 years) together with an additional 7 years. The programme will continue to be reviewed through the RPPR process each year to ensure it remains aligned to the MTFP, TM Strategy and funding model.

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## Equality Impact Assessment for CAPITAL PROGRAMME 2019 – 2030

Following the introduction of the Equality Act 2010 ('the EA') a public authority must, in the exercise of its functions, have due regard to the need to –

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the EA;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic (as defined by the EA) and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The protected characteristics set out in the EA are age, disability, race, pregnancy/ maternity, religion or belief, gender (including gender reassignment) and sexual orientation. Marriage and civil partnership are also protected characteristics for the purposes of the duty to eliminate discrimination. When making decisions the County Council also considers other matters such as the impact of rurality, deprivation and being a carer.

The 10 year Capital Programme requires members to have due regard to the Equality Duty contained in Section 149 of the EA as set out above.

Having “due regard” does not necessarily require the achievement of all the aims set out in section 149 of the EA. Instead it requires that members’ understand the consequences of the decision for those with the relevant protected characteristics and consider these alongside other relevant factors when making the decision to pursue one course of action rather than another, alternative course of action that may have different consequences. The regard which is necessary will depend upon the circumstances of the decision in question, and should be proportionate. Where a decision is likely to have an impact on a significant number of people, or where it is likely to have a significant impact on even a small number of people, the regard required will be high.

This means that in setting the Capital Programme, the three equality aims set out above had to be considered as a relevant factor alongside financial constraints and all other relevant considerations. Due to the ongoing financial pressures the Council is facing, the current capital programme focusses on a strategy to deliver core need as efficiently as possible. As agreed, service developments and investment opportunities that are outside core need are required either to be match funded or produce a business case that demonstrates benefits. Approved bids are added to the programme in line with current variation policy and financial regulations. Members must consider the equalities impacts of the agreeing this capital programme. Specifically, Members need to take account of what the potential impacts of spending on this programme rather than other areas will be for the communities in East Sussex. It will be open to Directors and Lead Members at the time of taking those decisions to spend more on one activity and less or none on another.

The EA does not require an equality impact assessment (EIA) to be carried out; however the cases considering the public sector equality duty have held that an EIA is the best way to demonstrate that the equalities impacts have been identified and considered. Where a project which was included in the Capital Programme is likely to have impacts upon equalities, officers have considered the consequences for those with protected characteristics of that particular project or bid not being included in the Programme up to 2029/30, and have summarised these impacts for Members to consider. Where EIAs have been conducted these will be available as background documents.

	Impact on Protected Characteristics									Comments
	Age	Disability	Ethnicity	Gender & Transgender	Marriage and Civil Partnership	Pregnancy and Maternity	Religion & Belief	Sexual Orientation	No significant relevance to equality	
<b>Adult Social Care</b>										
Greenacres										Funded by NHSE Capital and ESCC will only contribute if there is shortfall.
CORE House Adaptations for Disabled People										

[illegible]

[illegible]

	Impact on Protected Characteristics									Comments
	Age	Disability	Ethnicity	Gender & Transgender	Marriage and Civil Partnership	Pregnancy and Maternity	Religion & Belief	Sexual Orientation	No significant relevance to equality	
ICT Strategy Implementation										
<b>Communities, Economy &amp; Transport</b>										
Libraries Basic need										Building improvements to ensure safety.
The Keep										
Highways Maintenance										Capital funding for structural maintenance will deliver the Asset Management Plan to improve highway condition. Better maintained roads and footways will help to eliminate trip hazards. The Highways Capital maintenance paper outlines the risks of not using Capital funding in this area.
Bridge Strengthening										As above
Street Lighting & Traffic Signals										As above
SALIX Energy Efficiency Scheme										
Rights of Way										The only parts which are to any extent capital funded are the improvements to surfaces and ramps and the replacement of stiles with gates and gaps, if not funded the lack of improvement will mean that people with the protected characteristics will have poorer access to rights of way.

	Impact on Protected Characteristics									Comments
	Age	Disability	Ethnicity	Gender & Transgender	Marriage and Civil Partnership	Pregnancy and Maternity	Religion & Belief	Sexual Orientation	No significant relevance to equality	
Hailsham Household Waste Recycling										As part of improvements consideration of access is included
Integrated Transport										
Real Time Passenger Information										Reflects the demographic of bus service users
Bexhill & Hastings Link Road										Fully funded by the Local Enterprise Partnership (LEP)
EDS Upgrading Empty Commercial Properties										
Registration Ceremonies Website										
Parking Ticket Machine Replacement										
Hastings Library										Consideration of access issues considered
Bexhill Hastings Link Road Complementary Measures										Fully funded by the Local Enterprise Partnership (LEP)
Newhaven Port Access										Fully funded by the Local Enterprise Partnership (LEP)



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# Capital Strategy

**2020/21 to 2040/41**

# CAPITAL STRATEGY 2020/21 – 2040/41



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## Appendix 9a: Capital Strategy

### 1. Purpose of the Strategy

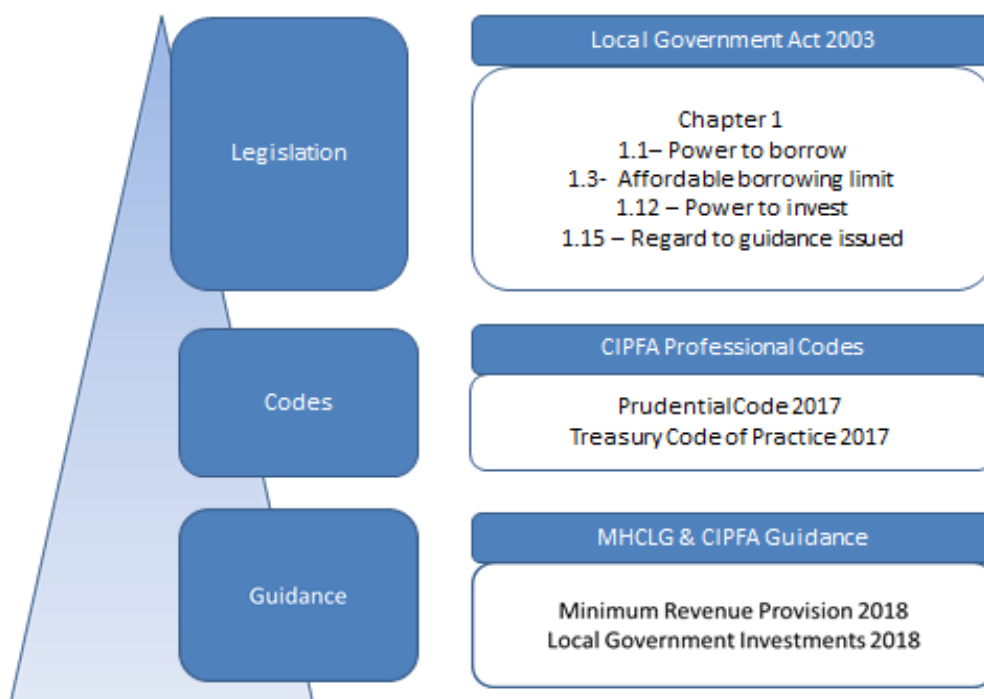
- 1.1 The purpose of the Capital Strategy is to drive the authority's capital investment ambition whilst also ensuring appropriate capital expenditure, capital financing and treasury management within the context of the sustainable, long-term delivery of services.
- 1.2 The Capital Strategy supports the Council Plan, which is our vision for a basic but decent level of service for East Sussex, in a difficult financial climate, the core offer is set out under the following priority outcomes, further information is available at:

<https://www.eastsussex.gov.uk/yourcouncil/about/keydocuments/coreoffer/coreofferindex/>

- Driving sustainable economic growth
  - Keeping vulnerable people safe
  - Helping people help themselves
  - Making best use of resources
- 1.3 The Strategy prioritises investment in assets that support the objectives of the Council Plan.
- 1.4 The aim of this Capital Strategy is also to ensure that all elected members fully understand the overall long-term policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite.

### 2. Technical Background

- 2.1 The Capital Strategy is framed within the following statute and guidance:



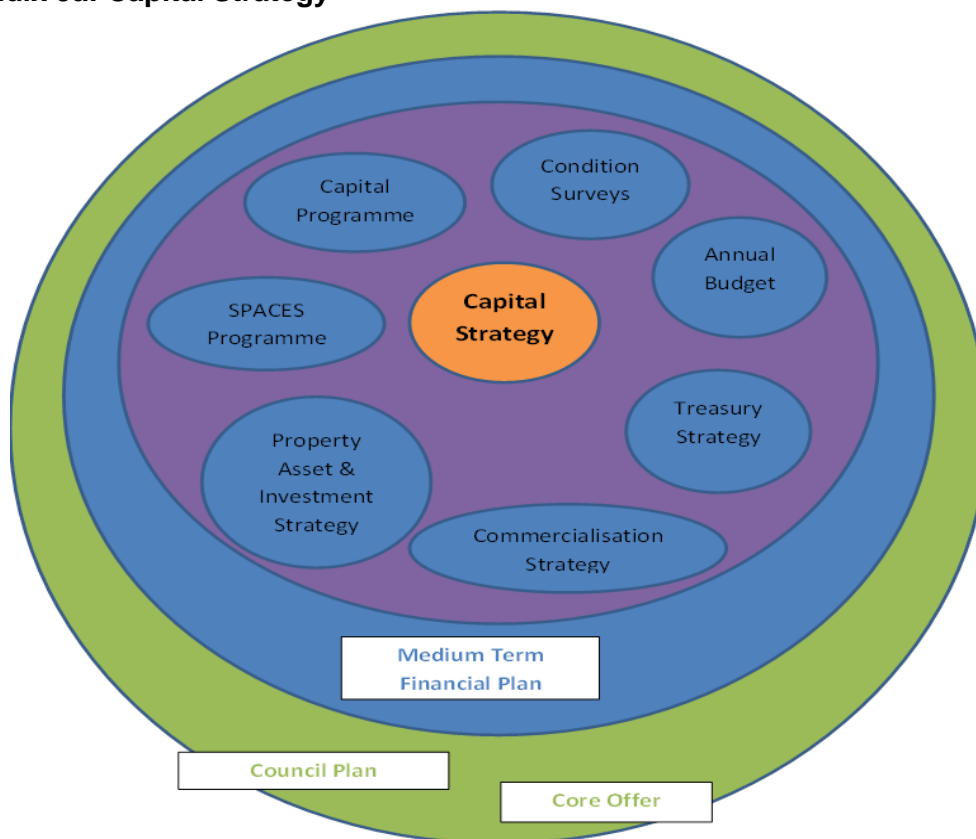
## **Appendix 9a: Capital Strategy**

- 2.2 In response to a growing number of authorities increasing their use of non-financial investments (such as commercial property portfolios) to generate income in response to reducing resources to deliver their core services the Prudential Code was updated in 2017. The revised code and guidance sought to increase transparency and to provide a single place to assess the proportionality of this activity in comparison to an authority's core services.
- 2.3 The Strategy is completed in line with best practice as outlined within the Chartered Institute of Public Finance and Accountancy (CIPFA) revised 2017 Prudential and Treasury Management Codes, it:
- Applies a long-term approach;
  - Explores external influence on Capital Strategy e.g. Local Enterprise Partnership;
  - Examines Commercial activity/ambition;
  - Determines implications of Treasury Management Strategy;
  - Ensures Council Plan priorities drive capital investment;
  - Examines available resources and capacity to deliver;
  - Assesses affordability against ambition and address any gap;
  - Identify capital financing principles;
  - Demonstrate integration with other strategies and plans;
  - Produce a 10-year capital investment plan, with actions, timescale, outputs and outcomes; plus a 3-year funded programme in line with the Medium term Financial Plan.
  - Identify risks and mitigation;
  - Outline Governance, monitoring processes and procedures.

### **3. Reconciling Policy, Performance and Resources Framework**

- 3.1 The Capital Strategy is an integrated part of the Councils planning framework, Reconciling Policy, performance and Resources (RPPR). It will have an impact on and will be impacted by the other strategies and documents both internally and externally: Internally this includes:-

## Appendix 9a: Capital Strategy



Name	
Council Plan	<ul style="list-style-type: none"> <li>• Sets ambitions and plans for each of the four overarching priority outcomes: driving sustainable economic growth; keeping vulnerable people safe; helping people help themselves; and making best use of resources.</li> </ul>
Capital Planned Programme	<ul style="list-style-type: none"> <li>• The programme sets out for the coming 10 years the programme of capital investment that supports delivery of the Council's priority outcomes updated each year to maintain the 10 year horizon.</li> </ul>
Medium Term Financial Plan	<ul style="list-style-type: none"> <li>• The Medium Term Financial Plan covers up to the next five years, it is updated each year to encompass any economic or political impacts.</li> </ul>
Annual Budget	<ul style="list-style-type: none"> <li>• The annual budget details the intended revenue (current) expenditure for the next financial year, it allows the Council to set its Council Tax rate for that year. Including any impact from planned investment.</li> </ul>
<b>Capital Strategy</b>	<ul style="list-style-type: none"> <li>• With a scope of 20 years, the strategy sets the framework in which the capital programme is planned and allows the Council to prioritise the use of its resources to support the long term priorities.</li> </ul>
Treasury Strategy	<ul style="list-style-type: none"> <li>• Setting out the acceptable limits on ratings, investment periods, amounts to be invested and the borrowing strategy.</li> </ul>
Property Asset & Investment Strategy	<ul style="list-style-type: none"> <li>• The key purpose of the Strategy is to deliver an ongoing net income stream to the Council with investment defined as allocating money in the expectation of some benefit in the future.</li> </ul>
Commercialisation Strategy	<ul style="list-style-type: none"> <li>• Providing the framework and template for the Council's approach to considering the commercial opportunities that exist, or can be created, in order to drive value for residents and businesses.</li> </ul>
SPACES Programme	<ul style="list-style-type: none"> <li>• A well-established multi organisation partnership that has been delivering property and land co-location and collaboration projects across East Sussex and Brighton &amp; Hove since 2011.</li> </ul>

## Appendix 9a: Capital Strategy

- 3.2 To ensure the separation of the core treasury function under security, liquidity and yield principles (SLY), and the policy and commercialism investments usually driven by expenditure on an asset, the Capital Strategy is reported separately from the Treasury Management (TM) Strategy. Therefore, the debt related to the activity and the associated interest costs, payback period, Minimum Revenue Provision policy or for non-loan type investments, the cost against the current market value and the financial risks are part of the TM Strategy.
- 3.3 In addition to the internal framework there are a number of external organisations and partners who inform our capital strategies, these include, but are not limited to:
- South East Local Enterprise Partnership (*SELEP*);
  - Coast to Capital Local Enterprise Partnership;
  - District and Borough Councils via their Local Plans: There is a new requirement for contribution receiving authorities to publish an annual 'Infrastructure Funding Statement' (IFS). The first IFS needs to be published by 31 December 2020 and will report on the financial year 2019/20. Each authority IFS will improve transparency, increase accountability and promote infrastructure delivery through publication of S106 and CIL monies held, including details on allocations and spending. Districts and boroughs will also provide future spending priorities on infrastructure linked to their Local Plans with a statement on projects or types of infrastructure they intend will be funded by CIL. Providing the opportunity to actively bring processes together on monitoring, spending and promote delivery. The Council will continue to work in partnership with its districts and boroughs on infrastructure planning and delivery through the IFS and Local Plan reviews;
  - Eastbourne, Hailsham, Seaford CCG, Hastings and Rother CCG and High Weald, Lewes, Havens CCG;
  - Brighton University;
  - SPACES (*Strategic Property Asset Collaboration in East Sussex Programme*) is a partnership that includes East Sussex County Council (ESCC), all district and borough councils, Brighton & Hove City Council, three emergency services, representatives from the voluntary and community sector, NHS including Clinical Commissioning Groups (CCGs), Trusts and NHS Property Services and some central government departments such as Probation Services, Job Centre Plus (Department for Work and Pensions - DWP) and Department for Transport (DfT).
- 3.4 The Council will actively seek opportunities to engage with other partner organisations to achieve positive outcomes for our residents, using all available forums to develop connections that can be utilised to achieve mutually beneficial approaches to deliver capital projects.

## 4. Principles

- 4.1 Capital expenditure can be defined as expenditure that results in the acquisition, construction or enhancement of an asset (e.g. land, buildings, roads, plant and equipment), that continues to benefit the Council for a period of more than one financial year. At East Sussex County Council (ESCC), projects can be capitalised if they meet the definition of capital expenditure and are over the current approved de minimus of £20,000. Any item below this limit is charged to revenue.

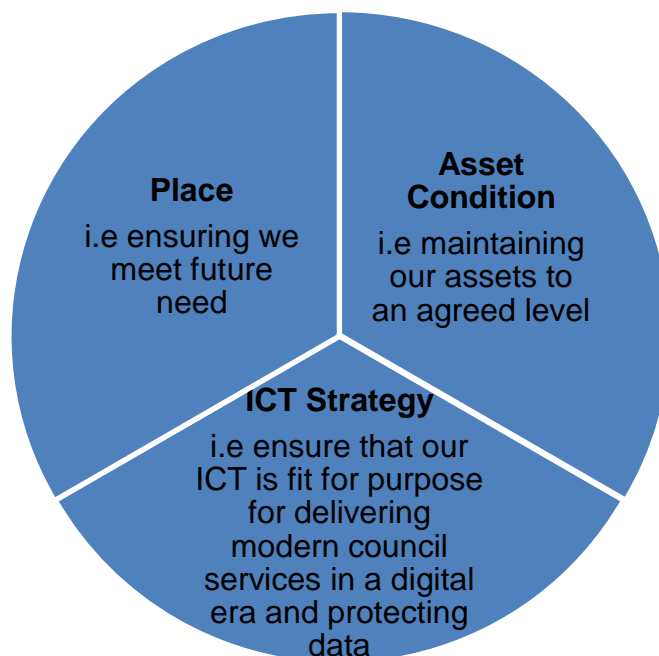


## Appendix 9a: Capital Strategy

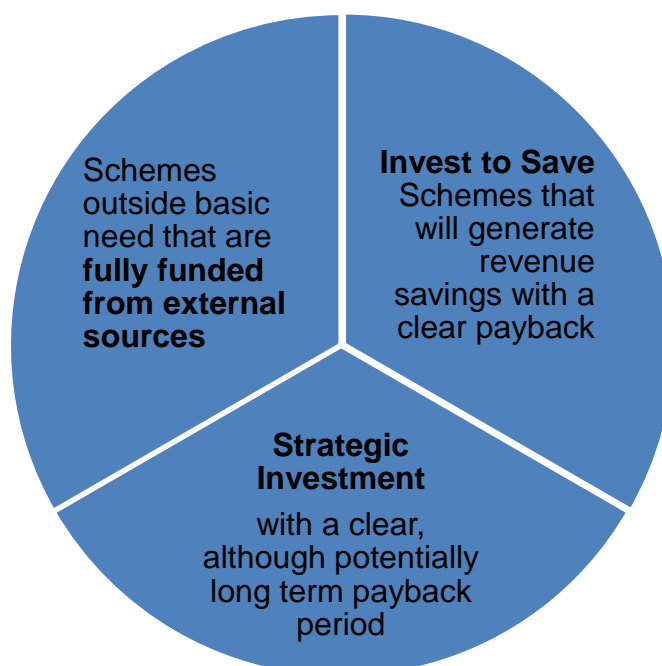
- 4.2 The strategy sets the strategic direction for next 20 years and is supported by a 10 year planned programme. Published as a separate document, the Capital Programme will be updated annually through the RPPR process, to ensure that the Council continues to focus on the right priorities and is able to react to changes in circumstances.
- 4.3 The Prudential Code requires that authorities demonstrate that they make capital expenditure and investment decisions in line with services objectives and have proper stewardship arrangements, provide value for money, are prudent, sustainable and affordable.
- 4.4 To ensure that the Council meets the requirements, it will:
- **Ensure capital expenditure contributes to the achievement of the Council's Priority Outcomes.** Capital is considered annually as part of the RPPR process, which underpins the financial planning process;
  - **Ensure investment decisions make best use of resources.** A capital and treasury model is in place to ensure that the impact of capital expenditure and use of resources is understood and a holistic view taken;
  - **Have a clear framework for making capital expenditure decisions.** Basic need provides a platform that **must** be funded. Other decisions require a business case that meet certain criteria to be approved (see Appendix B);
  - **Ensure a corporate approach to generating capital resources is established.** The approach to providing funding for capital is set out in section 5 of this strategy;
  - **Have access to sufficient long-term assets to provide services.** The Council use statistical information, including population trends and housing development plans along with asset condition surveys and regular valuations of our assets to help plan long-term need.

## Appendix 9a: Capital Strategy

- 4.5 **Basic Need** - The strategy focusses on the delivery of basic need for the Council to continue to deliver our services as efficiently as possible. Basic need for the purposes of the capital strategy is, further detail is provided in in *Appendix A*:



- 4.6 **Investment Projects** - In addition to the basic need programme the Council will consider business cases for:



## Appendix 9a: Capital Strategy

- 4.7 In all cases, a clear payback to the Council should be demonstrated. This payback will reduce borrowing in the year it is received and contribute to the sustainability of the programme.
- 4.8 Where a physical asset is being bought, details of market research, advisers used, (and their monitoring), ongoing costs, investment requirements and any credit information must be disclosed, including the ability to sell the asset and realise the investment cash (in line with good practice this will not be ring-fenced but treated as a general capital receipt).
- 4.9 If the Council borrows to fund any non-treasury (strategic) investment, there should also be an explanation of why borrowing was required and why the MHCLG Investment Guidance and CIPFA Prudential Code have not been adhered to. If any non-treasury investment sustains a loss during the final accounts and audit process, the strategy and revenue implications will be reported through the same procedure as the Capital Strategy.

## 5. Funding

- 5.1 The Councils Capital Programme is funded from a range of sources including:
- **Prudential Borrowing** – The introduction of the Prudential Code in 2004 allows the Council to undertake unsupported borrowing itself. This borrowing is subject to the requirements of the Prudential Code for Capital Expenditure for Local Authorities. This has revenue implications for the Council in the form of financing costs which will be considered via the RPPR process.
  - **External Grants for Specific Purposes** – mainly grant allocations from central government departments including the Department for Education and the Department for Transport, to deliver specific schemes.
  - **External Grants for Non-Specific Purposes** – grant allocations for the delivery of the Council's capital plans, but are not for specific purposes, any grants attracted are used to fund the existing capital programme, reducing the Councils need to borrow.
  - **S106 Contributions** – some projects within the Capital Programme are funded by contributions from private sector developers. Where applicable we request contributions for infrastructure such as roads and transport, schools, libraries, household waste recycling centres and rights of way relating to development that has an impact in East Sussex.
  - **Community Infrastructure Levy (CIL)** - CIL is a standard charge on developments used to fund a wide range of infrastructure that is needed because of the development. The Charging Authorities (District & Borough Councils) are required to produce a CIL Charging Schedule, which sets out the rates of CIL to be charged on development, East Sussex County Council can then approach the Charging Authority to drawdown some or all of the CIL to fund infrastructure projects.
  - **Other External Contributions** - Other organisations and partners may from time to time make a contribution towards the delivery of a specific capital project.
  - **Revenue Funding** – The Council can use revenue resources to fund capital projects, where these have been approved. There is no planned revenue contribution to capital outlay, other than New Homes Bonus (see below).

## Appendix 9a: Capital Strategy

- **Capital Receipts** – The Council can generate capital receipts through the sale of surplus assets such as land and buildings. The Council seeks to maximise the level of these resources, which will be available to support the Council's plans.
- **Capital Reserve** – The Council has set aside funds in a reserve that can be drawn upon to fund capital schemes, however reserves can only be used once and therefore are a finite resource.
- **New Homes Bonus** – New Homes Bonus is a (non-specific) revenue grant given by Central Government to Councils which is based on the number of homes build or brought back into habitation in the previous year, and is payable for four years. New Homes Bonus can be used to fund revenue or capital expenditure. This will be decided annually through the RPPR process.

5.2 The application of these funding sources to capital expenditure incurred during the year will be in the following order:

- a. Scheme specific income e.g. specific grants, s106 contributions
- b. Revenue funding, including the New Homes Bonus
- c. Capital reserve dependant on allocations for any specific items of investment set aside for future years)
- d. Non-specific grants
- e. Capital receipts
- f. Borrowing

5.3 **Leasing** - Lease obligations are similar to borrowing as they have an ongoing revenue budget commitment. Leasing will be considered following due diligence over the life of the asset, comparing the financial and non-financial benefits and risks to the Council owning and delivering such assets itself.

5.4 The Capital Strategy is reported separately from the Treasury Management Strategy Statement.

## 6. Governance

6.1 The Council's constitution and financial regulations govern the capital programme as set out below:

- All capital expenditure must be carried out in accordance with the financial regulations and the Council's constitution;
- Capital expenditure must comply with the statutory definition of capital purposes as defined within this document and wider financial standards;
- The Capital Programme approved by Full Council as part of the Council's annual RPPR budget report sets the capital funding availability for the Council. This is updated and approved by Full Council as part of the Council's RPPR State of the County report;
- All schemes are formally approved into the capital programme by following the process set out in the financial regulations;
- With the exception of strategic projects supported by a business case (see 1.3.2) Basic need will only be added to, or removed from, the Capital programme as part of the annual budget setting process or as part of State of the County. Any request outside of this processes would have to be approved by Cabinet;
- Officers are not authorised to commit expenditure without prior formal approval as set out in the financial regulations;

## **Appendix 9a: Capital Strategy**

- Each scheme must be under the control of a responsible person/project manager.

## Appendix 9a: Capital Strategy

- 6.2 The Council has a Capital Strategic Asset Board (CSAB), a cross-departmental group consisting of officers from each service department, finance, property and procurement. CSAB oversees the development and delivery of the Council's capital programme.
- 6.3 Departmental Capital Boards/sub boards exist for the school basic need programme and related projects, Communities, Economy and Transport and Information, Technology and Digital.
- 6.4 In year, the Capital Programme is monitored and reported to the Corporate Management Team and then to Cabinet and Full Council, on a quarterly basis, as part of the Council's RPPR monitoring.
- 6.5 Governance arrangements, including risk management (see section 7), will be reviewed to ensure that it remains fit for purpose and is in line with best practice.

### 7. Risk

- 7.1 The Council seeks to minimise its exposure to risks that are unwanted and unrewarded. Capital is managed centrally on an ongoing basis to ensure that there is sufficient liquidity in the short and medium term to meet costs and support front line services, as well as meeting long-term solvency and funding requirements.
- 7.2 The Council is exposed to a range of risks including:
- Financial risks related to the investment of the Council's assets and cash flow, market volatility, currency etc.
  - Macroeconomic risks related to the growth or decline of the local economy, interest rates, inflation and, to a lesser degree, wider national and global economics.
  - A credit and counterparty risk related to investments, loans to institutions and individuals and counterparties in business transactions.
  - Operational risks related to operational exposures within its organisation, its counterparties, partners and commercial interests.
  - Strategic risks related to key initiatives undertaken by the Council such as significant purchases, new ventures, commercial interests and other areas of organisational change deemed necessary to help the Council meet its Priority Outcomes.
  - Reputational risks related to the Council's dealings and interests, and the impact of adverse outcomes on the Council's reputation and public perception.
  - Environmental and social risks.
  - Governance risks related to ensuring that prudence and careful consideration sit at the heart of the Council's decision-making, augmented by quality independent advice and appropriate checks that balance oversight and efficiency.
- 7.3 Managing the Council's risks is an area of significant focus for senior management and members, and the Council adopts an integrated view to the management and qualitative assessment of risk.
- 7.4 The Council aims to minimise its exposure to unwanted risks – risks that are avoidable and which carry no commensurate reward for the Council – through a range of cost effective mitigation strategies.
- 7.5 To ensure that risks to the delivery of the capital programme, a structured framework of planning and monitoring is maintained as detailed in section 6, which is intended to identify those schemes at risk of non or late delivery.

## **Appendix 9a: Capital Strategy**

- 7.6 The Council maintains a contingency at a corporate level, to mitigate possible risks arising from the capital programme. Control of this contingency is maintained by the CSAB, which operates within the normal governance arrangements (see section 6).
- 7.7 As part of capital planning, a number of potential projects or needs for additional funding maybe identified, these are added to a register of such schemes, with the risks and impacts analysed. The CASB will review these on a regular basis and commission further work as necessary to bring the business cases forward if risk is deemed to have developed to a point where further action is required.

### **8. Skills and Knowledge**

- 8.1 The Capital Programme and Treasury Management Strategy are managed by a team of professionally qualified accountants with extensive Local Government Finance experience, who attend courses on a regular basis to keep abreast of new developments. The Council's Section 151 Officer is the officer with overall responsibility for Capital and Treasury activities and is a qualified accountant.

## BASIC NEED SERVICE DEFINITIONS

### 1. Place

- 1.1 The overarching principle of “Place” is that the Council ensures that it is investing in its assets to meet future need. The areas of agreed investment are:

#### 1.2 Schools Basic Need Programme

- 1.2.1 Ensuring the provision of sufficient school places is a statutory duty of the Council and needs to be funded. The requirement for school places in East Sussex is driven by housing growth, inward migration and increases in births.
- 1.2.2 The programme will recognise the potential need for additional primary school places in areas of new housing development together with the increase in secondary school places required for those children already at primary school, which reflects an historic increase in births.

#### 1.3 Economic Development including Place Shaping

- 1.3.1 A Council’s priority outcome is to drive sustainable growth. Working with our partners, the Council will include in its capital programme schemes that support this outcome.
- 1.3.2 The Council will consider, as part of the “Other Investments” outside of basic need, schemes that will provide long-term benefits and demonstrate payback of the initial investment.

#### 1.4 House Adaptations

- 1.4.1 House adaptations for both adults and children are an important element of allowing people to remain in their homes (District & Boroughs) or in accommodation, which meets their needs (County).
- 1.4.2 Working alongside our partners in Districts and Boroughs to ensure Disabled Funding Grant is utilised, along with our own resources, to provide the best outcomes for our residents.

#### 1.5 Integrated Transport

- 1.5.1 The integrated transport delivers the objectives of the County’s Local Transport Plan, which is complemented five-year implementation plans, delivering priority schemes. The schemes to be delivered are only added to the capital programme when external grant or contributions have been secured.

### 2. Asset Condition

- 2.1 The overarching principle of “Asset Condition” is that the Council ensures that it is investing in its assets to maintain a basic level of condition, which allows the Council to deliver its Priority Outcomes, meeting any security and health and safety requirements. The areas include:



## **BASIC NEED SERVICE DEFINITIONS**

### **2.2 Highways Structural Maintenance**

- 2.2.1 Maintenance of public highways and public rights of way across the county is a statutory requirement of the County Council under the Highways Act. ESCC has very clear obligations to maintain the public highway, and, therefore, without adequate supporting capital maintenance budget the pressure on revenue budgets will undoubtedly increase and the Council will be at greater risk of third party claims for damages.
- 2.2.2 Road condition, and the ability to prevent the formation of potholes, has long been a priority for Members, and, in recent years, the focus of the Capital Maintenance Programme has been to improve the overall condition of the carriageway through programmes of preventative patching and carriageway resurfacing.
- 2.2.3 We receive many requests to install physical features to prevent driving or parking in unsuitable places. All requests are assessed by the Road Safety team and will not be taken forward unless the location meets the criteria used by our scoring system.
- 2.2.4 If we can improve safety by making minor changes, this will be carried out as part of the highways maintenance programme. However, more complex improvements, such as traffic calming schemes, pedestrian crossings or cycle lanes are funded from our budget for transport improvements and undergo a strict scoring process.
- 2.2.5 To ensure that highways drainage is adequate to meet the needs of maintaining safe roads and, as the occurrence of extreme weather events increases, is able to cope with those events

### **2.3 Bridge Strengthening/Street Lighting/Traffic Signals**

- 2.3.1 As traffic continues to increase on our roads there is requirement for a programme of bridge strengthening and replacement to ensure they remain safe.
- 2.3.2 To ensure that street lighting is adequate and, as the existing stock comes to the end of its life, it is replaced with modern, energy efficient, technology that also addresses the issue of light pollution.
- 2.3.3 To ensure that the maintenance of traffic signals is adequate to meet the needs of maintaining safe roads and that meet the needs of all users.

### **2.4 Rights of Way**

- 2.4.1 Maintaining and protecting the public's right to use the 2000 miles (3,500km) of footpaths, bridleways and byways in East Sussex.

## BASIC NEED SERVICE DEFINITIONS

### 2.5 Real Bus Information

- 2.5.1 Real Time Passenger Information (RTPI) has been introduced in East Sussex to help provide better, more reliable information about bus services. The County Council continues to work with neighbouring local authorities and bus operators to roll out the system, which enables live bus times (real time information) to be displayed on electronic RTPI signs installed at a number of major bus stops and also on the Traveline website, text messages and smartphone apps..

### 2.6 Building Maintenance - schools

- 2.6.1 Work related to legislation, statutory requirement, health and safety and urgent repair work, as identified via the condition surveys and plans that ensure that schools are maintained at a minimum requirement, including the provision of temporary classrooms, plans based on birth rates and population projections are included in the Place (see section 1.2 above).

### 2.7 Building Maintenance – non schools

- 2.7.1 Work related to legislation, statutory requirement, health and safety and urgent repair works. The money spent on capital will avoid higher running costs helping to reduce the cost of occupancy of corporate buildings.

### 2.8 Libraries

- 2.8.1 To maintain libraries in a safe and suitable condition from which to deliver the outcomes of the Libraries Strategic Commissioning Strategy.

### 2.9 Energy Efficient Projects

- 2.9.1 Where funding from Salix can be attracted that pays back the investment, these will be added to the capital programme.

## 3. IT&D Strategy Programme

- 3.1 The overarching principle of the IT&D strategy is to ensure that our Information and Communications Technology (ICT) is fit for purpose for delivering modern council services in a digital era and protecting any data held.
- 3.2 The business has a dependent on a basic level of infrastructure in order to be able to function. A substantive proportion of the ICT Strategic Investment bid is for operational activity, essential to keep working, services that support the rest of the organisation.
- 3.3 Continued investment in provisioning operational services keeps the Council's technology tools up to date and working, to ensure that as an organisation, contractual support obligations are maintained and ESCC remains secure, resilient and compliant.

**BASIC NEED SERVICE DEFINITIONS**

- 3.4 In order to stay ahead of business user expectation, investment in developing current systems is fundamental. Failure to keep pace with technological development will, in the short-term, paralyse Council infrastructure. The current development activity will become the future operational activity. Failure to build upon the technology investments already made will leave the Council ill prepared for the future, compromising the ability of the infrastructure to support the business in achieving its goals, making it difficult to share business information securely with partners and access it more flexibly across traditional boundaries.

## BUSINESS CASE GUIDANCE

- B1. The Council does not prescribe how a business case should be made but a template is available for services to use as necessary. There are also some basic principles.
- B2. The 5-Case Business Case model, as recommended by HM Treasury, sets out some basic questions that all business cases should answer.

### The Strategic Case

- **Is the proposal needed?**
  - Will it further the Council's objectives?
  - Is there a clear case for change?

### The Economic Case

- **Is it value for money?**
  - Have a range of options been considered?
  - Is it the best balance of cost, benefits and risk?

### The Commercial Case

- **Is it viable?**
  - Is there a supplier who can meet our need?
  - Can we secure a value for money deal?

### The Financial Case

- **Is it affordable?**
  - Are the costs affordable and realistic?
  - Is there funding available and is it supported?
  - Is there a clear payback?

### The Management Case

- **Is it achievable?**
  - Are we capable of delivering the project?
  - Do we have robust systems and processes in place?

## Appendix 10: Fees and Charges

### Proposed fee over 2.5% set during Q3 2019/20

Dept	Service Area	Description	Current (£)	Proposed (£)	Movt (%)
ASC	DPS Day Care	Day Care charges - current capped clients	30.00	50.00	66.7%
BSD	Deferred Payments Assessments	Start up (Bus ops)	40.40	69.00	70.8%
BSD		Annual Fee (Bus ops)	100.47	150.00	49.3%
GOV		Redemption (Legal)	263.00	313.88	19.3%
BSD		Redemption (Bus ops)	31.62	62.00	96.1%
BSD		Redemption (FABA)	19.26	39.00	102.5%
BSD	ESCAPE	all items	various	various	10%
CSD	Lansdowne Residential Home	Secure Accommodation Charges (7 beds per night charge)	985.00	1,080.00	9.6%
CSD	SLES Work Experience - H&S Checks for W.Ex Placements; Non-ESCC maintained are buying Work Experience service via webshop	Std H&S Check	45.00	46.35	3.0%
CSD		Out of Area H&S Check	65.00	66.95	3.0%
CSD	BUZZ Active	Sailing and windsurfing stages 2, 3, 4 (private one to one 3 x 4.5 hours sessions)	180.00	230.00	27.8%
CSD		Holiday kayak paddle power passport course Paddle Discover award	122.50	131.50	7.3%
CSD		Holiday kayak paddle power Explore Award	122.50	131.50	7.3%
CSD		Away race event participant	0.00	25.00	NEW
CET	Transport Development Control - Pre-application service for planning applications	Up to 10 Dwellings	204.00	210.00	2.9%
CET		11-30 Dwellings	428.00	440.00	2.8%
CET		31-50 Dwellings	857.00	880.00	2.7%
CET		51-80 Dwellings	1,306.00	1,340.00	2.6%
CET	Transport Development Control	Small scale developer-led highway works which do not warrant a full legal agreement Licenced under S171 Highways Act; 10% of works cost subject to min fee as presented right	280.00	290.00	3.6%

## Appendix 10: Fees and Charges

Dept	Service Area	Description	Current (£)	Proposed (£)	Movt (%)
CET	Transport Development Control - Highway Extent related queries	For provision of a highway extent and plan which can involve investigation	34.00	35.00	2.9%
CET		Traffic schemes questions is for details of a specific planned scheme	21.25	22.00	3.5%
CET		Copy Agreement - is for electronic copies of either a Sec 38 or Sec 278 agreement	10.20	10.50	2.9%
CET	Land Charges	Land Charge Fees for CON29	10.00	17.00	70.0%
CET	Highways	Admin fee - Amendments and changes	0.00	58.28	NEW
CET		Section 50 licence	440.00	550.00	25.0%
CET	Libraries	Reservation Charge	0.80	1.00	25.0%
CET		Fines	0.20	0.25	25.0%
CET		Lost Library Card	1.50	2.00	33.3%
CET	Registration - ceremonies	Premium Citizenship Ceremony	250.00	350.00	40.0%
CET		Non-Stat Ceremony	250.00	350.00	40.0%
CET		Exchange of Rings Ceremony	100.00	150.00	50.0%
CET	Registration - RO Marriage/CP - Mon-Thu	Tier 3 - Council Chambers and Court Room	270.00	280.00	3.7%
CET		Tier 4 - Evelyn Room	315.00	325.00	3.2%
CET		Tier 5 - Ainsworth Room	365.00	375.00	2.7%
CET	Registration - RO Marriage/CP - Fri-Sun	Tier 3 - Council Chambers and Court Room	395.00	405.00	2.53%
CET	Registration - AMP Marriage	AMP Marriage/CP - Mon-Thu	525.00	545.00	3.8%
CET		AMP Marriage/CP - Fri - Sun	575.00	595.00	3.5%
CET		AMP Marriage/CP - Sat	575.00	595.00	3.5%
CET		AMP Marriage/CP - Sun	575.00	595.00	3.5%
CET		AMP Marriage/CP - Bank Holidays	625.00	645.00	3.2%
CET	Registration - SG Package Evelyn Room Mon-Thu	VIP	470.00	482.00	2.6%
CET	Travellers Sites	Rentals at Hailsham, Maresfield, Polegate & Robertsbridge	62.29	65.62	5.3%
CET		Service charges at Bridie's Tan	5.00	6.00	20.0%

**Report to:** Cabinet

**Date of meeting:** 28 January 2020

**By:** Director of Adult Social Care and Health

**Title:** East Sussex Health and Social Care Plan

**Purpose:** To consider progress made with partnership arrangements and setting of priorities for integrated care, and developing a longer term health and social care plan for East Sussex

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## RECOMMENDATIONS

**Cabinet is recommended to:**

- 1. agree the Council's contribution to the draft East Sussex Health and Social Care plan as set out in Appendix 1, and plans for further consultation with local stakeholders;**
- 2. agree the projects set out in Appendix 3 to take forward the proposed Target Operating Model for integrated community health and social care services, as part of the broader community health and social care services programme; and**
- 3. note that further work will be taking place to develop proposals for an East Sussex Integrated Care Partnership, including further engagement with stakeholders**

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### 1. Background

1.1 The Council has a longstanding history and commitment to integrated working with the local NHS, as it is felt that this provides the opportunity to deliver the best possible outcomes for local residents and achieves the best use of collective public funding in East Sussex. Our joint working through our previous two programmes East Sussex Better Together (ESBT) and Connecting 4 You (C4Y) has been aimed at driving the changes needed to help manage growing demand, on both NHS and social care services, by joining up care to support people to live as independently as possible and achieve the best possible health outcomes.

1.2 As has been previously noted, the work on integration to date provides a firm foundation for the next steps. The innovations have included:

- Home First - discharging people from hospital before ongoing needs are assessed, so patients are seen in their own home and there are lower rates of admission to residential care
- High Intensity User Services – providing health coaching to people who are frequent users of emergency health services
- A&E 5 Pathways - puts ambulance staff and GPs in contact with our Crisis Response Team preventing A&E admissions
- Reablement and rehabilitation - helps people to regain mobility and skills so they are more able to stay at home and need less support
- Care with confidence – helps people to find the help they need at home
- Technology Enabled Care Services – 8,500 clients are using sensors which can detect falls; respond to fire alarms, dispense medication and do welfare checks
- Health and Social Care Connect – a 24/7 service providing a multi-disciplinary first response for the public and healthcare professionals, including GPs

1.3 During 2019/20 Home First, High Intensity User Services and A&E 5 Pathways are expected to save over 4,000 A&E admissions and significantly reduce the costs of care provision

in the county. We continue to reduce the number of Delayed Transfers of Care (DTOC) from hospital in the county through initiatives such as Discharge to Assess beds, designed to avoid unnecessary admissions to acute hospitals and, where an admission is necessary, ensure that people are discharged as soon as is safe and practical back to their own homes, or as close to home as possible. DTOC has reduced from an average 69.8 delays per day in March 2018 to 47.9 in March 2019.

1.4 In order to build on this, on 23 April 2019 Cabinet agreed the approach to resetting health and social care system governance and taking forward a single joint programme across East Sussex, to further ensure a clear focus on our whole health and social care economy and improved outcomes for our residents. This report provides an update on progress made since April by the County Council working with the East Sussex Clinical Commissioning Groups (CCGs), East Sussex Healthcare NHS Trust (ESHT), Sussex Community NHS Foundation Trust (SCFT) and Sussex Partnership NHS Foundation Trust (SPFT) and wider system partners. It also describes the results of the work undertaken to shape a longer term health and social care plan for East Sussex for consideration and agreement.

1.5 The further development of an integrated approach with health partners to achieve the best possible outcomes for East Sussex residents is a key County Council commitment and the programme supports the delivery of priorities identified through Reconciling Policy, Performance and Resources. The current proposed plan for the first time places a specific emphasis on improving support for children and families within East Sussex. All future key decisions and ongoing work on integration will continue to be subject to County Council governance.

## **2. Supporting information**

### ***Progress in 2019/20***

2.1 In summary during the latter part of 2018/19 and during 2019/20 we have taken steps as a health and social care system to secure agreement and take forward the following:

- Bringing together our two East Sussex programmes (C4Y and ESBT) into a single programme for health and social care integration covering our whole population;
- Putting in place robust arrangements for the single health and social care programme that is resourced to deliver innovative change in services and new models of care, as well as greater levels of collaboration between NHS commissioners and providers in planning, delivering agreed objectives and establishing whole system sustainability, alongside the County Council;
- Developing a joint East Sussex long term plan for integration to take us beyond our immediate programme priorities in 2019/20, and address both local East Sussex health and social care priorities and help deliver the NHS Long Term Plan;
- Putting in place partnership governance arrangements for our system to support this work, including reinforcing the system oversight role of our Health and Wellbeing Board (HWB). It is expected that this governance will evolve further as we move into the next phase of our plan and programme;
- Taking forward a proposal for our three East Sussex Clinical Commissioning Groups (CCGs) to merge into a single CCG for East Sussex (subject to application and approval by NHS England), and;
- Taking account of the Sussex wide NHS Sustainability and Transformation Partnership (STP) ambition to become a Sussex Integrated Care System (ICS) by April 2021:
  - Developing integrated population health and care commissioning within East Sussex, aligned with the wider strategic commissioning function of the Sussex Health and Care Partnership, and;
  - Developing an Integrated Care Partnership (ICP) for East Sussex to support integrated planning and delivery of health and social care that reflects the needs of the local population.

2.2 Our critical focus in 2019/20 reflected the continued need for the management of NHS financial recovery, reducing pressure on hospital services, improving community health and



social care responsiveness, and ensuring good use of, and shorter waits for planned care. Plans included setting out pragmatic and realistic steps to take forward increased integration of community health and social care services during 2019/20, in a phased way. In summary the following progress has been made:

- The Assistant Director of Adult Social Care and Health (Operations) is now confirmed as the single line manager with authority and accountability for community health and care provision across the County Council and ESHT;
- Nursing and social care staff have been co-located in Eastbourne to trial working from a shared base and support increased joint working and care-coordination. This pilot is guiding how joint working best functions, and will include engagement with primary care, mental health and voluntary sector services. Plans are being developed to undertake a similar co-location exercise for the nursing and social care teams in Hastings;
- New Home First care services have been successfully tested. These are new, integrated models of care designed to get medically fit people home from hospital sooner, and to make sure that assessments for community support and decisions about longer term care are not made in hospital;
- Joint working between the County Council and ESHT Occupational Therapy staff is being developed, to share skills, best practice and help create capacity;
- Work has also been taking place to look at the best ways for different teams and services to work together to provide integrated, rapid response, community services to support discharge from hospital and avoid unnecessary hospital admissions. An integrated multi-disciplinary model has been developed and is being consulted on with staff.

2.3 Taking these specific projects and pilots forward in the context of wider improvements to the quality and experience of care for our residents in 2019/20, has led to the following progress and benefits:

- Successful pilots of Home First approaches have shown that people left hospital more quickly and had better outcomes when discharged through these services. This model is delivered by joint working between social care staff in acute settings and community health and social care reablement staff in the community. With improved identification of patients in acute settings these services are now progressing to full implementation. A single access point for discharge ensures patients are settled at home, in community beds or in nursing care with the support they need.
- This has been a factor contributing towards the average length of stay in hospital and community clinical care beds performing better than expected - reducing unnecessary length of time in hospital, accelerating recovery and releasing bed capacity within our hospitals and community sites to meet demand.

### ***East Sussex Health and Social Care Plan***

2.4 The NHS Sussex-wide Sustainability and Transformation Partnership (STP) has put in place new partnership arrangements which are overseen by the Sussex Health and Care Partnership Board (SHCP), with representation from local authorities. The SHCP was required by NHS England to submit medium term plans covering the expectations set out in the NHS Long Term Plan (LTP) by 15 November 2019. The overarching Sussex-wide submission consists of a high level health and care plan covering:

- Sussex-wide clinical priorities focussing on reducing unwarranted clinical variation across specific clinical areas, including: learning disabilities and autism, mental health, cancer; cardiovascular disease, stroke, diabetes, respiratory, maternity, children and young people and musculoskeletal conditions;
- Three place plans covering East Sussex, West Sussex and Brighton and Hove, outlining local action to deliver NHS LTP commitments, and;

- Relevant Sussex-wide plans for workforce, finance, estates and digital that will enable delivery of the above.

2.5 We agreed locally that for East Sussex the place-based plan should be a joint health and social care plan, reflecting the integrated working in East Sussex and building on the progress we have made locally and priorities that we have been working on in 2019/20. The scope has been widened to cover prevention, children and young people, community, urgent care, planned care and mental health. Our East Sussex place plan is designed to:

- Set out a clear long term plan, covering a 3-5 year period, with a focus on driving the changes needed to improve the health, social care and wellbeing of our population, including the next steps for integrating community health and social care services;
- Ensure a joint response in East Sussex to the NHS LTP and subsequent NHS LTP Implementation Framework (published in June 2019), to align with, and be part of SHCP submission to NHS England, and;
- Support us to develop proposals for an Integrated Care Partnership to further strengthen how we plan, organise, commission and deliver services together in East Sussex

2.6 To develop our plan we undertook a single exercise to address both NHS LTP and ESCC priorities based on our strong understanding of our population's health and social care needs through our Joint Strategic Needs and Assets Assessment (JSNAA). Our understanding of the changes we need to make to meet our population's needs has also been informed by:

- benchmarking and other work undertaken to understand the drivers of the 2018/19 system deficit;
- the national and international evidence base on integrated care;
- our own learning from ESBT and C4Y, and;
- the views of local people, including the feedback we have recently received about their experience of health and social care services.

2.7 The final draft East Sussex Health and Social Care Plan is included in Appendix 1. Information about the broader SHCP Plan can be found here:

<https://www.seshealthandcare.org.uk/about-us/sussex-health-and-care-plan/>

### ***Our focus for 2020/21***

2.8 In the long term we need to deliver significant changes to how health and social care is delivered to ensure that good quality health, social care and support is available for everyone who needs it. This reflects ESCC priorities and the expectations of the NHS LTP. Section 1.6 of our plan in Appendix 1 describes the long term model based on the principles and priorities that were endorsed by the HWB in September, and what we will do to drive the changes needed to meet the health and care needs of people living in East Sussex, reduce health inequalities and deliver longer term sustainability.

2.9 The plan focusses on the key local priorities where we think we can have the most impact through working collectively. Section 1.8 in Appendix 1 sets out the joint priorities and the next steps that we anticipate taking in 2020/21, to continue making progress with delivering our long term vision for our health and social care system in the following areas:

- **Prevention, personalisation and reducing health inequalities** – including coordinated action across services that impact on the wider determinants of health, empowering people to make healthy choices and putting them in more control of their health and social care and support
- **Children and young people** – including improving mental health and emotional wellbeing and healthy choices, support for vulnerable young people and those with disabilities
- **Community** – continuing to integrate community health and social care services and working with primary care teams to further support people with long term conditions, those in care homes and at the end of their lives

- **Urgent care** – completing the introduction of our integrated urgent care model and delivering more streamlined care for those with urgent care needs
- **Planned care** – ensuring good use of planned care including better outpatient care using new technology and one-stop clinics, focussed action to support people with musculoskeletal, cardiac, diabetic, ophthalmic and cancer needs, and ensuring evidenced based interventions are in place
- **Mental health** – alongside work to implement Sussex-wide plans for mental health, local work to establish a single point of access, enhanced support in the community and working with the housing and voluntary sectors on housing related needs

2.10 The appendices in the East Sussex Plan describe in more detail our approach, the programmes of work in each of these areas and how we will work together across our health and care system, including core health, social care and mental health services, Primary Care Networks, District and Borough Councils and the voluntary and community sector (VCS) and others, to deliver our shared priorities. The local implications for workforce planning, digital and estates are included in Section 5 of the Plan.

### ***Integrated community health and social care Target Operating Model (TOM)***

2.11 System partners have participated in discussions to design and develop the next phase of the common Target Operating Model (TOM) for community health and social care services across the whole county. This describes an overarching set of arrangements for community health and social care services.

2.12 The proposed TOM that has been agreed by all partners is included in Appendix 2, and a list of the linked projects that will support delivery in 2020/21 is included in Appendix 3. Further engagement is now planned with wider system stakeholders, including Primary Care Network leads in East Sussex.

2.13 The respective partner organisations (ESHT, SCFT, East Sussex CCGs and the County Council) have agreed to continue to promote and support the proposed integration initiatives and work together to ensure that there is alignment across East Sussex and in the context of wider Sussex-wide delivery of community services.

2.14 Resources are in place within our system to support programme and project management and the development of regular reporting of Key Performance Indicators (KPIs) and financial information. All the statutory partners will work to ensure focus is given to:

- Effective communications and setting out clearly to all stakeholders how services will develop and what improvements will be delivered;
- Financial and other risks related to integration, including delivering services on behalf of other statutory partners, are being managed;
- Potential for co-location of staff, joint estates management, integration of workforces and IT and digital relationships;
- Effective relationship with NHS England and NHS Improvement and the SHCP;
- Maintaining effective engagement with a broader range of stakeholders in the planning and delivery of services, including patients, clients, carers, Borough and District Councils, independent sector providers and the voluntary and community sector.

### ***Working together to deliver our plans in 2020/21***

2.15 We have set up a broader system partnership to oversee delivery of the East Sussex Plan on behalf of the Health and Wellbeing Board, through aligning organisational plans across our health, social care and wellbeing system. Our new East Sussex Health and Social Care System Partnership Board has now met twice, in September and November.

2.16 The membership includes representation that supports delivery of the wider determinants of health as well as the core health and social care system, and includes local NHS providers, East Sussex CCGs, East Sussex County Council, District and Borough Councils, Healthwatch and the voluntary sector. The joint East Sussex Health and Social Care Executive Group is also continuing to meet to ensure a clear focus on the operational performance of the agreed programme. More information about our partnership governance can be found in Section 4 of the East Sussex Health and Social Care Plan (Appendix 1).

2.17 Our shared aim is to improve the health, health inequalities and wellbeing of local people through delivering more integrated care and an enhanced focus on prevention and re-ablement. The future mechanism for doing this will be through developing an Integrated Care Partnership (ICP) in East Sussex, that will enable a collaboration across health and social care provision and commissioning. This will be an iterative development informed by the priorities in our health and social care plan, and what arrangements will need to be in place to deliver our objectives, and how this will be formalised over time to maximise benefits for our population.

2.18 To strengthen how we plan, organise, commission and deliver services together in East Sussex, the East Sussex CCGs, ESCC, ESHT, SCFT, and SPFT have been developing proposals for our East Sussex Integrated Care Partnership (ICP). The draft proposal is included in Appendix 4. These initial proposals will now be subject to broader consultation. This work is currently focused on achieving the best mechanism for delivering our agreed priorities. If in the future options are developed for potential organisational changes or developments in how resources are managed this will be subject to individual organisational governance, and where appropriate consultation, processes.

2.19 To take forward integration, work is also taking place to establish a shared understanding of our system financial model covering a 3–5 year period, including setting out the required shifts in investment to primary care and community services that will support the plan. More detail will be developed for 2020/21 and this will align with organisational budget-setting processes for future years, as well as any risk share arrangements that may be developed.

### ***A single Clinical Commissioning Group for East Sussex***

2.20 In November GP members across East and West Sussex voted on the proposed new constitutions for the new CCGs across those areas. The three GP memberships across East Sussex voted in favour of the draft constitution for an NHS East Sussex Clinical Commissioning Group, with West Sussex CCGs GP members following suit after a second vote. This means the formal merger can now be taken forward to create new statutory bodies from 1 April 2020. The appointment process for the CCG chairs from the memberships and wider governing bodies will now be taken forward.

2.21 This will strengthen the focus of joint health and social care commissioning across the local NHS and the County Council for the population of East Sussex and will open up opportunities for similar arrangements to be explored in West Sussex.

### ***Next steps***

2.22 A summary of the key milestones for next five years is included in Section 2 of the East Sussex Health and Social Care Plan in Appendix 1. To build on the high-level plan, and ensure we have the supporting programmes of work ready for delivery in 2020/21, the following steps will be taken in the coming weeks to support the next phase of work:

- Developing the programme priorities into measurable objectives, projects, KPIs and benefits and risks;
- Reviewing system partnership governance arrangements in light of the widened scope of the plan and programmes of work;
- Linking this with the work to develop financial modelling and assumptions at the Sussex-wide and East Sussex level where appropriate, and the detailed plans for 2020/21 as this emerges;

- Aligning with and feeding into organisational operational and business planning processes for 2020/21 as appropriate;
- Setting out and agreeing our proposals for our future ICP, and how integrated population health and social care commissioning will take shape in East Sussex, and;
- Further testing our plans with our stakeholders and developing a broader communications and engagement strategy to support delivery of the plan, building on the comprehensive approaches to engagement undertaken to date to create a framework of continuous engagement with our stakeholders that underpins and informs our plans.

### **3. Conclusion and reasons for recommendations**

3.1 Taking into account the progress made to date, our East Sussex plan strengthens the whole population focus across the local health and social care economy. It sets out the key areas of focus for our collective system working that are needed to guide and deliver the changes needed in East Sussex to meet the health and care needs of our population, reduce health inequalities, and deliver outcomes on a sustainable basis.

3.2 A number of discussions and meetings have been progressed with key stakeholders across our system to achieve this, underpinned by the initial key principles and priorities agreed by the Health and Wellbeing Board in September. This will ensure that the next phase of our work and the priorities for 2020/21 are understood, shared and owned by the broader system, and take account of the needs of the whole East Sussex population.

3.3 Our plans and objectives for integration of community health and social care services continue to align with the NHS Long Term Plan, and the ongoing development of Primary Care Networks, with the intention of further strengthening the operational interface with General Practice through implementing greater levels of integration of community health and social care services.

3.4 Overall this will ensure that we continue to maintain our focus on moving to integrated community care delivery to meet our population health and care needs and tackle the challenge of an ageing population, which we are at the forefront of in East Sussex.

3.5 The priorities set out in the Plan will also guide and inform the development of the ICP, to enable the delivery of shared objectives both in 2020/21 and in subsequent years and get the maximum benefit for our population.

3.6 The three East Sussex Clinical Commissioning Groups, East Sussex Healthcare NHS Trust, Sussex Partnership NHS Foundation Trust and Sussex Community NHS Foundation Trust will be taking a similar report through their governance processes in broadly the same timeframe.

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#### **LOCAL MEMBERS**

All Members

Appendices

Appendix 1 Final draft East Sussex Health and Social Care Plan

Appendix 2 Proposed Target Operating Model for community health and social care services.

Appendix 3 Proposed projects to deliver the community health and social care Target Operating Model

Appendix 4 Draft East Sussex Integrated Care Partnership Proposal

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# East Sussex Place-Based Response to the Long Term Plan



## East Sussex Health and Social Care Plan

13 November 2019

Draft v6.3



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Appendix 2	Children and Young People – programme summary
Appendix 3	Community – programme summary
Appendix 4	Urgent Care – programme summary
Appendix 5	Planned Care – programme summary
Appendix 6	Mental Health – programme summary
Appendix 7	Summary of key themes from recent engagement in East Sussex

## Executive Summary

Welcome to our East Sussex Health and Social Care Plan. The plan has been produced by the East Sussex Clinical Commissioning Groups<sup>1</sup>, East Sussex County Council (ESCC), East Sussex Healthcare NHS Trust (ESHT), Sussex Community NHS Foundation Trust (SCFT), and Sussex Partnership NHS Foundation Trust (SPFT). We are a partnership of organisations working together to deliver health and social care in East Sussex. By breaking down barriers between health and social care, improving the health and wellbeing of local people, and reducing health inequalities we will deliver the right care and support, at the right time and in the right place for the people we serve.

Working with partners in primary care networks, district and borough councils, the voluntary and community sector and others, the plan sets out our longer term ambitions for our health and social care system in East Sussex, how we anticipate delivering this, and the work we will need to do collectively as a health and care system in the next year to improve the health and care of local people.

With advances in medicine and treatment, changing health and care needs, and new developments influencing wider society, we have to continually move forward so that in 10 years' time we have a health and care system that is fit for the future. In East Sussex the NHS and county council have been working closely together over recent years, alongside wider partners, to improve population health and wellbeing and reduce health inequalities, by breaking down barriers between health and social care to deliver the right services, in the right places, at the right time.

Thanks to this work we're seeing more treatment, care and support being delivered where people want it – in their own homes or locally in their community, by teams of GPs, nurses, therapists, social workers and proactive care practitioners from both the NHS and social care. This shift in the way we provide health and care means that many people are avoiding hospital altogether. And when they do need planned or urgent hospital care they're able to see clinicians and receive treatment more quickly and spend fewer unnecessary days in hospital, with better support when they go home. Here is a snapshot of some of our progress so far below:

- We have introduced the **award-winning i-Rock** services for young people in East Sussex (across Eastbourne, Hastings and Newhaven) who need help with mental health, wellbeing, housing, employment, education.
- We have trained local people to have over 5,000 'cancer conversations' with their fellow residents in Hastings and Bexhill, **to raise awareness of the signs and symptoms of cancer**, improve early diagnosis and help to save lives.
- We have introduced **Health and Social Care Connect** (HSCC) which is a fully integrated central point for health and adult social care enquiries, now available 24/7 for 365 days a year. This service helps people who are having difficulty taking care of themselves. The integrated service is able to arrange the immediate health attention required, as well as looking at home-based support that might be needed in the future.
- On-going development of **community health and social care services and initiatives**, including integrated health and social care teams, crisis response and proactive care, the Dementia Support Service; and the Joint Community Reablement Service and falls prevention services
- More information can be found on our [Health and Social Care News website](#).

Building on these successes, this plan describes how we aim to further strengthen our work across the county through our East Sussex health and care programme to meet the needs of our population, including how we respond to our areas of deprivation and the significant older population that often have multiple-complex needs. By working in this joined-up way, we believe we're able to serve the whole of East Sussex even more effectively.

<sup>1</sup> Eastbourne, Hailsham and Seaford CCG; Hastings and Rother CCG; and High Weald Lewes Havens CCG

## Our population

East Sussex has a population of approximately 555,000. Whilst it is well-known that it has amongst the highest proportions of over 65-year olds and over 85-year olds in the country, there are a range of other characteristics that are particular to East Sussex, as summarised below:

- Demand for health and social care will continue to increase, both as a result of the growth in the proportion of older people in the population and the complexity of their needs with increasing longevity, frailty and people with multiple conditions.
- There are inequalities within East Sussex in uptake of preventative services for example cancer screening.
- The number of children in need of help and protection is rising locally and nationally, linked to the increase in families experiencing financial difficulties.
- There is a growth in the numbers of children with statements of special educational needs and disability (SEND) or Education Health and Care Plans some of whom will have complex medical and care needs.

There is growing demand on both NHS and social care services. More and more local people will require support and care for long term conditions. By joining up the care we provide we will be better able to support people to live as independently as possible and achieve the best possible health outcomes for them. In the long term, we need a 'new service model for the 21<sup>st</sup> Century'<sup>1</sup> to ensure that good quality health and care is available for everyone who needs it. This is outlined in our East Sussex Health and Care Plan which:

- Describes what we will do to drive the changes we need to make to meet the health and care needs of people living in East Sussex, reduce health inequalities and deliver longer term sustainability.
- Sets out some key local priorities (below) to work on together, where we think we can have a real impact through working collectively, informed by NHS Long Term Plan and the views of local people.

## What we will do

During 2020/21 our key priorities are to:

- Build on our existing progress to enhance **prevention, personalisation and reduce health inequalities** and the gap in life expectancy in the county. We will do this through coordinated action across all services that impact on the wider determinants of health such as housing, employment and leisure, as well as extending targeted approaches to empower people to make healthy choices across the whole life course to improve outcomes.
- Improve existing support to **children and young people** focusing on improving mental health and emotional wellbeing; support for vulnerable young people at risk and looked

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<sup>1</sup> NHS LTP (January 2019) and NHS LTP Implementation Framework (June 2019)

after children; support for children and young people with disabilities; and through health promotion activities.

- Within our **community services**, continue to integrate health and social care services; work with our primary care networks to further support people with long term conditions and those in care homes, including action to support people at the end of their lives.
- Continue action to improve support for people with **urgent care** needs including: targeted support for vulnerable people; improvements in urgent care processes and systems to deliver more streamlined care; support people in care homes with urgent care needs; and complete the introduction of our Integrated Urgent Care model, for example Urgent Treatment Centres.
- Further improve services that deliver **planned care** for local people including: better outpatient care through new technology and better organisation of services (e.g. one-stop clinics); supporting people with musculoskeletal, cardiac, diabetic, ophthalmic and cancer needs; review existing services to ensure evidence-based interventions are in place; action to improve waits for treatment where this is too long; and continue to support best practice with prescribing and medicines.
- Expand our support for people with **mental health** needs by establishing single point of access; enhanced support in the community to help avoid unnecessary admissions; and working with housing and voluntary sectors to support those people who also have housing related needs.

Our plans and priorities have been informed by what local people have recently told us is important to them about their health and care, and we will continue to test our plans with our stakeholders to guide how people want to be involved in shaping the way we deliver our ambitions.

This integrated plan provides the foundation for our next steps as a health and social care partnership. Over the next 3-5 years we will build on this work together to further integrate care around our population's needs by working together across our system to further improve health and care for local people. We believe that this is the best and most sustainable approach, enabling us to make the best use of the resources available in our area to meet the challenges of rising demand and financial pressures, and ensure local people have access to the services and support they need.

### **Strengthening our ability to deliver**

This integration is often called an **Integrated Care Partnership** (ICP), which will strengthen how we plan, organise and deliver services together in East Sussex, supported by a clear approach to our communities, and informed by their needs. We are currently developing proposals for an ICP which we plan to develop from April 2020.

We want to ensure that local people receive the right services, in the right place, at the right time. This may mean access to and use of services will be different in the future. We aim to empower local people with the knowledge of how to best use available health and social care services, and how to best get the support they need, and we believe this plan gives us the opportunity to deliver the improved health and care that our local people deserve.

# 1. East Sussex Health and Social Care Plan

## 1.1. Introduction and context

The Sussex Health and Care Partnership (SH&CP) is required to submit medium term plans covering the expectations set out in the NHS Long Term Plan (LTP) to NHS England (NHSE). This includes the requirement to “deliver a new service model for the 21<sup>st</sup> Century”<sup>2</sup>, and the transformation and integration plans that will need to be progressed to deliver this. The overarching submission is the Sussex Health and Care Strategy covering:

- Sussex-wide plans across specific priority clinical areas, including: mental health; cancer; prevention; urgent and emergency care; stroke; diabetes; Transforming Care Partnership (covering learning disabilities and autism for people with high support needs); maternity, and; reducing unwarranted clinical variation focussing on cardiovascular disease, musculoskeletal conditions and falls and fractures.
- Three place plans based on upper tier local authority areas - covering East Sussex, West Sussex and Brighton and Hove, outlining action to deliver NHS LTP commitments and priorities to meet local population health and social care needs.
- Sussex-wide plans for workforce, digital and estates.
- The finance and activity modelling that will underpin these plans.

Our local East Sussex plan is a joint health and social care plan, which reflects our strong history of integrated working in East Sussex, and builds on the progress we have made locally with priorities that we have been working on in 2019/20. Developed in partnership, the plan sets out how we will work together to address the commitments in the NHS LTP and local East Sussex priorities by ensuring there is a clear East Sussex health and social care plan to align with, and be part of, the Sussex Health and Care Strategy

This plan reflects population health and social care needs in East Sussex, and the learning from our own local development work on our journey towards integration since 2014. We have looked at benchmarking tools such as Get It Right First Time, Right Care and Model Hospital, and a series of recent independent reviews that have helped us further understand the drivers of demand. This has enabled us to further consolidate our objectives to support improvements to the quality of care and the ongoing financial recovery and stabilisation of our system.

Our work on integration to date provides a firm foundation for the next steps as it has piloted and delivered a range of improvements on our journey to a new model of integrated care, including:

- A comprehensive and co-ordinated range of preventative services including; the Healthy Child Programme; One You East Sussex; Making Every Contact Count; Healthy Hastings and Rother - aimed at reducing health inequalities in our most disadvantaged communities; Good Neighbour Schemes; taking forward the Patient Activation Measure and Shared Decision-Making to support greater levels of self-care, and; joint commissioning a range of early intervention and prevention services and support from the voluntary and community sector (VCS), including support for carers.
- On-going development of community health and social care services and initiatives, including integrated health and social care teams, crisis response and proactive care, the

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<sup>2</sup> NHS Long Term Plan Implementation Framework (July 2019) a copy can be found [here](#)

Dementia Support Service; Health and Social Care Connect now available 24/7/365, and; the Joint Community Reablement Service and falls prevention services.

- Strong whole system performance against the Better Care Fund targets and the Care Quality Commission East Sussex Local Area Review.
- Piloting an integrated outcomes framework to better enable us to measure whether our work as a system (activity) was having the desired results (outcomes).
- Developing our approach to understanding and using our collective resources on a system-wide basis for the benefit of our population.

Our emphasis in this plan is on the **transformation priorities** we need to deliver jointly as a health and social care system to meet the future health and care needs of our population. The plan sets out the priorities for programmes of change covering **prevention, children and young people, community, urgent care, planned care and mental health** and how we will work more effectively together across our system, including primary care networks (PCNs), the voluntary and community sector (VCS) and district and borough councils and others to deliver a “new service model for the 21<sup>st</sup> century” grounded in the needs of our local population. The plan also describes the local implications for workforce planning, IT and digital and estates.

Our local plan is the platform for taking forward developing our local Integrated Care Partnership arrangements, as part of the wider development of the Sussex Integrated Care System. In summary our joint plan addresses:

- The NHS LTP commitments by ensuring there is a clear East Sussex plan that also contributes to, and integrates with, the Sussex Health and Care Strategy.
- The needs of the whole population of East Sussex across physical and mental health, and health and social care services for children and adults, from improving health and prevention through to primary and hospital-based care.
- A forward view from 2019/20 until 2023/24, fully taking into account the progress made to date and the priorities we have agreed, which are also consistent with the NHS LTP.
- The priorities in East Sussex for transformation and integration, and the work in 2020/21 needed to meet the health and care needs of our population, reduce health inequalities, and deliver outcomes on a sustainable basis.
- The arrangements for taking forward our Integrated Care Partnership including how we will work across our health and care system, the VCS and wider partners, to:
  - enable stronger coordination of health and care delivery to our population
  - make best use of our collective resources
  - shape our approach to integrated population health and social care commissioning in East Sussex
- How we will build on the comprehensive approaches to engagement undertaken to date and create a framework of continuous engagement with our stakeholders to underpin and inform our plans.
- We will also further develop the 3-5 year system financial model that will need to underpin our plans for change.

## 1.2. Our population health and social care needs

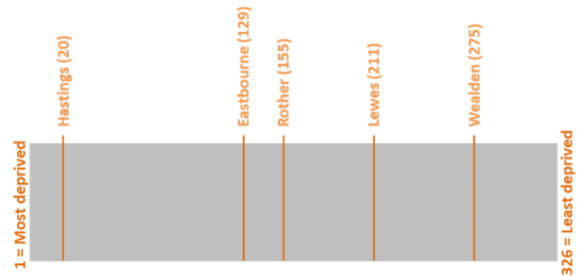
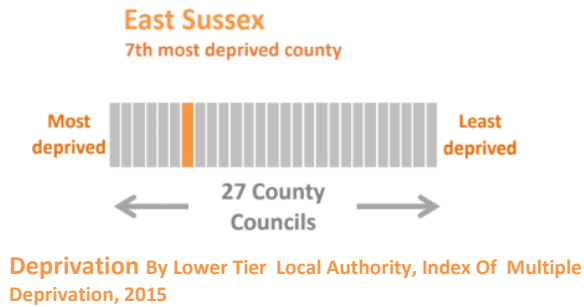
East Sussex is a county with contrasting characteristics across urban and rural communities. Health and its determinants are not distributed evenly across the county with a strong link between poverty and poor outcomes; although rurality can also have an impact on access to services. Overall, East Sussex is relatively deprived compared to other counties, but as figure 4 in Section



4.3 shows, there is significant variation in deprivation across the county and between primary care network populations which will result in differing health and social care needs. The proportion of people over 65 in East Sussex is considerably higher than nationally (26% vs 18%), and the proportion from Black and minority ethnic groups is smaller (8% vs 20%).

There are approximately 555,110 people living in the 1709 km<sup>2</sup> in East Sussex. In summary our population has the following characteristics:

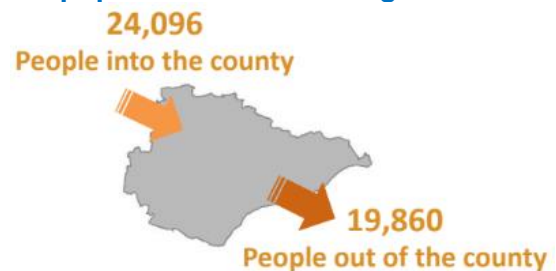
### Deprivation relatively high for a county.....and varies significantly across East Sussex



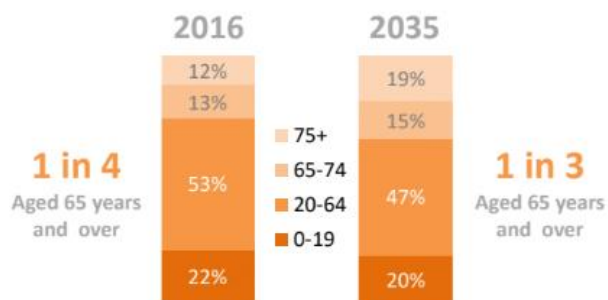
### Most people live in urban areas



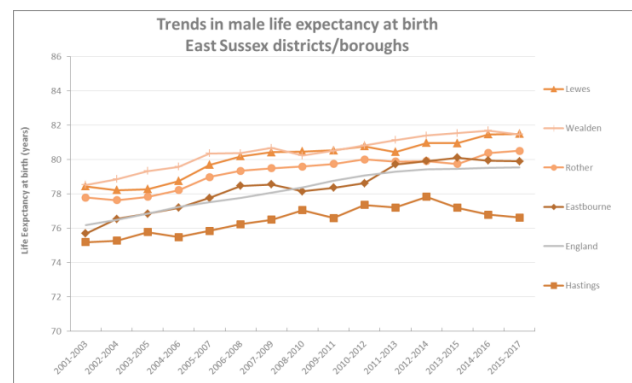
### Our population is increasing....



### ..and getting older (more so than England)

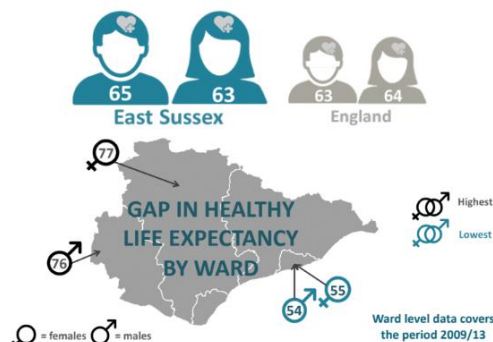
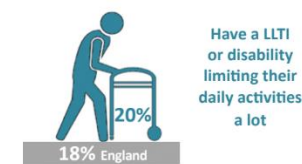


### Like England, life expectancy is not increasing and has fallen for men in Hastings



## Illness and disability increase with age... ..but there are huge differences in when people become ill between wealthier and poorer areas

LONG TERM LIMITING ILLNESS OR DISABILITY, 2011



**Housing needs - Access to a safe and secure place to live is a fundamental need for all people. Some of the most acute needs are increasing in East Sussex:**


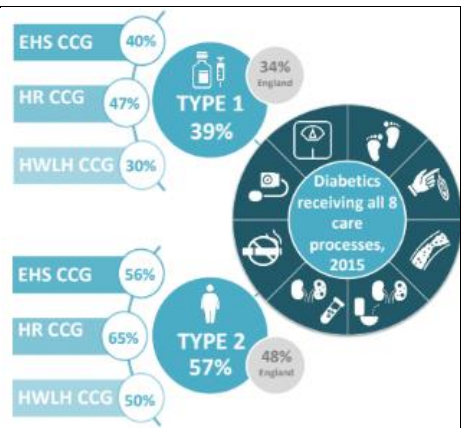
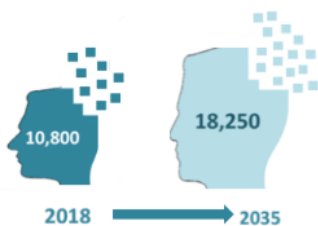
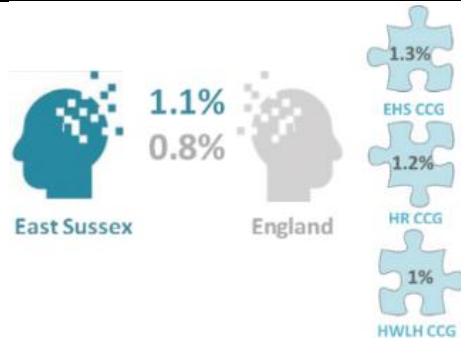

Rough sleepers increasing	Households in temporary accommodation increasing	Homeless households in priority need 2017/18
<p>4.5x ↑ rough sleepers since 2010</p> <p>19 in 2010 90 in 2017</p>	<p>Temporary accommodation</p> <p>1.6 per 1,000 households</p> <p>3.4 per 1,000 England</p> <p>2010/11 2017/18</p> <p>—Eastbourne —Hastings —Lewes —Rother —Wealden</p>	<p>East Sussex</p> <p>England</p> <p>3 per 1,000</p> <p>3 per 1,000</p> <p>Eastbourne Hastings Lewes Rother Wealden</p>

## Best start in life, risk factors, chronic diseases and dementia

Smoking at time of delivery is higher than England	Breast-feeding initiation is higher than England	1 in 3 children age 10/11 are overweight or obese
<p>17% 2010/11 13% 2016/17</p> <p>4% ↓ since 2010/11</p>	<p>79% East Sussex</p> <p>new mothers who initiated breastfeeding following the birth of their baby</p> <p>75% England</p>	<p>23% 23% England</p> <p>RECEPTION</p> <p>30% 34% England</p> <p>YEAR 6</p>



Good school readiness		High wellbeing decreases between age 10-11 and age 14-15							
<div>East Sussex</div> <div>77%</div> <div>Children attaining a good level of development at the end of reception, 2016/17</div> <div>England</div> <div>71%</div>		<div>Wellbeing, 2017, HRB survey</div> <div>34% Year 614% Year 10</div> <div>surveyed had a score indicating high wellbeing</div>							
Some health-related behaviours in young people are improving, others getting worse		By adulthood almost 2 in 3 people are overweight or obese (varies by area)							
<div>Health Related Behaviour Survey 2017 – YEAR 10</div> <table><tr><td><div>Bullied in the last 12 months</div><div>17%201219%2017</div></td><td><div>Had alcohol in the last week</div><div>35%201236%2017</div></td></tr><tr><td><div>Had a cigarette in the last week</div><div>17%20129%2017</div></td><td><div>Have ever taken cannabis</div><div>18%201219%2017</div></td></tr><tr><td><div>Exercised hard 3+ days last week</div><div>67%201258%2017</div></td><td><div>Ate 5 a day on previous day</div><div>17%201220%2017</div></td></tr></table>		<div>Bullied in the last 12 months</div> <div>17%201219%2017</div>	<div>Had alcohol in the last week</div> <div>35%201236%2017</div>	<div>Had a cigarette in the last week</div> <div>17%20129%2017</div>	<div>Have ever taken cannabis</div> <div>18%201219%2017</div>	<div>Exercised hard 3+ days last week</div> <div>67%201258%2017</div>	<div>Ate 5 a day on previous day</div> <div>17%201220%2017</div>	<div>59%61%</div> <div>East SussexEngland</div> <div>61%58%50%62%62%</div> <div>Eastbourne HastingsLewesRotherWealden</div>	
<div>Bullied in the last 12 months</div> <div>17%201219%2017</div>	<div>Had alcohol in the last week</div> <div>35%201236%2017</div>								
<div>Had a cigarette in the last week</div> <div>17%20129%2017</div>	<div>Have ever taken cannabis</div> <div>18%201219%2017</div>								
<div>Exercised hard 3+ days last week</div> <div>67%201258%2017</div>	<div>Ate 5 a day on previous day</div> <div>17%201220%2017</div>								
Smoking in adults varies by area	Over 1 in 4 adults in East Sussex drink too much alcohol	Over 1 in five adults are physically inactive							
<div>14%15%</div> <div>East SussexEngland</div> <div>12%22%13%17%9%</div> <div>EastbourneHastingsLewesRotherWealden</div>	<div>27%26%</div> <div>East SussexEngland</div>	<div>22% East Sussex</div> <div>similar to England 22%</div>							
Chronic disease rates in East Sussex are similar to England:	<div>8%8%</div> <div>East SussexEngland</div> <div>Estimated Coronary Heart Disease (CHD) prevalence in 55-79 year olds, 2015</div>		<div>ESTIMATED PREVALENCE OF DIABETES 2016/17</div> <div>9% East Sussex9% England</div> <div>2016/17 Recorded prevalence</div> <div>East Sussex6%England7%</div> <div>Diabetes</div>						

<p><b>But there are variations in care between managing hypertension and managing diabetes</b></p>	 <p>East Sussex 92%    England 92%</p> <p><b>% of people with Coronary Heart Disease whose blood pressure is controlled 2016/17</b></p>	
<p><b>Dementia cases predicted to increase as population ages</b></p>	<p><b>Dementia rates higher than England (IGP recorded 2016/17).</b></p>	<p><b>1 in 3 cases of dementia could be prevented</b></p>
 <p>10,800 2018 → 18,250 2035</p>	 <p>East Sussex 1.1%    England 0.8%</p> <p>EHS CCG 1.3% HR CCG 1.2% HWLH CCG 1%</p>	<p><b>Approximately 1 in 3</b></p> <p>could be prevented through lifestyle and social changes</p> 

## Causes of the gap in life expectancy

The biggest contributors to the inequalities in life expectancy in East Sussex are the same for men and women: circulatory disease, cancer and respiratory disease. Contributing preventable risk factors are smoking, poor air quality, alcohol, poor diet, and not enough physical activity. Social isolation is also known to result in reduced life expectancy.

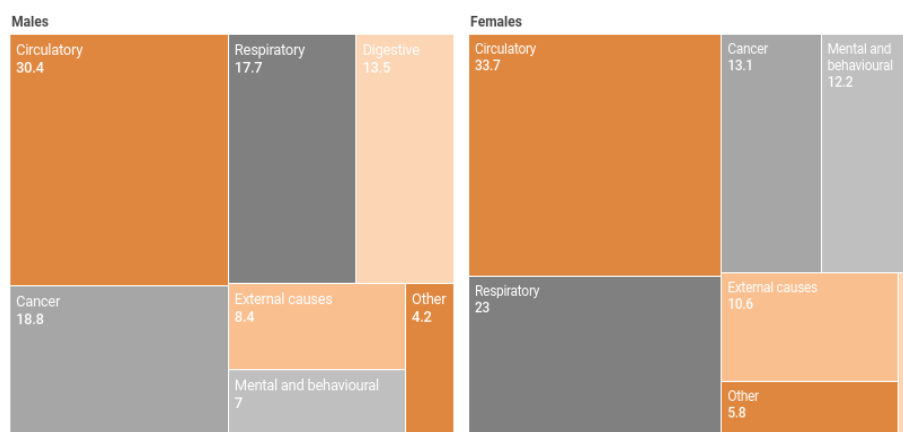


Figure 1 Causes of the gap in life expectancy between most and least deprived areas within East Sussex by gender

## Key points

- Demand for health and social care will continue to increase, both as a result of the growth in the proportion of older people in the population and the complexity of their needs with increasing longevity, frailty and multi-morbidity.
- There are inequalities within East Sussex in uptake of preventative services e.g. cancer screening, immunisation and diabetes education programmes; other preventative services e.g. learning disability health checks have lower uptake in East Sussex (46%) compared to England (49%).

- The number of children in need of help and protection is rising locally and nationally, linked to the increase in families experiencing financial difficulties.
- There is a growth in the numbers of children with statements of SEND or Education Health and Care Plans some of whom will have complex medical and care needs.

In summary, East Sussex has among the highest proportions of over 65-year olds and over 85-year olds in the country, and within this many people live their later years in ill-health, often with more than one long term condition. There is growing demand on NHS and social care services as more and more people require support and care for long term conditions. Reducing health inequalities and the gap in life expectancy in the county also requires coordinated action with services that impact on the wider determinants of health such as housing, employment and leisure, as well as targeted approaches to empower people to make healthy choices across their whole lives to improve outcomes.

In the long term, for services to be sustainable for everyone who needs them, there is a need for a new model of care to proactively support the older and frail population, and those with multiple long term conditions, through a strong infrastructure of responsive, coordinated and integrated services delivered in communities. This needs to work with people's strengths to help them feel in control of their conditions with easy access to support from health and social care professionals in multi-disciplinary teams when it is needed. Personalised care, shared decision-making with clinical and care professionals and support to self-manage conditions, for example through the innovative use of digital, are all features of a new model of care for the 21<sup>st</sup> century. We also need to get better at enabling people to stay fit and healthy for longer.

The advent of primary care networks (PCNs) with a focus from 2020/21 on proactively managing population health and better anticipating care needs, and integrated working across health and social care, will enable us to deliver the best possible outcomes for local people, and achieve the best use of collective public resources in East Sussex. There is also a strong national and international evidence base that demonstrates the value of integrated working in improving patient and client experience and outcomes, as well as better value for money. Overall, we believe this will help to moderate demand for hospital services, protecting them so they are available when they are most needed by our population.

The information about East Sussex that has been used to understand our population health and care needs and the priorities for East Sussex can be found in the following documents:

East Sussex Joint Strategic Needs Assessment

<http://www.eastsussexjsna.org.uk/>

Director of Public Health Report 2018/19

<http://www.eastsussexjsna.org.uk/publichealthreports>

State of the County 2019, Focus on East Sussex (July 2019)

<https://www.eastsussex.gov.uk/yourcouncil/about/keydocuments/stateofthe-county/>

Supporting People to Live Well in East Sussex, the market position statement for adult services and support (April 2019)

<https://www.eastsussex.gov.uk/media/13531/market-position-statement-2019.pdf>

Sussex and East Surrey Sustainable Transformation Partnership Population Health Check

<https://www.seshealthandcare.org.uk/2019/02/population-health-check-published-across-the-stp/>

### 1.3. Who we are – our health and care system

The diagram (figure 2) below gives a flavour of the health and care organisations who work together to deliver health and care in East Sussex across primary, community, acute, mental health and social care and housing, and some of the wider range of services and assets we have in our communities that impact on people's health and wellbeing.

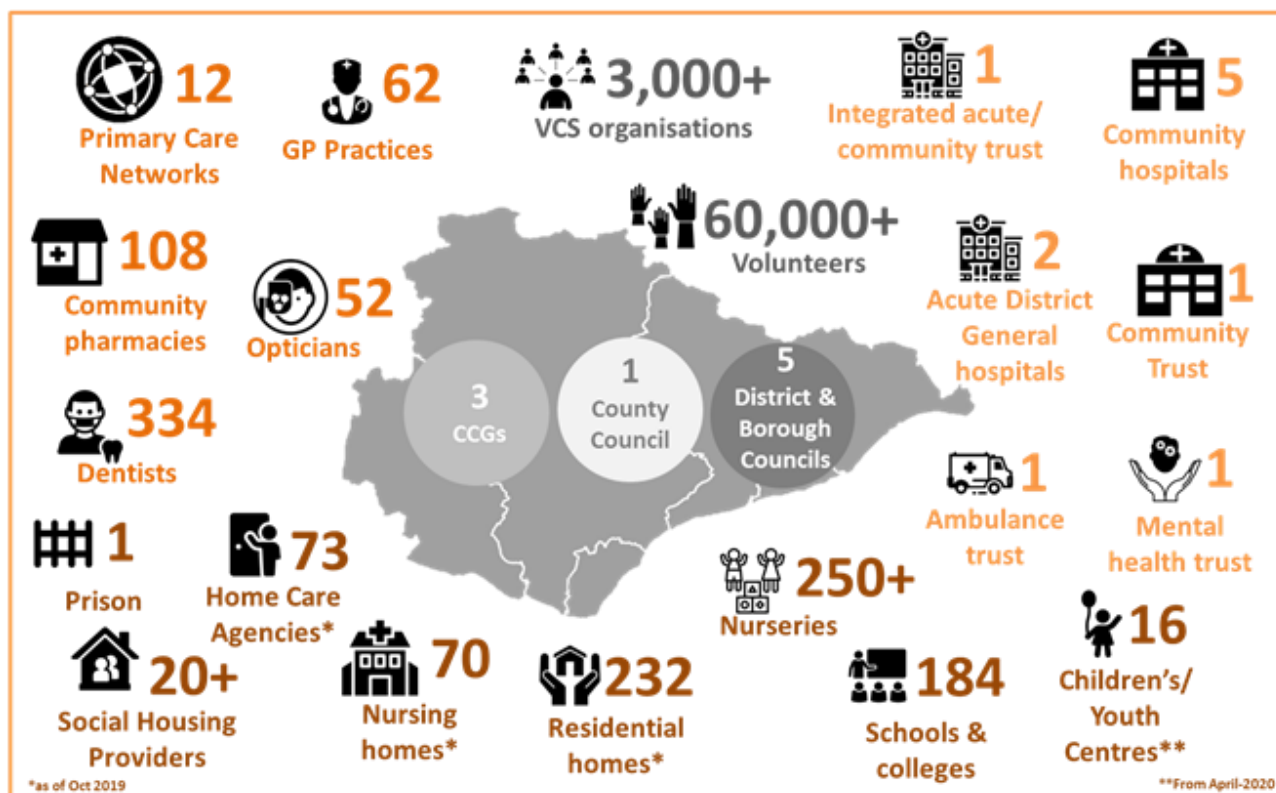


Figure 2 – a flavour of the organisations and networks in the East Sussex Health and Care System

Some of our population accesses hospital-based care outside of East Sussex, and we will work with partners outside of the East Sussex system, for example healthcare providers and primary care networks, and other integrated care partnerships, sustainable transformation partnerships and integrated care systems as they emerge, to support integrated care for our population.

### 1.4. Where we are now

The longer term overarching outcomes we have been working towards in East Sussex are improving: population health, the quality and experience of care, and the financial sustainability of services. In recent years we have progressed our integrated working in East Sussex through two programmes; East Sussex Better Together (ESBT) and Connecting 4 You (C4Y). Moving forward in 2019/20 it has been agreed to bring these two programmes together to provide the foundation for a single East Sussex health and social care programme.

In summary, during the latter part of 2018/19 and early 2019/20 we have taken steps as a system to secure agreement to the following:

- Bringing together our two East Sussex programmes (C4Y and ESBT) into a single programme for health and social care integration covering our whole population.



- Developing a joint East Sussex longer term plan for integration to take us beyond our immediate programme priorities in 2019/20, to address both local East Sussex health and social care priorities and delivering the NHS LTP.
- Putting in place partnership governance arrangements for our system to support this work, including reinforcing the system oversight role of our Health and Wellbeing Board (HWB). It is expected that this governance will evolve further as we move into the next phase of our plan and programme.
- Taking forward a proposal for our three East Sussex Clinical Commissioning Groups (CCGs) to merge into a single CCG for East Sussex (subject to application and approval by NHS England)
- In the context of the SH&CP ambition to become a Sussex Integrated Care System (ICS):
  - Developing integrated population health and care commissioning within East Sussex, as part of the wider strategic commissioning function of the SH&CP.
  - Developing an integrated care partnership (ICP) in East Sussex to support integrated delivery of health and social care, mirroring our population health and care commissioning footprint.

## 1.5. Where we want to get to

Our immediate programme and organisational priorities for 2019/20 reflect the continued need for grip on financial recovery; reducing pressure on hospital service delivery; improving community health and social care responsiveness, and; ensuring good use of, and shorter waits for, planned care. This was achieved through consolidating the financial recovery work and ESBT and C4Y objectives into a single programme with priorities for the next 6-12 months across urgent care, planned care and community.

Alongside delivery of 2019/20 plans our key priority in East Sussex has been to develop a longer term plan. This will enable health and social care in East Sussex to describe our next steps, building on the plans that are currently being implemented. Aligned to the SH&CP Sussex Health and Care Strategy, the plan strengthens the whole population focus across the East Sussex health and social care economy, as well as informing the priorities and plans for 2020/21.

In summary, our East Sussex plan is a joint health and social care plan that builds on what has already been delivered, to produce an up to date statement about our joint programme and anticipated plans for the next 3- 5 years, covering:

1. The needs of our whole East Sussex population and the outcomes required to meet them.
2. Our plans for driving the transformation and integration required to meet population health and care needs, reduce health inequalities and deliver longer-term sustainability, including our priorities for 2020/21.
3. The development of our East Sussex Integrated Care Partnership (ICP) to better support integrated delivery across our health and social care system, and integrated population health and care commissioning arrangements.

To underpin our plans we will also set out our understanding of our system financial model covering a three to five year period. This will set out the required shifts in investment to primary care and community health care, including meeting the new primary medical and community health services funding guarantee.

## 1.6. What we want to deliver

Informed by our local East Sussex County Council priorities<sup>3</sup> and NHS Long Term Plan<sup>4,5</sup> commitments, and engagement with our local communities, in the long term we expect to build on our integration work to date to deliver an integrated model of care with the following characteristics:

- A comprehensive approach to prevention, universal personal care and reducing health inequalities that cuts across our key clinical priorities and care pathways from enabling healthier behaviours and good wellbeing through to access to leisure, housing and other services that impact on the wider determinants of health, greater levels of self-management, shared decision-making, and personalised care and support planning, through to early intervention, proactive care and reablement.
- Full implementation of a common operating model for integrated community health and social care, working across our health and care system, the VCS and others to jointly deliver greater community health responsiveness in 2020/21, including:
  - Improved crisis response within two hours and reablement care within two days
  - Anticipatory care
  - Enhanced health in care homes
  - Structured medication reviews for priority groups
  - Personalised care and support planning, and early cancer diagnosis support
  - Social prescribing and community-based support
  - Better identification and support to improve outcomes for carers
  - The continued implementation of primary care improved access in 2019/20 and 2020/21
  - Building the capacity, workforce and partnerships to do this
- Close system working between our East Sussex CCGs, ESCC, East Sussex Healthcare NHS Trust, Sussex Partnership NHS Foundation Trust, Sussex Community NHS Foundation Trust, and our local PCNs, to ensure that Sussex-wide strategies and developments align with our local plans for integrated community health and social care and a comprehensive approach to prevention, universal personal care and reducing health inequalities
- Close system working across the local NHS and children's social care to deliver ESCC and NHS LTP priorities to support age-appropriate integrated care; integrating physical and mental health services; joint working between primary, community and acute services, and; supporting transition to adult services
- The continued implementation of our urgent care plans to reduce pressure on emergency hospital services including:
  - Meeting the A&E standard and agreed metrics for same day emergency care, and urgent and emergency care
  - Implementation of our integrated urgent care model and an integrated network of community and hospital-based care
  - Implementing Urgent Treatment Centres by December 2019
  - Implementing the new 111 and Clinical Assessment Service (CAS) by April 2020

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<sup>3</sup> 'State of the County 2019, Focus on East Sussex' (July 2019), a copy can be found [here](#)

<sup>4</sup> NHS Long Term Plan (January 2019), a copy can be found [here](#)

<sup>5</sup> NHS Long Term Plan Implementation Framework(July 2019) a copy can be found [here](#)

- The continued implementation of our planned care programme including:
  - Driving efficiency and productivity in elective care pathways to reduce waiting lists
  - Enabling choice through expanding digital and online services
  - Transforming outpatients care and digitally enabling primary and outpatient care through the increased use of digital tools to transform how outpatient services are offered, and providing more options for virtual outpatient appointments in identified priority specialties, working with the Sussex Outpatient Transformation Board
  - Scaling up provision of First Contact Practitioners to enable faster access to diagnosis and treatment for people with musculoskeletal conditions and supporting more patients to effectively self-manage their conditions

The integrated model of care outlined above provides the foundation for the development of our proposals for implementing our East Sussex **Integrated Care Partnership** model. Our ICP will better enable delivery of these principles and priorities, as part of the wider development of the SH&CP into an **Integrated Care System**.

Through delivering this model we expect to better enable our system to deliver measurable improvements to the shared outcomes in our integrated Outcomes Framework. The integrated Outcomes Framework is a set of shared outcomes and measures developed in 2017, to support our collaboration and help us understand the impact of our work together as a health and social care system.

In 2019 we agreed to fully adopt this framework for our whole East Sussex population. We intend to refresh the framework to align with the East Sussex Health and Social Care Plan, and the supporting programmes of work. These outcomes have been developed with local people based on what matters to them about their health and social care services. Outcomes and measures are grouped together under the following four headings:



## 1.7. How we will deliver against the NHS Long Term Plan commitments and local priorities

Our local East Sussex work on integration and transformation to date aligns well with expectations set out in the NHS LTP and Implementation Framework. We have undertaken analysis that captures how we anticipate delivering commitments in the NHS Long Term Plan and our local priorities. This is being used to inform:

- Our individual organisational corporate strategies and operational business planning processes for 2020/21 and beyond, and the partnerships, programmes and projects through which we will deliver improvements to the quality of care
- Alignment with the SH&CP Sussex Health and Care Strategy clinical priorities and plans to support local implementation and delivery, including Sussex-wide strategies for workforce, digital and estates.

In addition, the LTP commitments have been consolidated with:

- Our local understanding of the priorities and objectives for our system to date
- The evidence base arising from independent diagnostic work in 2018/19 on the drivers of our system deficit, and benchmarking tools such as Model Hospital, Get it Right First Time and NHS Rightcare

This has given us a set of key priorities we need to focus on as a system in 2020/21, as realistic and achievable next steps to drive the changes needed to meet the health and care needs of our population sustainably in the coming years.

The priorities will be used to set objectives and key performance indicators (KPIs) for our work programmes for delivery in 2020/21, to be overseen by our Health and Wellbeing Board and supporting system partnership governance.

The priorities reflect our current understanding of the plans and next steps for our system, noting that some areas of the plan have already been initiated and some are at an earlier stage of development, programme definition and work up. This will continue to be tested across our system and key stakeholders to further scope, shape and agree programme plans for 2020/21 and beyond. Fundamental to this will be co-design and co-production of projects and initiatives with patients, clients and carers to ensure that pathways are informed by lived experience.

There are strong links between all the programme areas and changes in one area may have benefits for others. For example, work under the community strand aimed at increasing capacity and efficiency will enable improved patient flow through hospital and reduced lengths of stay, as well as improved outcomes for people and their families.

Intervening at the earliest opportunity and preventing things from getting worse, as well as ensuring care is personalised, are all cross-cutting principles across our plan. We expect all new developments to consider opportunities for this as part of taking specific projects and initiatives forward.

Our overarching key priorities and the anticipated next steps we will take collectively in 2020/21 across prevention, children and young people, community, urgent care, planned care and mental health are summarised in the next section. Further detail about the background and approach in each area is set out in Appendices 1 – 6.



## 1.8. Summary of shared priorities for 2020/21

In this section we have set out our key areas of focus for 2020/21, to continue to drive the changes we need to see over the next 3-5 years. Further detail about the background and approach in each area can be found in Appendices 1 – 6.

### 1.8.1. Prevention personalisation and reducing health inequalities priorities

Priority	Next steps
<b>Support with making healthier choices and action on health inequalities</b>	<ul style="list-style-type: none"> <li>Implementing population health packs and working with primary care networks to explore population health management, risk stratification and target wider system partnership action across the broader determinants of health.</li> <li>Work with SH&amp;CP to use national guidance to set trajectories for narrowing inequalities in 2023/24 and 2028/29 to inform local wider system action planning</li> <li>Specific partnership action to support healthier lifestyles and health inequalities; smoking, obesity and alcohol</li> <li>Increasing screening and vaccinations programmes, tailoring our approach to areas of greatest need</li> </ul>
<b>Supporting self-care, self management and personalised care</b>	<ul style="list-style-type: none"> <li>Begin to implement the NHS Comprehensive model of personalised care and the PCN Network Directed Enhanced Services (DES) contract requirements in 2020/21</li> <li>Ensuring opportunities for prevention, self-care, shared decision-making and personalised care planning and support are built into all pathway redesign priorities for planned care and end of life care</li> <li>Review the patient activation measure pilot to inform further development of self care and self management</li> <li>Build on the rollout of wheelchair personal health budgets to identify further groups of people who may benefit from personal health budgets, for example people with continuing health needs</li> </ul>
<b>Social prescribing and community based support</b>	<ul style="list-style-type: none"> <li>Implement an integrated social prescribing framework to reduce inequalities in health outcomes for local and diverse populations and improve mental health and wellbeing</li> <li>Working closely with the voluntary and community sector align the PCN Network DES contract social prescribing investment with existing commissioned social prescribing commitments, such as the Community Connector Service, Primary Care Support Service and Carers prescriptions</li> <li>Deliver an asset based wellbeing programme working with communities with poorer health and build strength-based solutions, adding to the range of support which social prescribers can signpost to</li> </ul>
<b>Preventing situations from getting worse</b>	<ul style="list-style-type: none"> <li>Collaborate to begin to implement anticipatory care PCN network DES contract requirements from 2020/21 onwards, and link this with phased implementation of the target operating model for community health and social care services and multi-disciplinary care coordination working with primary care teams</li> <li>Explore earlier intervention and targeting of falls prevention services at those who are at risk of a fall</li> <li>Work with PCNs to help implement '<u>supporting carers in general practice - a framework of quality markers</u>', and build on the Primary Care Support Service and Carers prescriptions, to ensure that better identification and support for carers in primary care is fully integrated into the new social prescribing link worker arrangements described above.</li> </ul>

<b>Improving outcomes for vulnerable and/or disadvantaged groups</b>	<ul style="list-style-type: none"> <li>• Widening access to physical health checks in primary care for people aged fourteen and over with a learning disability</li> <li>• Subject to the availability of funding continue to deliver initiatives to provide integrated support for rough sleepers</li> <li>• Commissioning housing related support services for those at risk of homelessness and support for carers</li> <li>• Support for vulnerable children and young people including action on County Lines and improving outcomes for children with special educational needs and disability (SEND)</li> </ul>
<b>Mental health and wellbeing</b>	<ul style="list-style-type: none"> <li>• Work towards of adopting the principles set out in the prevention concordat to enable a clear focus for cross sector action on better mental health for all</li> <li>• Build on and strengthen partnership work across the local NHS, social care, education, employment, housing, community resilience and cohesion, safety and justice and civil society, linking this with population health management approaches where possible</li> </ul>

### 1.8.2.Children and Young People priorities

<b>Improving children and young people's mental health and emotional wellbeing</b>	<ul style="list-style-type: none"> <li>• Improving our pathways and commissioning approach particularly with regard to Tier 4/ Secure/Specialist placements</li> <li>• Developing a coherent emotional wellbeing strategy which works with our schools to provide appropriate help at the earliest point and other action to help address forthcoming recommendations of the Sussex-wide independent strategic review of the whole pathway of emotional wellbeing and mental health services for children and young people</li> </ul>
<b>Disability Pathways</b>	<p>Further develop our work around integrating the education, health, and social care needs of children and young people aged 0 – 25, aimed at producing local solutions, including:</p> <ul style="list-style-type: none"> <li>• integrated health and social care budgets for children with the highest complex needs</li> <li>• exploring a single assessment pathway for autism spectrum disorder and attention deficit hyperactivity disorder, and other neurodevelopmental disorders</li> <li>• improving early planning for children who transition into adult health and social care services</li> <li>• reviewing mental health support for children and young people with autism</li> </ul>
<b>Safeguarding (including Contextual Safeguarding)</b>	<ul style="list-style-type: none"> <li>• Further develop our pathways and service offer for young people at risk of criminal and sexual exploitation, physical and sexual harm, alcohol and substance misuse and review the service offer and needs for 18 – 25 year olds</li> <li>• Make strong links with the work taking place under the mental health and emotional wellbeing objectives</li> </ul>
<b>Universal Child Health Offer</b>	<ul style="list-style-type: none"> <li>• Ensure the provision of the Healthy Child Programme for under 5's through the Integrated Health Visiting and Children's Centres service</li> <li>• Support the delivery of the preventative health agenda through School Health Service.</li> <li>• Support nurseries, schools and hospitals to become health promoting settings</li> </ul>

<b>Looked after Children</b>	<ul style="list-style-type: none"> <li>• Ensure looked after children's needs are prioritised across health, social care and education to enable the best outcomes</li> <li>• Ensure mental health services are commissioned to optimise the emotional wellbeing of looked after children and previously looked after children</li> </ul>
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### 1.8.3. Community priorities

<b>Implement Integrated Community Health and Social Care</b>	<ul style="list-style-type: none"> <li>• Continue to trial and roll out co-location to support joint working and care coordination for people with complex and multiple long term support needs</li> <li>• Progress a care coordination pilot for people with multiple long term conditions and support needs, including how to support enhanced case level collaboration with primary care, mental health and voluntary sector support services</li> <li>• Continue the wider rollout of home-based and bed-based Homefirst discharge pathways</li> <li>• Take forward therapy joint working to share skills, best practice and help create capacity</li> <li>• Consolidate the pilots and projects from Phase 1 of the community programme and begin to implement our agreed common target operating model to enable greater levels of multi-disciplinary working across primary medical care, community health, mental health and social care services. Strongly link and align this with: <ul style="list-style-type: none"> <li>○ PCN footprints to support effective multi-disciplinary working, including work to implement the PCN network DES contract for 2020/21 and risk stratification of local populations and proactive anticipatory care for those with multiple long-term conditions and/or assessed at high risk of unwarranted health outcomes</li> <li>○ Developing further capacity in crisis response within two hours and reablement care within two days, noting the need to align the offer across the East Sussex footprint</li> <li>○ Pathways for acute hospital-based care and discharge</li> <li>○ Wider development and roll out of Enhanced Care in Care Homes</li> </ul> </li> </ul>
<b>End of life care</b>	<ul style="list-style-type: none"> <li>• Ensure that End of life care strategies continue to be implemented to ensure the best end of life care for patients in the community working across primary and community health and social care teams and pathways, and in all settings of acute, secondary and primary care, hospices and care homes</li> <li>• Complete the case for change for anticipatory prescribing to meet the NICE Quality statement</li> <li>• Provide education opportunities for primary care</li> <li>• Link with other plans for supporting frailty and enhanced care in care homes and other community services as appropriate</li> <li>• Implement ReSPECT across acute, secondary and primary care providers and in hospices and care homes, to ensure personalised recommendations for a person's clinical care in a future emergency are taken account of</li> </ul>

### 1.8.4. Urgent Care priorities

<b>High Intensity Users</b>	<ul style="list-style-type: none"> <li>• Further expand and focus on supporting patients with multiple needs with high numbers of A&amp;E attendances and admissions</li> </ul>
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<b>Ambulatory Emergency Care (AEC)</b>	<ul style="list-style-type: none"> <li>Expansion of AEC at both EDGH and Conquest Hospital (Supporting Same Day Emergency Care)</li> </ul>
<b>Acute frailty</b>	<ul style="list-style-type: none"> <li>Expansion of Acute Frailty teams and pathways to ensure the right support at the front door (Supporting Same Day Emergency Care)</li> </ul>
<b>Enhanced care in care homes</b>	<ul style="list-style-type: none"> <li>Implement a range of initiatives to better support patients in care homes, build confidence for staff and avoid unnecessary admissions</li> <li>Explore and develop how support can be delivered to people in care home settings in partnership with Primary Care Networks</li> </ul>
<b>Community Frailty/PEACE planning</b>	<ul style="list-style-type: none"> <li>Further rollout of Proactive Elderly Advance Care (PEACE) planning as part of personalised care and support planning roll-out; supporting people in care homes</li> </ul>
<b>Integrated Urgent Care model</b>	<ul style="list-style-type: none"> <li>Rollout of enhanced NHS 111 and Clinical Assessment Service from 1<sup>st</sup> April 2020</li> <li>Rollout of UTCs at Eastbourne DGH, Conquest Hospital, Hastings and Lewes Victoria Hospital</li> <li>Further development of the Minor Injuries Units in Crowborough and Uckfield to improve local access for same day care</li> <li>Direct booking into Primary Care Improved and Extended Access, UTCs or other walk in services and sites being developed as part of the East Sussex integrated urgent care model</li> <li>Increased utilisation of Primary Care Improved Access capacity</li> <li>Take forward further interventions in winter 2019/20 and 2020/21, as a result of recent diagnostic work on the drivers of demand for A&amp;E services.</li> </ul>

#### 1.8.5. Planned Care priorities

<b>Outpatients</b>	<ul style="list-style-type: none"> <li>Introducing video appointments, virtual fracture clinics, electronic correspondence for our patients</li> <li>Expanding of successful approaches to: <ul style="list-style-type: none"> <li>improve the timeliness of treatment</li> <li>improve the experience of patients on care pathways</li> <li>reduce unnecessary appointments</li> <li>introduce one-stop clinics specifically focusing on gastroenterology and breast cancer two-week wait</li> </ul> </li> </ul>
<b>Musculoskeletal Services</b>	<ul style="list-style-type: none"> <li>Meet the growth in demand in a sustainable way by: <ul style="list-style-type: none"> <li>Introducing First Contact Practitioners (FCPs) in GP surgeries designing the correct bespoke pathway to ensure timely recovery, minimised pain and improved independence</li> <li>Improving shared decision-making between specialist clinicians and patients with more complex conditions, alongside improved education on self-management</li> <li>Enabling patients to self-refer to physiotherapy so they start treatment earlier at the onset of a condition</li> </ul> </li> </ul>

<b>Evidence Based Interventions</b>	<ul style="list-style-type: none"> <li>• Continue to review the latest evidence and change our recommended treatments where this evidence indicates areas that do not benefit our patients, allowing us to release capacity for the right treatments</li> </ul>
<b>Cardiology</b>	<ul style="list-style-type: none"> <li>• Work together to agree a new model of cardiology care spanning general practice through to community services and hospital care, that: <ul style="list-style-type: none"> <li>○ Increases identification of heart conditions and related support for patients to self-manage their own heart health</li> <li>○ Reduces variation in community-based cardiology assessments by standardising pathways, enabling more patients to be treated within a community setting to make best use of capacity</li> <li>○ Supports the long term sustainability of hospital services</li> </ul> </li> </ul>
<b>Diabetes</b>	<ul style="list-style-type: none"> <li>• Build on our success in implementing complex diabetes treatment in a community setting, and our expansion of urgent treatment for diabetics to: <ul style="list-style-type: none"> <li>○ Provide improved patient experience for people with diabetes by reducing unnecessary hospital appointments including outpatient appointments and hospital admissions</li> <li>○ Provide improved access for psychological therapies for people living with diabetes that also have co-morbid depression/anxiety</li> <li>○ Provide improved access to innovative technologies for glucose monitoring for patients with type 1 diabetes (includes flash and continuous glucose monitoring).</li> </ul> </li> <li>• Develop a system plan to manage the predicted exponential growth in diabetes over the next 3 years.</li> </ul>
<b>Ophthalmology</b>	<ul style="list-style-type: none"> <li>• Work closely with acute and community providers to ensure a seamless pathway, focussing on addressing the growing demand by repatriating care to our specialist community optometrists, releasing capacity in our hospital multidisciplinary teams to manage the more complex eye conditions.</li> </ul>
<b>26-week wait and capacity alerts</b>	<ul style="list-style-type: none"> <li>• Implement a planned choice process for all patients who reach a 26-week wait, starting in areas with the longest waits, to give patients options to access care across NHS services in Sussex</li> </ul>
<b>Cancer</b>	<ul style="list-style-type: none"> <li>• During 2020/21 we will build on existing work to take forward local plans in the following areas: <ul style="list-style-type: none"> <li>○ Continue to improve performance against the cancer constitutional waiting times standards and ensure sustainability, including the new 28 day faster diagnosis standard</li> <li>○ Improve the uptake of screening targeting those areas with lower uptake and focus on inequalities</li> <li>○ Strengthen the two-week wait process to ensure referrals are managed proactively</li> <li>○ Implement personalised care pathways for breast cancer and develop plans for other specialties, with prostate and colorectal as priorities</li> </ul> </li> </ul>



<b>Medicines optimisation</b>	<ul style="list-style-type: none"> <li>• Use NHS England-led programmes to optimise prescribing in a range of areas including diabetes, pain management, malnutrition and anticoagulation; and de-prescribing medicines no longer needed</li> <li>• Develop an Integrated Medicines Optimisation services and approaches between local Primary care Networks (PCNs) and local NHS Trust providers, to support the delivery of structured medication reviews and quality improvement</li> <li>• Continue the medicines optimisation in care homes service and work towards integration with the PCN structured medicines review and optimisation service, under the PCN Network Directed Enhanced Services (DES) contract in 2020/21</li> <li>• Rollout the electronic transfer of medicines discharge information between hospital and community pharmacists; and implementation of a quality improvement process for pharmacy led interventions</li> <li>• Provide integrated vocational training programmes for pharmacists and pharmacy technicians across primary and secondary care, mental health and community services</li> </ul>
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#### 1.8.6.Mental Health priorities

<b>Single point of access - no 'wrong doors' and access to crisis pathways</b>	<ul style="list-style-type: none"> <li>• Expansion of NHS 111 so that it can take mental health referrals</li> <li>• Pilot a Single Point of Access (SPOA) for adults embedded within Health and Social Care Connect.</li> <li>• Simplify pathways to support joint working across mental health and social care teams</li> </ul>
<b>Community health and social care teams for adults with severe mental health issues</b>	<ul style="list-style-type: none"> <li>• Enhance integrated working through pathways, protocol development in relation to Approved Mental Health Professional duties, and access to crisis resolution and home treatment (CHRT) teams to help avoid unnecessary admissions</li> <li>• Link with phased development of the target operating model for community health and social care services, to deliver a more integrated and multi-disciplinary approach to meeting physical health and mental health needs</li> </ul>
<b>Supported Accommodation pathways</b>	<ul style="list-style-type: none"> <li>• Deliver the review of supported accommodation pathways to inform work with housing teams to find long term solutions and take forward recommendations</li> </ul>
<b>Rough Sleeping</b>	<ul style="list-style-type: none"> <li>• Pursue opportunities to bid for further funding post March 2020 from the Ministry of Housing, Communities and Local Government, to continue initiatives</li> </ul>
<b>Aftercare and support</b>	<ul style="list-style-type: none"> <li>• Further develop joint leadership to support safe and timely discharge and coordination of care plans.</li> </ul>
<b>Access to children and young people's MH services</b>	<ul style="list-style-type: none"> <li>• Implement the recommendations of the Sussex-wide independent strategic review of the whole pathway of emotional wellbeing and mental health services for children and young people</li> </ul>

## 2. Summary roadmap

The high level milestones for the next five years are as follows:

When by	Milestone
August – November 2019	<ul style="list-style-type: none"> <li>East Sussex Health and Social Care Plan developed and finalised.</li> <li>Submission of SH&amp;CP Health and Care Strategy to NHS England.</li> </ul>
December 2019	<ul style="list-style-type: none"> <li>Health and Wellbeing Board endorses East Sussex Health and Social Care Plan</li> </ul>
January 2020	<ul style="list-style-type: none"> <li>Further implementation planning for delivery in 2020/21, including:               <ul style="list-style-type: none"> <li>Further refinement of priority-setting, programme objectives and KPIs</li> <li>Integrated outcomes framework refresh</li> <li>Further testing with local system and stakeholders</li> <li>Further development of proposals for our East Sussex ICP and population health and care commissioning</li> </ul> </li> </ul>
March 2020	<ul style="list-style-type: none"> <li>East Sussex Clinical Commissioning Groups merger process complete, subject to application and approval by NHS England</li> <li>Agree proposals for our East Sussex Integrated Care Partnership</li> <li>Agree proposals for our approach to integrated population health and care commissioning in East Sussex.</li> </ul>
April 2020 – March 2021	<ul style="list-style-type: none"> <li>Delivery of 2020/21 transformation programme and LTP priorities.</li> <li>Begin delivery (as per agreed proposals) of:               <ul style="list-style-type: none"> <li>East Sussex Integrated Care Partnership</li> <li>East Sussex Population Health and Care Commissioning</li> <li>Next wave of PCN Network Contract DES requirements</li> <li>Phase one of target operating model for community health and social care services</li> </ul> </li> <li>Continued financial stabilisation of system.</li> </ul>
April 2021 – March 2022	<ul style="list-style-type: none"> <li>East Sussex Integrated Care Partnership in place</li> <li>East Sussex Population Health and Care Commissioning in place.</li> <li>Sussex Health and Care Integrated Care System in place.</li> <li>Continued financial stabilisation of system</li> </ul>
April 2022 – March 2023	<ul style="list-style-type: none"> <li>Further consolidation of our Integrated Care Partnership and population health and care commissioning arrangements</li> <li>Continued financial stabilisation of system</li> </ul>
April 2023 – March 2024	<ul style="list-style-type: none"> <li>Continued financial stabilisation of system.</li> <li>Primary medical and community health service funding guarantee met.</li> </ul>

## 3. Our approach to engaging with our stakeholders

### 3.1. Background

A comprehensive approach to engagement with local people (including patients, clients, our staff, the public and communities) across East Sussex has been a strong feature of our health and social care transformation programmes to date. This has been undertaken in partnership with Healthwatch and the voluntary and community sector (VCS) and is taken forward at all levels – including representation in strategy and planning, and using co-design principles to involve people in the commissioning of specific services, service design and project development.

Our overall strategy has been guided and supported by our joint East Sussex Communications and Engagement Steering Group which brings together communications and engagement leads from across our health and social care partner organisations, including Healthwatch. Moving forward a communications and engagement strategy will be produced to support the delivery of the East Sussex Plan.

Our approach has also been underpinned by the development of an integrated outcomes framework in 2017/18, based on what is important to local people about their health and care. This is collectively owned and shared across our health and social care system. We aim to refresh our outcomes framework as part of our planning process to ensure it truly reflects the whole East Sussex population.

East Sussex was also involved in the SH&CP's wide ranging public engagement exercise about the NHS Long Term Plan during the Spring of 2019, culminating in the report 'Our Health and Care, Our Future'. This was a programme of engagement that took place across the whole of Sussex, in partnership with Healthwatch, and included events and online surveys. Detail is provided below about how this information has been used to inform and contribute to developing our East Sussex plan.

### 3.2. Equalities and diversity

The East Sussex Health and Social Care Partnership is fully committed to ensuring the improvement of the health and wellbeing of all our population and we will commission services in a way that enables us to take account of this. Recognising the high level nature of this plan, we will ensure that all of our projects and initiatives take account of our diverse population as we move towards implementation and delivery, including protected characteristics, as detailed in the Equalities Act.

In particular we expect to drive this forward through the ongoing implementation of personalised care that is designed to take account of individual circumstances, differences and strengths. In addition we will ensure that diverse and seldom heard groups and communities are a key focus in the communications and engagement strategy that we will develop to support this plan, and the specific projects and developments within it. For example, through reaching out to parts of the community who may not traditionally get involved in our work, such as working age people, young people (16+), equalities groups and communities, and neighbourhood groups (with a focus on rural communities and areas of deprivation).

We are also undertaking a high level joint Equalities and Health Inequalities Impact Assessment (EHIA) screening of our East Sussex plan, with a view to flagging potential areas where future



EHIAs will be needed for specific projects and initiatives. This will also inform the framework for continuous engagement with all of our stakeholders.

### 3.3 How we have used insight and key themes from recent engagement

A multi-agency East Sussex Plan Task Group was set up with nominated leads across our system, including representation from Healthwatch and the voluntary and community sector, to work together to guide and shape the development of the East Sussex Health and Social Care Plan.

An audit of existing insight from recent engagement events and exercises was undertaken to provide a snapshot of the key themes across East Sussex to help inform our plan, alongside our benchmarking. This included reviewing the East Sussex insight from the Phase 1 report from the Big Health and Care Conversation and Our Health and Care, Our Future<sup>6</sup> engagement on the NHS LTP (insight from Phase 2 will be added when available), as well as from the joint Shaping Health and Care events that were specific to East Sussex. The Adult Social Care and Health Listening to You survey, and the Children and Young People's Takeover Day 2018, which focussed on mental health and wellbeing were also reviewed. A summary of the key themes is contained in Appendix 7 grouped under the following headings:

- Joining up health and care services, partnership working and collaboration
- Communication, access to information and information sharing
- Digital
- Staffing resources and funding
- The role of the community sector, and social prescribing
- Health inequalities
- Prevention and supporting healthier choices
- Mental health
- Holistic and personal care
- Access to services and experience of services
- End of life care
- Multiple and complex needs

The themes from the audit have been used to help inform our ambitions for our longer term health and social care model (described in section 1.6), and have helped shape the priorities and next steps that we anticipate will enable progress in 2020/21 and onwards. The themes will continue to be used to inform next phase of planning for delivery, alongside more bespoke engagement.

The themes from the audit will also be used to support the refresh of our integrated outcomes framework for 2020/21 and ensuring it continues to reflect what matters to local people about their health and social care services.

### 3.4. Next steps – informing ongoing planning and implementation

Building on the comprehensive approaches to engagement undertaken to date, our priorities and

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<sup>6</sup> The Our Health, Our Care, Our Future engagement was undertaken in two phases across Sussex. Phase one focused on a series of events where local stakeholders and the public were invited to share their views to inform our work; phase two focused on reaching out to parts of the community who may not traditionally get involved in our work, for example working age people – including NHS staff, young people (16+), equalities groups and communities, and neighbourhood groups (with a focus on rural communities and areas of deprivation)

next steps for transformation and integration will be used to create a framework of continuous engagement with our stakeholders. A system communications and engagement strategy will be developed to support this.

We will continue to test our plans with our broad base of local stakeholders who are regularly in touch with us about developments. This will be done both through existing mechanisms such as the Patient Participation Groups Forum, the East Sussex Seniors Association (ESSA), and the East Sussex Inclusion Advisory Group (IAG), as well as new forms of engagement designed to reach people less likely to get involved, as they emerge.

Our system partnership governance has also been reviewed and has evolved and we have launched a new East Sussex Health and Social Care System Partnership Board, to ensure a broader system partnership to lead and oversee delivery of our plans, and development of our integrated care partnership proposals on behalf of the Health and Wellbeing Board. We will achieve this through aligning organisational plans across our health, social care and wellbeing system, involving all key stakeholders and taking action together. More information about this can be found in section 4.

We have recently entered into a new arrangement to strengthen the involvement of voluntary and community partners specifically. The new East Sussex 'Partnership Plus' forum brings partners together to take a different approach to how we work together and more effectively use our combined resources, by building on existing skills and knowledge and developing much better ways of working for the benefit of people in East Sussex. A joint planning group has been formed to identify community priorities, using our collective knowledge and data and move swiftly to 'doing' – taking action on the wider determinants of health as well as the role of the VCS in delivering health and care services and support.

## 4. Working together to deliver our plans

### 4.1 Our partnership governance

We have launched our East Sussex Health and Social Care System Partnership Board. This is a strategic planning body, enabling us to work together on behalf of the Health and Wellbeing Board to collectively oversee and lead the delivery of the system transformation required to:

- Meet the health and social care needs of our population
- Improve the health of our population and reduce health inequalities
- Respond to the NHS Long Term Plan and local priorities in East Sussex through overseeing the strategic development and delivery of our longer term plans, through aligning organisational plans across our health, social care and wellbeing system.

In order to do this effectively the new board involves a broad membership from across our system to ensure a clear focus on prevention and the wider determinants of health, as well as making improvements to the quality of care we deliver as a system. This includes primary care networks, NHS providers, district and borough councils, Healthwatch and the voluntary sector, alongside East Sussex CCGs and ESCC as statutory health and social care commissioners. The East Sussex Health and Social Care Executive Group will also continue to meet to ensure a clear focus on the operational performance of our programme priorities.

The structure below shows the current key elements of our partnership governance and the lines of accountability. It will be kept under review and will evolve over time, for example, as our East Sussex Integrated Care Partnership (ICP – see section 4.2 below) and broader system working take shape.

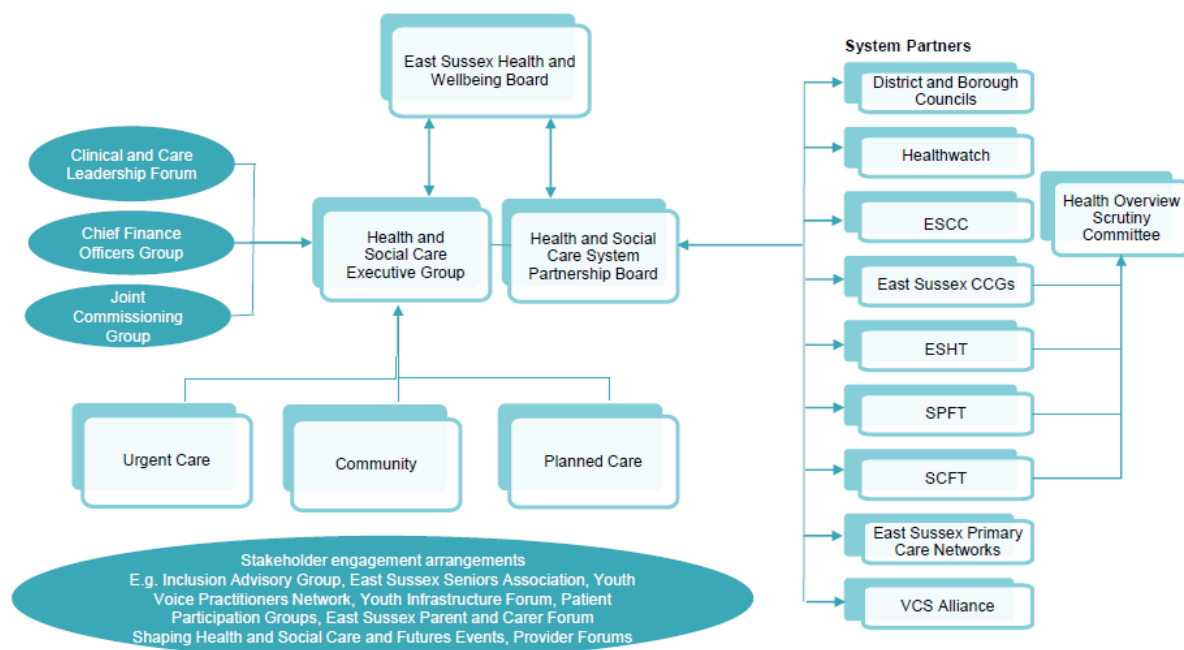


Figure 3: Key elements of partnership governance

## 4.2. Developing our integrated care partnership

Part of the work of the System Partnership Board will involve ensuring proposals are developed and implemented for our future East Sussex Integrated Care Partnership (ICP), with initial proposals being shaped for April 2020. The ICP will ultimately govern how we operate together in a more integrated way in our localities across all providers of primary, community, mental health and social care with consistent pathways into and out of hospital care when this is needed.

This includes ensuring there are strong links with services that have an impact on the broader determinants of health, for example those provided by district and borough councils and VCS services and support, for the benefit of our population. Over time it will develop to encompass relationships and pathways with services accessed by our population beyond the geography of East Sussex. For example, acute hospital services provided within Sussex and Kent, and specialist services within Sussex and beyond.

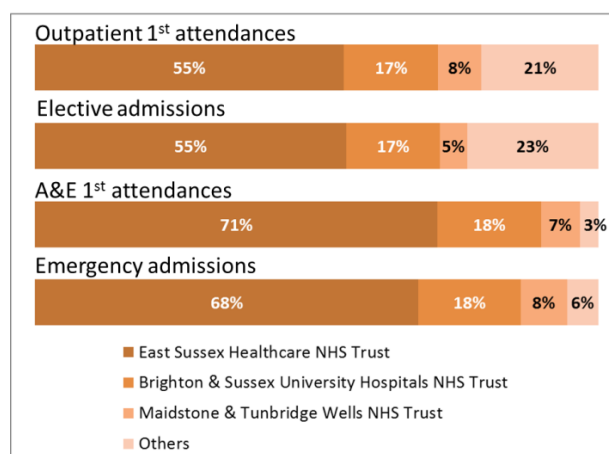


Figure 4: Hospital activity by provider for East Sussex residents in 2017/18

Source: Hospital Episode Statistics

*The majority of East Sussex residents access services within the county, particularly for urgent care.*

Our ICP will provide the framework for all providers of health, care and support working in East Sussex to come together to plan, organise and deliver services at the optimum scale to support quality and consistency - making the best use of our collective resources to deliver the outcomes and priorities for our population identified in the East Sussex plan. Proposals will be shaped to cover:

- The longer term objectives for the ICP and the overall model we will be working towards.
- The elements that need to be in place by April 2020.
- The specific actions that we will take to deliver the agreed ICP April 2020 proposals, for example agreeing and implementing the common operating model.
- A framework for managing health and social care resources in East Sussex to deliver the best possible outcomes

### 4.3. Supporting primary care network (PCN) development

There are 12 PCNs in East Sussex, established on footprints reflecting local relationships and previous locality working arrangements. All the PCNs are now operational, with identified clinical directors in place, and further delivery of primary care improved access is under way. An opportunity for PCNs to increase the pace of their partnership working has also been provided through the local offer of a PCN accelerator programme. Four specific areas of focus have been identified, for PCNs to accelerate and respond to the challenges and focus on:

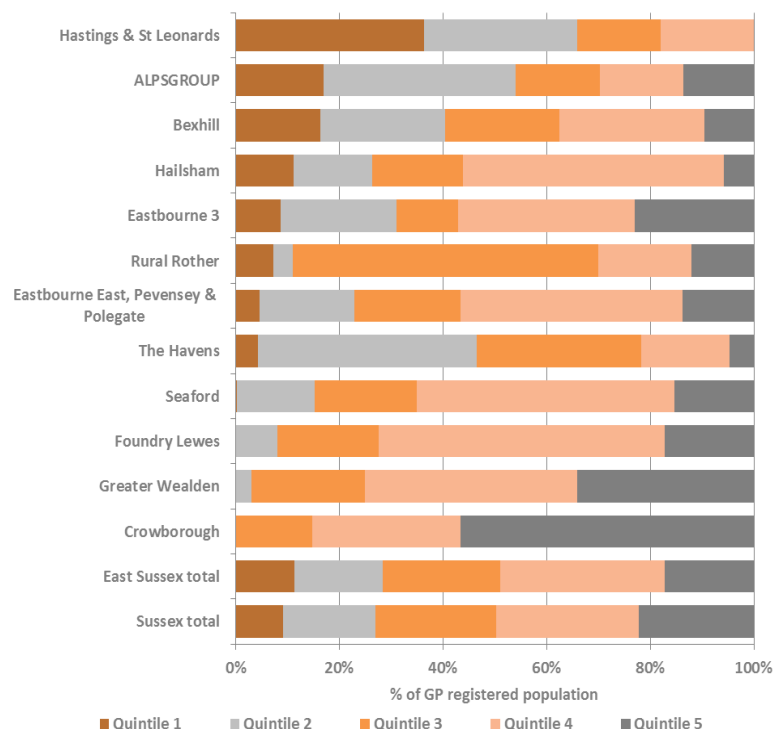
- The development and acceleration of a PCN to progress at pace, mature and deliver their ambition
- Delivery of the Sussex STP Clinical Variation Programme ambitions and requirements (Musculoskeletal falls, Diabetes, and Cardiovascular disease)
- Responses to the requirements of the LTP (including anticipatory care, personalised care and early diagnosis for cancer)
- Integrated joint working of the PCN with other providers to better support integrated care, MDTs and improve the PCN population health; and better integrate urgent or planned care pathways to improve system flow, avoid admission and improve value for money

Some PCNs are taking up the opportunities offered through the Additional Roles Reimbursement Scheme (ARRS), such as the employment of social prescribers and pharmacists (this will take into account existing extended roles that we have already implemented in the county), whereas others continue to explore their options. The CCGs are supporting them in these discussions, including exploring the potential for alignment with the current CCG commissioning of social prescribing.

Public Health are working to compile population health packs to help PCNs make informed decisions regarding their priorities for development and strategic direction. Poor health outcomes and the need for services are strongly associated with deprivation. Figure 4 illustrates the variation in deprivation profiles between PCNs – in Hastings and St Leonards over 30% of patients live in the nationally most deprived quintile, whereas in Crowborough, over 50% of patients live in the least deprived quintile. PCNs are currently completing a self-assessment against the national NHSE maturity matrix, which will help shape their response to the recently published prospectus detailing the national support offer.

The Director of Primary Care meets regularly with each PCN to discuss their plans and how CCGs can support them, and the wider CCG primary and community care team members are being

**Figure 5 – Primary Care networks by national deprivation quintile**  
1 = most deprived



repositioned as more externally focussed in order to directly support PCNs. To share good practice and ensure progress is maintained, monthly CCG / PCN / provider meetings have been established, commencing in October, and quarterly Sussex-wide meetings will commence in November with support from the National Association of Primary Care.

There is a place for collective representation of the East Sussex PCNs on the new Health and Social Care System Partnership Board (SPB), alongside ESHT, SCFT, SPFT, the East Sussex CCGs, ESCC and wider system partners including the VCS. The SPB will oversee development of our East Sussex plan and ICP proposals, including the full implementation of our

target operating model for community services, once this has been agreed. Arrangements are being put in place for full engagement of PCNs in the development and design of the target community operating model, including ensuring closer system working and integration with mental health services at the community and locality level.

Work is also being taken forward to develop Local Commissioned Services (LCS) in the context of PCNs and potential alignment across Sussex to include cancer LCS, respiratory / COPD LCSs and enhanced care in care homes LCS, and diabetes prevention, with consideration of provision on an individual PCN-basis. The diabetes prevention LCS will support the National Diabetes Prevention Programme. This will build on the schemes currently in place in East Sussex to ensure alignment.

There have been approaches to trialling and delivering multi-disciplinary working in community and primary care developed through our integrated care programmes to date. For example, SCFT implemented a programme of multi-agency team meetings (MATs) that bring together GP practices and community health, social care and voluntary sector services to address the needs of the most complex and vulnerable patients. The role and remit of MATs is now under review with SCFT and CCG clinical leads, with a view to re-aligning their operation to the new PCN model of working, including further consideration in the context of the work to develop a common operating model.

#### 4.4 Our shared financial model

We are working to set out a description of our system financial model from 2020/21 to 2023/24 that demonstrates the shift in investment to primary care and community health care, including meeting the new primary medical and community health services funding guarantee.

There is Sussex-wide work on financial modelling which will inform the local model for East Sussex

and how we will narrow any gaps by 2023/24, as well as meet the required shifts. The work on the East Sussex system will link through to our priority programmes of work and will seek to take a whole East Sussex health and social care economy approach. This will also support operational and business plans for 2020/21 as the detail develops.

## 4.5 Managing shared risks

Key risks to this plan will be considered in detail as part of the next phase of planning to support delivery. Shared system risks will then be and logged and managed as part of our programme monitoring arrangements. At a high level our key shared risks to delivering the plan, and the new model of care overall, centre around recruitment and retention of our workforce, for example the potential impacts of introducing new roles in primary care, our system financial position, and capacity in our independent care sector market<sup>7</sup>.

As outlined in this plan, through taking a more collaborative approach to recruitment and organisational development, and decisions about our collective resources and commissioning, we can have positive impacts on these areas to help manage these risks.

## 5. Supporting our system to deliver our plans

### 5.1. Our workforce

#### 5.1.2. Sussex-wide developments

Across the Sussex Health and Care Partnership Human Resources (HR) and Organisational Development (OD) leads work together to coordinate HR, workforce and OD activities across Sussex, including design of development opportunities. In practical terms the workforce and OD priorities for Sussex have been agreed to ensure delivery against the NHS Interim People Plan and organised into five workstreams, including talent management and leadership development. Each workstream has, or is developing, a set of objectives and is led by either an HR Director or Chief Nurse, or both, from within our Sussex system.

One of the underlying themes for several of the workstreams is addressing the skills gap identified following a baseline assessment carried out in the spring, with a particularly focus on nursing vacancy levels.

For primary care, Health Education England (HEE) has produced a new governance structure and standards for the evolving role of training hubs, previously known as Community Education Provider Networks (CEPNs).

The Sussex Health and Care Partnership have embraced this new way of working and created a Sussex Training Hub that will provide strategic direction for locality training hubs, such as the East Sussex Training Hub. Investment is being made by HEE to ensure the Sussex Training Hub and the locality training hubs have the necessary infrastructure to meet the standards required within the HEE maturity matrix, thereby enabling the training hubs to support the development of PCNs and their workforce plans. For example, this will take the form of workforce planning and workforce

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<sup>7</sup> Supporting People to Live Well in East Sussex, the market position statement for adult services and support (April 2019)

<https://www.eastsussex.gov.uk/media/13531/market-position-statement-2019.pdf>



information resources at Sussex Training Hub level to provide a consistent approach to workforce planning in primary care.

### 5.1.3. East Sussex draft OD Strategy - our strategic vision

Within East Sussex we have established an **East Sussex Organisational Development Network** and a **Strategic Workforce Group**, to develop the relevant initiatives to ensure our East Sussex workforce of the future is well placed to deliver improved health and care for local people.

East Sussex OD leads have developed a deeper understanding of each other's organisations, building an East Sussex OD Network (the Greenhouse Group) and co-producing a draft 'place' People (OD) Strategy. Our workforce is critical to our success both at a macro and a micro level, they are the people who can make a success of system-wide transformation as well as being central to the experience of those who use our services. We believe that, underpinned by staff engagement, there are three key themes to empower our people to deliver the best integrated health and care for local people. We need to build:

- An East Sussex culture
- A thriving workforce
- High performing system leadership

All three themes are vital as each is integral to becoming a high performing system in East Sussex. The model below outlines the interdependency of these themes in delivering the system workforce that we need for the future of health and care locally.



### 5.1.4. Delivering this strategy

Our East Sussex OD Network will drive the delivery of this strategy, supported by the recently trained cohort of 42 OD practitioners, working closely with organisational communications and staff engagement teams. It will be important that this is driven in the context of our local East Sussex work to create an integrated care partnership that is financially sustainable for the future, and also aligns to the Sussex Health and Care Partnership. As such, our clear governance arrangements and senior support for this ambitious strategy are key to its success and delivery.

### 5.1.5. Translating the strategy into outcomes for local staff and local people

We anticipate that the key outcomes from the delivery of this strategy, based on local experience, specialist expertise and research will be:

- A clear, understood lived vision
- Shared values and behaviours
- Improved motivation, staff retention, ability to recruit
- A stable, adaptable, creative and innovative workforce
- Happy, healthy and productive staff

#### **5.1.6. East Sussex Workforce priorities**

We have an established Strategic Workforce Group (SWG) made up of senior workforce and HR professionals representing each of the East Sussex partner organisations. The SWG initially developed a two-year workforce strategy in 2016 designed to support the delivery of the workforce needed to achieve the integrated care models within three priority workstreams (Integrated Locality Teams, Urgent Care and Primary Care).

Each year the SWG reviews its strategic priorities to ensure the strategy continues to reflect the East Sussex workforce needs in terms of closer working and the introduction of new care models. This will play a critical part in furthering the integration agenda and the NHS LTP and local ambitions to implement our ICP and a Sussex integrated care system.

#### **East Sussex Locality Training Hub priorities**

The East Sussex Locality Training Hub works with available funding to deliver workforce training priorities. For example, Health Education England Kent Surrey Sussex (HEE KSS) has previously provided operational plan funding which was combined with GP Forward View investment by EHS and HR CCGs to implement care navigation in GP practices, bursaries for newly qualified GPs and funding a two-year GP Fellowship programme.

The East Sussex Locality Training Hub will use funding made available through CCGs, NHSE HEE KSS and the SH&CP to support the following identified priorities to help address the workforce issues within primary care:

- GP retention schemes funded via NHSE and SH&CP,
- Creation of educational incentive scheme/hubs to increase training within GP practices where this is currently lacking,
- Support for PCNs with developing workforce plans (as per the NHS LTP),
- Continued support to practices introducing care navigation.
- Support social prescribing implementation and ensure it complements care navigation.
- Creation of GP Fellowships (e.g. Digital Fellowship) to improve retention of newly qualified GPs and broaden experience.
- Creation of an East Sussex academy as part of long term recruitment plans.

#### **Priorities to support local transformation**

Overall the East Sussex workforce priorities for 2019/20 to help deliver our East Sussex integration and transformation plans have been agreed as follows:

- Support to deliver the Sussex workforce priorities, ensuring East Sussex representation on each of the five Sussex workforce workstreams.
- Identify opportunities for working collaboratively in terms of introducing new, blended, and/or enhanced roles to address the skills gap within East Sussex. This covers the potential workforce development needed to support transformation of integrated community and out of hospital care, urgent care, planned care and primary care, as well as the approach to the comprehensive model of personalised care.
- Design and delivery of the East Sussex OD plan (as described above).



## 5.2. Digital requirements

The East Sussex health and social care system is delivering on a long term digital strategy to support the care we give our people in line with the NHS Long Term Plan. Over the next five years we will continue to work closely with our partners across Sussex within the Sussex Health and Care Partnership to deliver on the following themes of the Locally Held Care Record (LHCR), remote care and the wider digital strategy described here from the a person-centred perspective:

- **Our connected care** – giving the practitioners who care for me the information they need from all the settings in which I receive care; ensuring that I only have to tell my story once; and that my journey through the health and care system is supported by clear messaging from one setting to another about my needs.
- **Transforming outpatients** - I do 'not have to attend outpatients unless I'm required to do so' by deploying remote care alternatives to traditional outpatient appointments.
- **Our personalised health** – giving me access to, and control over, my own information. This means I will have greater agency in my care, allowing me to better understand my ability to take an active role in my wellbeing. It will allow me to communicate my needs more effectively and in better time with the right care professionals, allowing them to deliver their role more effectively. A citizen portal is also being developed within the cancer space. A Personal Health Record (PHR) uses a shared record approach which enables a citizen to access their health record through a single online identity. Within Sussex there is an ambition for all citizens to have access to their Personal Health Record and the Patient Knows Best solution has been procured to support people with multiple co-morbidities. A personalised approach to care that promotes patient empowerment in their health care is a key priority for the Surrey and Sussex Cancer Alliance.
- **Our population insight** – allowing our health and care system to have a better sense of itself; a better sense of what care is being delivered within a complex integrated network of health and care providers working as partners to serve 1.8 million people across Sussex; and through the evidence an integrated longitudinal health record for everyone will allow us to obtain, improving the outcomes we deliver through the services we provide.

As we deliver the LHCR across the next five years we will also support our health and social care workforce to benefit from a more integrated digital environment, including innovations in practice based on digital opportunities.

LTP	Priority	Themes	East Sussex initiatives
Empowering people	<ul style="list-style-type: none"><li>• Access to manage care</li><li>• Long term conditions – telehealth and devices</li><li>• Patients hold their care plan</li></ul>	Our Personalised Health	<ul style="list-style-type: none"><li>• PHR in cancer, diabetes and beyond online consultations.</li><li>• Portals in social care.</li><li>• Improve digital inclusion in our population.</li><li>• Rationalisation of local service directories across CCG and Social care.</li><li>• Integrating with the NHS App.</li></ul>

LTP	Priority	Themes	East Sussex initiatives
Supporting health and care professionals	<ul style="list-style-type: none"> <li>• More satisfying place to work – more effective tools</li> <li>• Increasing pace to out of hospital based care</li> </ul>	Our Direct Care	<ul style="list-style-type: none"> <li>• Integrated Care Record allowing professionals a better view of the person they are caring for.</li> <li>• Supporting teams integrated across health and social care to better work together.</li> <li>• Smarter Working and Agile Practitioner – how technology can be harnessed to support more flexible and effective working practices.</li> <li>• GP digital fellow – to work with the system to support the move to a digital first model and grow a clinical digital lead network (reference CPILF).</li> </ul>
Supporting clinical care	<ul style="list-style-type: none"> <li>• Technologies enabling pathway re-design</li> <li>• Co-production between patients, clinicians and carers</li> </ul>	Our Direct Care, Our Personalised Health, Our Population Insight	<ul style="list-style-type: none"> <li>• Work with the developing LHCR to provide a new set of standards practitioners and service leaders can depend on to design new pathways, and helping to deliver a workforce that understands how digital can transform the way we deliver care.</li> <li>• Integrating use of digital across services, removing barriers to sharing care information between providers, and between our population and the practitioners delivering their care, allowing co-production of pathways and people to manage their care. Out of work with the Information Sharing Gateway to provide the governance to support increased sharing and the ES Integrated Care Record and prototype LHCR Orchestration Layer to provide the technology.</li> <li>• Digital work stream to support both outpatient and emergency department transformation.</li> </ul>
Improving population health	<ul style="list-style-type: none"> <li>• Population insight to understand greatest health</li> <li>• Provide evidence to</li> </ul>	Our Population Insight	<ul style="list-style-type: none"> <li>• East Sussex is an early adopter of the Sussex Integrated Dataset to support the transformation in social care and community health into integrated working by providing the evidence for the benefit of change.</li> </ul>

LTP	Priority	Themes	East Sussex initiatives
	improve the way we change		
Improving clinical efficiency and safety	<ul style="list-style-type: none"> <li>Improving ways of working between practitioners, to allow more effective integrated working</li> </ul>	Our Direct Care	<ul style="list-style-type: none"> <li>Integrated Care Record and Information Sharing Gateway</li> </ul>

Our key NHS healthcare providers will also be working to deliver increased digital capability, in line with the national and regional programmes to ensure that services are digitally enabled. Our providers will agree a trajectory for improvement over the next five years, with associated investment, to build capabilities in key areas, including cybersecurity.

### 5.3. Estates requirements

#### 5.3.1. Primary care premises

The delivery of improved GP premises is one cornerstone of the delivery of our LTP commitments, and specifically the future role of primary care and its transformation in relation to the GP Forward View and the PCNs. The provision of primary care premises that are appropriate, modern and fit for purpose and flexible enough to support the delivery of our plan is therefore key.

The CCGs are continuing their programme of upgrading practice premises in a very challenging financial climate.

#### 5.3.2. Premises development

Across our CCG footprints we continue to have a number of primary care estate challenges which are exacerbated by ongoing local population growth. These include the size of the premises in relation to the registered population and the layout and the condition of the buildings, all of which can seriously impact on care delivery in various ways.

The CCGs have therefore been working with local GPs to assess the suitability of the primary care estate across our footprint. We have undertaken a prioritisation process, to enable us to see which practice developments should be regarded as most urgent and/or important. This has taken account of:

- Available square meterage Net Internal Area (NIA) per 1,000 registered patients.
- Known planned housing developments in the area.
- Practice-specific issues, such as suitability of facilities, expiry of leases/planning permission.
- Any CQC-related issues.

As part of our whole systems approach to locality development for health and social care services, and our drive to achieve integrated working, consideration for any new development

has also been given to:

- Ensuring practices have the ability to provide access to the full range of locally commissioned services (LCSs) for their patients.
- Ensuring there are no estates barriers to the co-ordination of extended hours across practices.
- Sharing front of house and back office facilities, clinical and non-clinical staff, where this is practical to avoid duplication and achieve economies of scale.
- Ensuring estates considerations are no barrier to practices' key role in teaching and training.
- Devising flexible approaches and using opportunities afforded by new digital initiatives.

These criteria have been used to prioritise outline proposals from practices for estates developments from a commissioning point of view.

The actual order in which proposals are being developed and presented is dependent on a number of factors, including the urgency with which the partnerships pursue the projects, the congruency of views between possible project partners, the ability to formulate an agreed potential outcome, and also the availability of developable sites and the ability to develop the proposal to financially stay within the framework as set out by the GP Premises Cost Directions.

#### 5.3.4. Development Status

The CCGs are taking forward a significant number of primary care developments simultaneously to ensure that practices and now PCNs have the capacity and are well placed to deliver the additional services required going forward, including additional PCN services, integrated community hubs, new digitally-enabled ways of working and increasing outreach services from secondary care.

In EHS and HR CCGs there are currently eleven new-build developments underway or in planning and two significant extensions. This will give each of our eight PCNs at least one new facility or significant expansion capacity for service developments including those provided under the DES and those provided within the integrated hub model.

In order to support the delivery of better quality services and more efficient outcomes, there are 13 active primary care premises developments across EHS and HR. The CCGs' plans reflect the need to improve primary care estate and the financial implications of this are scheduled within the five year financial recovery plan.

HWLH CCG currently has one new development underway, which will provide not only a new primary care surgery for the three practices in Lewes, but will also enable integration with other health and social care providers and community and voluntary services.

Status	EHS CCG	HR CCG	HWLH CCG
Project commenced	3	1	1
Approved	3	3	1
OBC	1	2	1
Total	7	6	1

### 5.3.5. Acute and community estate

While it is acknowledged that ESHT and SCFT have areas of concern around the level of investment required to address the estates maintenance backlog, medical equipment and IT challenges, we are developing an ambitious programme to address these matters. The ESHT estate will be addressed through a combination of ESHT resources e.g. depreciation and external bids PDC, loans etc. ESHT has recently received approval for a loan of £13.86m to address the fire compartmentation issues at Eastbourne DGH. Delivering our urgent care programme will require significant investment at the 'front door' of our main emergency departments, alongside the development of Urgent Treatment Centres (UTCs). This sits alongside significant investment within the hospitals on backlog maintenance and infrastructure, medical equipment and digital capability. Working with and through the SH&CP digital and estates groups, these plans will continue to be refined and developed over the coming months. Capital schemes to improve clinical outcomes at the 'front door' include the development of a single assessment unit/UTC at Conquest Hospital (£6.28m) and the development of the UTC at Eastbourne DGH (£3.78m). N.B. this is wider investment around the 'front door' and doesn't preclude delivery of the UTC model by December 2019.

Through the development of the SH&CP estates strategy we are working with colleagues on developing capital bids for the single assessment unit/UTC at Conquest Hospital, UTC at Eastbourne DGH, cardiac catheter lab provision, ophthalmology service modernisation/relocation, day case unit at EDGH, non-clinical space rationalisation, medical day case unit and maternity.

SCFT is the main provider of adult community health services in High Weald Lewes Havens and occupies three community hospitals within the area: Lewes Victoria Hospital, Crowborough Hospital and Uckfield Hospital. NHS Property Services own these buildings and SCFT deliver the services. SCFT has been working with commissioners, GPs and NHS Property Services to develop proposals for an Urgent Treatment Centre at Lewes Victoria Hospital, enabling an enhanced offer for local people in line with our Integrated Urgent Care strategy. The minor injuries unit (MIU) at Lewes Victoria Hospital closed temporarily on 6 November 2019 to allow improvement works to upgrade it to a UTC to start. This work is scheduled to be completed by April 2020.

The integrated primary urgent care provision is also being reviewed across High Weald Lewes Havens, and having finalised the plans for the Lewes UTC, the CCG is now exploring options for expanding the offer at Uckfield and Crowborough MIUs with SCFT and other providers, including HERE (who have the contract for primary care improved access), IC24, and the recently formed PCNs.

In the longer term a further review is required to address:

- Distribution of beds to ensure safer staffing, cohorting and to improve system flows (the use of beds at Newhaven Rehab need to be considered as part of this)
- Address utilisation issues, particularly at Uckfield Community Hospital
- Continued investment to renew diagnostic imaging
- Addressing backlog repairs

The services and estates mapping will be complex given that the High Weald and Lewes community hospitals face three acute Trusts – ESHT, BSUH, and Maidstone and Tunbridge Wells (Crowborough). A whole system approach will be necessary to determine the required strategic

changes to this estate.

SCFT is also working with GPs in Lewes to establish the UTC at Lewes Victoria Hospital and to realise the opportunity of the Northern Quarter development that improves the primary care infrastructure in the town. Where there is no estates project per se, it should be noted that SCFT is committed to improving the integration of community health services in line with PCNs and this will drive future estates planning that will increasingly support primary care and community-based health services in a more integrated approach.

ESHT and the East Sussex CCGs are working together to redevelop/improve the provision of GP premises, for example in Seaford and Newhaven, and the establishment of community hubs. Similarly, SCFT is actively engaged with GPs within the Havens PCN to develop the Newhaven hub, which will enable the co-location of primary care and community health services (currently based at Newhaven Polyclinic) as well as other public services that have a positive impact on public health, particularly leisure.



## Appendix 1

### Prevention, personalisation and reducing health inequalities – programme summary

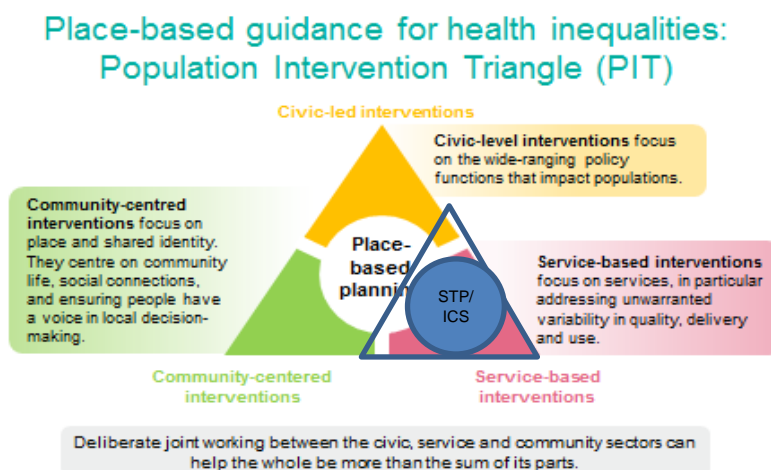
#### 1. Background

In East Sussex we recognise that to fully realise the benefits of prevention, early intervention and personalisation for improving health and wellbeing and reducing health inequalities, our approach needs to be embedded throughout our health and care system and delivered in communities through working with voluntary and community sector partners, civic interventions and clinical and integrated care services.

There are general duties under the **Care Act 2014** to prevent, reduce or delay needs for care and support, including carers. Our local approach also fits with the NHS Long Term Plan (LTP) aims of supporting people to live longer, healthier lives through helping to make healthier choices easier, and treating avoidable illness early on.

To achieve this involves strong multi-agency working by providers of care and support in all settings. Our clinicians, care professionals, staff and volunteers across all services will be supported to make the most of the contact we have with clients and patients in a wide variety of settings, including when people have been admitted to hospital, to help people to improve their health and wellbeing. For example our training programme **Make Every Contact Count** is currently being rolled out to staff working in our health and care system, so that they know how to encourage changes in behaviours that have a positive effect on the health and wellbeing of individuals, communities and populations, and where best to signpost or refer people for support with improving health.

The diagram below illustrates three different ways that our East Sussex place can deliver prevention and reduce inequalities, in line with the specific needs of our local communities. This also draws out where a more standardised approach to some services across the Sussex Health and Care Partnership (SH&CP - our STP and emergent Integrated Care System) footprint will also strengthen impact across our shared population. Our approach will enable help where it is most needed in communities and population groups, and reflecting the real-life context of people's lives, in order to reduce the inequalities in health outcomes which exist within East Sussex.



*Figure 1 Place-based approaches to reducing inequalities and illustration of ICS main sphere of influence From PHE Addressing Health Inequalities Webinar (09.08.2019)*

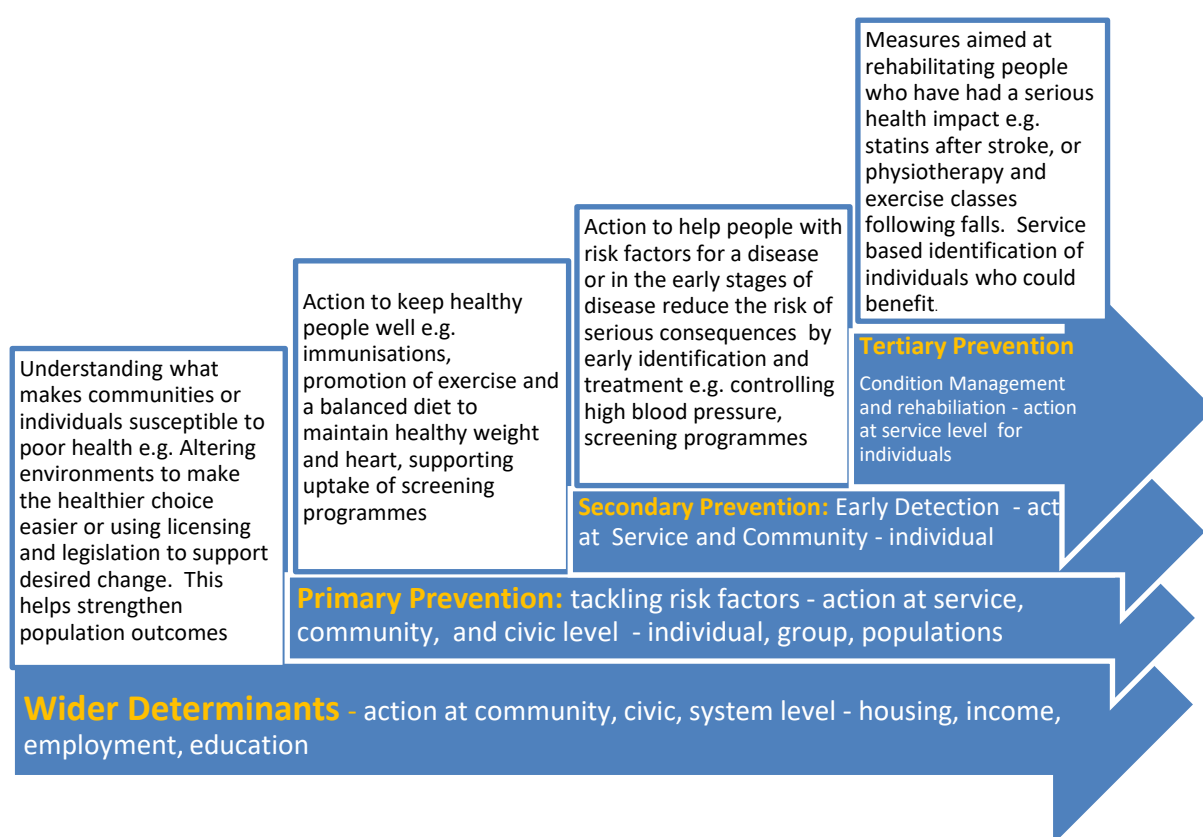
Our approach to prevention to date has ensured that it is embedded into the whole care across the life-course pathway, and covers:

- Giving every child the best start in life and supporting people to maintain good health and promoting healthy choices

- Helping people to help themselves and putting people more in control of long-term conditions through supporting greater levels of self-care, self-management and personalisation for example, through shared decision-making and personal health budgets
- Intervening early and proactively to prevent conditions and situations from getting worse, helping avoid unnecessary hospital admissions through stronger community pathways and support
- Enabling fast discharge to community environments where patients can be rehabilitated back to more independent living after an episode or spell in hospital.

This requires coordinated action by a range of partners and services from those that impact on the wider determinants of health, through to coordinated multi-disciplinary team work across primary, community, mental health and social care. Figure 2 gives a flavour of the four different levels of prevention.

*Figure 2 - Definitions of prevention adapted from NHS England Population Health Management Flatpack*



Our past work through ESBT and Connecting 4 You provides a strong foundation for work on prevention, personalisation and reducing health inequalities through ensuring we have a comprehensive and coordinated range of preventative services across all four levels of prevention. This includes:

- Commissioning the **Healthy Child Programme** – the 0-5 service is jointly delivered by health visitors, children's centre staff and family keyworkers, with the 5-19 healthy child programme delivered through the school health service.
- Supporting nurseries, schools and hospitals to become health promoting settings.
- Introduction of **One You East Sussex**, an integrated lifestyle service, which delivers individual behaviour change support.



- A longstanding approach to involving and supporting the active participation of people over 50, through our work with over 6,000 older people in the East Sussex Seniors Association (ESSA) and the seven member forums. Our established annual **UK Older People's Day** celebrations, now in its 12<sup>th</sup> year, provides an opportunity to promote a coordinated range of activities to promote healthy ageing, including opportunities for increasing exercise, reducing social isolation, and increasing participation in community activities.
- Providing **Making Every Contact Count (MECC)** training to health, social care, housing and voluntary and community sector staff and volunteers.
- Support for vulnerable people living in cold homes delivered by our **Warm Home Check Service**.
- **Healthy Hastings and Rother**, which aims to reduce health inequalities in our most disadvantaged communities. In order to find out more about the programme, which was launched in 2014, and its achievements, see: [www.hastingsandrotherccg.nhs.uk/your-health/healthyhastingsandrother/](http://www.hastingsandrotherccg.nhs.uk/your-health/healthyhastingsandrother/)
- As acknowledged by the Care Quality Commission (CQC), supporting our well-established voluntary and community sector in East Sussex to work with system partners to develop a number of services to help people to stay in their own homes.<sup>8</sup>
- In keeping with the above, our approach to investing in voluntary and community organisations in East Sussex helps to ensure that their critical role in supporting prevention, personalisation and reducing health inequalities, is recognised and supported to deliver outcomes. For example, **Take Home and Settle and Home from Hospital** services helping avoid hospital admissions and supporting hospital discharge pathways; **Supporting People** services; services and support for carers; the development of **Good Neighbour Schemes**, and; supper clubs for people living with dementia and their carers.
- Joint working through key partnership programmes such as **personal resilience** and **community resilience** to ensure a systematic approach to working with the strengths and assets in our communities across the county.
- Piloting the Patient Activation Measure (PAM) to help target support with self-care and self-management.
- Including **prevention and early intervention** in the diabetes care pathway redesign through GP-led multidisciplinary community teams as well as supporting greater levels of patient involvement in decision-making and self-care within care pathway
- Trialing **proactive care and assessments on frailty** as a feature of core health and social care pathways to identify and target support
- **Falls prevention services** provided jointly by our Joint Community Rehabilitation team and local leisure trusts Wave Leisure and Freedom Leisure, offering rehabilitation and reablement to adults within their own homes or community settings including equipment, exercise and mobility. Fracture liaison services are also provided for people who have had a fragility fracture, and targeted support is also provided to care homes offering risk assessment and management, training and falls monitoring and support to reduce risks for individual residents.

## 2. What do we want to achieve

Our aim is to promote, maintain and enhance people's wellbeing and independence in their communities so they are healthier, more resilient and are ultimately less likely to need formal health and social care services. We call this early intervention and prevention.

The overall outcomes we wish to achieve are:

- Improved population health and wellbeing
- Good communication and access to information for local people

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<sup>8</sup> Care Quality Commission Local System Review of East Sussex (November 2017), page 28  
[https://www.cqc.org.uk/sites/default/files/20180126\\_east\\_sussex\\_local\\_system\\_review\\_report.pdf](https://www.cqc.org.uk/sites/default/files/20180126_east_sussex_local_system_review_report.pdf)

- Sustainable services for the future
- Improved experience and quality of care and support

In order to do this, we will be seeking to continue our work with partners to support preventative interventions and commission services and support that:

- Use community-centred and asset based approaches that involve and empower individuals, schools and local communities to actively participate and take action on improving community health and wellbeing, providing appropriate help for mental or physical health problems at the earliest point and reducing health inequalities.
- Provide holistic integrated services based around the needs of children, young people and adults with disabilities enabling local solutions to our residents' needs.
- Provide support for people with long term conditions and support needs, and their carers and families to feel in control and independent, for example through personal health budgets and integrated care budgets, self-care and self-management techniques, and social prescribing to put people in touch with wider support and services available in communities to maximise their independence.
- Encourage people to take a more active role in maintaining and improving their own health, and support families and communities to stay as healthy and independent as possible.
- Support adults reaching, or at, a point of crisis by providing short-term outcomes-based support that enables them to regain their independence after the crisis has passed.

Impacts and savings from prevention are difficult to quantify precisely, with the time scale varying from a few months to many years. In addition, impacts are often accrued across the whole system, for example savings from reducing harmful alcohol consumption has an impact across a whole range of services including the police, social services and the health service, but are commissioned by local authorities.

We will continue to use the evidence base provided by tools such as the Public Health England Health Economics Evidence Resource and NICE Guidance, and our local business case development processes as appropriate, to guide how we can get the most impact and benefit for local people from all of our prevention interventions. We will also continue to measure whether we're improving health and wellbeing overall through our integrated Outcomes Framework.

### 3. Key priorities for 2020/21

The role of primary care and the twelve new **Primary Care Networks (PCNs)** in East Sussex will help us build on the comprehensive approach to prevention developed in recent years, and further consolidate it. Launched in July 2019, the PCNs bring together GPs to work together collectively and with other providers such as community health and social care services, mental health, pharmacies and voluntary organisations, to deliver certain services in a more integrated way for their patients and populations. This will enable people to experience well-planned services, appropriate to their needs, and seamless pathways.

Since July 2019, the continued implementation of primary care improved access and social prescribing link worker roles has been taken forward, with funding via the new PCN Network Directed Enhanced Services (DES) contract. Seven new service specifications will be published to build on this, presenting new opportunities to better understand the needs and assets of local communities, as well as individual strengths and risks, and tailor our collective resources to meet health and care need.

Timescale	Network DES contract specification
2020/21	<ul style="list-style-type: none"> <li>• Structured Medicines Review and Optimisation</li> <li>• Enhanced care in care homes</li> </ul>

2020/21 onwards	<ul style="list-style-type: none"> <li>• Anticipatory care requirements</li> <li>• Personalised Care</li> <li>• Supporting Early Cancer diagnosis</li> </ul>
2021/22 onwards	<ul style="list-style-type: none"> <li>• CVD Prevention and Diagnosis</li> <li>• Tackling neighbourhood Inequalities</li> </ul>

Through collaborating as partners across our system to support the delivery of these specifications, we will consolidate our learning and progress made to date in these areas, to strengthen our overall approach to prevention, personalisation and reducing health inequalities in our communities.

Our approach to prevention and early intervention is also **cross-cutting**, which means that it needs to align with the other priorities in our East Sussex plan, so that approaches to prevention, early intervention, personalisation and opportunities to reduce health inequalities are fully embedded as part of our plans for care pathways and services.

### 3.1. Support with making healthier choices and action on health inequalities

#### 3.1.1 The wider determinants of health

The new PCNs are expected to help prevent ill health and tackle health inequalities through undertaking local needs analysis and proactive population health and prevention at the local level. By developing **population health management** approaches to better understand and predict needs before they arise, we will ensure that preventative actions reach the children, young people and adults who could benefit the most.

This applies whether interventions are delivered in the community, for example through the newly emerging PCNs and making links with civic and community partners, and the role of services such as housing and leisure, to impact the broader determinants of health, or through working with integrated community health and social care services and making sure services are accessible to all.

Public Health are working to compile **population health packs** to help PCNs and their local system partners to make informed decisions regarding their priorities for development and strategic direction. Poor health outcomes and need for services are strongly associated with deprivation, and we will use this opportunity to explore priorities for wider system partnership action across the wider determinants of health. This will include the further development of social prescribing pathways and community-based support in 2020/21 to support mental health and wellbeing.

As part of the next phase of prioritisation and delivery planning, we will also work with the SH&CP to use national guidance when it is published to set **trajectories for narrowing inequalities** in 2023/24 and 2028/29 to inform local wider system action planning.

#### 3.1.2. Smoking, obesity and alcohol

The LTP also sets out some specific areas of action on smoking, obesity and alcohol as part of a stated aim for more action by the NHS on prevention and reducing health inequalities. This also reflects local priorities and we will continue to support this through our established partnerships that bring together a range of organisations to deliver programmes of work. As part of national enabling actions to support implementation at scale across the NHS, indicators and datasets will also be developed to monitor the impact of these prevention activities on health inequalities.

We have set out below how we will support prevention in these areas through existing partnerships and programmes. We have included the high level objectives, and more detail can be found in individual strategies and plans.

## Smoking

Local action on smoking is taken forward through the work of the East Sussex Tobacco Control Partnership. The partnership is currently in the process of updating its strategy and there are also links to the Sussex-wide Local Maternity System objectives for saving babies' lives and prevention; the East Sussex Smoke-Free Pregnancy Partnership, and; the Illegal Tobacco Partnership. Our objectives are:

Wider Determinants	Primary Prevention	Secondary Prevention	Tertiary Prevention
<ul style="list-style-type: none"> <li>Reducing availability of tobacco</li> </ul>	<ul style="list-style-type: none"> <li>Stopping people starting smoking</li> </ul>	<ul style="list-style-type: none"> <li>Smoking Cessation Services – general population</li> <li>Smoking cessation in pregnancy</li> <li>Smoking cessation for pregnant women</li> </ul>	<ul style="list-style-type: none"> <li>Smoking Cessation Services for high risk outpatients, and NHS inpatients (selected sites in 2020/21, with phased implementation for all from 2021/22 )</li> </ul>

## Obesity

The East Sussex Healthy Weight Partnership takes forward local work on obesity, with links to the Sussex Local Maternity System (LMS) prevention workstream. Our objectives are:

Wider Determinants	Primary Prevention	Secondary Prevention	Tertiary Prevention
<ul style="list-style-type: none"> <li>Improving infrastructure to enable increased physical activity</li> <li>Improving food environment</li> </ul>	<ul style="list-style-type: none"> <li>Promoting physical activity</li> <li>Promoting healthy eating</li> </ul>	<ul style="list-style-type: none"> <li>Effective weight management services</li> <li>Diabetes prevention programme (DPP), (targeted funding available for 20/21 and 21/22 for a small number of sites to test these ideas)</li> </ul>	<ul style="list-style-type: none"> <li>Specialist weight management for BMI 30+ with T2DM or hypertension (potential targeted funding available for 2020/21 and 2021/22 for a small number of sites to test these ideas)</li> <li>Enhanced Tier 3 services for people with more severe obesity and co-morbidities</li> </ul>

## Alcohol

Action on alcohol is overseen by the East Sussex Alcohol Partnership. The partnership is currently in the process of updating the [East Sussex Alcohol Strategy](#). There are also links with the work of the Community Alcohol Partnership in Hastings. Our objectives are:

Wider determinants	Primary Prevention	Secondary Prevention	Tertiary Prevention
<ul style="list-style-type: none"> <li>Reducing availability of alcohol</li> </ul>	<ul style="list-style-type: none"> <li>Supporting people to enjoy alcohol in moderation</li> </ul>	<ul style="list-style-type: none"> <li>Supporting people to cut down and reducing alcohol-</li> </ul>	<ul style="list-style-type: none"> <li>Effective detox services</li> </ul>

		related harm to communities	<ul style="list-style-type: none"> <li>Alcohol Care Teams for hospitals with highest rates of alcohol dependent admissions (potential targeted funding available for 2020/21)</li> </ul>
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There may also be potential for national targeted funding to support action in the following areas, and we will explore opportunities if they arise:

### Air pollution

Funding from the NHS Sustainable Development Unit to spread best practice in sustainable development, including improving air quality, plastics and carbon reduction to support action on air pollution, as well as action to reduce NHS production of pollutants (transport, buildings, purchasing etc).

### Antimicrobial resistance

Support available to regions to drive progress in implementing the government's five-year national action plan to reduce overall antibiotic use and drug resistance.

#### 3.1.3. Increasing screening and vaccinations programmes across East Sussex

We need to make a concerted effort to improve our rates of screening and immunisations to prevent avoidable diseases. This includes having a tailored approach to areas of greatest need by understanding the communities that suffer poorer access (such as through geography, deprivation or entrenched cultural values), and ensuring we have a greater focus on populations where there are lower rates of access and uptake. For example, trying new approaches to working with vaccine hesitant communities, and broadening the role of the wider workforce in opportunities for checking people's immunisation status and promoting the value of screening and immunisations.

#### 3.2. Supporting self-care, self-management and personalised care

It has long been recognised that supporting people to be more in control of their health and social care, and building on their individual strengths and the assets within their circumstances, is key to successful prevention. The NHS LTP sets out the **NHS comprehensive model of personalised care** which has six main evidenced-based components:

- Shared decision making
- Enabling choice, including legal rights to choice
- Personalised care and support planning
- Social prescribing and community-based support (funding available through the Network DES Contract from 2019/20)
- Supported self-management
- Personal health budgets and integrated personal budgets

This model will be developed in full by PCNs by 2023/24 through the Network DES Contract national service specification for personalised care. Some services will be best delivered within a framework of wider local coordination and support. In 2020/21 we will make a start on this through building on our local evidence base for what works developed through our existing initiatives, pilots and pathways in the following ways:

- Ensuring that prevention, **self-care** and **self-management, shared decision-making, choice** and **personalised care and support planning** approaches are built in to identified



**planned care** pathway and **end of life care** developments in 2020/21, where appropriate, using NICE guidance and other available condition-specific tools.

- Reviewing our **patient activation measure** (PAM) pilot to inform further development of self-care and self-management. PAM is a way of assessing an individual's knowledge, skill, and confidence for managing their health and healthcare. Using it enables self-care and self-management approaches to be targeted appropriately. We have been testing the use of PAM in some healthcare settings since March 2018, and a review is expected in December 2019, which will inform next steps.
- Building on the rollout of **wheelchair personal health budgets** to identify further groups of people who could benefit from Personal Health Budgets and/or integrated personal budgets, for example for people with continuing healthcare needs.

During the next phase of prioritisation and delivery planning, we will work as a system to roll out personalisation more widely. This will include participating in work being undertaken on a Sussex-wide basis, to inform and define the expected trajectories for improvements over the next five years.

### 3.3. Social prescribing and community based support

In East Sussex, a partnership between the three CCGs, ESCC, the voluntary, community and social enterprise (VCSE) sector and other partners is taking forward developing and implementing an integrated **social prescribing** framework, in order to reduce inequalities in access and health outcomes for local and diverse populations, and improve **mental health and wellbeing**. Our approach aims to align **PCNs' social prescribing DES investment** with the benefits that have already been achieved, for example, through our existing commissioned social prescribing commitments such as the Community Connector Service.

The programme is being overseen by a multi-agency steering group with clinical input. The programme's 2019/20 key objectives include:

- Agreeing a consistent East Sussex social prescribing definition
- Establishing relationships and strengthening partnerships with PCNs
- Developing and agreeing outcome measures using NHSE's guidance
- Providing Continuing Professional Development (CPD) for linkworkers and other relevant multi-agency staff and volunteers
- Establishing consistent referral and support pathways
- Using Patient Activation Measures (PAM) to personalise support for people / patients

The newly commissioned **asset-based wellbeing** programme which will be delivered in partnership between the VCS and ESCC, will work with communities with poorer health outcomes in each of our districts and boroughs to identify what matters to them, and to build solutions from their strengths – including skills and knowledge, social networks and community organisations. These co-produced solutions will add to the range of support which social prescribers can signpost people to.

### 3.4. Preventing situations from getting worse

Building on our work to trial proactive care, in 2020/21 we will work collaboratively with PCNs to begin to implement **anticipatory care** as part of the PCN Network Contract requirements from 2020/21 onwards. This will introduce more proactive and intense care for patients assessed at being of high risk of unwarranted health outcomes, including patients receiving palliative care.

We will link this with the development of **multi-disciplinary care coordination** working with primary care teams, as part of our work to implement a target operating model for **community health and social care services**. More broadly, we will ensure that early intervention and

anticipatory, proactive care and reablement focussed aftercare is a key feature of the target operating model for community services. More information about our plans in this area can be found in Appendix 3.

Our longstanding **Home from Hospital** and **Take Home and Settle** services provided by voluntary organisations to support our community pathways for avoiding unnecessary unplanned admissions to hospital, and supporting successful discharge. Mobilisation of newly commissioned services will start in November 2019.

In the context of the unwarranted variation in falls programme across the Sussex Health and Care Partnership, our next steps for **falls prevention services** include exploring earlier intervention and targeting the services at those who are risk of falling, but are yet to fall, and looking at a primary care led fracture liaison service in the High Weald Lewes Havens area of the county.

Care for the Carers estimates that there are 66,269 **unpaid carers** in East Sussex looking after an ill, older or disabled family member, friend or partner. The role can have a big impact of a person's physical and mental wellbeing, as well as affecting them financially. Set out below are the estimated figures for each area, including approximately 3,000 young carers aged 5-17<sup>9</sup>:

- Wealden 18,549
- Lewes 13,027
- Rother 12,675
- Eastbourne 11,988
- Hastings 10,030

We will work with PCNs to help implement supporting carers in general practice a framework of quality markers (NHS England 2019) to help **better identify and support carers** of all ages, provide evidence for the Care Quality Commission and:

- Improve the health of carer and promote positive wellbeing
- Reduce carer crisis and family breakdown
- Reduce unwarranted variations in career support
- Meet demand more appropriately and better manage demand on services

Through our joint commissioning there are existing developments that currently support identification and support for carers:

- A Carers Social Prescription which is available in all GP practices in East Sussex, which can be populated from patient records and sent securely online, with Care For the Carers then making contact within two working days
- A Primary Care Support Service pilot which provides Community Support Workers with the overall aim of providing flexible and responsive short term interventions to patients with dementia and other long term conditions (including functional mental health and substance misuse), and their carers; and identifies carers not known to primary care/and/or not accessing support services
- A 'brief bite' carer awareness training offer is also available for busy practices

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<sup>9</sup> Figures calculated by Care for the Carers based on projected growth from 2011 UK census figures

Based on the positive feedback received from GPs about these services, agreement has been secured to roll out the Primary Care Support Service on a county-wide basis. We will further build on these initiatives and explore ways to work with PCNs to ensure that identification and support for carers is fully integrated into the new [social prescribing](#) link worker arrangements described in paragraph 3.3. above.

### 3.5. Working together to improve health outcomes for vulnerable and/or disadvantaged groups in the population

Part of our work involves specific action where we know groups of people within our population are at risk of poor health outcomes. Current areas of focus include:

- Improving the healthcare needs of people with learning disabilities, through increasing [annual health checks](#) for people aged 14 years and over with a learning disability
- Our multi-agency [Rough Sleepers Initiative](#) which is integrating housing, health, mental health, substance misuse and social care and support to improve outcomes for rough sleepers. More information about this initiative can be found in Appendix 6.
- Recommissioning [housing-related support](#) services for people aged 16 years and over. In order to achieve integrated housing, health, employment and social care services and outcomes for people who are either homeless, or at risk of homelessness or living in housing that doesn't meet their needs or struggling to manage / maintain independence. New services will start in November 2020 as a result of partnership working between ESCC, district and borough councils, the VCS, NHS and the Department for Work and Pensions.
- In addition to the plans for [carers](#) set out in paragraph 3.4 above, we are implementing a new [outcomes-based commissioning model](#) for young and adult carers services. New services are due to start in November 2019, so that carers have the support they need to carry out their role in a sustainable way.
- Appendix 2 sets out a number of priorities to support vulnerable [children and young people](#) including promoting and protecting children, young people and families' needs in disadvantaged communities, action on County Lines and integrated working to improve outcomes of children with special educational needs and disability (SEND).

### 3.6. Mental health and wellbeing

The Five Year Forward View for Mental Health highlighted that more needs to be done on prevention to reduce inequalities, including a greater focus on preventing suicide. To support this Public Health England (PHE) have published the national [Prevention Concordat for Better Mental Health](#) for all (PHE, October 2019), to guide local areas in developing a coherent approach to better public mental health.

The concordat sets out ways to increase the focus needed on prevention and the services that impact on the wider determinants of mental health. This includes a shift towards prevention-focused leadership and action embedded throughout the mental health and wider system across the NHS, social care, education, employment, housing, community resilience and cohesion, safety and justice, and civil society. In turn, this will impact positively on the NHS and social care system by enabling early interventions and help.

The value of this approach has also been highlighted in:

- What Good Public Mental Health Looks Like. Public Health England & Association of Directors of Public Health (2019)
- Advancing our health: prevention in the 2020s Green Paper.
- Future in Mind. Promoting, protecting and improving our children and young people's mental health and wellbeing (DoH & NHSE 2015)
- Children and Young People's Transforming Mental Health Green Paper



- 'Thriving at Work' the Stevenson / Farmer review of mental health and employers (2017) highlights employers' roles in promoting good mental health.
- Preventing suicide in England. A cross-government outcomes strategy to save lives (HMG 2012). The national suicide and self-harm prevention strategy for England sets out a blueprint for localities and signals the principle that 'good prevention is also good suicide prevention'.

In East Sussex we recognise that promoting good mental health is key to preventing avoidable illness, improving outcomes for our population and reducing inequalities. We will work with all stakeholders across our system to explore and work towards ways of adopting the principles set out in the prevention concordat. This will enable a clear focus for our cross-sector action to deliver a tangible increase in the adoption of public mental health approaches.

A specific area of focus is children and young people's (CYP) mental health under the work of the East Sussex CYP Mental Health Local Transformation Partnership. Our next steps will be informed by the outcomes of the Sussex-wide review of emotional support and wellbeing support for children and young people.

In summary our action in this area involves building on and strengthening our partnership working across the local NHS, social care, education, employment, housing, community resilience and cohesion, safety and justice, and civil society to further develop our approaches to public mental health. We will explore the potential to linking this with population health management approaches described in paragraph 3.1.1. to support targeted action in the following areas:

Wider Determinants	Primary Prevention	Secondary Prevention	Tertiary Prevention
<ul style="list-style-type: none"> <li>• Providing children with the best start in life</li> <li>• Quality employment</li> <li>• Quality of housing and open spaces</li> <li>• Safe and connected communities</li> </ul>	<ul style="list-style-type: none"> <li>• Whole school approaches to promoting good mental health and emotional wellbeing</li> <li>• Workplace initiatives</li> <li>• Suicide prevention – social marketing and training for professionals</li> <li>• Reducing social isolation</li> <li>• Mental health promotion – Every Mind Matters</li> <li>• Improving smoking, diet and physical activity</li> <li>• Reducing substance misuse</li> <li>• Social Prescribing</li> </ul>	<ul style="list-style-type: none"> <li>• Working alongside our schools to provide appropriate help at the earliest point</li> <li>• Self-referral to Improved Access to Psychological Therapies (IAPT)</li> <li>• Crisis support via NHS 111</li> <li>• Improving access to peri-natal services</li> <li>• Social prescribing</li> <li>• Integrated approaches to physical and mental health through our plans for care coordination and multi-disciplinary health and social care teams.</li> </ul>	<ul style="list-style-type: none"> <li>• Access to more specialist services if required but with step-down services in place</li> <li>• Crisis care</li> </ul>

		<ul style="list-style-type: none"> <li>• Supported accommodation pathways.</li> <li>• Crisis cafés</li> <li>• 24 hr crisis care</li> <li>• Therapeutic acute inpatient care</li> <li>• Back to work schemes</li> </ul>	
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## Appendix 2

### Children and Young People – programme summary

#### 1. Background

The NHS Long Term Plan and local East Sussex priorities for children and young people require a strong partnership approach across our local NHS, East Sussex County Council, schools and the voluntary and community sector.

As part of the East Sussex Health and Social Care Plan, this appendix outlines out how we will continue to work closely as a system across NHS and Children's Services to support age-appropriate integrated care, including integrating physical and mental health services; joint working between primary, community and acute services; and supporting transition to adult services to improve outcomes for children and young people in East Sussex. Place-based integration of services and co-production with children, young people, families and carers will help us to:

- Support a strong start in life for our children and young people, including:
  - Promote and improve mental health and emotional wellbeing.
  - Work together to safeguard children.
  - Improve outcomes for children and young people with Special Education Needs and Disability (SEND).
- Support children and young people and families to live longer, healthier lives through helping them make healthier choices.

The following partnerships and boards have a key role in supporting the delivery of this work:

- The [East Sussex Safeguarding Children Partnership](#) which supports and enables all professionals working with children and families in East Sussex to work together to safeguard children and promote their welfare.
- The [Children and Young People's Trust](#) which works to improve outcomes for children and young people. In particular, it aims to support those who are vulnerable to poor outcomes.
- The East Sussex Children and Young People's Mental Health Local Transformation Plan Board which oversees [the children and young people's mental health and wellbeing local transformation plan](#).
- The East Sussex Children and Families Strategic Planning Group which brings together senior decision makers/ officers across health, social care, education and public health in order to improve outcomes for children and families and support greater integration and or alignment of planning processes and service provision.

Our priorities for integrated working are informed by the current inspection regime which includes two local area, partnership inspections that look at how well we work as a system in the following areas:

- The Ofsted and Care Quality Commission (CQC) ***joint inspection of local areas' effectiveness in identifying and meeting the needs of children and young people who have special educational needs and/or disabilities***. East Sussex was inspected in December 2016 – [East Sussex report](#)
- The Ofsted, CQC, Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) and Her Majesty's Inspectorate of Probation ***Joint Targeted Area inspections*** which look at how effectively agencies are working together in their local area to help and protect children. Each set of joint inspections evaluates the multi-agency response to a particular issue or theme. Themes include safeguarding, mental health etc.

We are committed to ensuring that the voice of children and young people informs our work.

Opportunities to get involved are at three levels:

- At the individual level, through direct involvement in personal care or support planning.
- Opportunities to help shape the design and development of services for children and young people.
- Informing strategic decision-making through mechanisms including the Youth Cabinet, Children in Care Council, Through Care Voice Group and in partnership with other youth voice groups through the Youth Voice Practitioners Network.

We will also work with our workforce across the system including schools, health, community health, social care, Primary Care Networks, nurseries and other childcare providers, and voluntary and community organisations to help deliver our shared objectives.

## **2. East Sussex priorities for transforming children and young people's services**

We have looked at our priorities in the context of five key areas for integrated working:

- Children and young people's mental health and emotional wellbeing
- Disability pathways
- Safeguarding (including contextual safeguarding)
- Universal child health offer
- Looked after children

### **2.1. Children and young people's mental health and emotional wellbeing**

Our objectives are:

- Improving our pathways and commissioning approach particularly with regard to tier 4/ secure/specialist placements.
- Developing a coherent emotional wellbeing strategy which works alongside our schools to provide appropriate help at the earliest point.

This priority will be delivered through our partnership work on [the children and young people's mental health and wellbeing local transformation plan](#). There is also a Sussex-wide independent strategic review of children and young people's emotional health and wellbeing. The outcomes are due at the end of December, with a report due in January 2020, and the recommendations will be used to inform implementation planning in this area with a range of partners across our system.

Mental health services across the country have also been asked to increase access for children and young people as part of the five year forward view for mental health, and our work through the Local Transformation Plan sets this out in more detail.

#### ***Priority next steps to support this include:***

- Pan-Sussex development of Care Education Treatment Reviews, led by CCGs, to prevent needs escalating and high cost hospital admissions.
- To support mental health and wellbeing consider a wider roll out of the general practice prescription pad initiative. Currently available in Hastings and Rother, this is a tool which enables GPs and other practice staff to refer parents, carers and young people to Open for Parents and / or I-Rock.
- Fully develop a dynamic risk register of children and young people at risk of hospital admissions with wrap around services in place

Work in this area has strong links with actions set out in Appendix 6.

## 2.2 Disability pathways

Our overall objective is to further develop our work around integrating the education, health, and social care needs of children and young people, aged 0 – 25, aimed at producing local solutions.

There is a growth in the numbers of children with statements of SEND or Education Health and Care Plans some of whom will have complex medical and care needs. Our [SEND Strategy 2018-2021](#) is designed to improve outcomes for pupils with SEND across East Sussex and has four shared strategic aims which were jointly identified by professionals from education, health and social care and parent/carers and community groups:

- Improving communication with families, children and young people.
- Building capacity for inclusion in settings, schools, colleges and services.
- Effective transition at every stage including advanced planning of the journey of the child.
- High quality provision, services, outcomes and aspirations.

### *Where do we need to get to?*

We need to:

- Improve the long term outcomes for children and young people with disabilities through earlier planning of transition into adult services.
- Improve joint commissioning arrangements to secure high quality provision for children and young people.
- Establish clear lines of responsibility and accountability for supporting children across universal targeted and specialist services.
- Build capacity in our providers to improve early identification and reduce the number of children moving into high cost provision.

### *How will we get there?*

- All partners make a clear commitment to delivering the outcomes in the SEND strategy, through working together.
- Work jointly with parents and carers of children and young people with SEND to improve confidence in local provision and jointly commissioned support services.
- Commit to joint funding of new specialist provision to support children with Profound and Multiple Learning Difficulty (PMLD).

### *Digital*

- Develop systems for the effective sharing of information regarding the assessment of children with SEND.

### *Our priority next steps to support this include:*

- Review the commissioning of health providers for assessing children and young people with autism spectrum disorder (ASD), attention deficit hyperactivity disorder (ADHD) and other neurodevelopmental disorders, and explore a single assessment pathway.
- Review the current offer across education, health and care to children with PMLD and/or complex health needs alongside processes for the allocation of funding across different statutory agencies.
- Improve early planning for children who will transition into adult health and social care services, potentially starting in the areas of diabetes and neurodevelopmental disorders.
- Further develop the integration of social care personal budgets and personal health budgets for the highest need children with complex health needs.
- Review the commissioning of mental health support for children and young people with autism.

### 2.3. Safeguarding (including contextual safeguarding)

To improve our integrated approach to safeguarding and contextual safeguarding our objectives in this area are to:

- Further develop our pathways and service offer for young people at risk of criminal and sexual exploitation, physical and sexual harm, alcohol and substance misuse, and review of service offer and needs for 18-25 year olds.
- Make strong links with the work taking place under the mental health and wellbeing priority.

#### *Where are we now*

The number of children in need of help and protection is rising locally and nationally, potentially linked to the increase in families experiencing greater financial difficulties and an increasing awareness of the risks posed by exploitation/County Lines etc. One of our over-riding principles is to work, with partners, with the right children and families, in the right way, for the right amount of time to bring about change. We help to create a stable environment in which children can thrive and help families to develop resilience and coping strategies to avoid public service dependency. Individual and community responsibility is of fundamental importance in helping us manage demand over the coming years, supported by good public health services (particularly for young children).

The number of children (aged 0-17) will increase by 3% in the next three years. Our public health and targeted early help services help parents to care for their children in ways which effectively promote their development and well-being, so that they can make the most of their opportunities in early years education, school and college.

#### *Where do we need to get to?*

We need to:

- Use communities and individuals as resources e.g. via the volunteer programme in the 0-19 service, so that the health, wellbeing and development of children is a wider priority and not 'just the business' of statutory services.
- Further develop an integrated support offer that targets children and families early on and before problems become entrenched.
- Continue to develop confident and emotionally literate schools so that they can support children who are experiencing difficulties.
- Measure the effectiveness of our partnership response to children who are subject to criminal exploitation.

#### *How will we get there?*

- Look for quick wins and possible connections to highlight the needs of children and families in existing strategies such as in the Community Safety Plan, etc.
- Enhance existing training strategies so that we increase the capacity and confidence of a wider range of staff and partners in our communities.
- Look for all available external funding opportunities to increase resources for key priorities.
- Review existing systems and future service design.

#### *Digital*

- Develop an improved digital support offer and better signposting for children and their families.
- Explore the potential for the development of improved access for partners to contribute to assessment and safety planning for children.



### ***Our priority next steps to support this include:***

- Reviewing our current multi agency structures for young people presenting with high risk of serious violence/criminality and young people involved/at risk of criminal and or sexual exploitation.
- Delivering contextual safeguarding interventions where the need for Substance Misuse Service (SMS) expertise is identified by Multi Agency Child Exploitation (MACE) and multi-agency scoping meetings.
- Reviewing the current Public Health allocation for substance misuse (drugs and alcohol) and explore alternative allocations for prevention services.
- Reviewing Child Protection Information Sharing (CP-IS).
- Extending the health offer for children in secure accommodation at Lansdowne Secure Children's Home in line with the extension from a five to a 12-bedded unit.
- Considering the development of a consolidated approach to children suffering trauma e.g. Lansdowne, Youth Offending Team (YOT) and the NHS South East health and justice pathway.
- Extending support to care leavers who become parents and develop the role of corporate grandparents, in line with learning from serious case review.
- Continue to embed the new child death process which sits under the governance of local authorities and CCGs (formerly the responsibility of Local Safeguarding Children Boards)

### **2.4. Universal child health offer**

Our work on integration to date provides a firm foundation for bringing together a coordinated range of preventative services that are critical to giving every child the best start in life, helping people to help themselves, and to stay healthy. Our objectives in this area are to further develop our integrated working to better enable:

- Provision of the Healthy Child Programme for under 5s through the integrated Health Visiting and Children's Centres service.
- Delivery of prevention interventions through the School Health Service.
- Nurseries, schools and hospitals to become health promoting settings.

Early identification is crucial to effective safeguarding. Effective delivery of the Healthy Child programmes, including universal development reviews for all children age 0-5, supports early identification of families with additional needs. This is delivered via an integrated service with health visitors for 0-5 year olds.

### ***Where do we need to get to?***

We need to:

- Give every child the best start in life and support people to maintain good health and promote healthy lifestyle choices.
- Strengthen integration across services.
- Work with needs identified at universal mandated reviews and providing enhanced support from a range of partners across services.
- Intervene early and proactively to prevent conditions and situations from getting worse.

### ***Our priority next steps to support this include:***

- Establishing a new 0-19 integrated service, structures, systems and evaluation data.
- Piloting evidence-based listening visits to support perinatal mental health.

This also has strong links to the action on reducing health inequalities set out in (Appendix 1).

## 2.5. Looked after Children

To improve our integrated approach to looked after children (LAC) and children previously looked after, our objectives in this area are to:

- Ensure looked after children's needs are prioritised across health, social care and education to enable best outcomes.
- Ensure mental health services are commissioned to optimise the emotional wellbeing of looked after children and previously looked after children.

### *Where are we now*

The number of looked after children in East Sussex, as at 31 March 2019 is 600 a rate of 56.6 per 10,000. This is below the Income Deprivation Affecting Children Index (IDACI) rate of 60.7 (644 children).

Providing health assessments with statutory timescales is a challenge in East Sussex highlighted by increased reporting and assurance requirements from the CCG and the County Council.

Despite the fact that we have a designated service within the Child and Adolescent Mental Health Service (CAMHS) for LAC and within the Adopted Children CAMHS for previously looked after children, there are some challenges to accessing timely and appropriate emotional health support for these groups of children.

### *Where do we need to get to?*

We need to:

- Further improve and sustain the health offer for looked after children by providing timely access to health reviews in line with statutory guidance with the aim to improve health outcomes.
- Improve assurance across all health services for looked after children to ensure services respond appropriately to their specific needs.
- Achieve enhanced access to emotional wellbeing services, with services commissioned adequately to meet looked after children's needs (including unaccompanied asylum seeking children)

### *How will we get there?*

- Implementation of an enhanced Sussex wide service specification to meet statutory health requirements for looked after children
- Enhance the training strategy so that we increase the visibility of this group of children and the capacity and confidence of a wider range of staff and partners in our communities specifically around looked after children
- Sussex review of emotional wellbeing services will inform the commissioning for services to meet looked after children's needs

## 3. Summary of key priorities for 2020/21

To take forward close system working and ensure age-appropriate integrated care across physical and mental health services; joint working between primary, community and acute services; and support for transition to adult services we have agreed five key priorities for transforming children and young people's services:

### *Improving children and young people's mental health and emotional wellbeing*

- Improving our pathways and commissioning approach particularly with regard to tier 4/secure/specialist placements.



- Developing a coherent emotional wellbeing strategy which works alongside our schools to provide appropriate help at the earliest point.

### **Disability pathways**

Further develop our work around integrating the education, health, and social care needs of children and young people, aged 0-25, aimed at producing local solutions, including:

- Integrated health and social care budgets for children with the highest complex needs
- Exploring a single assessment pathway for autism spectrum disorder and attention deficit hyperactivity disorder, and other neurodevelopmental disorders
- Improving early planning for children who transition into adult health and social care services
- Reviewing mental health support for children and young people with autism

### **Safeguarding (including contextual safeguarding)**

- Further develop our pathways and service offer for young people at risk of criminal and sexual exploitation, physical and sexual harm, alcohol and substance misuse, and review the service offer and needs for 18-25year olds.
- Make strong links with the work taking place under the mental health and wellbeing priority.

### **Universal child health offer**

- Provision of the Healthy Child Programme for under 5s through the integrated Health Visiting and Children's Centres service.
- Support the delivery of the preventative interventions through School Health Service.
- Support nurseries, schools and hospitals to become health promoting settings.

### **Looked after Children**

- Ensure looked after children's needs are prioritised across health, social care and education to enable best outcomes.
- Ensure mental health services are commissioned to optimise the emotional wellbeing of looked after children and previously looked after children.

## Appendix 3

### Community – programme summary

#### 1. Background

Our work and initiatives on integration to date has piloted and delivered a range of improvements in our journey to a new model of integrated care and the ongoing development of community health and social care services and initiatives, including:

- health and social care teams
- crisis response and proactive care
- the Dementia Support Service
- Health and Social Care Connect (now available 24/7365 days a year)
- the Joint Community Reablement Service.

We will continue to make progress with this and most critically the joint management of community health and social care teams. We want to further build on the services we provide in people's homes or in the community. We will achieve this through making sure that there are clear, simple pathways for people accessing services in the community and build on the support we provide to people after they leave hospital. We also have plans to further integrate teams of health and care staff across the county, supported by a single leadership structure.

The priorities and projects for the community programme are a mix of our ongoing work to support integrated working and new work to embed, further develop and grow our integrated community health and social care model and other local priorities. This is informed by:

- The NHS Long Term Plan
- East Sussex Urgent and Emergency Care workshop (August 2019)
- System diagnostic work and reviews carried out by NHSE and Improvement and others into on the drivers of our East Sussex system deficit in 2018/19
- NHS Rightcare
- Model Hospital
- The learning and early outcomes of pilot projects taken forward this year.

Our approach is consistent with the NHS LTP direction for primary and community healthcare. This includes the establishment of Primary Care Networks; greater multi-disciplinary working across primary medical care and community health and social care to both support rapid response in a crisis; as well as a local approach to proactively managing population health and anticipating and preventing the escalation of health and care needs.

Phase one of our programme in 2019/20 set out a series of pragmatic and realistic steps to be taken over the next six to twelve months. These will progress fuller integration of community health and social care services, with the overall aim of supporting people's independence and long-term care closer to home, so that our acute hospital services are better able to respond to the needs of local people. In brief the projects have included:

- In Eastbourne, nursing and social care teams have come together to trial working from a shared base, to support more and better **joint working** including **care co-ordination** for people with complex and longer-term support needs. This pilot is guiding how joint working best functions, and will include engagement with primary care, mental health and voluntary services.
- New '**Home First**' pathways have been tested out. These are new, joined up pathways designed to get medically fit people home from hospital sooner, and to make sure that assessments for community support and decisions about longer term care are not made in hospital.
- Joint working between East Sussex County Council and East Sussex Healthcare NHS Trust Occupational Therapy staff is being developed, to **share skills, best practice and**

**help create capacity.** As a minimum this is expected to include developing a joint duty and triage service that will simplify and streamline the referral and allocation process; however, the planning is already moving on to look at fully integrating the service across community health and social care

- Work has also been taking place to look at the best ways for different teams and services to work together to **provide integrated, rapid response, community services** to support discharge from hospital and avoid unnecessary hospital admissions. An integrated multi-disciplinary model has been developed and is being explored with staff. The model is designed to ensure that there are no barriers or gaps in the rapid response service; when needed it will have the remit, skills and capacity to respond. This builds upon the continuing development of the Crisis Response service (referenced elsewhere in this summary) which will continue to avoid unnecessary admissions and attendances by managing medical crises in the community where appropriate.

Taking these specific projects and pilots forward in the context of wider improvements to the quality and experience of care for our residents in 2019/20, has led to the following progress and benefits:

- Successful pilots of Home First approaches have evidenced that people left hospital more quickly and had better outcomes when discharged under these pathways. The pathways are delivered by joint working between social care staff in acute settings and community health and social care reablement staff in the community. With improved joint patient-finding in acute settings these pathways are now progressing to full implementation. A single access point ensures patients are settled at home, in community beds or in nursing care with the support they need. These pathways are now progressing to full implementation.
- This has been a factor contributing towards the average length of stay in hospital and community clinical care beds performing better than expected - reducing unnecessary length of time in hospital; accelerating recovery, and; releasing bed capacity within our hospitals and community sites to meet demand.

## **2. Key priorities for 2020/21**

Our ongoing focus for the services we provide in people's homes or in the community is to build capacity, identify instances where more joint working would be of benefit and have clear pathways for people accessing services.

A high level integrated target operating model for community health and social care in East Sussex has been developed with ESHT, SCFT and ESCC working together to design the model. This work is in its early stages and the intention is to use the model as a vehicle for engaging more widely with key partners – primary care, mental health and the voluntary and community sector - and also to identify the priority projects that will deliver the model. The target operating model is designed to meet the key strategic priorities for health and social care services; and thus is a key element of our response to the Long Term Plan.

Within the 'blueprint' provided by the target operating model in 2020/21 we will build on our work on the phase 1 projects and pilots described above, with some pragmatic and realistic steps towards fuller integration of community health and social care services. with the overall aim of supporting people's independence and long-term care closer to home, so that our acute hospital services are better able to respond to the needs of local people.

This includes continuing to make progress with:

- Building on the co-location pilot in Eastbourne, we are identifying and exploring opportunities for co-locating nursing and social care teams to trial working from a shared base, to support **joint working** and the **care co-ordination model** for people with complex

and longer-term support needs. We are currently looking at accommodation options in Hastings and St Leonards.

- Linked to co-location, we are also progressing a pilot on **care coordination** of people with multiple long term conditions and support needs, to test the benefits and inform how this sits within our wider target operating model for community health and social care. A key part of this will be developing mechanisms for enhanced case level collaboration with primary care, mental health and voluntary sector support services.
- Continuing to progress the wider roll out of **Home First** pathways, to make sure that assessments for community support and decisions about longer term care are not made in hospital so medically fit people can get home from hospital or another community setting sooner.
- Joint working between East Sussex County Council and East Sussex Healthcare NHS Trust Occupational Therapy staff will be developed, **to share skills, best practice and help create capacity**. We are currently looking at whether/how we move to a fully integrated community therapy service across social care and community health.
- A key element identified in the target operating model and currently being worked up is to provide **integrated, rapid response, community services** to support discharge from hospital and avoid unnecessary hospital admissions.

To enable greater levels of **multi-disciplinary working across primary medical care and community health, mental health and social care services** our next steps will focus on developing and implementing our agreed **common target operating model** for 2020/21. A key challenge will be to deliver the same service framework across the East Sussex footprint with levels of service flexed due to local population needs. This high level operating model will consolidate the pilots and projects from phase 1 of our community programme into a single county-wide approach aimed at delivering the following:

- Maximising independence and maintaining people in the community – helping people to live independently at home for longer
- Preventing unnecessary hospital attendances and admissions
- Reducing length of stay in hospital by supporting timely and effective hospital discharges
- Enabling system design and planning to optimise the use of all available resources

The target operating model for integrated core community health and social care services will help build the **capacity, workforce and partnerships** to do this, and will develop in a phased way to ensure alignment and strong relationships with:

- PCN footprints to support effective **multi-disciplinary team working** including work to implement the PCN Network DES Contract for 2020/21 and risk stratification of local populations, to enable **proactive anticipatory care** for those with multiple long-term conditions and/or assessed at high risk of unwarranted health outcomes
- Pathways for the acute hospital (ESHT) **Integrated Discharge Team** interfacing with the community Home First pathways
- Developing further capacity in **crisis response** within two hours and **reablement care** within two days; noting the need to align the offer across the East Sussex footprint.
- The next steps in relation to the wider development and roll out of **Enhanced Care in Care Homes** to reduce acute hospital admissions by enabling better early identification and forward care planning
- **Structured medication reviews** for priority groups
- **Personalised care and support planning**
- **Social prescribing** and community-based support
- Better identification and support to **improve outcomes for carers**
- The continued implementation of **Extended Access** in 2019/20 and 2020/21

## End of life care (EOLC)

Across East Sussex high quality, individualised end of life care is effectively coordinated and integrated and provided to all those who need it, regardless of diagnosis or age. Where appropriate, conversations take place about death and dying at an early stage, supporting people to make plans and communicate these with those who are important to them. This care extends beyond death to include bereavement and support for families.

In EHS and HR, partners are working together to deliver the aims and ambitions for End of Life Care identified within the End of Life Care Strategy (2019-2022). The Strategy was developed with the following partners - East Sussex Healthcare NHS Trust, East Sussex County Council, Eastbourne, Hailsham & Seaford CCG and Hastings & Rother CCG, St Wilfrid's Hospice, St Michael's Hospice Chestnut Tree Hospice, Demelza Children's Hospice, Adult Social Care, Care for the Carers, Age UK Sussex and patient and parent representatives. The aim is to deliver joined up care to support patients, their family, carers and those close to them to live independently as possible and achieve the best outcomes.

To ensure the delivery of the strategy an implementation plan has been drafted with nine key workstreams:

- Sharing of information to ensure care is co-ordinated across agencies
- Improving staff capability through learning and development to ensure the workforce has the knowledge, skills and attitudes to delivery high quality care
- Communications and patient and public engagement to include the views of patients, their family and carers to improve care
- Improving patient care through clinical effectiveness and governance to ensure care meets national standards and staff delivering care are competent, confident and capable
- End of Life care strategy and implementation plans to ensure the vision is clear and we meet our aims
- Care of the dying to ensure best end of life care for patients in community and that it is delivered with compassion and dignity
- Care after death by treating every patient with dignity and respect and equally supporting the bereaved
- Care of the dying child to ensure appropriate and timely transition to adult services
- Out of hours care to ensure services are fully integrated and accessible to enable patients to remain in the community if this is their wish

End of Life Care Vision 2017-19 outlines a strategic vision for end of life care and recommended next steps in the High Weald Lewes Havens area. This is evidence based and has been developed with local partners, with six key ambitions:

- Each person is seen as an individual
- Each person gets fair access to care
- Maximising comfort and wellbeing
- Care is coordinated
- All staff are prepared to care
- Access to community support

Plans are being taken forward to support the two key priorities for End of Life Care:

- Support and training to Care and Nursing Homes, including communication
- Ensuring the EOLC vision for HWLH links with other priority areas including Frailty and the Enhanced Health in Care Homes (EHCH) service, and community services.

A project board is being established to identify the priorities for 2020/21 and beyond to ensure delivery of the strategy. This will include exploring an East Sussex-wide approach and the possibility of bringing together existing working groups, and building on the implementation work currently being progress across the county including:

- The case for change for anticipatory prescribing to meet NICE Quality Statement for anticipatory prescribing
- Timetable of education for primary care
- Linking with other priority areas for example, Frailty and the Enhanced Health in Care Homes (EHCH) service, and appropriate areas of community services
- Multi-agency workshop for verification and certification of death to inform Sussex wide guidance.
- Implementation of ReSPECT across acute, secondary and primary care providers and in hospices and care homes, including; communication and engagement with the general public and other stakeholders; GP training; and digitalisation of the ReSPECT form. ReSPECT is a process that creates personalised recommendations for a person's clinical care in a future emergency in which they are unable to make or express choices.



## Appendix 4

### Urgent Care – Programme Summary

#### 1. Background

The key aim of the Urgent Care (UC) programme is to transform urgent and emergency care services in East Sussex to ensure that, in an emergency (i.e. serious or life threatening conditions) or in case of an urgent (i.e. non-emergency) need, people are treated and supported in the most appropriate place by the right clinical and/or social care service.

Through working in partnership with local Primary Care Networks (PCNs), acute, community, mental health and social care services, South East Coast Ambulance Service NHS Foundation Trust (SECAmb) and the East Sussex CCGs, the programme places emphasis on avoiding unnecessary hospital admissions through:

- Building pathways and capacity within community and primary care services by developing urgent care pathways to support patients in their own home or community settings.
- Building on the services already provided in our Accident & Emergency (A&E) departments, acute medicine and surgical assessment units to make sure that those presenting to an acute site seeking urgent care are seen by the most appropriate clinician, treated, and either admitted or discharged as soon as is appropriate.

There are strong links to the community programme which is described more fully in Appendix 3. The East Sussex urgent care programme is also closely aligned with the Sussex Health and Care Partnership (SH&CP) Sussex-wide Urgent and Emergency Care (UEC) Strategy and Integrated Urgent Care (IUC) programme, to deliver a consistent and standardised approach to urgent and emergency care pathways across Sussex. The projects are a mix of existing work to implement and embed a new model of 24/7 NHS 111 Clinical Assessment Service (CAS) and Urgent Treatment Centres (UTCs), and further developing and growing the urgent care model and other local priorities informed by:

- The NHS Long Term Plan (LTP) and LTP Implementation Framework
- The Keogh Review (2013)
- Sussex Health and Care Partnership (SH&CP) UEC plans
- Urgent and Emergency Care System Demand Diagnostic 2018/19 (ESHT)
- Qualitative Research with Patients in A&E at the Conquest Hospital in Hastings and Eastbourne District General Hospital (August 2019)
- East Sussex Urgent and Emergency Care workshop (August 2019)
- System diagnostic work and reviews carried out by NHS England/Improvement and others into the drivers of our East Sussex system deficit in 2018/19
- NHS Rightcare, Model Hospital and Get it Right First Time (GIRFT)

The programme is making progress with significant improvements for our residents through delivering the following benefits:

- **Extending Ambulatory Care** Rapid multi-disciplinary team working, discharge assessment and follow up has meant that 42% of the patients admitted to hospital via A&E are discharged less than 24 hours after admission, leading to zero length of stay. This is particularly significant for our frail patients who are known to deteriorate rapidly if admitted to hospital.

- From December 2018- October 2019, our **High Intensity User service** saw **55** patients. In the period to August 2019, **352** A&E attendances and a further **98** non-elective admissions were avoided (accounting for 36 patients).
- **The Frail and Vulnerable Patient Scheme** This locally-commissioned GP service is focussed on moderately and severely frail patients with a Rockwood score<sup>10</sup> of 5-7, as well as palliative care patients. The scheme includes assessment, personalised care planning and reviews, medication reviews and a falls assessment. 6,462 care plans were produced in 2018/19 and these are being peer reviewed annually.
- **Urgent Treatment Centres** will be up and running in line with the national mandate by December 2019, providing consistent access to an urgent care service to diagnose and deal with many of the most common ailments for which people often go to A&E. This service will build on the success of our **GP Streaming Service**, which was successfully launched in October 2018 and enabled GPs and primary care practitioners to work more closely with A&E staff.
- **Primary Care Improved Access (PCIA)** – since October 2018 **PCIA** has delivered additional capacity within primary care for same-day primary care needs, and expanded patient choice by offering appointments after 6.30pm during weekdays and in the mornings on weekends and bank holidays
- **NHS 111 Clinical Assessment Service (CAS)** will become fully operational from 1<sup>st</sup> April 2020, and will offer local people a single point of access for urgent and emergency care services, including the ability to book appointments at UTCs or other walk in services, and also within primary care.
- **GP-led respiratory care** has reduced the number of hospital admissions for Chronic Obstructive Pulmonary Disease (COPD)
- Our approach to **end of life care** pathways has also been aligned to our Urgent Care model, more detail is set out about this in Appendix 3.

## 2. Key priorities for 2020/21

Our focus in 2020/21 includes continuing to implement, further develop and embed the following projects and initiatives:

### 2.1 Extending acute frailty

This looks to build in the appropriate interventions when people require hospital care to ensure they receive a timely frailty assessment, and supports patients to return home or to another appropriate care setting, when patients no longer require consultant-led care in an acute setting. Subsequent community services will also be aligned on discharge to reduce frailty severity where possible. The current focus is:

- Expansion of **acute frailty teams and pathways** to ensure right support at the hospital 'front-door'
- Supporting **Same Day Emergency Care (SDEC)**

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<sup>10</sup> The Rockwood Score is a clinical frailty scale to assess needs and plan interventions



## 2.2 Extending Ambulatory Emergency Care (AEC)

AEC is a way of managing a significant proportion of emergency patients on the same day without admission to a hospital bed, giving the opportunity to better manage patient flow, improve patient experience and reduce acute hospital admissions. AEC is already provided by our hospitals; however, this project looks to increase the availability of AEC to a minimum of 12 hours a day, 7 days a week. This will also help meet requirements in the NHS LTP to increase treatment and discharge from emergency care without an overnight stay. This is currently live in Eastbourne DGH and will be expanded to the Conquest Hospital to support **SDEC**.

## 2.3 Expanding our high intensity user service

To address the increased demand on our A&E services, in November 2018 a **high intensity user (HIU) service** went live in East Sussex. The HIU service (initially developed by NHS Blackpool) offers a robust way of reducing high unscheduled users of multiple services such as 999, NHS 111, A&E, General Practice and hospital admissions. This in turn frees front line resources to focus on more clients and reduce costs. It uses a health coaching approach, engaging with high users of services whose needs are often unable to be met fully by one area of service.

The service supports some of the most vulnerable clients within the community to flourish, whilst making the best use of available resources. The service is now fully operational with two key workers visiting high users of services with very significant improved outcomes evidenced already. Our next stage is to expand the scope and reach of the service to ensure patients who are frequent users of other services, (for example mental health, ambulance and primary care) are also identified and offered appropriate support (not always medical or clinical). The aim is to make sure these patients are enabled and empowered to manage times of crisis by utilising the most appropriate urgent or emergency care service.

## 2.4 Expanding Community Frailty/PEACE planning (advance care planning)

The Proactive Elderly Advance Care (PEACE) planning process and documentation helps health and care professionals to deliver the best care to frail, older people, based on a personalised approach to care and support planning. Combined with a Comprehensive Geriatric Assessment, PEACE Planning has been shown to reduce admissions by up to 83% and bed days by up to 94%<sup>11</sup>. It also offers improved outcomes for patients, families and carers (including health care and care home staff) through increased independence, confident decision-making, and by supporting patients to receive care and to die in their preferred place.

The Community Frailty Service currently completes around 230 PEACE plans per year. We anticipate rolling out PEACE planning to a greater number of patients as part of personalised care and support planning roll-out and supporting patients in care homes.

## 2.5 Integrated Urgent Care Model

Continuing to roll out and embed:

- **Urgent Treatment Centres (UTCs)** are GP-led services that are equipped to diagnose and deal with many less serious injuries and urgent ailments people often attend A&E for. Open at least 12 hours a day, every day, UTCs offer appointments that can be booked through NHS 111 or through a GP referral. This is an existing project as part of

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<sup>11</sup> Audit of Frailty Service patients, April 2016-April 2019, activity 12 months before and after discharge

the national requirements to implement UTCs and develop a standardised approach to make best use of emergency care resources across Sussex. UTCs are intended to ease the pressure on hospitals, leaving other parts of the system free to treat the most serious cases. This includes reducing attendance at A&E and, in co-located services, provides the opportunity for streaming at the front door. These will be rolled out in Eastbourne DGH and the Conquest Hospital in Hastings by December 2019. There is currently a minor injuries unit (MIU) at Lewes Victoria Hospital and a plan has been agreed recently for a brief closure of this service, with interim arrangements in place to allow improvement works in readiness for the UTC to open in the Spring.

- We will also be developing the Minor Injuries Units in Crowborough and Uckfield to provide support for patients with minor ailments as well as injuries, through a mix of nursing and medical staffing these will provide opportunities to mitigate increasing demand on Emergency Departments and improve local access for same day care.
- As part of implementing UTCs we are reviewing our **walk-in centres** to ensure the right balance of services and to maximise the role of out of hospital services that complement the new UTC facilities.
- **Clinical Assessment Service** to support patients to navigate the optimal service 'channel' we will embed a single multi-disciplinary Clinical Assessment Service (CAS) within integrated NHS 111, ambulance dispatch and GP out of hours services from April 2019 including:
  - Direct booking into **Primary Care Improved Access**
  - Direct booking into Primary Care Extended Access, UTCs or other walk in services and sites being developed as part of the East Sussex integrated urgent care model
- Increased utilisation of **Primary Care Improved Access** capacity – working with Primary Care Networks as a system to review location and access to those services

**2.6 The Locally Commissioned Service (LCS) for chronic respiratory conditions** provided by General Practice has been implemented, aimed at supporting the better management of respiratory conditions in the community to ensure people are less likely to deteriorate, and reducing emergency admissions. This project looks to measure the outcomes from providing training workshops, regular out of hospital reviews of medication, and medication application techniques.

### **3. Implementing the NHS Long Term Plan and new local priorities**

In addition we are building on progress made with the above projects and initiatives to scope and implement the following priorities as part of our comprehensive model of urgent care:

**3.1 Our Ambulance Conveyances** project provides the ability for our ambulance staff, paramedics and GPs to contact our Crisis Response team via Health and Social Care Connect (HSCC) to avoid an unnecessary A&E admission, for common conditions that result in 999 calls and an unscheduled conveyance to A&E. It will include new clinical pathways that can be managed outside of hospital.

**3.2 Reforms to hospital emergency care – Same Day Emergency Care (SDEC).** New diagnostic and treatment practices allow patients to spend just hours in hospital rather than being admitted to a ward. This also helps relieve pressure elsewhere in the hospital and frees up beds for patients who need quick admission either for emergency care, or for a planned operation. Through moving to a comprehensive model of SDEC we will increase the proportion of acute admissions discharged on the day of attendance from a fifth to a third.

**3.3 Enhanced care in care homes** is aimed at developing and testing a range of initiatives that offer dedicated support to care homes, such as dedicated primary care ward rounds. This programme will build confidence for staff and avoid unnecessary admissions. It is currently at the exploration stage of looking to understand how appropriate support can be delivered to people in care home settings in partnership with Primary Care Networks. An enabler for all enhanced health in care homes projects is the alignment of care homes to specific practices. This process of alignment is underway.

**3.4 The NHS Clinical Standards Review** is due to be published in the Spring 2020. We will develop new ways to look after patients with the most serious illnesses or injuries, ensuring that they receive the best possible care in the shortest possible timeframe. In addition, the East Sussex A&E Delivery and Urgent Care Oversight Board are in the process of analysing the key drivers of demand behind the recent increases in A&E attendance and admissions, to scope further actions and interventions to take forward in winter 2019/20 and 2020/21.

#### **4. Key milestones for urgent and emergency care**

- In 2019 England will be covered by a 24/7 Integrated Urgent Care Service, accessible via NHS 111 or online.
- All hospitals with a major A&E department will:
  - Provide SDEC services at least 12 hours a day, 7 days a week by the end of 2019/20.
  - Provide an acute frailty service for at least 70 hours a week. The service will work towards achieving clinical frailty assessment within 30 minutes of arrival.
  - Aim to record 100% of patient activity in A&E, UTCs and SDEC on the same system by March 2020.
  - Test and begin implementing the new emergency urgent care standards arising from the Clinical Standards Review, by November 2019.
  - Further reduce Delayed Transfers of Care in partnership with local authorities.
  - By 2023 the Clinical Assessment Service will typically act as the single point of access for patients, carers and health professionals for integrated urgent care and discharge from hospital care.

#### **5. Summary of urgent care priorities for 2020/21**

Working with partners across primary care, community, mental health, social care and ambulance services, the key focus of the Urgent Care programme is to transform urgent and emergency care services in East Sussex to ensure that, in an emergency, people are treated in the most appropriate place by the right clinical and/or social care service. The priorities are

closely aligned with the SH&CP plans for Urgent and Emergency Care and include a mix of work to implement Urgent Treatment Centres (UTCs) and local priorities:

### ***High intensity users***

- Further expand and focus on supporting patients with multiple needs and high numbers of A&E attendances and admissions.

### ***Ambulatory Emergency Care (AEC)***

- Expansion of AEC at both EDGH and the Conquest Hospital (Supporting Same Day Emergency Care)

### ***Acute frailty***

- Expansion of Acute Frailty teams and pathways to ensure the right support at the front door (Supporting Same Day Emergency Care).

### ***Enhanced care in care homes***

- Work with Primary Care Networks to develop and testing a range of initiatives that offer dedicated support to care homes, to better support patients in care homes, build confidence for staff and avoid unnecessary hospital admissions.

### ***Community frailty/PEACE planning***

- Further rollout of Proactive Elderly Advance Care planning as part of personalised care and support planning roll-out; supporting the cohort of patients in care homes.

### ***Integrated Urgent Care***

- Rollout of enhanced NHS 111 and Clinical Assessment Service from 1 April 2020.
- Rollout of UTCs at Eastbourne DGH, Conquest Hospital, Hastings and Lewes Victoria Hospital
- Direct booking into Primary Care Improved Access, UTCs or other walk in services and sites being developed as part of the East Sussex integrated urgent care model.
- Increased utilisation of Primary Care Improved Access capacity.

In addition the Local A&E Delivery and Urgent Care Oversight Board are in the process of analysing the key drivers of demand behind the recent increases in A&E attendance and admissions, to scope further interventions to take forward in winter 2019/20 and 2020/21.

## Appendix 5

### Planned Care – programme summary

#### 1. Background

Our overall aim is to make sure that those people who are referred into hospital are seen and tested as quickly as possible. There will be quicker routes to tests, enhanced technology to detect any concerns faster and one stop clinics that will bring together consultations, tests, treatment and support in one place, at one time.

Planned care can be defined as routine services with planned appointments or interventions in hospitals, community settings and GP practices. This is also sometimes known as elective care and is any treatment that doesn't happen as an emergency and usually involves a prearranged appointment. Most patients are referred for planned care by their GP.

We want to make sure that those people who are referred into hospital are seen and treated as quickly as possible. There will be quicker routes to tests, enhanced technology to detect any concerns faster and one stop clinics that will bring together consultations, tests, treatment and support in one place, at one time.

The East Sussex planned care programme aims to optimise the use of resources across planned care pathways by reducing variation, and using evidenced based, clinically effective commissioning. This will ensure the best patient outcomes and experience and improve the productivity of acute and out of hospital planned care capacity. Our current focus is supporting more effective patient pathways between primary and acute care and working with the Sussex Outpatients Transformation Board to transform and digitally enable outpatients care.

Our local plans are informed by and developed in the context of the following:

- The NHS Long Term Plan
- NHS Rightcare
- Getting It Right First Time (GIRFT)
- Model Hospital
- Elective Care High Impact Interventions
- Guidance from the National Institute of Clinical Effectiveness (NICE) and the Royal Colleges
- Sussex Health and Care Partnership (SH&CP) Sussex-wide plans

Significant progress has been made with improving efficiency and productivity of planned care services across our system. This includes:

**1.1 GP referral variation** – our work with Primary Care to look at referral variation has led to a reduction in first outpatient appointments with no subsequent procedure or follow up. We are further developing this work through the establishment of a GP-led clinical reference group, under the banner 'Right Referral, Right Route'. This group is peer reviewing referrals on a practice and specialty level, with professional development and learning being disseminated across primary care. The group is also fostering closer working relationships between primary and secondary care.

**1.2 Ophthalmology** – we have used a High Impact Intervention methodology to map ophthalmology demand and capacity locally. We have responded to these findings by:

- Undertaking intensive waiting list validation
- conducting virtual review by consultants
- introducing failsafe procedures and changes aimed at optimising clinics.

This has generated efficiencies in the system, for example through a reduction in patients waiting for follow up. Further work continues in 2019/20 on a clinical strategy for Ophthalmology.



**1.3 Clinically effective commissioning** - East Sussex successfully applied the clinically effective commissioning policies where procedures with limited evidence of benefit where initial conservative therapy is effective and where a threshold for intervention may be appropriate or where NHS provision may be inappropriate

**1.4 Musculoskeletal services** – In line with the Royal College of Radiologist guidance that does not support the use of MRI or CT scans when dealing with MSK presentations, we have worked with our local providers to review the diagnostics undertaken for MSK related conditions. Following this, processes were put in place to manage diagnostic requests and reject those that were not clinically appropriate. The one exception concerns suspicions of cancer, at which point the patient would be referred under the two-week wait rule. As a result, reductions in both MRI and CT scans have been realised.

**1.5 Diabetes pathway redesign** - this is a project implemented last year and has resulted in successfully avoiding amputations and improving preventative care, by providing GP led multidisciplinary community teams as well as greater levels of patient involvement in decision-making and self-care. East Sussex CCGs are now leading on Diabetes pathway re-design across the SH&CP, to further build on this model and inform a Sussex-wide approach.

**1.6 Medicines optimisation** – the East Sussex CCGs Medicines Management team works in partnership with pharmacy teams in local NHS Trust providers and other providers to deliver a highly effective structured programme designed to integrated Medicines Optimisation (MO) services to improve medicines use across care pathways.

## 2. Key priorities for planned care in East Sussex

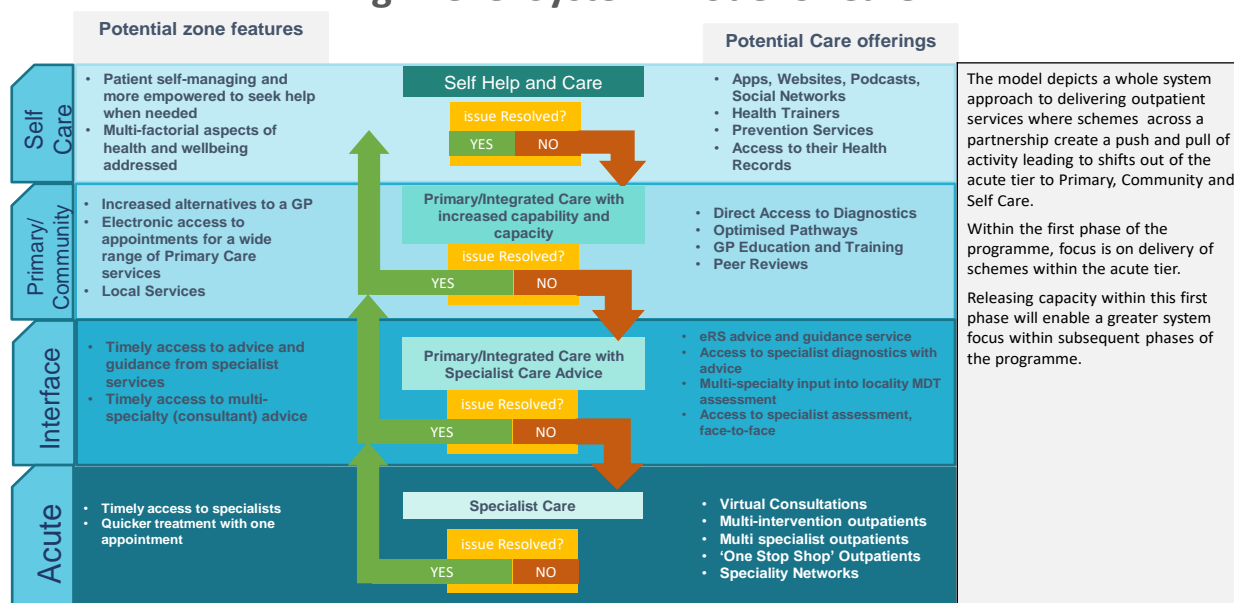
An outline of our key priorities for planned care in East Sussex is summarised below. All of our transformation priority areas will be underpinned by full pathway reviews. We will also ensure we reduce unwarranted variation and inefficiency in care pathways generally, by ensuring elimination of outdated concepts, introduction of one-stop diagnosis and reductions in unnecessary follow-ups wherever possible.

### 2.1 Outpatients

The vision for outpatient services developed by the system's stakeholders is:

*“The East Sussex community will have timely access to specialist advice, care and treatment. This will be delivered through modern, efficient, and effective services that provide greater choice and less disruption to the daily lives of our community.”*

### High Level System Model of Care



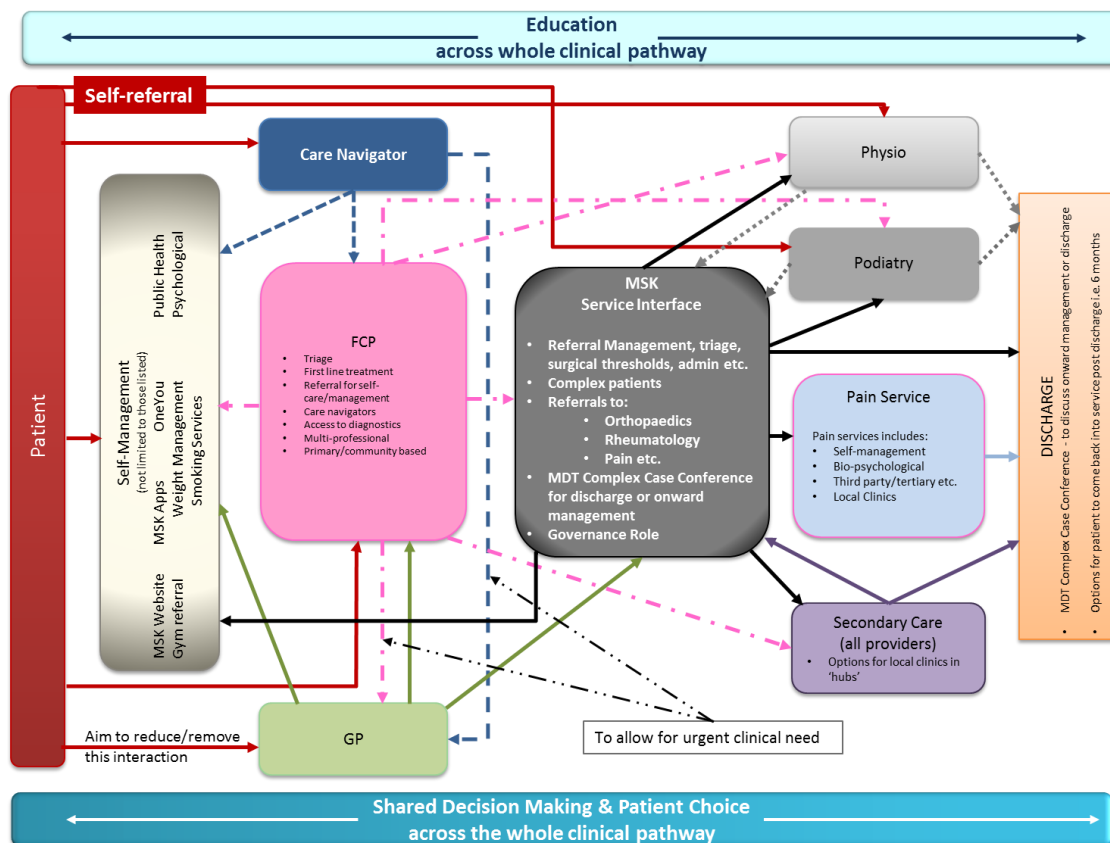
Outpatient appointments will be provided via the optimum channel i.e. video, telephone or face-to-face to ensure patients and clinicians are making best use of their time. East Sussex will have concluded and embedded optimal outpatient referrals by the end of 2019 enabling us to build on this to improve the efficiencies of the pathways.

## 2.1. Musculoskeletal (MSK) services in our area

In Eastbourne Hailsham and Seaford MSK Services are provided by Sussex MSK Partnership East, which offers a fully integrated service. The MSK triage (iMSK) service in Hastings and Rother is provided by East Sussex healthcare NHS Trust (ESHT). Our aim is to provide equity of service across East Sussex whilst aligning to the vision of NHS LTP and the transformation of MSK services - services delivered by the right person, in the right place, first time.

We are undertaking a review of MSK services, linked to our East Sussex MSK model, focussing on the reduction of unwarranted clinical variation of MSK services and re-design of the MSK community workforce to improve productivity. This includes first contact practitioners to provide faster diagnosis and treatment for people with MSK conditions. Pain management provision is also included in our redesign, including efficient use of community services. This programme is closely aligned with the SH&CP programme for MSK. The introduction of virtual fracture clinics will also form part of this programme.

Our agreed model of care is:



## 2.2. Evidence based interventions and clinically effective commissioning (CEC)

Part of a Sussex-wide programme, clinically effective commissioning (CEC) aims to review and standardise non-emergency treatments and procedures to reduce variation, reduce waste and make best use of limited resources. It supports referrers to use the appropriate guidelines agreed by clinical commissioners to ensure:

- unnecessary high-risk interventions are not carried out
- treatment is clinically effective

- management of referrals for procedures that are either not routinely funded, or require patients to meet certain eligibility criteria before they can receive treatment

This year more procedures will be reviewed with these principles in mind and work has commenced to implement the pathway redesigns.

### 2.3. Cardiology

Locally our population has high incidences of atrial fibrillation (AF) and heart failure (HF). These high incidences are driven by our older population and levels of deprivation described elsewhere in our Plan, which is why our work on health, wellbeing and prevention is so important. This is also a significant driver of elective and non-elective cardiology spend in secondary care. With AF cases, and stroke-related hospital admissions predicted to rise as the population ages, this could put significant pressure on primary and secondary care services.

Our work on cardiology is therefore focused on ensuring our local East Sussex services are designed to cope with these current and future challenges. We are aiming for a reduction in the use of isolated coronary angiography, an increase in identifying and supporting patients to self-manage their own heart health through using the patient activation measure tool, and a reduction in variation in spend/activity across our CCG areas. These aims will be delivered through application of NICE guidance to all interventions, equitable community cardiology services across East Sussex and reduction in unwarranted variation.

There are a range of projects focused on cardiology. These include looking to reduce variation in the way community cardiology provides community-based assessments for people who may have problems with their heart, blood pressure or breathing, and standardising the use of procedures such as Computerised Tomography (CT) scans and angiograms. This project is looking to standardise pathways across the east and west of the area and so more patients can be treated within the community setting to make best use of capacity. In acute cardiology, we are reviewing the acute model of care to support the long term clinical sustainability of the service.

### 2.4. Diabetes

The prevalence of type 2 diabetes across our area is 6.9% and is in line with the average for England. However, local data within our CCGs shows variation in care and outcomes – and our programme of work described in the next section looks to address this. Overall, we are aiming for:

- improved patient experience for people with diabetes
- reduction in outpatient appointments
- reduction in non-elective admissions
- reduction in amputations
- improved access for psychological therapies for people living with diabetes with co-morbid depression/anxiety and;
- improved workforce retention within our local services.
- improved access to innovative technologies for glucose monitoring for patients with type 1 diabetes (includes flash and continuous glucose monitoring).

Building on the success of service redesign now being rolled out across the Sussex system, we acknowledge predicted exponential growth in Diabetes, and will plan how we will manage this as a system over the next 3 years.

### 2.5. Ophthalmology

In response to an all-party parliamentary group on eye health capacity, NHS England has initiated a high impact intervention scheme, requiring Trusts and CCGs to work together to look at their demand and capacity in this area and come up with a plan to ensure the system is ready to respond. Across our CCGs, data is being reviewed from all acute trusts and community providers of ophthalmology services. The aim is to agree a solution to the predicted growth in the number of patients at risk of losing their sight. The role of **community ophthalmology** is central to this, with the longer term aim of expanding the remit of community providers to monitor stable patients and triage new conditions.



In East Sussex our work on this priority area that supports our patients to have a positive experience of care in the right place, first time. It aims to keep them well for longer, reducing or eliminating the risk of losing sight, with all the additional challenges that sight loss brings to the wider system and the economy. We know it requires our acute and community providers to work closely together to ensure a seamless pathway. We are working to ensure that our local system can respond to current and future demand in eye health for our patients.

We will implement a planned NHS-managed choice process for all patients who reach a 26-week wait, starting in areas with the longest waits and rolling out best practice through a combination of locally agreed targeted initiatives and nationally-driven pilots. This is currently being managed from a Sussex-wide position and local implementation plans will be developed in time for implementation by end of March 2020.

Over the coming months we will be working with Brighton and Sussex University Hospitals NHS Trust (BSUH), East Sussex Healthcare NHS Trust (ESHT) and Sussex Community NHS Foundation Trust (SCFT) and our other providers to ensure the 26-week-wait policy is fully implemented for April 2020. Where there are known issues we are currently seeking to commission further capacity from the local independent sector providers, and we are also exploring opportunities for patients across a wider regional geography, particularly where there is spare capacity and short waiting times. Leads from the East Sussex CCGs and ESHT have already been identified, and as part of the Sussex-wide work we will also work closely with Surrey Heartlands as a Fast Mover pilot site looking to share learning.

## 2.6. Cancer

Cancer is a national and local priority, as reflected by the National Cancer Strategy Achieving World Class Outcomes for Cancer 2015-2020: A Strategy for England: Report of the Independent Cancer Taskforce Review<sup>12</sup> as well as the cancer plan for the Sussex Health and Care Strategy, which was signed off in April 2019. In the context of the Cancer Alliance and Sussex-wide cancer plan, our aim is to continue to improve operational performance to support early diagnosis and treatment and to support our population to manage their own health and wellbeing through personalised care.

The priority areas for cancer include: prevention, early diagnosis, patient experience, living with and beyond cancer (personalised care) and modernising cancer services. Through the work of the East Sussex Planned Care Oversight Board, and the clinical leadership of the East Sussex Cancer Action Group, we will build on existing work during 2020/21 to take forward local plans in the following areas:

- Continue to improve performance against the cancer constitutional waiting times standards and ensure sustainability, including the new 28 day faster diagnosis standard.
- Work with PCNs to improve the uptake of screening targeting those areas with lower uptake and focussing on health inequalities.
- Develop diagnostics working towards set up of the rapid diagnostic service.
- Continue to ensure implementation of timed pathways so support earlier diagnosis and treatment.
- Strengthening the two-week wait process to ensure referrals are managed proactively to improve the Referral to Treatment (RTT) waiting times.

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<sup>12</sup> Achieving World Class Outcomes for Cancer 2015-2020 A Strategy for England; Report of the Independent Cancer Taskforce Review (2015) : [http://www.cancerresearchuk.org/sites/default/files/achieving\\_world-class\\_cancer\\_outcomes\\_-\\_a\\_strategy\\_for\\_england\\_2015-2020.pdf](http://www.cancerresearchuk.org/sites/default/files/achieving_world-class_cancer_outcomes_-_a_strategy_for_england_2015-2020.pdf)

- Ensure personalised care pathways in breast are implemented and plans for other specialties are developed, with prostate and colorectal as priorities for 2020/21.

### 3. Sussex Health and Care Partnership (SH&CP) programmes

East Sussex is fully engaged with the programmes of work managed by the SH&CP with local representatives on all the workstreams. Some workstreams are in early stages; head and neck, dermatology, cardiology, and some more further developed, for example MSK and fractures and falls.

#### Head and neck

To develop a model of care using national evidence and best practice that will ensure the long term sustainability of head and neck services, address the challenges faced by current providers in delivering head and neck services for our population; and ensure improved outcomes for patients.

#### Dermatology

To develop a model of care using national evidence and best practice that will ensure the long term sustainability of the dermatology services, addresses the challenges faced by current providers in delivering dermatology services for our population; and ensure improved outcomes for patients.

#### Cardiology

To develop a model of care using national evidence and best practice that will ensure the long term sustainability of the cardiology services, addresses the challenges faced by current providers in delivering cardiology services for our population; and ensure improved outcomes for patients.

#### Fractures and falls

To develop a model of care that is based on prevention and improved outcomes following a fall or fracture. There were two initial falls oversight groups earlier this year where four priority areas were identified. These priority areas have developed into four task and finish groups covering:

- Low level falls prevention & osteoporosis identification
- Non injured falls at home
- Post A&E attendance/hospital admissions falls prevention
- Fracture liaison service development

#### Musculoskeletal Services (MSK)

The model under development looks at how we can improve the patient experience from the first point of contact, so that they see a clinician with specialised MSK skills at the earliest possible opportunity. This in turn will streamline the rest of the pathway, when a referral to secondary care is necessary.

The role of First Contact Practitioners (FCPs) is becoming central to this, and we are feeding into the evaluation of FCP pilots with insights from our own pilots locally, to inform these discussions. This will help us understand the best way to make use of FCPs. Extensive patient engagement is being undertaken at an STP wide level, with patient forums being approached locally, and clinicians, commissioners and service managers have been attending the STP wide workshops to design the model.

### 4. Planned Care Priorities for 2020/21

Our aim for 20/21 is to make sure that those people who are referred into hospital are seen and tested as quickly as possible. There will be quicker routes to tests, enhanced technology to detect any concerns faster and one stop clinics that will bring together consultations, tests, treatment and support in one place, at one time. We will do this by prioritising on the following [areas](#):

- Outpatients
- Musculoskeletal services
- Evidence-based interventions

- Cardiology
- Diabetes
- Ophthalmology
- 26 week wait capacity alerts
- Cancer
- Medicines optimisation

#### 4.1. Outpatients

During the last 2 years we have made significant improvements in the referral pathways for patients from GPs to hospitals consultants by working closely together to ensure the flow of communication is the most effective for our patient care. Next year we will build on this success by:

- Introducing video appointments, virtual fracture clinics, electronic correspondence for our patients
- Expanding of successful approaches to:
  - improve the timeliness of treatment
  - improve the experience of patients on care pathways
  - reduce unnecessary appointments
  - introduce one-stop clinics specifically focusing on gastroenterology and breast cancer two-week wait.

#### 4.2. Musculoskeletal services

During the last two years we have introduced community-based specialist teams to care for patients with musculoskeletal conditions, ensuring interventions are appropriate to individual needs and pain is effectively managed. Next year we will focus on the sustainability of services to meet the growth in demand by:

- Introducing First Contact Practitioners (FCPs) in GP surgeries designing the correct bespoke pathway to ensure timely recovery, minimised pain and improved independence
- Improving shared decision-making between specialist clinicians and patients with more complex conditions, alongside improved education on self-management.
- Enabling patients to self-refer to physiotherapy so they start treatment earlier at the onset of a condition
- 

#### 4.3. Evidence based interventions

More is now known about what types of treatment improve outcomes for our patients and during the last year we have been ensuring patients do not undergo unnecessary invasive procedures. We will continue to review the latest evidence and change our recommended treatments where this evidence indicates areas that do not benefit our patients, allowing us to release capacity for the right treatments.

#### 4.4. Cardiology

Locally, we see a high incidence of heart conditions, driven by our older population and levels of deprivation. Our specialist heart clinicians are working together to agree a new model of cardiology care spanning general practice through to community services and hospital care. We are aiming for a model that:

- Increases identification of heart conditions and related support for patients to self-manage their own heart health
- Reduces variation in community-based cardiology assessments by standardising pathways, enabling more patients to be treated within a community setting to make best use of capacity

- Supports the long term sustainability of hospital services

#### 4.5. Diabetes

Building on our success in implementing complex diabetes treatment in a community setting, and our expansion of urgent treatment for diabetics, we will continue to refine these services to:

- Provide improved patient experience for people with diabetes by reducing unnecessary hospital appointments including outpatient appointments and hospital admissions
- Provide improved access for psychological therapies for people living with diabetes that also have co-morbid depression/anxiety
- Provide improved access to innovative technologies for glucose monitoring for patients with type 1 diabetes (includes flash and continuous glucose monitoring).

We recognise the predicted exponential growth in diabetes and we will develop a plan to manage this as a system over the next 3 years.

#### 4.6. Ophthalmology

Our work on this priority area supports our patients have a positive experience of care in the right place, first time. It aims to keep them well for longer, reducing or eliminating the risk of losing sight, with all the additional challenges that sight loss brings to the wider system and the economy. We know it requires our acute and community providers to work closely together to ensure a seamless pathway. Our focus next year is to address the growing demand by repatriating care to our specialist community optometrists, releasing capacity in our hospital multidisciplinary teams to manage the more complex eye conditions.

#### 4.7 26-week wait/capacity alerts

We know some of our patients are waiting too long for treatment. We will implement a planned choice process for all patients who reach a 26-week wait, starting in areas with the longest waits. This will give patients options to access care across NHS services in Sussex

#### 4.8. Cancer

The priority areas for cancer include: prevention, early diagnosis, patient experience, living with and beyond cancer (personalised care) and modernising cancer services. We will build on existing work. During 2020/21 we will build on existing work to take forward local plans in the following areas:

- Continue to improve performance against the cancer constitutional waiting times standards and ensure sustainability, including the new 28 day faster diagnosis standard
- Improve the uptake of screening targeting those areas with lower uptake and focus on inequalities
- Strengthen the two-week wait process to ensure referrals are managed proactively
- Implement personalised care pathways for breast cancer and develop plans for other specialties, with prostate and colorectal as priorities

#### 4.9 Medicines Optimisation

Through a structured programme of work, the East Sussex CCGs medicines management teams work in partnership with pharmacy teams in NHS Trust providers and other providers to deliver integrated Medicines Optimisation (MO) services aimed at improving medicines use across care pathways. Although the outcomes we are seeking are broadly similar across our population and are being delivered in the context of alignment with Sussex-wide plans, approaches are flexed and tailored to local geographies in the county and relationships with different NHS Trust providers. Building on recent successes, some of the key priorities for 2020-21 include:

- Improving **value for money** through specific projects aimed at optimising prescribing in a range of areas including diabetes, pain management, malnutrition and anticoagulation; as

well as de-prescribing medicines no longer needed through NHS England led programmes such as low priority prescribing.

- Development of an Integrated Medicines Optimisation service and approaches between local GP primary care networks (PCNs) and local NHS Trust providers. This service will support the delivery of structured medication reviews and quality improvement in areas such as **antimicrobial stewardship** and **dependence forming medicines**.
- Continuation of successful **medicines optimisation in care homes** service to reduce inappropriate polypharmacy and working towards integration with the PCN structured **medicines review and optimisation service**, under the PCN Network Directed Enhanced Services (DES) contract in 2020/21.
- Focus on **medication safety** including rolling out the electronic transfer of medicines discharge information between hospital and community pharmacists; and implementation of a quality improvement process for pharmacy led interventions to enhance medication safety in General Practice.
- **Integrated vocational training programmes** for pharmacists and pharmacy technicians across primary and secondary care, mental health and community services.

## 5. Enabling delivery of planned care

In order to deliver the plans detailed above there are a number of key enablers that will ensure success.

### Digital

Digital enablers such as Patient Knows Best and virtual fracture clinics are two areas looking to reduce waste on pathways and reduce patient travelling requirements to improve patient experience and outcomes. The initial focus will be on ophthalmology, gynaecology, and urology.

### Workforce redesign

Robust workforce planning is a key enabler of the planned care efficiency and transformation programmes. Robust processes are in place with high quality data integrity and increased breadth and depth of insight to underpin short-term, medium term and long-term strategic planning. Cohesive workforce strategies are in place that balance quality and safety with financial sustainability through the identification of workforce optimisation principles that will support the future work programmes.

## Appendix 6

### Mental Health – programme summary

#### 1. Background

The NHS LTP requirements for delivering a “new service model for the 21<sup>st</sup> century” by 2024, include the following ambitions:

- Better care for major health conditions: improving mental health services
- Meeting the mental health investment standard for adults, and children and young people’s mental health services (new ring-fenced local investment fund worth at least £2.3 billion a year by 2023/24)
- Delivering the Five Year Forward View for Mental Health and NHS LTP commitments
- NHS-led provider collaboratives for specialised mental health, learning disability and autism services
- Stabilisation and expansion of core community teams of adults and older adults with severe mental health illnesses
- Testing and rolling out adult community access standards once agreed; services for people with specific and complex needs including people with a diagnosis of ‘personality disorder’; Early Intervention in Psychosis (EIP); adult eating disorders and mental health community rehabilitation; and developing services for 18-25 year olds
- Fair share transformation funding from 2021/22 to 2023/24 to deliver the above services in new models of care integrated with primary care networks

Our work on mental health takes place in the context of the Sussex Health and Care Partnership (SH&CP) mental health programme priorities, and local implementation to support closer system working between physical and mental health, community health and social care, and primary care.

The overall vision for the SH&CP mental health programme is that by 2025, all people with mental health problems in Sussex will have access to high quality, evidence-based care and treatment. This will be delivered by integrated statutory, local authority and third sector services that are accessible, well connected with the wider community, and which intervene as early as possible to prevent mental ill health.

The SH&CP mental health programme priorities have been developed as a result of extensive public engagement with service users, carers, partner agencies, providers and commissioners. This has evolved through the Sussex Partnership NHS Foundation Trust (SPFT) Clinical Strategy (March 2017) and the STP Mental Health Case for Change (November 2017). The latest version of the SH&CP mental health programme takes account of NHS Long Term Plan commitments, with workstreams that seek to address the following priorities:

- Perinatal Mental Health
- Children and Young People’s (CYP) Mental Health – including CYP Crisis
- Adult Common Mental Illnesses – Improving Access to Psychological Therapies (IAPT)
- Adult Severe Mental Illnesses (SMI) Community Care
- Adult Liaison Mental Health
- Adult Crisis Alternatives
- Ambulance mental health provision (all ages)
- Therapeutic Acute Mental Health Inpatient Care
- Suicide Reduction and Bereavement Support
- Rough Sleeping Mental Health Support

The SH&CP programme for mental health also has ambitions to further develop and strengthen the role of housing and third sector partners. A task and finish group (Sector Connector) has been



developed to support this diverse sector to influence change, and engage more fully in the work of our mental health programme. Proposals are being developed to:

- Enhance representation from housing and the third sector on the programme board
- Develop an East Sussex mental health forum (alongside mental health forums across Sussex)
- Develop an overarching mental health partnership board across Sussex.

Robust estates plans will also be key to the successful transformation of community, patient flow and rehabilitation workstreams including the development of more supported housing for local people. The LTP commitments expect an increase of over 600 staff over a 5 year period, so new models for providing work spaces and hubs for staff will be a priority. More joined up working will lead to teams being co-located. There are also some stretching targets for remodeling community support and providing crisis support in the Sussex-wide plans, and this will require new facilities, with crisis cafés being embedded and located within local communities.

The plans for mental health are set out in full in the SH&CP Strategy Delivery Plan and response to the NHS LTP.

## 2. Transformation funding

In addition, **transformation funding** has recently been awarded to the Sussex Health and Care Partnership and this will enable SH&CP to build on the work we are already doing to improve patient and family experience of mental health services.

Specific areas of development include:

- **Children and young people**

The East Sussex CCGs and East Sussex County Council (ESCC) have been awarded funding to set up three Mental Health Support Teams (MHSTs) covering approximately 24,000 pupils / 60 schools in total, focussing on groups of schools in areas with highest levels of need. These teams will provide specialist support to children and young people, through one-to-one and group psychological support, and working with families. This will build on the whole-school work on mental health and emotional wellbeing that is already underway, as well as provide additional support for children and young people with emerging problems, aligning with support pathways for individual children.

Schools, pupils and parents will be involved in the design of the teams and the project is being delivered through an MHST implementation group with members from East Sussex CCGs and Child and Adolescent Mental Health Services (CAMHS) alongside a range of ESCC services working in schools, and Public Health.

- **Crisis resolution / home treatment**

More specialist roles will be introduced to our existing 24/7 crisis resolution/home treatment teams to provide psychological interventions to prevent people from relapsing and having to be admitted to hospital.

- **Expansion of psychiatric liaison teams**

A bid has been submitted to expand existing psychiatric liaison provision at Eastbourne District General Hospital (EDGH) and the Conquest Hospital in Hastings to enable the criteria for 24/7 provision of specialist mental health support set by NHS England to be fully met. This is already provided at the Royal Sussex Hospital in Brighton, and a similar bid is being explored for the Princess Royal Hospital in Haywards Heath.

- **Crisis cafés**

Four new crisis cafés will be set up across Sussex, and will be open for 46 hours a week including evenings and weekends. The cafés offer an alternative to A&E for people who need specialist mental health support and use the expertise of our third sector partners. They are also accessible for people with learning disabilities and autism. There is already a

crisis café in Hastings, The Sanctuary, and the options are being explored for another crisis café elsewhere in the county.

- **Ambulance triage**

The ambulance triage service involves qualified psychiatric nurses attending incidents where a person does not need medical or paramedical attention, but appears to be experiencing some form of mental health crisis. Within East Sussex we are currently reviewing existing ambulance triage services with a view to rolling out more widely.

- **Street triage**

We will extend the successful street triage scheme to operate for 84 hours a week right across Sussex. We were one of the first systems in the country to develop this joint scheme between the police and mental health services, which involves a police officer and qualified psychiatric nurse attending incidents where a person is experiencing some form of mental health crisis. A review will take place with Sussex Police during the remainder of 2019/20, to see if the model needs to be refreshed.

### **3. Key priorities for 2020/21 in East Sussex**

Initial workshops and discussions have taken place locally to further define the scope and nature of the work to build on existing Sussex-wide mental health plans and understand the specific developments for East Sussex. This has helped identify specific areas that will support closer system working across physical and mental health, community health and social care, and primary care. Information on our priorities to support better mental health and wellbeing for all can be found in Appendix 1.

The following areas are being taken forward in East Sussex and will be built on further in 2020/21:

- **Single point of access - no 'wrong doors' and access to crisis pathways**

In order to enable people to easily access services, wherever they present, we are seeking to invest in the expansion of NHS 111 so that it can take mental health referrals. A pilot Single Point of Access (SPOA) for adults is also being developed for Eastbourne, embedded within Health and Social Care Connect (HSCC). In addition, pathways have been simplified and a joint operational policy is being co-produced to support joint working across mental health and social care teams.

- **Supporting people in the community through community health and social care teams for adults with severe mental health issues**

Work is being taken forward by ESCC Adult Social Care and SPFT across a number of operational areas to enhance integrated working through community health and social care teams for people with severe mental health problems. This includes resource and quality practice panel processes, protocol development in relation to Approved Mental Health Professional (AMHP) duties, and access to Crisis Resolution and Home Treatment (CHRT) teams to help avoid unnecessary admissions. In addition, joint management meetings are being reviewed to ensure representation is appropriate for collaborating to solve problems.

To enable better outcomes for people with serious mental illnesses through the wider integration of mental health teams and multi-disciplinary working, we are considering how to deliver a more integrated and multi-disciplinary approach to meeting physical health and mental health needs as part of the target operating model for community health and social care services.



- **Supported accommodation pathways**

A review of supported accommodation pathways is taking place. This will identify people using mental health services that need specific housing support, to inform work with housing teams to find long term solutions.

Supported accommodation is currently commissioned by Adult Social Care to provide medium-term (average of 18 months) accommodation-based support for:

- Adults who are homeless
- Adults who have mental health needs and are homeless
- Young people who are 16-25 years old and homeless
- Young parents and homeless

There are currently 89 beds across mental health and homelessness, and 160 beds across young parents and young people, for a total of 249 beds. This provision will be recommissioned from December 2020.

This offers an opportunity to re-consider how services are commissioned and delivered to meet the joint working requirements of Adult Social Care and its partners, including Children's Services, local housing authorities, registered social landlords, and the wider local population, including:

- A sufficient supply of accommodation-based support to enable clients with Care Act/Children's Act/Homelessness Reduction Act-eligible needs and those at greater risk of eligible needs to live independently as quickly and sustainably as possible
- An effective system of planning, allocating, managing and retaining oversight of accommodation
- An opportunity to strengthen supported accommodation provision to support a wider range of needs, including more complex and challenging behaviour, in more appropriate settings, for example, smaller units of self-contained accommodation for people with higher levels of need, and step down flats within larger accommodation support-units to prepare for fully independent living
- How supported accommodation can best be provided for a range of clients groups that struggle to maintain independent living and require support

- **Rough sleeping**

The first round of funding through the rough sleeping initiative (RSI) has been crucial in establishing a multi-disciplinary approach to tackling rough sleeping. We have formed a multi-disciplinary team of health, mental health, social care and substance misuse professionals who are responsible for carrying out holistic assessments of each individual's needs. The team are led by the Rough Sleeping Initiative Project Co-Ordinator who has worked alongside each of the services to develop a new pathway for rough sleepers. The team has an outreach focus, which ensures direct access to statutory services for rough sleepers, who would otherwise be unable to access this support via traditional routes. The work of the team is supported by enhanced outreach and day centre provision in both Eastbourne and Hastings.

In October 2019, 23 people were rough sleeping in Eastbourne and 30 people in Hastings. Since the project started, the RSI has supported 213 individual rough sleepers.

A second initiative, 'rough sleeper's initiative 2' operates across Lewes, Wealden and Bexhill. This is a team of two navigators who work to offer outreach services to entrenched rough sleepers. The project launched in July 2019 to improve access to housing and support services for entrenched rough sleepers living in rural East Sussex.

The funding for these initiatives is currently available from the Ministry of Housing, Communities and Local Government until March 2020, and we will be pursuing opportunities to bid for funding for a further year.

- **Aftercare and support**

To ensure people get the best support and aftercare, a new delayed transfers of care network has been established, with joint leadership from Sussex Partnership Foundation NHS Trust and ESCC Adult Social Care Services and weekly discharge meetings to support safe and timely discharge. A live section 117 register has also been implemented to better coordinate care across teams.

- **Access to children and young people's mental health services**

An independent strategic review of the whole pathway of emotional wellbeing and mental health services for young people is taking place across Sussex. This has involved engagement with staff, partners and those who use services across the pathway. The outcomes are due at the end of December 2019, and this will inform implementation planning with a range of partners across our system.

Services across the country have also been asked to increase access for children and young people as part of the five year forward view for mental health, and our work through the East Sussex Children and Young People Mental Health and Wellbeing Local Transformation Plan sets this out in more detail. There is also some more detail in Appendix 2.

## Appendix 7

### Summary of key themes from the audit of recent engagement activity in East Sussex

Theme	Which reports?
<b>Joining up health and care services, partnership working and collaboration</b> <ul style="list-style-type: none"> <li>People told us we needed to have better co-ordination across the health and care system in order to improve people's experience of receiving services and make the system less confusing (pathways, information sharing, joined up working). They also talked about the importance of partnership working and involving the right people and organisations, the ongoing challenges to integration, the importance of collaboration and co-design – for example involving Patient Participation Groups (PPGs) in commissioning. In the Our Health &amp; Care Our Future (OH&amp;COF) engagement people fed back that the creation of multi-disciplinary 'Health Hubs' was a great opportunity.</li> </ul>	<ul style="list-style-type: none"> <li>Healthwatch</li> <li>OH&amp;COF<sup>13</sup></li> <li>SH&amp;C<sup>14</sup> Spring '18</li> <li>SH&amp;C Autumn '18</li> <li>Big Health and Care Conversation</li> <li>Listening To You</li> <li>Takeover Day 2018: Mental Health and Emotional Wellbeing</li> </ul>
<b>Communication, access to information, and information sharing</b> <ul style="list-style-type: none"> <li>People consistently told us we need to improve access to information, and improve communication about services, between staff, between organisations and to patients about their care. People told us we need to have integrated IT systems and record sharing, but that we should consider confidentiality and how people's information is used.</li> </ul>	<ul style="list-style-type: none"> <li>Healthwatch</li> <li>OH&amp;COF</li> <li>SH&amp;C Spring '18</li> <li>SH&amp;C Autumn '18</li> <li>Big Health and Care Conversation</li> <li>Listening To You</li> <li>Takeover Day 2018: Mental Health and Emotional Wellbeing</li> </ul>
<b>Digital</b> <ul style="list-style-type: none"> <li>People gave positive feedback about increasing use of digital services and innovations, and that it could help make best use of resources. They also said we must ensure we don't exclude people who may not be able to access digital services.</li> </ul>	<ul style="list-style-type: none"> <li>OH&amp;COF</li> <li>SH&amp;C Spring '18</li> <li>SH&amp;C Autumn '18</li> </ul>
<b>Staffing, resources and funding</b> <ul style="list-style-type: none"> <li>People acknowledged increased demand for care and appreciate honest conversations, but also emphasised the importance of having more/enough staff, that resources must</li> </ul>	<ul style="list-style-type: none"> <li>Healthwatch</li> <li>OH&amp;COF</li> <li>SH&amp;C Spring '18</li> </ul>

<sup>13</sup> Our Health and Care Our Future

<sup>14</sup> Shaping Health and Care

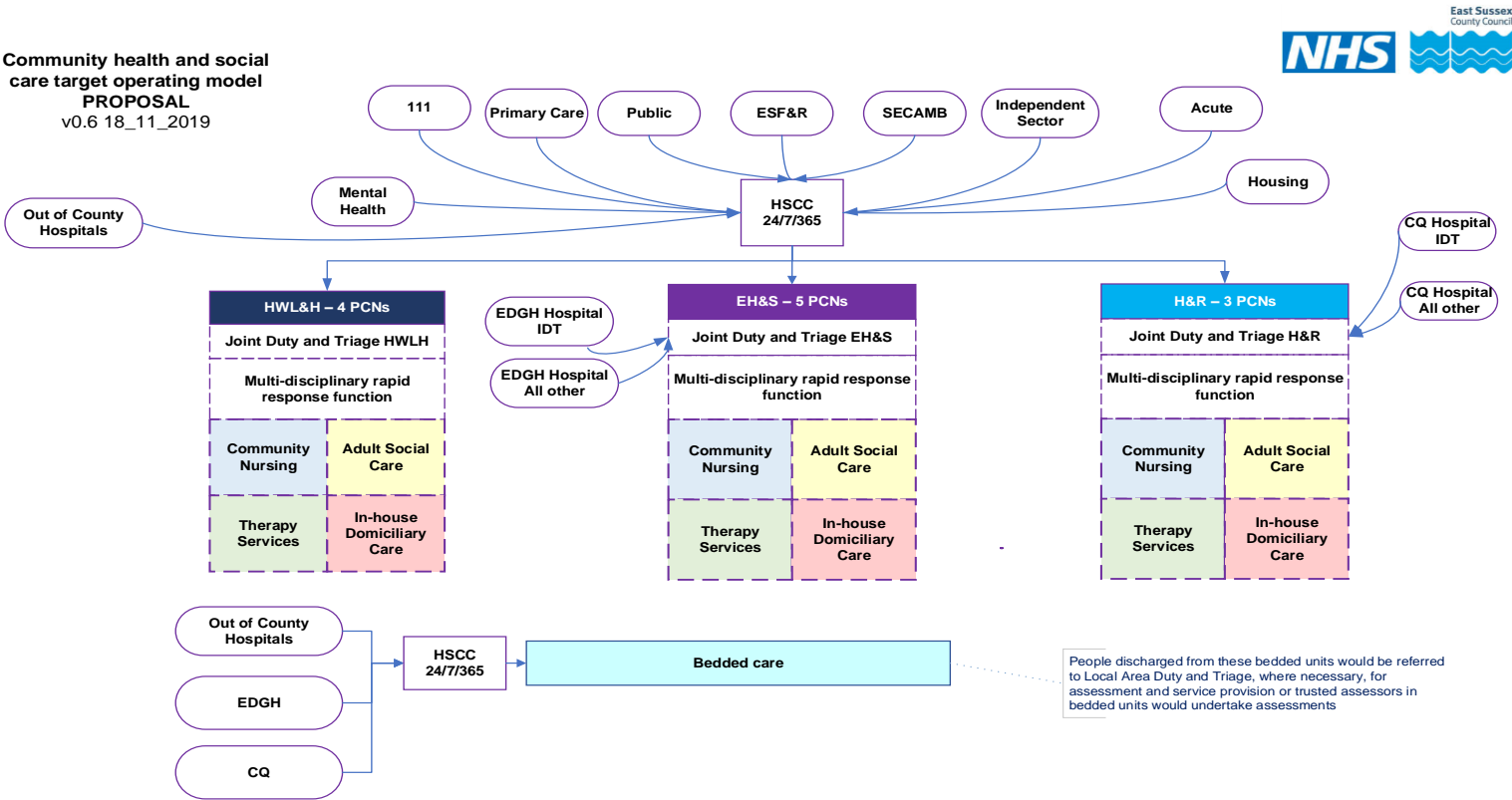
Theme	Which reports?
be adequately planned for the future and for the population (for example where there is new housing), and gave views on where they thought resources should be directed and how to make best use of existing staff. There is sometimes a mismatch between what people feel they need and what the system is offering. The need for more GPs was a common theme.	<ul style="list-style-type: none"> <li>• Big Health and Care Conversation</li> <li>• Listening To You</li> </ul>
<b>The role of the voluntary and community sector, and social prescribing</b> <ul style="list-style-type: none"> <li>• The importance and value of the voluntary and community sector and social prescribing was highlighted throughout the engagement, and people said that it should be adequately planned and resourced. People taking part in the Healthwatch mental health focus groups said VCS organisations are picking up services no longer provided by the statutory sector.</li> </ul>	<ul style="list-style-type: none"> <li>• Healthwatch</li> <li>• OH&amp;COF</li> <li>• SH&amp;C Autumn '18</li> <li>• Big health and Care Conversation</li> </ul>
<b>Health inequalities</b> <ul style="list-style-type: none"> <li>• People agreed that there shouldn't be 'postcode lotteries' for care, and said that there are still significant health inequalities to address. The issue of transport and access for rural communities was raised consistently.</li> </ul>	<ul style="list-style-type: none"> <li>• Healthwatch</li> <li>• OH&amp;COF</li> <li>• Big Health and Care Conversation</li> </ul>
<b>Prevention and supporting healthier choices</b> <ul style="list-style-type: none"> <li>• People are aware of, and agree with, the importance of their own choices in living healthy and independent lives, but said that the healthcare system and staff also play an important role in prevention. People said access to information, education, services and facilities is important, alongside addressing barriers to access.</li> </ul>	<ul style="list-style-type: none"> <li>• Healthwatch</li> <li>• OH&amp;COF</li> <li>• SH&amp;C Spring '18</li> <li>• SH&amp;C Autumn '18</li> <li>• Big Health and Care Conversation</li> </ul>
<b>Mental health</b> <ul style="list-style-type: none"> <li>• Issues discussed around mental health services include access, waiting times, support to meet people's needs, communication with people about their care.</li> <li>• People also raised communication with people about their care and support for those with autism and dementia during these sessions</li> <li>• Issues discussed around young people's mental health services included access to services and experience.</li> </ul>	<ul style="list-style-type: none"> <li>• Healthwatch</li> <li>• OH&amp;COF</li> <li>• Big Health and Care Conversation</li> <li>• Takeover Day 2018: Mental Health and Emotional Wellbeing</li> </ul>
<b>Holistic and personalised care</b> <ul style="list-style-type: none"> <li>• People highlighted the importance of a holistic approach and more personalised care, including "non-medical" solutions, a joined up system, and support from healthcare professionals to help them make their own or joint choices.</li> </ul>	<ul style="list-style-type: none"> <li>• Healthwatch</li> <li>• OH&amp;COF</li> <li>• Big Health and Care Conversation</li> </ul>
<b>Access to services and experience of services</b> <ul style="list-style-type: none"> <li>• There was lots of feedback from people about difficulty accessing services or not feeling they are getting enough support. For example, lack of co-ordination in the system,</li> </ul>	<ul style="list-style-type: none"> <li>• Healthwatch</li> <li>• OH&amp;COF</li> <li>• SH&amp;C Spring '18</li> </ul>

Theme	Which reports?
availability and timeliness of appointments, availability of GPs/ health care professionals or treatment, continuity of care and gaps in services, and home care provision. As above, support for young people's mental health needs was also a common point of feedback.	<ul style="list-style-type: none"> <li>• Big Health and Care Conversation</li> <li>• Listening To You</li> </ul>
<b>End of life care</b> <ul style="list-style-type: none"> <li>• People highlighted the importance of better conversations and support around end of life care, including conversations with their GP.</li> </ul>	<ul style="list-style-type: none"> <li>• Healthwatch</li> <li>• OH&amp;COF</li> <li>• Big Health and Care Conversation</li> </ul>
<b>Multiple and complex needs</b> <ul style="list-style-type: none"> <li>• People with multiple or complex needs find it more difficult to access the support that they need.</li> </ul>	<ul style="list-style-type: none"> <li>• Healthwatch</li> <li>• OH&amp;COF</li> </ul>

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Appendix 2 Draft community health and social care target operating model

The ambition of the community transformation programme is to maximise the efficiency of community services by reducing duplication, repetition, and increasing the capacity of community services to reduce unnecessary admissions to hospital, keeping people at home for as long as possible.







### Appendix 3

#### Proposed Community Health and Social Care Target Operating Model implementation projects

Ref No	Projects 2020/21	Description	Benefits
<b>CP1</b>	Integrated Community Therapy service	Integrating Adult Social Care Occupational Therapy teams with Joint Community Reablement Rehabilitation teams to create a health and social care Integrated Community Therapy service	<ul style="list-style-type: none"> <li>• Reduce duplication and cross referral between Community Nurses and Social Workers releasing capacity for growth in community care demand</li> <li>• Reduced re-telling of the story for our citizens</li> <li>• Responsive service proving the right care at the earliest opportunity</li> <li>• Reduction in GP referrals to acute services, releasing acute capacity</li> <li>• Flexible deployment of community workforce increasing productivity and providing job variety</li> <li>• Reduction in A&amp;E admissions</li> <li>• Timely discharges releasing capacity in acute and community beds and improving recovery time for patients</li> </ul>
<b>CP2</b>	Integrated (health and social care) Rapid Response Team	Creating an Integrated (health and social care) Rapid Response Team organised at CCG/Locality Hub level	
<b>CP3</b>	Increased co-location of duty and triage (D&T) functions	Increased co-location of D&T functions – Stage 1 - consolidate community nursing D&T functions in St Mary's House; Stage 2 - identify timescales for achieving same in Hastings & Rother area and identify best model for High Weald Lewes Havens area.	
<b>CP4</b>	Primary Care Multi-Disciplinary Team (MDT)	Re-invigorating MDT meetings (where necessary) to become a key forum for joint work across primary care, community health and social care and mental health services.	
<b>CP5</b>	Care Coordination Locality Processes	Create structured care coordination processes in localities to work on complex, multi-agency, multi-disciplinary cases including referrals from MDT; Mental Health, Community Nurses, Social Workers, GPs	



## DRAFT East Sussex Integrated Care Partnership Proposal

### 1. Introduction

- 1.1 The ambition of the Sussex Health and Care Partnership (SH&CP) is to become an Integrated Care System (ICS) by April 2021. An ICS is a way of bringing together all organisations in each health and care system to join forces, so they are better able to improve the health of their populations and offer well-coordinated efficient services to those who need them. A self-regulating body, the ICS will do this through taking responsibility for collaborating and holding each other to account to ensure effective commissioning and delivery of health and social care for the population, within available resources.
- 1.2 A key enabler for the Sussex ICS will be three place based Integrated Care Partnerships (ICPs) in East Sussex, West Sussex and Brighton and Hove. This is where hospitals, Councils and community health, mental health and primary care teams work together to identify priorities and set the strategy for the commissioning and delivery of integrated health and social care outcomes for their populations.
- 1.3 This paper sets out proposals for developing our ICP in East Sussex covering:
- The aim and purpose of our ICP
  - The long term objectives for the ICP and the overall model we are working towards
  - The phases of development and the elements that need to be in place by April 2020
  - The high level roadmap for developing our ICP, including at what stage further decisions will be made about its future form and shape.
- 1.4 The initial proposals have been developed by East Sussex Clinical Commissioning Groups (CCGs) East Sussex County Council (ESCC); East Sussex Healthcare NHS Trust (ESHT); Sussex Community NHS Foundation Trust (SCFT) and Sussex Partnership NHS Foundation Trust (SPFT) during Autumn 2019, for wider testing with key partners across our East Sussex health and care system - including Primary Care Networks, Ambulance services, District and Borough Councils and the Voluntary and Community Sector (VCS) between December and February 2020.

### 2. Aim and purpose of our Integrated Care Partnership

- 2.1 The key aim we share as health and social care organisations in East Sussex is to improve the health, health inequalities and wellbeing of local people through more integrated care and an enhanced focus on prevention and re-ablement after episodes of ill-health. Our mechanism for delivering this is through our Integrated Care Partnership (ICP), which will enable greater levels of collaboration across health and social care provision and commissioning, together with our integrated health and social care outcomes commissioning.
- 2.2 Our ICP will provide the framework for all providers of health, care and support working in East Sussex to come together to plan, organise and deliver services at the right scope and

scale required to support consistent and high quality care across East Sussex. In summary our ICP will support:

- Primary care, community health, mental health, social care and hospitals to work together to identify priorities, integrate services and develop new models of care that:
  - help maintain people's health;
  - help people to manage long term conditions, including personalised care and support, self-management and self-care to put people in control of their health and social care;
  - anticipate and proactively minimise care needs, providing focussed care to people where this is most needed, including end of life care, and;
  - provide effective and timely secondary care where this is required and consistent pathways into and out of hospital care when this is needed.
- Delivery of our shared strategic commissioning outcomes for our population; improved health and wellbeing, improved quality and experience of care, and transformed services that are sustainable for the future. We will do this through making the best use of our collective resources for our population in the following ways:
  - delivering more streamlined health and care pathways and delivering more care in community settings;
  - integrated multi-disciplinary teams delivering primary, community health, mental health and social care close to, or where, people live, and;
  - avoiding deterioration and unnecessary admission to hospital, and providing effective hospital interventions that support early discharge with rehabilitation and reablement where required.
- Understanding the health and care needs of populations in our communities and taking a proactive and targeted approach to promoting health and prevention.
- Providing consistent care and support tailored to the needs of the different communities in East Sussex, through strong links and closer working between primary, community, mental health and social care services and with the wider system of support in local communities and neighbourhoods in East Sussex - including social prescribing, drawing on resources across community, voluntary and independent sectors, as well as other public services such as housing and leisure services to impact on the wider determinants of health.
- Fostering strong relationships and pathways with services accessed by our population beyond the geography of East Sussex, and in other ICPs within Sussex. Overtime our ICP will develop to encompass specialist services within Sussex and beyond, acute hospital services provided within neighbouring Integrated Care Systems, for example Kent.
- Understanding our collective financial resource and taking decisions together to make best use of resources and deliver our strategic population health and social care outcomes.

### **3. Our approach in East Sussex**

3.1 Our recent history of integrated working since 2014, through East Sussex Better Together and Connecting 4 You, provides a strong foundation for developing our ICP. We have taken

steps this year (2019/20) to bring these two programmes together, as well as develop our long term East Sussex Health and Social Care Plan.

3.2 This joint plan serves as the anchor for our work together as a system and will drive the priorities for the year ahead and subsequent years. Informed by local population health and care needs and shaped by and aligned with the NHS Long Term Plan commitments, the plan sets out the key changes we need to make to meet the health and social care needs of our population in the future, and how we anticipate doing this with priorities and next steps across:

- Prevention, personalisation and reducing health inequalities
- Children and young people
- Community
- Urgent care
- Planned care
- Mental health

3.3 During the process of drafting our health and social care plan and discussions at key meetings across our partnership governance, we have also identified some critical areas, over and above the broad-ranging improvement requirements in our plans, that we think will benefit from greater focus and collaboration through our ICP. These are:

- Our shared workforce planning across primary, community and hospital care, and collaborating to best effect over emerging new roles, recruitment and retention
- Agreeing and driving the implementation of our target operating model for community health and social care services, to increase efficiency and capacity to deliver a more sustainable model for the future, aligned to Primary Care Networks
- Addressing over performance in urgent and emergency care, including mental health and children and young people
- Independent sector bedded care capacity
- The importance of strong links and capturing the dependencies with primary care and mental health throughout our system plans

#### 4. Our long term ICP model

4.1 Our proposals for our ICP have been developed based on the learning from our integrated working and the stakeholder engagement that has taken place since 2014, and overall our model will continue to take shape in an iterative way. We have set out below what we think the ICP model that we are working towards looks like in the long term, and its key characteristics. In the future our ICP will:

- Plan and work with the health and social care resources available for the population, deploying resources across the full pathway and spectrum of health and care needs to:
  - develop and implement operational plans and joint programmes of work;
  - develop and implement joint plans for workforce and organisational development
  - manage and plan demand and capacity, and;
  - deploy resources against delivery of commissioned and contracted outcomes

- Have the potential to hold a longer term contract or contracts to directly provide services, deliver outcomes and address health inequalities, and hold contracts with third parties to support delivery.
- Foster strong, trusting relationships and the sharing of risks across all the providers of care and support, including NHS providers, and social care and supported housing services, and the wider health and care system (including the voluntary and community sector, and wider County, District and Borough Council services), to coordinate and integrate provision across self-care activity, anticipatory care planning, coordination and management, public and patient navigation, population education and partnerships to address the wider determinants of health.
- Deliver a new model of care fit to meet the needs of our population, principally:
  - More care delivered at home or in the community through effective integrated care in localities and strong links to the wider system of local delivery to address the broader determinants of health
  - Easy and timely access to secondary care expertise when needed
  - Using whole population risk stratification to anticipate health and care needs ahead of time to help prevent the escalation of need wherever possible
- Understand the performance of the whole health and social care system (business as usual) through setting and monitoring a shared Outcomes Framework and Key Performance Indicators based on what matters to local people.
- Provide a range of system wide functions that are best delivered on an ICP footprint such as medicines optimisation, clinical and professional workforce training and education and emergency planning

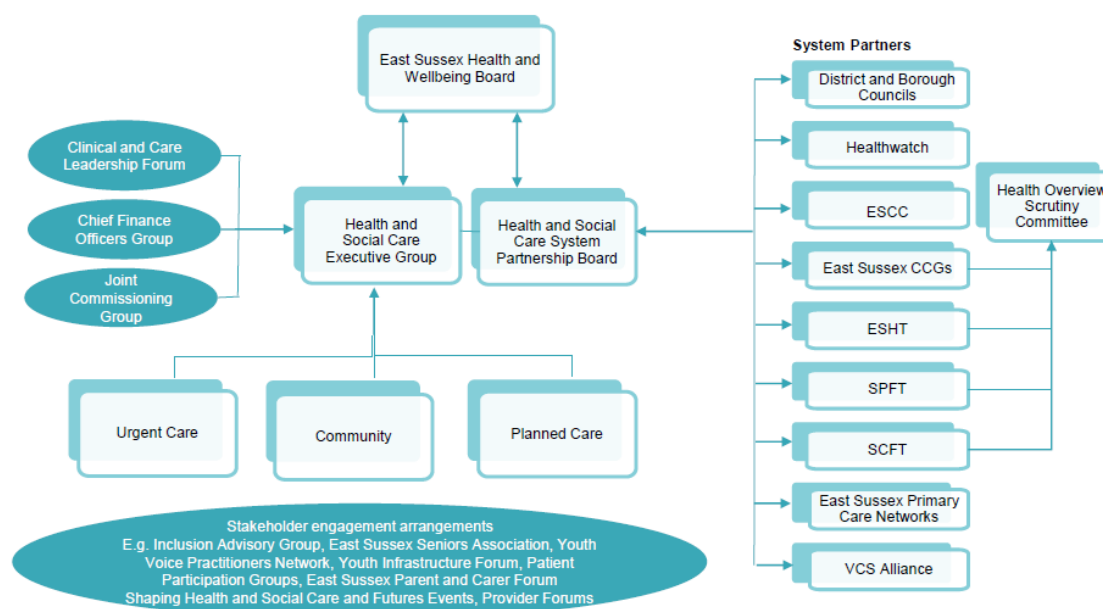
4.2 This is a significant development for all our organisations, particularly the sharing of risks. We will work together to understand the evidence-base and options for best delivering this model, implementing it iteratively to test and learn what will work best in East Sussex. This would also need to include showing how our future ICP model would meet the statutory duties and priorities of constituent organisations.

4.3 Alongside this the development of our integrated health and social care commissioning for our East Sussex place will also be a significant step in enabling us to set population health outcomes through a single process in the future.

## 5. Our collaborative framework

5.1 In September 2019 we launched a new East Sussex Health and Social Care System Partnership Board (SPB) as a key strategic planning partnership with a broad membership from across our system. This will help ensure a strong focus on prevention and the wider determinants of health, as well as making improvements to the quality of care that we deliver as a system. The SPB will have a key role in helping to shape our system ICP plans.

5.2 The diagram below shows the current key elements of our partnership governance and the lines of accountability. This will evolve over time in line with our ICP and integrated health and social care population commissioning developments.



## 6. Next steps - making a start with our ICP in 2020/21

6.1 Our ICP will be delivered in phases as we learn, test and evaluate the evidence. The iterative implementation of our ICP will be informed by the priorities in our plan and the arrangements that will need to be put in place to best deliver our objectives in 2020/21 – and how this will be formalised over time to maximise the benefits for our population. The following enablers have been identified to support this first phase of ICP implementation from April 2020:

- 1) The East Sussex health and social care plan and LTP response and the next phase of planning for delivering our agreed priorities through a transformation programme setting out the objectives, projects and Key Performance Indicators (KPIs) for 2020/21 to monitor delivery of key changes aimed at managing demand and improving outcomes.
- 2) Refreshing our overarching shared integrated Outcomes Framework in light of the East Sussex Health and Social Care Plan priorities and single programme arrangements, and exploring how we can use this to help monitor outcomes and measure longer term improvements.
- 3) Agreeing and taking forward phased implementation of a consistent common operating model and pathways for community health and social care services for the ICP, to help improve quality, performance and finances in 2020/21. The scope for this operating model will be in line with our priority objectives for more integrated working across primary, community health, mental health and social care and

support the delivery of the national service specifications for Primary Care Networks (PCNs) in 2020/21 under the new Network Directed Enhanced Services (DES) Contract, including anticipatory care, personalised care and enhanced care in care homes. Phased implementation of our target operating model will need to be strongly linked with programmes of work for Primary Care Network engagement and development.

- 4) Developing an underpinning financial framework, through building on the aligned incentive contract and developing a collaborative place-based framework to set out what the collective health and social care resource looks like for 2020/21 and how we will take decisions together on this to deliver the best possible outcomes. This would consist of:
  - A description of the whole system resource envelope for 2020/21
  - Modelling of the changes we will need to see and agreed trajectories
  - The decision-making process for deploying resources
  - The pooled and aligned budgets and arrangements for risk share where agreed by all Chief Finance Officers, including alignment with local NHS and ESCC financial planning and budget-setting for 2020/21
  - The aligned contracts that will support delivery
  - Developing risk-sharing arrangements in a safe way; we will continue the learning that has come out of the existing ESHT Aligned Incentive Contract arrangement and the aligned incentives around urgent and emergency care, and explore how we can build on this as well as existing Better Care Fund arrangements to support the first phase of delivering our target operating model for community health and social care services, as a key area that will deliver risk-share benefits and learning in 2020/21.
- 5) Implementation of the Sussex Integrated Dataset (SID – East Sussex has agreed to be an early adopter in 2019/20), to take forward understanding population health management and risk stratification to help deliver anticipatory care.
- 6) Any further refinement that may be necessary for the supporting partnership governance for ICP leadership and decision-making in 2020/21. For example, this might include further evolving our current collaborative framework where necessary to support delivery, for example through tools such as partnership agreements and memorandums of understanding.
- 7) Taking forward population health and social care commissioner arrangements. East Sussex CCGs and East Sussex County Council will also be involved in the ICP in their role as population health and social care commissioners, and we are further developing our approach to how we can add value through carrying out the following existing functions in a single integrated way:
  - Understanding local health and care needs of our population and setting the outcomes that need to be delivered,
  - Addressing health inequalities and working with population health data to improve the health and wellbeing of our population from birth to old age



- Working with District and Borough Councils, the voluntary and community sector and other providers of services that impact on the wider determinants of health to link together action on education, employment, income, discrimination and safe and resilient communities
- Ensuring that integrated services covering neighbourhoods and communities are delivered at the optimum scale to get the best outcomes for local populations

6.2 Some of the above areas of work are already underway, and some will require more detail to be developed by leads and others involved to define the work involved further. To support initial ICP implementation for April 2020, a coordinated programme of projects and work will be worked up by identified leads and small teams from our organisations. A high level programme has been developed to support delivery for April 2020.

## 7. High level roadmap for our ICP model

	Milestone/decision*	When by (deadline)
1	<ul style="list-style-type: none"> <li>• Co-production of the East Sussex Health and Social Care Plan</li> <li>• Co-design of common target operating model for integrated community health and social care by Community Leadership Group</li> </ul>	July – November 2019
2	<ul style="list-style-type: none"> <li>• Finalise the draft East Sussex Health and Social Care Plan</li> <li>• Finalise the ICP common target operating model</li> </ul>	November 2019
4	<ul style="list-style-type: none"> <li>• Health and Wellbeing Board endorsement of the draft East Sussex Plan, and objective-setting, project definition and KPI development underway</li> <li>• Senior responsible officer agreement of draft initial ICP proposal, including elements for April 2020</li> <li>• Senior responsible officer agreement of proposed common ICP operating model for community health and social care</li> <li>• To support delivery of the ICP for April 2020:               <ul style="list-style-type: none"> <li>○ Develop detailed programme</li> <li>○ Develop supporting communications and engagement plan</li> </ul> </li> </ul>	December 2019
5	<ul style="list-style-type: none"> <li>• Undertake wider engagement on ICP proposal and target operating model</li> <li>• Individual partner organisations' approval of the draft East Sussex Plan (subject to Cabinet, Governing Body and Trust Board timetables)</li> <li>• Progress ICP development programme for April 2020, including:               <ul style="list-style-type: none"> <li>○ Development of Financial Framework Agreement, aligned incentive/trial risk-share arrangement and alignment with organisational budget-setting</li> <li>○ Aligned incentive contracts and other contracts in scope</li> <li>○ Target operating model project initiation and understand dependencies and the links with PCN DES Contract national service specification delivery in 2020/21, including anticipatory care</li> <li>○ Outcomes Framework refresh and arrangements to take forward population health and social care outcomes</li> </ul> </li> </ul>	January – March 2020

	commissioner	
6	<ul style="list-style-type: none"> <li>The Health and Wellbeing Board is asked to endorse: <ul style="list-style-type: none"> <li>East Sussex Plan detailed transformation programme for 2020/21</li> <li>Refreshed integrated Outcomes Framework and arrangements to take forward population health and social care outcomes</li> <li>Finalised ICP phase 1 model and next steps</li> </ul> </li> </ul>	March 2020
7	<ul style="list-style-type: none"> <li>Go live with phase 1 ICP elements in shadow form to deliver East Sussex Plan/LTP programme priorities: <ul style="list-style-type: none"> <li>Phase 1 projects to deliver the target operating model for community health and social care, linked with PCN Network DES service specifications in 2020/21</li> <li>Place-based Financial Framework Agreement</li> <li>Sussex Integrated Dataset</li> <li>Supporting governance</li> </ul> </li> <li>Ongoing system monitoring of East Sussex Plan transformation programme</li> </ul>	April 2020
8	<ul style="list-style-type: none"> <li>Consider the shape and form of a strengthened ICP for 2021/22 (phase 2)</li> <li>Consider relationship and interface with neighbouring ICPs both within and beyond our Sussex ICS, and specialist services across a wider geography</li> </ul>	July 2020
9	<ul style="list-style-type: none"> <li>Phase 1 ICP elements fully live</li> <li>Make further decisions about phase 2 ICP model development</li> </ul>	October 2020
10	<ul style="list-style-type: none"> <li>Phase 2 ICP model mobilisation phase</li> </ul>	November – March 2021
11	<ul style="list-style-type: none"> <li>Phase 2 ICP model goes live</li> <li>Sussex Integrated Care System live</li> </ul>	April 2021

*\*There will be ongoing engagement with all of our key stakeholders supported by a comprehensive communications and engagement plan.*

*\*\*Partner organisation agreement will be sought in line with individual governance processes as the ICP develops. For example, if in the future options are developed for potential organisational changes or developments in how resources are managed this would be subject to individual organisational governance and consultation.*

Author: Vicky Smith

Version 4: 13 12 19

<b>Report to:</b>	<b>Cabinet</b>
<b>Date of meeting:</b>	<b>28 January 2020</b>
<b>By:</b>	<b>Director of Communities, Economy and Transport</b>
<b>Title:</b>	<b>Transport for the South East's draft Transport Strategy – formal consultation response</b>
<b>Purpose:</b>	<b>To advise Cabinet of the County Council's proposed response, as a constituent authority, to Transport for the South East's formal consultation on their draft Transport Strategy.</b>

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**RECOMMENDATIONS:** Cabinet is recommended to agree the County Council's response on Transport for the South East's formal consultation on their draft Transport Strategy as summarised in sections 2.8 and 2.9 below, and outlined in more detail at Appendix 2.

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## **1 Background Information**

1.1 Under legislation contained in the Cities and Local Government Devolution Act 2016, a sub national transport body (STB) is a body corporate, which may only be established by the Secretary of State if it is considered that:

- its establishment would facilitate the development and implementation of transport strategies for the area; and
- the objective of economic growth in the area would be furthered by the development and implementation of such strategies.

1.2 Since 2018, sixteen upper tier authorities in the South East have been working together with Transport for the South East (TfSE) to develop a Transport Strategy for their geographical area as shown at Appendix 1. This covers Brighton and Hove, East Sussex, Hampshire, Isle of Wight, Kent, Medway, Portsmouth, Southampton, Surrey and West Sussex and the six unitary authorities of Berkshire.

1.3 In addition, the five Local Enterprise Partnerships - Coast to Capital, Enterprise M3, Solent, South East and Thames Valley Berkshire as well as two National Park Authorities (South Downs and New Forest); 44 Boroughs and Districts across the geographical area; the transport industry and end user voice are represented in TfSE's governance which currently comprises a shadow Partnership Board, Transport Forum and Senior Officer Group.

1.4 A public consultation on the draft Transport Strategy started on 10 October 2019 and closed on 10 January 2020. Due to dates of local authority decision meetings a date of 31 January 2020 has been agreed for local authorities to make submissions. The purpose of the consultation was to seek the views of a wide range of stakeholders on the draft Transport Strategy, with the aim to ensure buy-in to the vision of the future set out in the Strategy. The consultation was also on the Integrated Sustainability Appraisal and the supporting evidence which has been used to inform the development of the Strategy.

1.5 Following the end of the consultation period, Transport for the South East will produce a consultation report on the draft Transport Strategy that will summarise and analyse the responses, and how the final version of the Transport Strategy should evolve to reflect the feedback that has been provided. The draft Transport Strategy will then be revised and a final

version will be approved by the Shadow Partnership Board and published in Spring 2020. The Transport Strategy will then be reviewed every five years.

1.6 Transport for the South East are also planning to commission a set of studies to further explore some of the themes in the Transport Strategy, which will include area studies that focus on radial and orbital corridors and journeys in the South East, and further work on various thematic studies including smart ticketing, future mobility and freight.

## **2 Supporting Information**

### Introduction

2.1 Transport for the South East's mission is to grow the South East's economy by delivering a safe, sustainable, and integrated transport systems that makes the South East more productive and competitive, improves the quality of life for residents, and protects and enhances its natural and built environment. Its ambition is to transform the quality of transport and door-to-door journeys for the South East's residents, businesses and visitors. In economic terms, TfSE have identified the potential to grow the number of jobs in the region from 3.3m to 4.2m and increase productivity from £183bn to between £450bn and £500bn Gross Value Added per annum. This is almost 500,000 more jobs and at least £50bn more per annum than without investing in the opportunities identified in the Transport Strategy.

2.2 The Strategy presents a shift away from traditional approaches of planning for a future based on recent trends and forecasts to an approach of choosing a preferred future and setting out a plan for how this can be achieved. This change in approach would see a transition away from 'planning for vehicles' towards more 'planning for people' and 'planning for places'.

### Vision, Goals and Priorities

2.3 The Strategy vision is that *'By 2050, the South of England will be a leading global region for net-zero carbon, sustainable economic growth where integrated transport, digital and energy networks have delivered a step-change in connectivity and environmental quality. A high quality, reliable, safe and accessible transport network will offer seamless door-to-door journeys enabling our businesses to compete and trade more effectively in the global marketplace and giving our residents and visitors the highest quality of life'.*

2.4 This in turn is underpinned by three strategic goals – economy, society and environment – with a set of fifteen strategic priorities beneath each of these goals. These priorities narrow the scope of the goals to mechanisms and outcomes that will be most important to effectively deliver the vision.

### Principles and Strategy Approach

2.5 Transport for the South East has developed a framework that applies a set of principles to identify strategic issues and opportunities in the South East in order to help achieve the vision of the Transport Strategy. These are:

- Supporting economic growth, but not at any cost
- Achieving environmental sustainability
- Planning for successful places
- Putting the user at the heart of the transport system
- Planning Regionally for the Short, Medium and Long Term

2.6 The Strategy applies the above principles to six journey types, set out below, to help identify key challenges and opportunities:

- Radial journeys
- Orbital and Coastal journeys
- Inter-urban journeys
- Local journeys
- International Gateways and Freight

- Future journeys

2.7 These challenges will be explored further through the programme of subsequent area and thematic studies referred to in section 1.6 above.

#### Response to draft Strategy

2.8 Overall we welcome the publication of the draft Strategy by Transport for the South East (TfSE) and support its vision, strategic goals and priorities which align with the priorities set out in the Council Plan, the County's Local Transport Plan 2011 – 2026 and East Sussex Growth Strategy 2014 - 2020.

2.9 A more detailed response is set out in Appendix 2, and in summary the response highlights that:

- We are broadly supportive of the proposal to move towards a 'decide and provide' approach of deciding the preferred future and transport outcomes, and provision the transport interventions necessary to deliver that future. The strategy recognises there will be a continued need to 'predict and provide' future infrastructure needs in the short term as transport providers transition to a decide and provide.
- In implementing the Strategy, it needs to be recognised that the different constituent authorities will move at different timescales in terms of adopting the 'decide and provide' approach more locally through their Local Transport Plans (LTP). We are proposing to update our current LTP, commencing in 2020/21, and in doing so we will embrace this approach.
- We are supportive of the approach of moving from 'planning for vehicles' towards a greater emphasis being put on 'planning for people' and 'planning for places'. The strategy needs to recognise that this shift is already happening, but that 'planning for vehicles' will need to continue over the life of the strategy albeit reduce over time.
- We are supportive of the 'Sustainable Route to Growth' scenario put forward in the Strategy that with the polycentric nature of the sub-region, it is very important the South East becomes less reliant on London and builds on its existing successful economic hubs. The shift away from private cars towards more sustainable travel and creating a cleaner and safer environment is seen as very important to delivering this future scenario. Increased investment in walking, cycling and public transport coupled with decisions about how we best utilise and maximise the available road space will be key to achieving this. Finally, we welcome TfSE's support in ensuring the further integration between land use and transport planning undertaken by the local planning and transport authorities.
- Overall the evidence base which has been used to develop the strategy is comprehensive and we have suggested various areas in our response on where additional information could be provided to further support this.
- We are supportive of all the economic, social and environmental priorities that have been identified and the response highlights the East Sussex perspective in relation to these. In particular, we strongly support the economic priorities of better connectivity between our major economic hubs, international gateways and their markets and ensuring that the resilience challenges on current transport networks are addressed, which impacts on connectivity and journey time reliability. Within the social priorities, promoting active travel which supports health and wellbeing provides an affordable, accessible transport network which addresses social inclusion, are seen as particular high priorities. Within the environmental priorities, a reduction in carbon emissions to net zero by 2050 – which reflects the target agreed by Full Council at its meeting in October 2019 – is considered to be the highest priority.

- All the principles to identifying the key transport issues and opportunities are supported. From an East Sussex perspective, the principles of ‘supporting sustainable economic growth but not any cost’; ‘planning for successful places’ and ‘putting the user at the heart of the transport systems’ would be the highest priorities.
- We strongly agree with the approach of looking at different journey types, as set out in para 2.6 above, in the Strategy and within the detailed response have highlighted our support for the challenges, and the initiatives that help address those challenges, which are relevant to the county.
- The key challenge to the Strategy’s delivery will be the level of funding, both capital and revenue, that will be available over the life of the strategy. To enable effective planning of the delivery of the strategic infrastructure and initiatives identified in the strategy across the TfSE area and within local transport authorities, as well as to ensure that a pipeline of schemes/projects are being developed ready for delivery, there needs to be greater certainty on the level of funding that will be available over the longer term. In addition, to ensure that local transport authorities are able to support the delivery of the Strategy, there needs to be greater long term certainty on Government funding that is available to deliver local journeys initiatives, particularly in relation to the first and last mile of the local journey challenges described in the Strategy.

### **3 Conclusion and Reasons for Recommendations**

3.1 The delivery of the TfSE’s transport strategy provides an opportunity to support and grow the economy, boost connectivity and speed up journeys whilst improving access to opportunities for all and protecting and enhancing our region’s unique environment.

3.2 TfSE has set out their overall approach to achieving their vision in their draft Transport Strategy which has been out for consultation. Overall the County Council is supportive of TfSE’s draft strategy, and has a number of comments as summarised in sections 2.8 and 2.9 of this report and outlined in more detail in Appendix 2, which would form the basis of the County Council’s formal response. Cabinet is recommended to consider our support for TfSE’s draft strategy as well as the detailed comments on the strategy content and offer their views.

**RUPERT CLUBB**

Director of Communities, Economy and Transport

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#### **LOCAL MEMBERS**

All

#### **BACKGROUND DOCUMENTS**

Transport for the South East – Draft Transport Strategy, October 2019

Appendix 1 – Transport for the South East Geography



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## Appendix 2

## Transport for the South East Draft Transport Strategy Consultation East Sussex County Council Response

### January 2020

Thank you for the opportunity to comment on the TfSE Transport Strategy consultation, for which comments are requested by 10 January 2020. This is an officer response to the Strategy consultation and the County Council's formal consultation response will be considered at the Council's Cabinet meeting on 28 January 2020.

We have not responded to the About You section (**Questions 1 – 5**) on the consultation questionnaire.

### Strategy Approach

#### **Question 6: Moving away from predict and provide - to what extent do you agree or disagree with the use of this 'decide and provide' approach?**

The County Council is broadly supportive of the TfSE's proposal within the Transport Strategy of moving away from a 'predict and provide' approach of transport planning across the sub-national area and towards a 'decide and provide' approach of deciding the preferred future and transport outcomes, and providing the transport interventions necessary to deliver that future.

It is acknowledged that the move to a 'decide and provide' approach could provide greater opportunities to alleviate congestion alongside moving towards a carbon neutral society, through investment in sustainable transport, developing land use planning policies, adopting emerging transport technologies and implementing demand management policies. However, a 'predict and provide approach' and the use of appropriate tools to determine this, will still be valuable especially in the short term for assessing parts of the wider transport network, such as the strategic road and major road networks, and as transport providers transition to a 'decide and provide' approach. This would enable existing deficiencies to be addressed in the short term to ensure these networks are 'fit for purpose' and able to accommodate the additional demand generated by the impacts of housing and employment growth.

In the context of East Sussex, there are key and targeted sections of the strategic road network that have been identified using a 'predict and provide' approach – the A27 between Lewes and Polegate and on the A21 between Kippings Cross and Lamberhurst as well as at Hurst Green and Flimwell - as priorities for providing adequate capacity to bring the network up to an appropriate standard. Similarly, we have used a 'predict and provide' approach to identify the need for improvements to the A22 around Hailsham and Stone Cross to accommodate the housing and employment growth, coupled with a 'decide and provide' approach in relation to wider improvements to public transport, walking and cycling on the movement corridor between Hailsham, Polegate and Eastbourne. Therefore this

demonstrates the benefits of integrating both approaches to ensure that all forms of mobility are considered in a strategic context, which will be important as sustainable mobility will need to be considered closely alongside future highway improvements to support the premise of sustainable growth.

In implementing the Strategy, TfSE will also need to recognise that the different constituent authorities will move at different timescales in terms of adopting the 'decide and provide' approach more locally through their Local Transport Plans (LTP). We will be reviewing and updating our LTP, commencing in 2020/21, and in doing so we propose to embrace this approach.

**Question 7: Planning for people and places - to what extent do you agree or disagree that transport policy across the South East should evolve in this way?**

We are broadly supportive of the approach set out in Figure 1.3 of the Strategy which shows the move from planning for vehicles in the longer term, towards planning for people and planning for places over time. This is sensible as people and their journey purpose strongly determine their behaviour and choice of mobility, and enables the move away from labelling people as a cyclists, drivers, pedestrians etc., when they could be all three. With a move towards more transport provision in the future being provided as a service and shared this will be even more important to consider and have a greater understanding of people's journey purpose and how this influences their behaviours and choice of mobility.

The Strategy highlights in section 1.23 that the South East is in the first stage of the process focussed on planning for vehicles however this is felt to be a misnomer.

Whilst it is acknowledged that in East Sussex we are, for example, seeking targeted improvements to the strategic road network and capacity enhancements to junctions on the Major Road Network, we are already, (and have been for a number of years) 'planning for people' and 'planning for places'.

For example, in planning for people we are investing significantly in sustainable transport infrastructure to provide people with greater choices in relation to using public transport, or cycling and walking. We wish to re-iterate the need for this to be continued with similar funds to Local Growth Fund monies which we have secured through the South East Local Enterprise Partnership (SELEP). It would be sensible if this kind of funding could be integrated with travel behaviour change funding as well.

Likewise, in planning for places, we have invested in high quality street environments in many of our towns including Hailsham, Uckfield and Eastbourne. In addition, we are seeking to ensure that transport and land use policies are closely inter-related through engagement with the Borough and District Council's in the development and delivery of their Local Plans.

Therefore it is suggested that the narrative in the Strategy, and Figure 1.3, acknowledges this and that planning for vehicles will continue over the life of the strategy but reduce over time; whilst planning for people and planning for places is already taking place but will increase over time, in parallel with the reduction in the number of vehicles.

**Question 8 – How important do you feel the key features of our ‘Sustainable Route to Growth’ scenario are for the future of the South East? (pp126 – 131)**

Recognising the polycentric nature of the sub-region, we believe that it is very important that the South East becomes less reliant on London and builds on its existing successful economic hubs. Within East Sussex, it is important that we continue to develop and grow our economic priority areas of Hastings/Bexhill, Eastbourne/South Wealden and Newhaven to ensure that we can provide high quality, high skilled jobs for our residents locally rather than having residents needing to travel to London to seek these roles.

The need to ensure that land use and transport planning are better integrated is also seen as very important in relation to the ‘Sustainable Route to Growth’ scenario in order to help reduce the need to travel by ensuring that housing and employment growth is located in sustainable locations which encourage journeys to be undertaken on foot, by bike or by public transport where possible. At present, this is done at a local level between the highway authorities and the local planning authorities. In the absence of any strategic land use planning body at sub-national level this will continue to be the case; therefore the role of TfSE, will be to support discussions at a strategic level between respective highway and local planning authorities in relation to transport investment required to support planned growth and the delivery of the wider strategy for the region.

In order to meet the Sustainable Route to Growth vision, the shift away from private cars towards more sustainable travel and creating a cleaner and safer environment is seen as very important. Increased investment in walking, cycling and public transport coupled with decisions about how we best utilise and maximise the available road space will be key to achieving this.

We welcome the reference to the delivery of targeted demand management measures with more mobility being consumed on a ‘pay as you go’ basis. It is recognised that this will be important in the future as changes in people’s mobility habits change as the benefits of emerging technology are harnessed across our transport networks. We expect that the Strategy will need to consider the approaches that could be delivered in both the mix of urban, semi-urban and rural parts of the TfSE area. In addition, any kind of ‘pay as you go’ road use approach can only be considered and implemented nationwide rather than just in the South East. It is noted that the Government’s Transport Committee will be considering road user charging in 2020 and the Transport Strategy, through its ongoing delivery, will need to reflect any changes in Government policy.

**Question 9 – Additional comments**

N/A

**TfSE Area**

**Question 10 – To what extent do you agree or disagree with the evidence set out in chapter 2 of the draft Transport Strategy makes a strong case for continued investment in the South East transport system?**

Strongly Agree. The evidence in Section 2 of the Strategy provides a comprehensive summary of the governance structures; economic, social and environmental characteristics and challenges in the TfSE area. Specific comments on the evidence base presented are set out in our response to Question 11 below.

**Question 11: Additional comments about the information set out in Chapter 2, or any additional evidence that should be included.**

General – It would be helpful, if available, for specific information by district to be provided on public transport (bus) usage across the Transport for the South East geography.

General – the ability to access service through improved digital connectivity would help to reduce the need to travel and information could be provided on this within the evidence base. Within East Sussex, the creative, cultural and digital sector typically choose to work close to home or at home; they are the fastest growing sector who are leading the way in new ways of working and to achieve this need improved broadband capability.

General – the need to promote the use of travel behaviour change programmes alongside sustainable transport infrastructure projects and emerging technologies in providing transport as a service and shared transport, to enhance the use of investment in these.

Page 17, Para 2.8 – it is suggested that the text highlight that the two national parks in the TfSE area are the South Downs and New Forest.

Page 18, Para 2.10/Figure 2.3 – the text in para 2.10 identifies that the area is home to national and world leading universities; could their locations be shown on Figure 2.3 as well as the Priority Industrial sectors particularly if there are any inter-relationships between the higher education and industrial sectors?

Page 25, Figure 2.7 – it is suggested that the Protected Landscapes figure also include RAMSAR sites (eg Pevensey Levels).

Page 26, Figure 2.8 – whilst it is acknowledged that Air Quality Management Areas (AQMAs) should be shown as part of the evidence base, because of the scale of the map it is very difficult to see where all the more localised AQMAs are which are not in the defined economic hubs (eg Newhaven, Lewes). It is suggested that these are labelled or listed on the map.

Page 35, Para's 2.41 to 2.44 (Key transport patterns) - The modal share statistics, as presented, include journeys to and from London. It is important that the strategy properly sets out the modal split of other urban and inter-urban journeys which take place, given the significant issues with these too. These 'other' journeys should therefore also be illustrated in a separate modal share table. Emphasis should also be provided to more local travel patterns where there are potential significant opportunities for interventions to encourage

modal shift using sustainable transport modes (including cycling and local/inter-urban bus and train services). This might be illustrated through statistics on average journey distance by mode of transport, and take up of various modes of transport by distance.

Page 37, Figure 2.13 - There are some parts of the network, such as the A259 South Coast Road and the A2270 into Eastbourne, where there is no forecast growth in traffic flow shown. Is this correct – if it is less than 20% then should it be shown as such?

Page 40, Para's 2.52 – 2.57 (Highways):

- It is suggested that para 2.54 needs to highlight that there are some targeted interventions which are and could be made to the radial SRN routes to expand capacity. For example, in the context of connectivity to East Sussex, SMART motorway between junctions 6 and 10 on the M23 which is currently being implemented or improvements to the A21 between Kippings Cross and Lamberhurst as well as at Flimwell and Hurst Green, which are priorities identified in TfSE's submission to Government on the second Roads Investment Strategy.
- The reference to the A27 corridor in para 2.55, should be 'A27/A259/A2070'. North – south MRN routes also supports the Strategic Road Network where it is not fit for purpose; for example the A22 MRN corridor, provides relief to the A21 and A27/A259 SRN corridors serving the county.
- Whilst the reference in para 2.56 is about the opportunities for the MRN in urban areas, the text should also highlight that for inter-urban MRN routes, the focus is likely on ensuring journey time reliability and connectivity between urban areas on or near these routes.
- It is suggested that whilst the priority of this section is on the strategic and major road networks, the narrative should make reference to the inter-relationship these networks have with the rest of the local highways network managed by the local highways authorities, which is a component of nearly every journey undertaken.

Page 42, Para's 2.58 – 2.63 (Railways)

- General – there is little reference to the roles and responsibilities of Network Rail and the Train Operating Companies in relation to rail network and services in the south east
- Para 2.58 – it is suggested that some of the journey time relative to distance issues are also highlighted in the text; for example, Bexhill is 52 miles from London and yet it takes 2 hours whatever route you take to get there by rail.
- Para 2.61 – it is suggested that the non-electrified sections of the network are highlighted; in East Sussex these are Uckfield to Hurst Green (which runs north – south) and Ore to Ashford. The paragraph could also highlight that the use of alternatively powered bi-mode train units – electric/diesel; electric/battery or hydrogen – could offer up options to addressing the challenge on the current un-electrified sections of rail network in the south east.
- Para 2.62 – whilst it is agreed that the majority of rail capacity is needed on the radial routes, there are capacity needs and opportunities on orbital routes (eg. Marshlink, Ashford – Gatwick; North Downs line) which is suggested could be referred to as well.

Page 45 (Gatwick Airport) – it is suggested that the narrative is amended to clarify that Gatwick Airport Limited are proposing to use their standby runway for departures only in parallel with their main runway which would increase the overall number of flights and passengers using the airport.

Page 46, Para 2.69 – The narrative refers to the Avenue Verte between London and Paris; for completeness, it would be helpful if this was shown on Figure 2.17.

Page 48, Para 2.73 – Whilst it is acknowledged that Local Enterprise Partnerships promote economic development across their respective areas, it is suggested that the text also highlights the crucial role that County Councils and Borough/District Councils play in delivering sustainable economic growth within their own geographies.

### **Vision, Goals and Priorities**

#### **Question 12: To what extent do you support or oppose our vision for the South East?**

We strongly support the vision statement for transport across the south east in 2050 which seeks to balance the triumvirate of the supporting the economy of the sub-national region in a sustainable way; ensuring that social issues such as safety and quality of life are addressed, whilst recognising the high quality environment of the South East and the need to reduce carbon emissions in line with Government targets.

#### **Question 13: Do you have any further comments on our vision?**

The strategic vision could also emphasise that the mix of planning for vehicles, people and places is required to enable its delivery, and that improving sustainable travel choices, inclusive accessibility and reducing the need for travel are means of addressing these three elements, which at present does not come across.

#### **Question 14: To what extent do you agree or disagree with the goals set out within the Transport Strategy?**

The County Council strongly agrees all three strategic goals – Economic, Social and Environment – which underpin the vision for the transport strategy.

From an East Sussex perspective, the strategic goal to improve productivity, attract investment to grow our economy and ensure the sub-national area can better compete in the global marketplace, accords with one of the Council's priorities to support the delivery of sustainable economic growth. This is reflective of the approach set out in the County's Growth Strategy 2014 – 2020 which focusses on three pillars:

- **Business:** Enabling business growth, particularly of 'high value' businesses;
- **Place:** A significantly valued asset to the East Sussex economy;

- **People:** Meeting the skills needs of business and supporting residents to reach their full potential.

Similarly, the strategic goal to 'Improve health, safety, wellbeing, quality of life, and access to opportunities for everyone' accords with the County Council priority of 'Keeping Vulnerable People Safe'.

Within East Sussex, it is recognised that the county has a high quality natural, built and historic environment with the South Downs National Park, High Weald AONB; our coastal towns and market towns with their rural hinterlands, which need to be protected and enhanced as appropriate, whilst also ensuring the connectivity to one another and to other parts of the south east.

**Question 15: To what extent do you agree or disagree that these are the priorities which the Transport Strategy should aim to achieve?**

In relation to all economic, social and environmental priorities set out in paragraphs 3.8 to 3.10 of the Transport Strategy, these are all supported.

**Economic Priorities**

From an East Sussex perspective, the economic priorities of better connectivity between our major economic hubs, international gateways and their markets, and more reliable journeys between major economic hubs and international gateways, such as Newhaven and Gatwick, are at present a high priority for the County.

We recognise the resilience challenges that the current transport network, particularly the strategic road and rail networks, have which consequently have an impact on connectivity and journey time reliability between our major economic hubs, as well as putting pressure on our own managed transport network. Therefore, we would want to see targeted investment in the strategic networks serving the county in order to address these issues, combined with more localised sustainable travel options which also embrace emerging technology.

Equally, we acknowledge the need to manage the impacts of climate change has, and will continue to have, on our networks whether this be from extreme weather such as hot dry summers and increased flooding, or from coastal erosion putting parts of our road network at risk. This means that strategic and local transport infrastructure providers need to collectively ensure that they are mitigating and adapting to the changing climate.

The importance of digital technology and Smart Cities concepts to manage transport demand and make the best and most efficient effective use of the transport network including better use of available road space, particularly in urban areas, will be a priority for areas of the county such as Hastings and Eastbourne.

Likewise, the roll out of 'mobility as a service' (MaaS) concepts across the county will become increasingly important in rural areas and other parts of the county where there are limited options to the car or where people choose to not own a car.





## Social Priorities

In relation to the specific social priorities, within East Sussex, promoting active travel which supports health and wellbeing is a high priority. We also support the priority of the providing an affordable, accessible transport network which addresses social inclusion issues and helps to reduce barriers to employment, learning, social, leisure, physical and cultural activity.

This accords with the investment that has been made by the County Council in active travel modes over a number of years, particularly in our growth areas using monies secured from the Local Growth Fund through the South East Local Enterprise Partnership (SELEP). This also reflects the development of the County's Local Cycling and Walking Investment Plan which will set out policies to encourage active travel and identify priorities for future investment. This has also been supported by investment in revenue based initiatives to encourage active lifestyles through increased walking and cycling through the Local Sustainable Transport Fund between 2012 and 2016 and latterly through DfT funding secured towards the County Council's Active Access for Growth Programme which started in 2017 and will continue through until 2020/21.

The County Council has recently declared a Climate Change emergency at its Full Council meeting in October 2019, alongside other local authorities in the county and the TfSE area. Improving air quality and improving the impact and management of climate change by reducing carbon emissions, particularly by enabling people to use more public transport and to choose to walk and cycle should be a priority.

## Environmental Priorities

Within the environmental priorities, a reduction in carbon emissions to net zero by 2050 – which reflected the target agreed by Full Council at its meeting in October 2019 – and reducing the need to travel, particularly by private car, whether by walking, cycling and using public transport or by improving digital connectivity are considered to be the highest priority.

**Question 16: Are there any other economic, social and/or environmental priorities which you feel the Transport Strategy should aim to achieve?**

See response to Question 15.

**Question 17: Achieving Key Outcomes: To what extent do you support or oppose these principles?**

All the principles that are used to identify the key transport issues and opportunities in the South East are supported. In particular, the principles of 'supporting sustainable economic growth, but not at any cost', 'planning for successful places' and 'putting the user of the heart of the transport system' would be high priorities from an East Sussex perspective and help us in recruitment and retention in the County.

‘Supporting economic growth’, as a principle, accords with the Council’s priority of driving sustainable economic growth and the East Sussex Growth Strategy ‘Business’ pillar, whilst planning for successful places accords with the priorities for supporting our growth areas – Eastbourne/South Wealden, Hastings/Bexhill and Newhaven – and the Growth Strategy ‘Place’ pillar. We are also highly supportive of putting the user at the heart of the transport system – whether they have chosen to walk, cycle, use the bus or the railway, or use a vehicle to drive – to ensure that we meet people’s needs.

**Question 18: To what extent do you agree or disagree that the key challenges relating to each journey types have been correctly identified?**

Radial journeys

We strongly agree with the key challenges relating to radial journeys in particular those relating to East Sussex.

We welcome the acknowledgement of the challenges faced on the A21/Hastings Line corridor related to poor connectivity. At present the inconsistency in provision on the A21 corridor, with single carriageway sections between Kippings Cross and Lamberhurst, and south of the Lamberhurst bypass, as well as sections of the route running through Flimwell and Hurst Green, inhibit journey time reliability that businesses want and the economic connectivity of Hastings and Bexhill with other hubs on the corridor and with London. Similarly, the sinuous alignment of the Hastings/Tonbridge line and power restrictions south of Tunbridge Wells inhibits fast journeys from the coast into London.

In addition, the Brighton Main Line (BML) is important to the connectivity of the County and therefore we support its inclusion as a challenge. Addressing capacity constraints on the BML at locations such as East Croydon and at Gatwick will unlock opportunities for rail improvements elsewhere on the network, including:

- Reduced journey times from the Sussex coast into London,
- Enabling additional rail services to be operated into London from the East and West Coastway routes and the Uckfield line.

These improvements will encourage more businesses to locate to coastal areas, supporting labour markets, and thereby optimising the creation of jobs within our coastal communities.

Orbital and coastal journeys

*Challenge 3*

We strongly support the inclusion of the M27/A27/A259 /East Coastway/West Coastway corridor as a challenge in relation to coastal and orbital journeys.

The Strategic Outline Business Case (SOBC) developed by Highways England to inform the Roads Investment Strategy 2 process recognised that there is a transport problem on the A27 between Lewes and Polegate which is the only strategic east – west link in the area.

These problems include the mix in traffic demand using the route; the single carriageway is inconsistent with the dual carriageway either side of this section of the A27; poor journey time reliability due to congestion and low resilience; the number of accidents along the route being above the national average for A-roads, and the road does not have spare capacity to accommodate planned growth in the future. Consequently, the SOBC demonstrated the strategic case for an off-line improvement scheme to address current problems and to facilitate housing and economic growth in the area. It also highlighted that whilst any scheme would need to address concerns about the environmental impact (including the visual and landscape impact on the South Downs National Park) and the impact on the local community, the economic impacts were high.

In relation to the East Coastway and Marshlink, we are working with Network Rail on developing proposals which would enable high speed rail services to run into East Sussex via Ashford. This would comprise a new platform and track re-alignment at Ashford International to enable trains to access the Marshlink from the high speed rail link as well as improvements to line speeds on the Marshlink through to Eastbourne. This work is informing a SOBC to DfT to secure funding to develop a final single option for Ashford and the Marshlink infrastructure. The delivery of high speed rail into East Sussex would be a potential game-changer for the local economy which would:

- transform the connectivity and image of the area with reduced journey times;
- support growth in London and the South East with improved connectivity with the capital critical to economic prosperity;
- act as a catalyst for economic growth attracting investment and ensuring the area is a more desirable place to live and work leading to lower out-migration of skilled labour and in-migration of higher earners.

### Inter-urban journeys

#### *Challenge 1*

We welcome recognition that Major Road Network (MRN) routes also provide an important function alongside the SRN. For example, because of the inconsistencies in the quality of the SRN in the county– A27 and the A21 – parts of the MRN such as the A22 corridor have to provide an important role in carrying strategic long distance traffic into the county. However, capacity limitations on the A22 north of Hailsham and the constraints of the junctions on traffic flow, mean that the road is not well-suited to carry long distance and strategic traffic, and the annual average daily traffic (AADT) volumes of over 20,000 vehicles often results in queuing and delay on this part of the network in the peak hours, including peak spreading. Without improvements to the MRN, the county will be unable to meet its full potential.

## *Challenge 2*

We also support the identification of risk in bus services deteriorating if congestion rises. In East Sussex, bus services have already been deeply damaged by increased traffic congestion. This has resulted in unreliable services for users and higher costs for bus operators who have to provide extra resources simply to maintain existing frequencies. This has led to higher fares due to increased cost of operation, fewer passengers, and more uptake of unsustainable transport modes. It is imperative that the strategy is much stronger in stating that interventions will be made to ensure bus performance not only does not deteriorate, but will markedly improve and do so in a sustainable manner.

### Local journeys

## *Challenges 4 and 5*

From a bus service perspective it should be noted that inter-bus services very often also cater for local journeys. Whilst acknowledging that local authorities may intervene with localised schemes to support local journeys, any inaction in terms of bus services will very often have an adverse effect on inter-urban journeys too. The strategy therefore needs to acknowledge the importance of local interventions, which are sustainable and look to embrace emerging technologies and encourage their provision from a more regional perspective.

### International Gateways and freight journeys

## *Challenge 1*

We welcome the recognition of the surface access improvements required at Gatwick Airport being a challenge. Following the consultation on the Gatwick second runway proposals in 2015, the Council has been supportive of the airport's expansion as it would support the delivery of the Council's key priority of long term economic growth for East Sussex. This would be significantly important for businesses in the county by providing better access to international trade and global markets, encouraging inward investment and supporting the vitality of our local economy and generating much needed jobs both on and off the airport for our residents over the next 20 – 30 years. This support was caveated on the basis that surface access improvements were introduced.

Should the Development Consent Order for the use of the standby runway on a permanent basis for departures be approved, this will increase the number of staff and passengers travelling to and from the airport. This increase will need to be mitigated effectively and careful consideration will need to be made of how bus/coach and rail services to and from Gatwick can be improved to encourage non-car travel to the airport, particularly from areas such as the northern and central parts of East Sussex, where these opportunities are limited and therefore travel by car is the only option.

### *Challenge 3*

We welcome the recognition that where port expansion occurs, this needs to be supported by appropriate access to the highway and railway networks. Whilst Newhaven Port is modest in scale compared to the likes of Southampton and Dover, the Port has significant plans for expansion which will be facilitated by the delivery of the Newhaven Port Access Road. It is important that Highway England consider opportunities to improve the A26 which directly leads from Newhaven up to Lewes to make connections easier for increasing freight movements onto the wider strategic road network in the south east, alongside opportunities to further support sustainable tourism combined with sustainable travel options.

#### Future journeys

We support all the challenges that have been identified in relation to future journeys.

In relation to electric vehicle (EV) charging, the County Council does not currently provide on-street charging points however we recognise that there is a growing level of interest in this area and that greater availability of accessible electric vehicle charging points [EVCPs] is key to increasing the uptake of EV. During 2019/2020 we will be developing our approach to support electric vehicles in East Sussex, and are currently in discussion with our District and Borough Council colleagues about a strategic approach to EVCPs in East Sussex. However, a cross TfSE approach to ensure consistency in charging infrastructure provision across the geography would be supported and would give the travelling public greater confidence in its availability for the significant number of journeys that start and finish within the TfSE area.

It is important that in looking at how journeys in the future are provided that this just does not focus on the urban areas of the TfSE geography. Therefore the strategy should and has recognised that there are different models that would need to be considered and applied, in the context of East Sussex, across the large urban areas along the coastal strip, the smaller market towns and rural parts of the county.

**Question 19: Additional comments on the key challenges that have been identified or explain any additional challenges that need to be addressed.**

No further comments.

**Question 20: To what extent do you agree or disagree with the initiatives we have outlined to address the challenges that have been identified for each journey type?**

#### Radial journeys

We welcome the initiatives highlighted to speed up journey times to London, including investing in parts of the railway that serve, or potentially could be served, by high speed rail services. This includes improvements at Ashford and on the Marshlink to enable high speed rail services to Rye, Hastings, Bexhill and Eastbourne. We also welcome initiatives that will

improve connectivity by both rail and road to deprived communities which in the context of East Sussex includes Hastings as well as parts of Bexhill, Eastbourne and Newhaven.

In addition, we also support the provision of additional capacity and resilience on radial railways to and from London, particularly in the context of East Sussex, to the Brighton Mainline, the Hastings – Tonbridge line and Uckfield line.

We would also support improvements to the resilience of the road network, including targeted demand management policies to reduce demand for journeys which could otherwise be undertaken by alternatives to the car, or reduce the need to travel.

### Orbital and coastal journeys

As wider electrification of the rail network is likely to be cost prohibitive, we are supportive of the initiative to encourage the wider use of bi-mode trains across the south east. This would be particularly beneficial on the currently non-electrified sections of the Marshlink and on the Uckfield line south of Hurst Green which would thereby increase passenger capacity on these sections of the network that are currently served by diesel units.

We strongly support the initiative to build a consensus for the M27/A27/A259/East Coastway/West Coastway corridor. Whilst it is acknowledged that a multi-modal approach needs to be taken, which was considered before through the South Coast Multi-Modal Study, there are still a number of key and targeted interventions required to the A27 corridor to address the current inconsistencies in the quality of the network and ensure it is fit for purpose to carry long distance strategic traffic. Within East Sussex, specific focus is required on the section of the A27 between Lewes and Polegate where a more comprehensive solution is required over and above Highways England's current package of smaller scale interventions. Equally, we are supportive of initiatives that improve rail connectivity across this orbital corridor and we are working with Network Rail to address this by making the case for high speed rail to come into East Sussex via Ashford International.

We are supportive of the initiative to address the impacts of road traffic on orbital routes that pass through urban areas such as Bexhill and Hastings, and how these issues can be addressed by supporting the uptake in cleaner technology vehicles and reallocating road space where appropriate.

### Inter-urban journeys

We are supportive of the initiative to bring the MRN up to an appropriate standard and at present the County has two of the 10 TfSE priority MRN schemes – the A22 junction improvement package focussed on the Hailsham, Polegate and Stone Cross area, which is at Outline Business Case stage, and the A259 South Coast Road Package which is at pre-Strategic Outline Business Case stage.

We also are supportive of seeing enhancements to the viability of inter-urban bus services and delivering improvements to inter-urban rail connectivity, however recognising that rail services also can provide a vital lifeline for smaller communities where the rail station may

be the only means of accessing employment or services where people don't have access to a car.

### Local journeys

In principle, we are supportive of all the initiatives identified which would help address local journey challenges, many of which will be the responsibility of local transport authorities to deliver through their Local Transport Plans, in particular in relation to the first mile/last mile of inter-urban, orbital and coastal and radial journeys.

The Strategy needs to recognise that the mix of sustainable transport initiatives that are delivered will need to flex across the local transport authorities within the TfSE geography. At a more local level this will be dependent on a wide range of economic, social and environmental factors, the types of journeys that are being made – whether to access employment, education, training or for leisure purposes - which will be different for each settlement, particularly in an urban/rural county such as East Sussex.

### International gateways and freight journeys

We strongly support the improvements needed to public transport access to Gatwick Airport, and would want to see enhancements to bus/coach access to the northern and central parts of East Sussex, where there are currently no options other than travel to the airport by car.

We also support exploring a freight strategy and action plan for the South East and how improvements to the efficiency of freight vehicle operations can be made. In addition, we strongly support appropriate improvements that can be made to the highways and sustainable transport options and rail network serving Newhaven Port to support its future plans.

### Future journeys

We recognise that the way in which people travel now and will be travelling in the future, will change and evolve over time. Therefore, we are supportive of initiatives such as 'Mobility as a Service' being integrated into the wider public transport network which would provide improved accessibility for wider parts of the population. In the context of East Sussex, this would help to address rural and urban inaccessibility to jobs and services for those who do not currently have access to public transport or a private car who need to travel longer distance journeys where walking or cycling may not be possible. It will be important to us that inclusive design for both physical and hidden disabilities are included.

It is important that this is further explored as a concept and how this can be applied across large urban areas, smaller market towns and rural areas of the Transport for the South East area. Therefore we are supportive of the development of a Future Mobility Strategy for the South East.

**Question 21: Additional comments on the journey types which form part of the draft Strategy, including any of the initiatives identified for each journey type?**

No further comments

**Implementation**

**Question 22: To what extent do you agree or disagree with these performance indicators**

We strongly support the proposed economic, social and environmental performance indicators to assist in monitoring the progress of the Strategy so long as they are easily measurable and do not place additional burdens at a local level to collect specific data.

**Question 23: Do you have any comments about the implementation of the Strategy including the performance indicators, our role and/or the future funding challenges?**

Whilst overall the Strategy is supported, the key challenge to its delivery will be the level of funding, both capital and revenue, that will be available over the life of the strategy.

At present, funding for road infrastructure for both strategic and major road network improvements are provided in 5 year funding envelopes whilst for rail infrastructure enhancements are determined on a case by case basis. Other funding for specific modes or types of schemes (eg. pinch point fund, highway maintenance challenge fund) also becomes available on an as and when basis. To enable effective planning of the delivery of infrastructure and the initiatives identified in the strategy across the TfSE area and within local transport authorities, as well as to ensure that a pipeline of schemes/projects are being developed ready for delivery, there needs to greater certainty on the level of funding that will be available over the longer term.

At a local level, Government funding for local transport is received annually through the Integrated Transport block funding and determined using a formulaic approach. This is augmented by funding from other sources including development contributions (s106 and Community Infrastructure Levy monies); Local Growth Fund monies, and other external capital and revenue funding sources from Government. To ensure that local transport authorities are able to support the delivery of the Strategy, the County Council would want to have greater long term certainty on Government funding that is available to deliver the initiatives, particularly in relation to the first and last mile of the local journey challenges described in the Strategy. We understand that longer term funding for cycling and walking may be available through the Cycling & Walking Investment Plan, for both infrastructure and initiatives, and the County Council is supportive of this approach.



## **Integrated Sustainability Appraisal**

**Question 24: To what extent do you agree or disagree that the Integrated Sustainability Appraisal represents a thorough assessment of the draft Transport Strategy?**

**Question 25: Do you have any additional comments regarding the Integrated Sustainability Appraisal?**

No comments on Q24 and Q25.

## **Overall Views**

**Question 26: To what extent do you agree or disagree that the draft Transport Strategy provides the mechanism that will enable Transport for the South East to achieve our mission of growing the South East's economy by delivering a safe, sustainable and integrated transport system that makes the region more productive and competitive, improves the quality of life for all residents and protects and enhances its natural and built environment.**

To an extent we agree that the draft strategy will enable the region to achieve this mission, as it clearly demonstrates a sound approach in determining the key issues and opportunities, which embrace the key challenges we need to act upon now. This includes the need to grow our economies whilst managing and mitigating against climate change impacts and supporting health and well-being that is inclusive for all.

In order to measure how well the Strategy is achieving TfSE's vision, it will be crucial to regularly monitor progress with appropriate metrics in place which are agreed by all authorities especially around the key policy areas which are often challenging to assess including productivity and competitiveness, quality of life and the natural and built environment.

**Question 27: Are there any additional comments that you would like to make that are relevant to this consultation on the draft Transport Strategy for the South East?**

No further comments

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Report to: **Cabinet**

Date: **28 January 2020**

By: **Chief Operating Officer**

Title of report: **Treasury Management Policy and Strategy 2020/21**

Purpose of report: **This report proposes the Treasury Management Policy and Strategy for 2020/21. The Council is also required to set Prudential Indicators as set out in the Prudential Code which are included in this strategy for approval.**

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## **RECOMMENDATIONS**

**Cabinet is recommended to recommend Council to:**

- 1) approve the Treasury Management Policy and Strategy Statement for 2020/21;**
- 2) approve the Annual Investment Strategy for 2020/21;**
- 3) approve the Prudential and Treasury Indicators 2020/21 to 2022/23;**
- 4) approve the Minimum Revenue Provision (MRP) Policy Statement 2020/21 at Appendix A (Section 3).**

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## **1. Background**

1.1 A requirement under the Chartered Institute for Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management in the Public Services is to prepare a Treasury Management Policy and Strategy setting out the Council's policies for managing investments and borrowing.

1.2 The Local Government Act 2003 and supporting regulations requires the Council to 'have regard to' the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable.

1.3 The Treasury Management Policy and Strategy Statement (TMSS) for 2020/21 is presented in **Appendix 'A'** to this report. The strategy includes the Treasury Management Policy Statement, the Treasury Management Strategy Statement, the Annual Investment Strategy, Prudential and Treasury Indicators for the next three years and the annual Minimum Revenue Provision Policy Statement.

1.4 The 2020/21 TMSS has been prepared within the context the financial challenge being faced by the County Council over the Medium Term Financial Plan. The 2020/21 TMSS seeks to complement the Council's Core Offer by:

- utilising long term cash balances as effectively as possible by investing in longer term instruments and/or using to fund borrowing to reduce borrowing costs;
- ensuring the investment portfolio is working hard to maximise income by further use of alternative appropriate investment opportunities during 2020/21;
- ensuring effective management of the borrowing portfolio by exploring rescheduling opportunities and identifying and exploiting the most cost effective ways of funding the Council's borrowing requirement.

## **Investment Strategy**

1.5 The 2020/21 Investment Strategy continues with officers seeking new opportunities to invest long-term cash in suitable longer term instruments in order to assist in delivering treasury savings by increasing investment income. Modelling of the Council's use of reserves and

planned capital programme has identified £5-10m of balances that could be invested for a longer duration (for approximately 3 years). An options appraisal review was undertaken during 2019/20 to identify investment options which matched the three year time horizon. Short Dated Bond Funds and Multi Asset Funds have been identified as suitable instruments that match the Council's risk appetite and investment time horizon, and a selection process will be explored in Quarter 4 2019/20 to identify suitable funds.

1.6 At its meeting of 15 October 2019, Full Council declared a Climate Emergency (Item 37), and discussed the Environmental, Social and Governance (ESG) considerations for the East Sussex Pension Fund (Item 34). Treasury Officers have been exploring ways in which the Council's cash balances can be utilised to support the Council's commitment to tackle climate change. As a result, consideration of ESG factors has been built into the 2020/21 Annual Investment Strategy.

### ***Borrowing Strategy***

1.7 The Borrowing Strategy and the Capital Programme identifies a borrowing need of £90m over the next 3 years. The Council currently has large cash balances, therefore officers will seek to use cash from the Council's own reserves to initially fund borrowing. This will decrease the Council's cash balances, reducing counterparty risk, and reducing borrowing costs. Modelling of the Council's capital plans and cashflows has identified an appropriate level of internal borrowing of £50m. This strategy will be kept under constant review by officers, and borrowing will be undertaken where it is felt there is a significant risk of steep increases in borrowing rates.

1.8 On the 9 October 2019 the Government announced an unexpected increase to the Public Works Loan Board (PWLb) interest rate for all new loans. The increase added 1% (100bps) to the cost of borrowing. It also increased the statutory limit on how much the PWLB can have lent out at once, from £85bn to £95bn. The increase to future borrowing cost will have an impact and has been factored into the development of the 2020/21 to 2029/30 Capital Strategy.

### ***Revenue impact***

1.9 The Medium Term Financial Plan (MTFP) includes a total of £1.0m savings in the Treasury Management budget over the next two years. The £0.50m saving in 2020/21 is expected to be delivered as a combination of increasing the Council's underborrowing position and investing £5-10m in longer term instruments. This is offset by the increased MRP costs as profiled when the movement to an annuity method was approved. In 2022/23, a £1.0m increase in the budget has been included in the MTFP to reflect the impact of the 10 year Capital Programme.

## **2. Supporting Information**

### ***Treasury Management Reporting***

2.1 As well as this annual strategy, the CIPFA Code requires the Council reports as a minimum:

- A mid-year review;
- An annual report at the close of the year.

2.2 This Council meets this requirement with the Treasury Management Annual Report 2018/19 and mid-year report 2019/20 presented to Cabinet on 10 December 2019. Additionally, a treasury management monitoring position is reported to Cabinet four times a year.

### ***Economic Background***

2.3 The Council takes advice from Link Asset Services on its treasury management activities. A detailed view of the current economic situation and forecasts, as prepared by Link Asset Services is included in **Appendix A (Annex B)** to this report.

### **3. Conclusion and recommendations**

3.1 This policy sets out the acceptable limits on ratings, investment periods, amounts to be invested and the borrowing strategy. Cabinet will be aware that the financial position is kept under constant review and if at any time it is felt that any of these limits represent an unacceptable risk appropriate and immediate action will be taken accordingly.

3.2 Cabinet recommends the 2020/21 Treasury Management Policy and Strategy Statement for approval by Council.

**KEVIN FOSTER**

**Chief Operating Officer**

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Local Member(s): All

### **BACKGROUND DOCUMENTS**

CIPFA Prudential Code and CIPFA Treasury Management Code

Local Government Act 2003 – Capital Finance

MHCLG Statutory Guidance on Local Authority Investments and the Minimum Revenue Provision.

## Appendix A

# **TREASURY MANAGEMENT POLICY AND STRATEGY 2020/21**



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## **1. INTRODUCTION**

### **1.1 Background**

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in counterparties or instruments commensurate with the Council's risk appetite, providing adequate liquidity initially before considering investment return.

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 that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans, or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.

The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities (arising usually from capital expenditure), and are separate from the day to day treasury management activities.

CIPFA defines treasury management as:

*"The management of the local authority'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."*

### **1.2 Reporting Requirements**

#### **1.2.1 Capital Strategy**

The CIPFA 2017 Prudential and Treasury Management Codes require all local authorities to prepare a capital strategy report, to provide the following:

- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of the capital strategy is to ensure that all elected members on the full Council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

This capital strategy is reported separately from the Treasury Management Strategy Statement; non-treasury investments will be reported through the former. This ensures the separation of the core treasury function under security, liquidity and yield principles, and the policy and commercialism investments usually driven by expenditure on an asset.

#### **1.2.2 Treasury Management reporting**

The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

- a. Prudential and treasury indicators and treasury strategy** (this report) - The first, and most important report is forward looking and covers:
  - the capital plans, (including prudential indicators);
  - a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time);
  - the treasury management strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
  - an investment strategy, (the parameters on how investments are to be managed).
- b. A mid-year treasury management report** – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision.
- c. An annual treasury report** – This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

*This Council delegates responsibility for implementation and monitoring treasury management to Cabinet and responsibility for the execution and administration of treasury management decisions to the Section 151 Officer. Cabinet therefore receives the Mid Year and Annual treasury reports in December each year.*

The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Audit Committee.

### **1.3 Treasury Management Strategy for 2020/21**

The strategy for 2020/21 covers two main areas:

#### **Capital issues**

- the capital expenditure plans (section 2) and the associated prudential indicators (Annex C);
- the minimum revenue provision (MRP) policy (Section 3).

#### **Treasury management issues**

- the current treasury position (section 1.5);
- treasury indicators which limit the treasury risk and activities of the Council (Annex C);
- prospects for interest rates (Annex B);
- the borrowing strategy (section 2);
- policy on borrowing in advance of need (section 2.2);
- debt rescheduling (section 2.3);
- the investment strategy (section 4);
- creditworthiness policy (section 4.4); and
- the policy on use of external service provider (section 5.3).



These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, MHCLG MRP Guidance, the CIPFA Treasury Management Code and MHCLG Investment Guidance.

#### 1.4 Treasury Management Policy Statement

The policies and objectives of the Council's treasury management activities are as follows:

- i) This Council defines its treasury management activities as:

*'The management of the authority's 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'.*

- ii) This Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Council, and any financial instruments entered into to manage these risks.
- iii) This Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance management techniques, within the context of effective risk management.

#### 1.5 Current Treasury Position

A summary of the Council's borrowing & investment portfolios as at 30<sup>th</sup> November 2019 and forecast at the end of the financial year is shown in **Table 1** below:

<b>Table 1</b>	<b>Actual at 30 November 2019</b>			<b>Forecast to 31 March 2020</b>		
	<b>£'000</b>	<b>% of portfolio</b>	<b>Average Rate</b>	<b>£'000</b>	<b>% of portfolio</b>	<b>Average Rate</b>
<b>Investments</b>						
Banks	177,000	75%	1.03%	177,000	77%	1.00%
Local Authorities	17,500	8%	1.11%	27,500	12%	1.15%
Money Market Funds	35,000	15%	0.82%	20,500	9%	0.80%
CCLA Pooled Property Fund	5,000	2%	4.00%	5,000	2%	4.00%
<b>Total Investments</b>	<b>234,500</b>	<b>100%</b>	<b>1.06%</b>	<b>230,000</b>	<b>100%</b>	<b>1.05%</b>
<b>Borrowing</b>						
PWLB loans	228,960	95%	4.76%	226,320	95%	4.72%
Market loans	12,900	5%	4.00%	12,900	5%	4.00%
<b>Total external Borrowing</b>	<b>241,860</b>	<b>100%</b>	<b>4.72%</b>	<b>239,220</b>	<b>100%</b>	<b>4.68%</b>

## 2. BORROWING STRATEGY

The capital expenditure plans of the Council are set out in the Capital Strategy Report being considered by Full Council on 11 February 2020. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes so that sufficient cash is available to meet the capital expenditure plans.

Any capital investment that is not funded from these new and/or existing resources (e.g. capital grants, receipts from asset sales, revenue contributions or earmarked reserves) increases the Council's need to borrow. However, external borrowing does not have to take place immediately to finance its related capital expenditure: the Council can utilise cash being held for other purposes (such as earmarked reserves and working capital balances) to temporarily defer the need for external borrowing. This is known as 'internal borrowing'.

The Council's primary objective is to strike an appropriate balance between securing cost certainty and securing low interest rates.

The Council's cumulative need to borrow is known as the Capital Financing Requirement (CFR). The CFR and the actual level of external borrowing will differ according to decisions made to react to expected changes in interest rates and the prevailing economic environment. Where a decision to defer borrowing (or internally borrow) is made, the Council will be underborrowed. Where a decision to borrow in advance of need to secure cost certainty, the Council will be overborrowed.

On the 9 October 2019, the Government unexpectedly announced an immediate increase to the PWLB interest rate for all new loans. The increase added 1% (100bps) to the cost of borrowing. The government also increased the statutory limit on how much the PWLB can lend to Local Authorities (from £85bn to £95bn). The increase to future borrowing cost will have an impact on the level of borrowing that the Council can undertake to support its capital programme. It has also been a major factor in reviewing the level of internal borrowing that the Council can support to minimise the impact of this change to the Council's revenue position. The increased cost has been factored into the Capital Strategy to 2022/23 and beyond, and the revenue impact has been included in the Treasury Management budget projections.

There is £25m expected to be funded via borrowing in the 2019/20 Capital Programme. No new external borrowing is expected to be undertaken to fund this, and this will be funded through cash balances. This borrowing requirement is expected to increase the Council's underborrowed position compared to its CFR from £1m at 31 March 2019 to £24m by 31 March 2020.

### 2.1 Borrowing Strategy for 2020/21

The Council's Capital Programme 2020/21 to 2022/23 forecasts £216m of capital investment over the next three years with £126m met from existing or new resources. The increase in the Council's borrowing need over this period is therefore £90m as shown in **Table 2** below.

2019/20 Projected	Table 2	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	Total
£m		£m	£m	£m	£m
100 (75)	Capital Expenditure <b>Financed by:</b> New & existing resources	99 (61)	59 (31)	58 (34)	216 (126)
<b>25</b>	<b>Borrowing Need</b>	<b>38</b>	<b>28</b>	<b>24</b>	<b>90</b>

**Table 3** below shows the actual expected external borrowing against the capital financing requirement, identifying any under or over borrowing.

2019/20 Estimate	Table 3	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
£m		£m	£m	£m
243	External Debt at 1 April	239	245	265
(4)	Expected change in Debt	6	20	16
<b>239</b>	<b>External Debt at 31 March</b>	<b>245</b>	<b>265</b>	<b>281</b>
244	CFR* at 1 April	263	295	315
25	Borrowing need (Table 2)	38	28	24
(6)	MRP	(7)	(8)	(9)
<b>263</b>	<b>CFR* at 31 March</b>	<b>294</b>	<b>315</b>	<b>330</b>
<b>24</b>	<b>Under / (Over) borrowing</b>	<b>49</b>	<b>50</b>	<b>49</b>

*\*CFR in Table 3 is the underlying need to borrow and excludes PFI and lease arrangements, which are included in the CFR figure in the Prudential Indicators in Annex C*

**Table 2** demonstrates that the Council has a borrowing need of £90m over the next three years. The strategy will initially focus on meeting this borrowing need from internal borrowing; avoiding external borrowing by utilising the Council's own surplus funds. Modelling of the movement of reserves and the Council's capital expenditure plans demonstrates that the Council's long term reserves can support a level of approximately £50m of internal borrowing. This will mitigate the increase in the cost of borrowing and reduce counterparty risk within the Council's investment portfolio by reducing the portfolio size.

However, borrowing rates from the PWLB were increased by HM treasury by 1% during the autumn. Therefore, the internal borrowing position needs to be carefully and continually reviewed to avoid incurring higher borrowing costs in the future at a time when the authority may not be able to avoid new borrowing to finance capital expenditure or refinance maturing debt.

There will remain a cost of carry (the difference between borrowing costs and investment rates) to any new long term borrowing that causes a temporary increase in cash balances which will, most likely, lead to a cost to revenue.

## 2.2 Policy on Borrowing in Advance of Need

The Council will not borrow purely in order to profit from investment of extra sums borrowed. Any decision to borrow in advance will be within approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds. Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting.

## 2.3 Debt Rescheduling

Officers continue to regularly review opportunities for debt rescheduling, but there has been a considerable widening of the difference between new borrowing and repayment rates, which has resulted in much fewer opportunities to realise any savings or benefits from rescheduling PWLB debt.

The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings;
- helping to fulfil the treasury strategy;

- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

The strategy is to continue to seek opportunity to reduce the overall level of Council's debt where prudent to do so, thus providing in future years cost reduction in terms of lower debt repayments costs, and potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt. All rescheduling will be agreed by the Chief Finance Officer.

## 2.4 Interest Rate Risk & Continual Review

The total borrowing need in **Table 2**, as well as the debt at risk of maturity shown in **Table 4** is the extent to which the Council is subject to interest rate risk.

<b>Table 4</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Maturing Debt	3	4	6
Debt Subject to early repayments options	6	6	6
<b>Total debt at risk of maturity</b>	<b>9</b>	<b>10</b>	<b>12</b>

Officers continue to review the need to borrow taking into consideration the potential increases in borrowing costs, the need to finance new capital expenditure, refinancing maturing debt, and the cost of carry that might incur a revenue loss between borrowing costs and investment returns.

Against this background and the risks within the economic forecast, caution will be adopted with the 2020/21 treasury operations. The Chief Finance Officer will continue to monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- if it was felt that there was a significant risk of a sharp fall in long and short term rates (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.
- if it was felt that there was a significant risk of a much sharper rise in long and short term rates than that currently forecast, perhaps arising from an acceleration in the start date and in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates are still lower than they will be in the next few years.

## 3. MINIMUM REVENUE PROVISION POLICY STATEMENT

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the Capital Financing Requirement - CFR) through a revenue charge (the Minimum Revenue Provision - MRP). Ministry of Housing, Communities and Local Government (MHCLG) regulations require the full Council to approve an MRP Statement in advance of each year. A variety of options are available to Councils, so long as the principle of any option selected ensures a prudent provision to redeem its debt liability over a period which is commensurate with that over which the capital expenditure is estimated to provide benefits (i.e. estimated useful life of the asset being financed).

The policy below reflects a change in the policy as approved and implemented for 2018/19 onwards; no further changes are proposed. The Council is recommended to approve the following MRP Statement for 2020/21 onwards:

**For borrowing incurred before 1 April 2008, the MRP policy will be:**

- Annuity basis over a maximum of 40 years.

**From borrowing incurred after 1 April 2008, the MRP policy will be:**

- Asset Life Method (annuity method) – MRP will be based on the estimated life of the assets, in accordance with the proposed regulations. A maximum useful economic life of 50 years for land and 40 years for other assets. This option will also be applied for any expenditure capitalised under a capitalisation directive.

**For PFI schemes, leases and closed landfill sites that come onto the Balance Sheet, the MRP policy will be:**

- Asset Life Method (annuity method) - The MRP will be calculated according to the flow of benefits from the asset, and where the principal repayments increase over the life of the asset. Any related MRP will be equivalent to the “capital repayment element” of the annual charge payable.

There is the option to charge more than the prudent provision of MRP each year through a Voluntary Revenue Provision (VRP).

For loans to third parties that are being used to fund expenditure that is classed as capital in nature, the policy will be to set aside the repayments of principal as capital receipts to finance the initial capital advance in lieu of making an MRP.

In view of the variety of different types of capital expenditure incurred by the Council, which is not in all cases capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure. This approach also allows the Council to defer the introduction of an MRP charge for new capital projects/land purchases until the year after the new asset becomes operational rather than in the year borrowing is required to finance the capital spending.

#### **4. ANNUAL INVESTMENT STRATEGY**

The MHCLG and CIPFA have extended the meaning of ‘investments’ to include both financial and non-financial investments. This report deals with financial investments. Non-financial investments are covered in the Capital Strategy.

The Council’s investment policy has regard to the following:

- MHCLG’s Guidance on Local Government Investments (the “Guidance”)
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 (the “Code”)
- CIPFA Treasury Management Guidance Notes 2018

***The Council’s investment priorities will be the security of capital first, portfolio liquidity second and then yield (return).***

##### **4.1 Annual Investment Strategy for 2020/21**

Investments will be made with reference to the core balance and cash flow requirements and the outlook for interest rates. Bank Rate is forecast to increase steadily but slowly over the next

few years to reach 1.25% by Quarter 1 2022. Bank Rate forecasts for financial year ends (March) are:

2019/20	2020/21	2021/22	2022/23
0.75%	1.00%	1.00%	1.25%

Link Asset Service's (LAS) view on the prospect for interest rates, including their forecast for short term investment rates is appended at Annex B.

Following consultation, changes to the strategy were made from 2018/19 to broaden the risk profile by reducing liquidity and to include some suitable, alternative investment products that are held for the medium (2-5 years) to longer term (5 years+). These products can generate better overall returns but there is a higher risk of volatility of performance so a longer term commitment is required.

During 2018/19, £5m was invested in the CCLA Pooled Property Fund which was the first step into utilising the new instruments within the revised strategy. It was previously expected that a further £10m would take place during 2019/20. Further investment in property funds was paused during 2019/20 due to a combination of factors. Firstly, officers were looking to assess the impact of the withdrawal from the EU before further investments were made. A continuation of moving deadlines has therefore drawn out the investment decision. Additionally, the UK property market is forecast to take a downturn over the next 2-3 years. It is therefore not an appropriate time to increase investment balances with property funds.

An options appraisal process was undertaken during 2019/20 to ascertain a) an appropriate level of cash balances that can be invested into longer term instruments and b) which other instruments are most appropriate to expand and diversify the Council's investment portfolio. As a result, officers will undertake a selection process for Short Dated Bond Funds and/or Multi Asset Funds for investing between £5-10m of cash from 2020/21. Risks will be assessed in the context of prevailing economic and market conditions.

**Table 5** below summarises the changes to the 2018/19 & 2019/20 strategies from those approved in 2017/18. No further changes are proposed for 2020/21, however, a separate line for Short Dated Bond Funds has been added to the Table 7 to clarify and outline the investment criteria for this instrument type to support the selection process. Each of the new investment products included are described in more detail in Annex E. The inclusion of an investment product category in the strategy does not automatically result in investments being placed – investments will only be placed following a due diligence procedure as described above.

Table 5 - Investment options	2017/18	2018/19	2019/20	2020/21
Money Market Funds (Including LVNAV)	✓	✓	✓	✓
Bank Notice Accounts	✓	✓	✓	✓
Fixed Term Bank Deposits	✓	✓	✓	✓
UK Local Authorities	✓	✓	✓	✓
Enhanced Money Market Funds (VNAV)	✓	✓	✓	✓
Building Societies	✗	✓	✓	✓
Pooled Property Funds	✗	✓	✓	✓
Corporate Bond Funds (Including Short Dated Bond Funds)	✗	✓	✓	✓
Multi Asset Funds	✗	✓	✓	✓
Equity Funds	✗	✗	✓	✓

The primary principle governing the Council's investment criteria is the security of its investments, although the return on the investment is also a key consideration. After this main principle, the Council will ensure that:



- It maintains a policy covering both the categories of investment types it will invest in and the criteria for choosing investment counterparties with adequate security, and monitoring their security;
- It has sufficient liquidity in its investments;
- It receives a yield that is aligned with the level of security and liquidity of its investments;
- Where possible, it actively seeks to support Environmental, Social and Governance (ESG) investment products and institutions that meet all of the above requirements.

The preservation of capital is the Council's principal and overriding priority.

#### **4.2 Investment Policy – Management of risk**

Treasury management risks and how risks are managed and mitigated are identified in the Council's Treasury Management Practices and related procedures, details of which are held within the Council's Treasury Management Team. The main risks to the Council's treasury activities are:

- liquidity risk (inadequate cash resources);
- market or interest rate risk (fluctuations in interest rate levels and thereby in the value of investments);
- inflation risks (exposure to inflation);
- credit and counterparty risk (security of investments);
- refinancing risks (impact of debt maturing in future years); and
- legal and regulatory risk (i.e. non-compliance with statutory and regulatory requirements, risk of fraud).

The guidance from the MHCLG and CIPFA place a high priority on the management of risk. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

- i) Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
- ii) Other information: ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.
- iii) Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- iv) This authority has defined the list of types of investment instruments that the treasury management team are authorised to use.
  - a. **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year. The limits and permitted instruments for specified investments are listed within Table 7.
  - b. **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised

for use. The limits and permitted instruments for non-specified investments are listed within Table 8.

- v) Lending limits (amounts and maturity) for each counterparty will be set through applying the credit criteria matrix (within Table 7).
- vi) This authority will set a limit for the amount of its investments which are invested for longer than 365 days, detailed in the Treasury Indicators in Annex C.
- vii) Investments will only be placed with counterparties from countries with a specified minimum sovereign rating of AA+ (see paragraph 4.3).
- viii) This authority has engaged external consultants, (see paragraph 5.3), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.
- ix) All investments will be denominated in sterling.
- x) As a result of the change in accounting standards for 2018/19 under IFRS 9, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the Ministry of Housing, Communities and Local Government, [MHCLG], concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years commencing from 1.4.18.).

### **4.3 Sovereign Credit Ratings**

For 2020/21 it is recommended to maintain the policy of lending to sovereign nations and their banks which hold either a AAA or AA+ rating, with the exception of the UK which is currently rated AA by two of the three rating agencies (Aa2 Moody's). Maximum investment limits and duration periods will remain the same as in the previous strategy at £60 million and one year respectively. The list of countries that qualify using this credit criteria (as at the date of this report) are shown below:

**AAA** Australia, Canada, Denmark, Germany, Netherlands, Singapore, Sweden and Switzerland  
**AA+** (No Country currently)  
**AA** UK

### **4.4 Creditworthiness Policy**

The Council as part of its due diligence in managing creditworthiness, uses amongst other information, a tool provided by LAS. This tool employs a sophisticated modelling approach utilising credit ratings from the three credit rating agencies which is then supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- credit default swap (CDS) spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

This weighted scoring system then produces an end product of a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments.



The Council (in addition to other due diligence consideration) will use counterparties within the following durational bands provided they have a minimum AA+ sovereign rating from three rating agencies:

- Yellow 5 years
- Purple 2 years
- Blue 1 year (*semi nationalised UK Bank – NatWest/RBS*)
- Orange 1 year
- Red 6 months
- Green 3 months
- No Colour Not to be used

Y	P	B	O	R	G	N/C
Up to 5yrs	Up to 2yrs	Up to 1yr	Up to 1yrs	Up to 6 months	Up to 100 days	Not to be used

Typically the minimum credit ratings criteria the Council use will be a Short Term rating (Fitch or equivalents) of F1 and a Long Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

The primary principle governing the Council's investment criteria is the security of its investments, although the return on the investment is also a key consideration. After this main principle, the Council will ensure that:

- It maintains a policy covering both the categories of investment types it will invest in and the criteria for choosing investment counterparties with adequate security, and monitoring their security;
- It has sufficient liquidity in its investments.

All credit ratings are monitored daily. The Council is alerted to changes to ratings of all three agencies through its use of the LAS credit worthiness service. If a downgrade results in the counterparty or investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.

In addition to the use of credit ratings, the Council will be advised of information re movements in Credit Default Swap against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list. The counterparties in which the Council will invest its cash surpluses is based on officer's assessment of investment security, risk factors, market intelligence, a diverse but manageable portfolio and their participation in the local authority market.

**Table 7** below summarises the types of specified investment counterparties available to the Council, and the maximum amount and maturity periods placed on each of these. A full list of the Council's counterparties and the current limits for 2020/21 are appended at Annex A.

## Criteria for Specified Investments

Table 7	Country/ Domicile	Instrument	Min. Credit Criteria/LAS colour band	Max. Amount	Max. maturity period
Debt Management and Deposit Facilities (DMADF)	UK	Term Deposits (TDs)	N/A	unlimited	12 Months
Government Treasury bills	UK	TDs	UK Sovereign Rating	unlimited	12 Months
UK Local Authorities	UK	TDs	UK Sovereign Rating	£60m	12 Months
Banks – part nationalised	UK	<ul style="list-style-type: none"> <li>TDs</li> <li>Deposits on Notice</li> <li>Certificates of Deposit (CDs)</li> </ul>	N/A	£60m	12 Months
Banks	UK	<ul style="list-style-type: none"> <li>TDs</li> <li>Deposits on Notice</li> <li>CDs</li> </ul>	Blue	£60m	12 Months
			Orange	£60m	12 Months
			Red	£60m	6 Months
			Green	£60m	100 Days
Building Societies	UK	<ul style="list-style-type: none"> <li>TDs</li> <li>Deposits on Notice</li> <li>CDs</li> </ul>	Blue	£60m	12 Months
			Orange	£60m	12 Months
			Red	£60m	6 Months
			Green	£60m	100 Days
Individual Money Market Funds (MMF) CNAV and LVNAV	UK/Ireland/ EU domiciled	AAA Rated Money Market Fund Rating	N/A	£60m	Liquid
VNAV MMF's and Ultra Short Dated Bond Funds	UK/Ireland/EU domiciled	AAA Rated Bond Fund Fund Rating	N/A	£60m	Liquid
Banks – Non-UK	Those with sovereign rating of at least AA+*	<ul style="list-style-type: none"> <li>TDs</li> <li>Deposits on Notice</li> <li>CDs</li> </ul>	Blue	£60m	12 Months
			Orange	£60m	12 Months
			Red	£60m	6 Months
			Green	£60m	100 Days

\*See Paragraph 4.3 for full list of countries that meet these criteria

**Non-Specified investments** are any other types of investment that are not defined as specified. The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out in **Table 8** below:

<b>Table 8</b>	<b>Minimum credit criteria</b>	<b>Maximum investments</b>	<b>Period</b>
UK Local Authorities	Government Backed	£60m	2 years
Corporate Bond Fund(s)	Investment Grade	£30m	2 - 5 years
Pooled Property Fund(s)	N/A	£30m	5+ years
Mixed Asset Fund(s)	N/A	£30m	2 - 5 years
Short Dated Bond Fund(s)	N/A	£30m	2 – 5 years

The maximum amount that can be invested will be monitored in relation to the Council surplus monies and the level of reserves. The approved counterparty list will be maintained by referring to an up-to-date credit rating agency reports, and the Council will liaise regularly with brokers for updates. Where Externally Managed Funds are not rated a selection process will evaluate relative risks & returns. Security of the council's money and fund volatility will be key measures of suitability. Counterparties may be added to or removed from the list only with the approval of the Chief Finance Officer. A full list of the Council's counterparties and the current limits for 2020/21 are appended at Annex A.

## **5. OTHER TREASURY ISSUES**

### **5.1 Banking Services**

NatWest, which is part Government owned, currently provides banking services for the Council.

### **5.2 Training**

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Training was last provided to Audit Committee members on 22 November 2018 and further training will be arranged as required.

The training needs of treasury management officers are periodically reviewed and training arranged as required.

### **5.3 Policy on the use of External Service Providers**

The Council uses Link Asset Services as its external treasury management advisors.

The Council recognises that responsibility for treasury management decisions remains with the Council at all times and will ensure that undue reliance is not placed upon our external service providers. It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

### **5.4 Lending to Third Parties**

The Council has the power to lend monies to third parties subject to a number of criteria. These are not treasury type investments rather they are policy investments. Any activity will only take place after relevant due diligence has been undertaken.

## **5.5 Updates to Accounting Requirements**

### **▪ IFRS9 – local authority override – English local authorities**

The MHCLG enacted a statutory over-ride from 1 April 2018 for a five year period until 31 March 2023 following the introduction of IFRS 9 and the requirement for any capital gains or losses on marketable funds to be chargeable in year. This has the effect of allowing any capital losses on funds to be held on the balance sheet until 31 March 2023, allowing councils to initiate an orderly withdrawal of funds if required.

### **▪ IFRS 16 – Leasing**

The CIPFA Code of Practice and Guidance notes for 2020/21 will incorporate the requirement to account for all leases onto the council's balance sheet. This has the following impact to this paper:

- The MRP Policy sets out how MRP will be applied for leases bought onto the balance sheet;
- The Council's Capital Financing Requirement authorised limit and operational boundary for 2020/21 onwards has been increased to reflect the estimated effect of this change. These limits can be amended during 2020/21, and brought to full Council to amend with the TMSS Mid Year report if the limits need to be increased following some more detailed work on the leases to be bought onto the balance sheet.

## Counterparty List 2020/21

## ANNEX A

Bank with duration colour	Country	Fitch Ratings				Moody's Ratings		S & P Ratings		CDS Price	ESCC Duration	Link Duration Limit	Money Limit
Specified Investments:		L Term	S Term	Viab.	Supp.	L Term	S Term	L Term	S Term		(Months)	(Months)	(£m)
Lloyds Banking Group:													
Lloyds Bank	UK	A+	F1	a	5	Aa3	P-1	A+	A-1	34.78	12	12	60
Bank of Scotland	UK	A+	F1	a	5	Aa3	P-1	A+	A-1	48.80	12	12	
RBS/NatWest Group:													
NatWest Bank	UK	A+	F1	a	5	A1	P-1	A	A-1	-	12	12	60
Royal Bank of Scotland	UK	A+	F1	a	5	A1	P-1	A	A-1	-	12	12	
HSBC Bank	UK	A+	F1+	a	1	Aa3	P-1	AA-	A-1+	30.67	12	12	60
Barclays Bank	UK	A+	F1	a	1	A1	P-1	A	A-1	43.08	6	6	60
Santander (UK)	UK	A+	F1	a	2	Aa3	P-1	A	A-1	-	6	6	60
Goldman Sachs IB	UK	A	F1	-	1	A1	P-1	A+	A-1	56.91	6	6	60
Standard Chartered Bank	UK	A+	F1	a	5	A1	P-1	A	A-1	30.04	6	6	60
Nationwide Building Society	UK	A	F1	a	5	Aa3	P-1	A	A-1	-	6	6	60
Non UK Counterparties:													
Australia & New Zealand Banking Group	Australia	AA-	F1+	aa-	1	Aa3	P-1	AA-	A-1+	31.32	12	12	60
Commonwealth Bank of Australia	Australia	AA-	F1+	aa-	1	Aa3	P-1	AA-	A-1+	32.62	12	12	60
National Australia Bank	Australia	AA-	F1+	aa-	1	Aa3	P-1	AA-	A-1+	32.62	12	12	60
Westpac Banking Corporation	Australia	AA-	F1+	aa-	1	Aa3	P-1	AA-	A-1+	38.51	12	12	60
Royal Bank of Canada	Canada	AA	F1+	aa	5	Aa2	P-1	AA-	A-1+	-	12	12	60
Toronto Dominion	Canada	AA-	F1+	aa-	5	Aa1	P-1	AA-	A-1+	-	12	12	60
Dev. Bank of Singapore	Singapore	AA-	F1+	aa-	1	Aa1	P-1	AA-	A-1+	-	12	12	60
Oversea Chinese Banking Corp	Singapore	AA-	F1+	aa-	1	Aa1	P-1	AA-	A-1+	-	12	12	60
United Overseas Bank	Singapore	AA-	F1+	aa-	1	Aa1	P-1	AA-	A-1+	-	12	12	60

Continued Counterparty list Bank with duration colour	Country	Fitch Ratings				Moody's Ratings		S & P Ratings		CDS Price	ESCC Duration	Link Duration Limit	Money Limit
		L Term	S Term	Viab.	Supp.	L Term	S Term	L Term	S Term		(Months)	(Months)	(£m)
Svenska H	Sweden	AA	F1+	aa	5	Aa2	P-1	AA-	A-1+	-	12	12	60
Swedbank AB	Sweden	AA-	F1+	aa-	5	Aa2	P-1	AA-	A-1+	-	12	12	60
ABN AMRO Bank	Netherlands	A+	F1	a	5	A1	P-1	A	A-1	-	6	6	60
Rabobank	Netherlands	AA-	F1+	a+	5	Aa3	P-1	A+	A-1	20.53	12	12	60
ING Bank NV	Netherlands	AA-	F1+	a+	5	Aa3	P-1	A+	A-1	20.26	12	12	60
UBS	Switzerland	AA-	F1+	a+	5	Aa2	P-1	A+	A-1	25.45	12	12	60
Credit Suisse	Switzerland	A	F1	a-	5	A1	P-1	A+	A-1	46.49	6	6	60
DZ Bank	Germany	AA-	F1+		WD	Aa1	P-1	AA-	A-1+	-	12	12	60
Danske Bank	Denmark	A	F1	a	5	Aa2	P-1	A	A-1	31.92	6	6	60

Yellow	Purple	Blue	Orange	Red	Green	No Colour
Up to 5yrs	Up to 2yrs	Up to 1yr (semi nationalised UK banks)	Up to 1yr	Up to 6 months	Up to 100 days	Not to be used

Non-Specified Investments:			
	Minimum credit Criteria	Maximum Investments	Period
UK Local Authorities	Government Backed	£60m	2 years
Corporate Bond Fund(s)	Investment Grade	£30m	2 – 5 years
Pooled Property Fund(s)	N/A	£30m	5+ years
Mixed Asset Fund(s)	N/A	£30m	2 - 5 years
Short Dated Bond Fund(s)	N/A	£30m	2 - 5 years

## ECONOMIC OVERVIEW

Provided by Link Asset Services 23 December 2019

**GLOBAL OUTLOOK.** The trade war between the US and China is a major concern to financial markets due to the synchronised general weakening of growth in the major economies of the world, compounded by fears that there could even be a recession looming up in the US, though this is probably overblown.

These concerns resulted in government bond yields in the developed world falling significantly during 2019. If there were a major worldwide downturn in growth, central banks in most of the major economies will have limited ammunition available, in terms of monetary policy measures, when rates are already very low in most countries, (apart from the US).

There are also concerns about how much distortion of financial markets has already occurred with the current levels of quantitative easing purchases of debt by central banks and the use of negative central bank rates in some countries. The latest PMI survey statistics of economic health for the US, UK, EU and China have all been predicting a downturn in growth; this confirms investor sentiment that the outlook for growth during the year ahead is weak.

**UK.** While the Bank of England went through the routine of producing another quarterly Inflation Report, (now renamed the Monetary Policy Report), on 7 November, it is very questionable how much all the writing and numbers were worth when faced with the uncertainties of where the UK will be after the general election. The Bank made a change in their Brexit assumptions to now include a deal being eventually passed.

The Bank made a change in their Brexit assumptions to now include a deal being eventually passed. Possibly the biggest message that is worth taking note of from the Monetary Policy Report, was an increase in concerns among MPC members around weak global economic growth and the potential for Brexit uncertainties to become entrenched and so delay UK economic recovery. Consequently, the MPC voted 7-2 to maintain Bank Rate at 0.75% but two members were sufficiently concerned to vote for an immediate Bank Rate cut to 0.5%. The MPC warned that if global growth does not pick up or Brexit uncertainties intensify, then a rate cut was now more likely. Conversely, if risks do recede, then a more rapid recovery of growth will require gradual and limited rate rises.

The speed of recovery will depend on the extent to which uncertainty dissipates over the final terms for trade between the UK and EU and by how much global growth rates pick up. The Bank revised its inflation forecasts down – to 1.25% in 2019, 1.5% in 2020, and 2.0% in 2021; hence the MPC views inflation as causing little concern in the near future.

The MPC meeting of 19 December repeated the previous month's vote of 7-2 to keep Bank Rate on hold. Their key view was that there was currently 'no evidence about the extent to which policy uncertainties among companies and households had declined' i.e. they were going to sit on their hands and see how the economy goes in the next few months. The two members who voted for a cut were concerned that the labour market was faltering. On the other hand, there was a clear warning in the minutes that the MPC were concerned that "domestic unit labour costs have continued to grow at rates above those consistent with meeting the inflation target in the medium term".

If economic growth were to weaken considerably, the MPC has relatively little room to make a big impact with Bank Rate still only at 0.75%. It would therefore, probably suggest that it would be up to the Chancellor to provide help to support growth by way of a fiscal boost by e.g. tax cuts, increases in the annual expenditure budgets of government departments and services and expenditure on infrastructure projects, to boost the economy. The Government has already made moves in this direction and it made significant promises in its election manifesto to increase government spending by up to £20bn p.a., (this would add about 1% to GDP growth rates), by investing primarily in infrastructure. This is likely to be announced in the next Budget, probably in February 2020. The Chancellor has also amended the fiscal rules in November to allow for an increase in government expenditure.

**Inflation** The Consumer Price Index (CPI) has been hovering around the Bank of England's target of 2% during 2019, but fell again in October to 1.5%. It is likely to remain close to or under 2% over the next two years and so it does not pose any immediate concern to the MPC at the current time. However, if there was a no deal Brexit, inflation could rise towards 4%, primarily because of imported inflation on the back of a weakening pound.

With regard to the **labour market**, growth in numbers employed has been quite resilient through 2019 until the three months to September where it fell by 58,000. However, there was an encouraging pick up again in the three months to October to growth of 24,000, which showed that the labour market was not about to head into a major downturn. The unemployment rate held steady at a 44-year low of 3.8% on the Independent Labour Organisation measure in October. Wage inflation has been steadily falling from a high point of 3.9% in July to 3.5% in October (3-month average regular pay, excluding bonuses). This meant that in real terms, (i.e. wage rates higher than CPI inflation), earnings grew by about 2.0%. As the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. The other message from the fall in wage growth is that employers are beginning to find it easier to hire suitable staff, indicating that supply pressure in the labour market is easing.

In the **political arena**, Now that the Conservative Government has gained a large overall majority in the general election on 12 December, this outline deal will be passed by Parliament by that date. However, there will still be much uncertainty as the detail of a trade deal will need to be negotiated by the current end of the transition period in December 2020, which the Prime Minister has pledged he will not extend. This could prove to be an unrealistically short timetable for such major negotiations that leaves open two possibilities; one, the need for an extension of negotiations, probably two years, or, a no deal Brexit in December 2020.

### **Prospect for Interest Rates**

The Council has appointed Link Asset Services (LAS) as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives LAS's central view.



Link Asset Services Interest Rate View														
	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Bank Rate View	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.25	1.25	1.25	1.25
3 Month LIBID	0.70	0.70	0.70	0.80	0.90	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.30	1.30
6 Month LIBID	0.80	0.80	0.80	0.90	1.00	1.10	1.10	1.20	1.30	1.40	1.50	1.50	1.50	1.50
12 Month LIBID	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.40	1.50	1.60	1.70	1.70	1.70	1.70
5yr PWLB Rate	2.30	2.40	2.40	2.50	2.50	2.60	2.70	2.80	2.90	2.90	3.00	3.10	3.20	3.20
10yr PWLB Rate	2.60	2.70	2.70	2.70	2.80	2.90	3.00	3.10	3.20	3.20	3.30	3.30	3.40	3.50
25yr PWLB Rate	3.20	3.30	3.40	3.40	3.50	3.60	3.70	3.70	3.80	3.90	4.00	4.00	4.10	4.10
50yr PWLB Rate	3.10	3.20	3.30	3.30	3.40	3.50	3.60	3.60	3.70	3.80	3.90	3.90	4.00	4.00

The above forecasts have been based on an assumption that there is an agreed deal on Brexit, including agreement on the terms of trade between the UK and EU, at some point in time. The result of the general election has removed much uncertainty around this major assumption. However, it does not remove uncertainty around whether agreement can be reached with the EU on a trade deal within the short time to December 2020, as the prime minister has pledged.

It has been little surprise that the Monetary Policy Committee (MPC) has left Bank Rate unchanged at 0.75% so far in 2019 due to the ongoing uncertainty over Brexit and the outcome of the general election. In its meeting on 7 November, the MPC became more dovish due to increased concerns over the outlook for the domestic economy if Brexit uncertainties were to become more entrenched, and for weak global economic growth: if those uncertainties were to materialise, then the MPC were likely to cut Bank Rate. However, if they were both to dissipate, then rates would need to rise at a “gradual pace and to a limited extent”. Brexit uncertainty has had a dampening effect on UK GDP growth in 2019, especially around mid-year. There is still some residual risk that the MPC could cut Bank Rate as the UK economy is still likely to only grow weakly in 2020 due to continuing uncertainty over whether there could effectively be a no deal Brexit in December 2020 if agreement on a trade deal is not reached with the EU. Until that major uncertainty is removed, or the period for agreeing a deal is extended, it is unlikely that the MPC would raise Bank Rate.

### Investment and borrowing rates

- Investment Investment returns are likely to remain low during 2020/21 with little increase in the following two years. However, if major progress was made with an agreed Brexit, then there is upside potential for earnings.
- Borrowing interest rates were on a major falling trend during the first half of 2019-20 but then jumped up by 100 bps on 9<sup>th</sup> October 2019. The policy of avoiding new borrowing by running down spare cash balances has served local authorities well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in the future when authorities may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.
- There will remain a cost of carry, (the difference between higher borrowing costs and lower investment returns), to any new long-term borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost.

## PRUDENTIAL AND TREASURY INDICATORS 2020/21 to 2022/23

The Council's capital expenditure plans are a key driver of treasury management activities. The output of the capital expenditure plans is reflected in prudential indicators. Local Authorities are required to 'have regard to' the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. The Code sets out the indicators that must be used but does not suggest limits or ratios as these are for the authority to set itself.

The Prudential Indicators for 2020/21 to 2022/23 are set out in **Table A** below:

<b>Table A</b>	<b>2020/21 Estimate</b>	<b>2021/22 Estimate</b>	<b>2022/23 Estimate</b>
<b>Capital Expenditure £m (gross)</b> Council's capital expenditure plans	£99m	£59m	£58m
<b>Capital Financing Requirement £m*</b> Measures the underlying need to borrow for capital purposes (including PFI & Leases)	£395m	£410m	£421m
<b>Ratio of financing costs to net revenue stream**</b> Identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against net revenue stream	4.52%	4.40%	4.59%

\* From 2020/21, the CFR includes an estimate for leases that will be bought onto the balance sheet under a change in leasing accounting regulations.

\*\* the ratio of financing costs to net revenue stream illustrates the percentage of the Council's net revenue budget being used to finance the council's borrowing. This includes interest costs relating to the council's borrowing portfolio and MRP, net of the investment income from the council's investment portfolio.

The Treasury Management Code requires that Local Authorities set a number of indicators for treasury performance in addition to the Prudential Indicators which fall under the Prudential Code. The Treasury Indicators for 2020/21 to 2022/23 are set out in **Tables B & C** below. These have been calculated and determined by Officers in compliance with the Treasury Management Code of Practice.:

<b>Table B</b>	<b>2020/21 Estimate</b>	<b>2021/22 Estimate</b>	<b>2022/23 Estimate</b>
<b>Authorised Limit for External Debt £m*</b> The Council is expected to set a maximum authorised limit for external debt. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by Full Council.	£425m	£440m	£451m
<b>Operational boundary for external debt £m*</b> The Council is required to set an operational boundary for external debt. This is the limit which external debt is not normally expected to exceed. This indicator may be breached temporarily for operational reasons.	£405m	£410m	£421m

<b>Principal Sums invested for longer than 365 days</b>	£60m	£60m	£60m
<b>Control on interest rate exposure: Upper limit for fixed interest rate exposure</b> Identifies a maximum limit for fixed interest rates for borrowing and investments.	100%	100%	100%
<b>Control on interest rate exposure: Upper limit for variable interest rate exposure</b> Identifies a maximum limit for variable interest rates for borrowing and investments.	15%	15%	15%

*\*From 2020/21 The Authorised Limit and Operational Boundary includes an estimate for leases that will be bought onto the balance sheet under a change in leasing accounting regulations.*

<b>Table C</b>		
<b>Maturity Structure of fixed interest rate borrowing</b>		
The Council needs to set upper and lower limits with respect to the maturity structure of its borrowing.		
	Lower	Upper
Under 12 months	0%	25%
12 months to 2 years	0%	40%
2 years to 5 years	0%	60%
5 years to 10 years	0%	70%
Over 10 years	0%	90%

## SCHEME OF DELEGATION

### 1. Full Council

In line with best practice, Full Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals. These reports are:

#### i. Treasury Management Policy and Strategy Report

The report covers:

- the capital plans (including prudential indicators);
- the Capital Strategy;
- a Minimum Revenue Provision Policy (how residual capital expenditure is charged to revenue over time);
- the Treasury Management Strategy (how the investments and borrowings are to be organised) including treasury indicators; and
- an investment strategy (the parameters on how investments are to be managed).

#### ii. A Mid-Year Review Report and a Year End Stewardship Report

These will update members with the progress of the capital position, amending prudential indicators as necessary, and indicating whether the treasury strategy is meeting the strategy or whether any policies require revision. The report also provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

### 2. Cabinet

- Approval of the Treasury Management quarterly update reports;
- Approval of the Treasury Management outturn report.

### 3. Audit Committee

- Scrutiny of performance against the strategy.

### 4. Role of the Section 151 Officer

The Section 151 (responsible) Officer:

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.

There are further responsibilities for the S151 Officer identified within the 2017 Code in respect of non-financial investments. They are identified and listed in the Capital Strategy where relevant.

## INVESTMENT PRODUCT GLOSSARY

**Bank / Building Society:** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.

**Bank / Building Society Secured (Covered Bonds):** These investments are secured on the bank's assets, which limit the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in.

**Corporate Bonds:** Bonds issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent.

**Enhanced Cash / Ultra Short Dated Bond Funds:** Funds designed to produce an enhanced return over and above a Money Market Fund. The manager may use a wider range of alternative options to try and generate excess performance. These could include different counterparties, instruments as well as longer dated investments.

**Equity Fund:** Equity funds are pooled investment vehicles that will focus investments primarily in UK equities.

**Government:** Loans, bonds and bills issued or guaranteed by UK government, local authorities and supranational banks. These investments are not subject to bail-in, and there is a minimal risk of insolvency.

**Money Market Funds:** An open ended fund that invests in short term debt securities, offers same-day liquidity and very low volatility.

**Mixed Asset Funds:** Rather than focus on a particular asset class, these funds will look to invest across a broader range of classes in an effort to provide investors with a smoother performance on a year-to-year basis. Primarily, the asset classes will be equities and fixed income, but the latter will include both corporate and government-level investments.

**Pooled Property Funds:** Shares in diversified property investment vehicles. Property funds offer enhanced returns over the longer term, but are more volatile in the short term. The funds have no defined maturity date, but are available for withdrawal after a notice period

**Short Dated Bond Funds:** Funds designed to produce an enhanced return over and above an Ultra Short Dated Fund. The manager may use a wider range of alternative options to try and generate excess performance. These could include different counterparties, instruments as well as longer dated and a proportion of lower rated investments. The return on the funds are typically much higher, but can be more volatile than Ultra-Short Dated bond funds, so a longer investment time horizon is recommended.

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**Report to:** Cabinet

**Date of meeting:** 28 January 2020

**By:** Chief Operating Officer

**Title:** The Conservators of Ashdown Forest – 2020/21 Budget

**Purpose:** To approve the Conservators' draft budget for 2020/21 and to consider the contribution from the Trust Fund

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## **RECOMMENDATIONS**

**Cabinet is recommended to:**

1. approve the Conservators' Core budget for 2020/21; and
  2. approve the annual grant for 2020/21 from the Trust Fund.
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## **1 Background**

1.1 This report sets out the Conservators' draft budget for 2020/21 as presented by the Conservators. This enables consideration to be given to both the overall position and the balance of funding which may be made available to the Conservators from the Trust. It must be emphasised for completeness, that the 'Trust Fund' is legally distinct from the County Council's general resources. It is appropriate however, for the County Council to consider both its decision as Trustee as well as its disposition of general resources when considering the overall financial position of the Conservators.

## **2 Supporting information**

2.1 The Conservators' budget is formed of the Core Budget (General Fund) and the Countryside Stewardship (CS) budget. The Conservators draft Core Budget for 2020/21 is summarised at Appendix A. This was approved by the Board of Conservators at their meeting on 25 November 2019 and requires approval from the Council. The Ashdown Forest Trust position is shown at Appendix B and the draft Countryside Stewardship (CS) budget, including a breakdown of CS funded projects, is shown at Appendix C. The draft CS budget is shown for information only.

2.2 The Conservators Core Budget (General Fund) receives a grant from the Ashdown Forest Trust for which ESCC is the trustee. As presented, the draft budget assumes the level of grant from the Trust Fund will continue at £65,100. The balance of the Trust Fund is estimated to be £156,949 at 1 April 2020; shown in Appendix B. The lease to the Ashdown Forest Golf Club expires in January 2020 and is currently being renegotiated.

2.3 The contribution from ESCC which was £30,000 in 2019/20 has been completely removed for 2020/21, as planned, as part of the Council's approved savings programme and the delivery of services within the Core Offer.

2.4 The 2019/20 forecast expenditure figure is significantly higher than budget. Staff costs have increased due to the appointment of a new Chief Executive, part time member of staff to administer the income generation project and to address some salary grading discrepancies. There was an upgrade to the unit's radio communications system, and investment into setting up the Ashdown Forest Foundation. Donations for car parking are lower than expected and the scheme will be further promoted for 2020/21. Sale of deer carcasses is slightly lower than budgeted but the plan is to engage a butcher which should increase future sales.

2.5 The Conservators have presented a balanced Core Budget (General Fund) for 2020/21. The budget includes £55,500 of income from the sale of commemorative plates on the new memorial wall. This figure is based on the fact that these schemes have been shown to be very popular nationally and there has been significant interest locally. The wall is at the pre-planning consent stage and there may be a risk of project

slippage. Any resulting shortfall of income will be met from reserves. There is also a planned contribution of £15,000 from the recently formed Ashdown Forest Foundation generated by private donations and the recovery of gift aid. A number of Ashdown Forest Centre events are planned including a launch event and a sponsored walk which should generate £10,000. The expenditure budget includes the additional cost of changes to staff hours and responsibilities and of the new part time member of staff. £18,000 has been planned as the cost of building the memorial wall. The Conservators are aware that the income from the memorial wall is one-off and will work with the newly appointed Chief Executive to ensure that future budgets are sustainable in the long term.

2.6 The Conservators agreed to maintain reserves sufficient to cover 6 months of staffing and administration costs. The Conservators are not planning any draws from reserves during 2020/21. The resulting budgeted reserve balance for the year ending 2020/21 is £343,432, which exceeds the minimum balance of £196,000.

2.7 Natural England provide the funding for the CS budget £522,676 for 2020/21 and although this represents more than half the total Forest income, it is ring-fenced for Heathland Conservation projects. As such, all CS budget must be spent under the conditions for receipt of the money and may not be used to offset General Fund expenditure. However, there is a multiplier applied to CS staff costs and contracted-out in house staff to enable the Conservator's to recoup some staff on-costs and Forest Centre overheads. For 2020/21 this is £135,000 and is shown under income as 'Countryside Stewardship Staff Recharge'. The CS budget shows a planned deficit of £84,210 and will be met from the CS reserve which includes a £46,768 projected surplus in 2019/20. The CS budget has been separated from the General Fund and is shown as Appendix C.

2.8 The Conservators are acutely aware of the need to continue to increase their income and control their costs in order to maintain the level of care provided to the Ashdown Forest and to help bridge the gap to sustainability.

### **3. Recommended Funding**

3.1 It is proposed to remove the Council's grant which was £30,000 in 2019/20. This matches the provision in the CET budgets.

3.2 Annual income to the Trust Fund, from a long term lease with the Royal Ashdown Forest Golf Club, amounts to £70,000 with the addition of bank interest. The contribution to the Conservators from the Trust Fund can be maintained at £65,100 in 2020/21.

3.3 Awarding the grant from the Trust Fund at the recommended level would give the Conservators a balanced budget for 2020/21.

### **4. Conclusion**

4.1 While the County Council has a statutory obligation to meet the shortfall between expenditure and income of the Conservators, it also has the responsibility for approving the level of expenditure.

4.2 Cabinet is recommended to:

- Approve the Conservators' budget for 2020/21;
- Approve the annual grant for 2020/21 from the Trust Fund.

**KEVIN FOSTER**  
**Chief Operating Officer**

Contact Officer: Andy Fowler  
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Email: andy.fowler@eastsussex.gov.uk

#### LOCAL MEMBERS

Councillors Galley, Stogdon, Tidy & Whetstone

#### ESCC MEMBERS ON THE BOARD OF CONSERVATORS

Councillors Barnes, Stephen Shing, Tidy, Whetstone, Elkin and Stogdon



<b>INCOME SUMMARY</b>	<b>2019/20 Budget £</b>	<b>2019/20 Forecast £</b>	<b>2020/21 Budget £</b>
Licences and Forest Rate	190,952	194,856	200,755
Countryside Stewardship Staff Uplift	115,000	120,000	135,000
Income Generation and Donations	37,000	25,700	98,800
Unrestricted Funding	110,100	112,300	77,480
Sale of Forest Products including Meat	25,300	28,700	26,100
Visitors	8,860	13,722	12,900
Financial	200	1200	1,200
<b>TOTAL UNRESTRICTED CORE INCOME</b>	<b>487,412</b>	<b>479,728</b>	<b>552,235</b>

Restricted Funds (designated for specific purpose)	-	21,699	-
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<b>TOTAL CORE INCOME</b>	<b>487,412</b>	<b>518,177</b>	<b>552,235</b>
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<b>EXPENDITURE SUMMARY</b>	<b>2019/20 Budget £</b>	<b>2019/20 Forecast £</b>	<b>2020/21 Budget £</b>
Core Forest Staff Costs	361,500	377,000	407,732
Expenditure from Ring-fenced Funding	500	16,866	-
Operational expenses	50,579	69,887	73,101
Administration Overheads	48,153	53,442	43,692
Financial	23,280	20,280	18,160
Visitors	3,400	6,878	3,300
Governance/Charity Expenditure		5,250	5,250
<b>TOTAL NON CAPITAL CORE EXPENDITURE</b>	<b>487,412</b>	<b>549,604</b>	<b>551,235</b>

Total Core Capital Expenditure	-	-	1,000
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<b>TOTAL CORE EXPENDITURE</b>	<b>487,412</b>	<b>549,604</b>	<b>552,235</b>
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<b>SURPLUS/DEFICIT PROJECTION</b>	<b>Budget 2019/20 £</b>	<b>Forecast 2019/20 £</b>	<b>Budget 2020/21 £</b>
Total Income	487,412	518,177	552,235
Total Expenditure	487,412	549,604	552,235
Surplus/(Deficit)	-	(31,427)	-
Planned allocation from reserves	-	(31,427)	-

INCOME	2019/20 Budget £	2019/20 Forecast £	2020/21 Budget £
<b>Licences</b>	<b>190,952</b>	<b>194,856</b>	<b>200,755</b>
<b>Domestic (Track) Rents</b>	24,000	25,000	25,000
<b>Commercial Rents/Licences and Wayleaves</b>			
Wayleaves - BT	54,500	54,500	54,500
Ice Cream Licence	22,500	22,500	23,000
MOD licence	10,000	11,000	11,000
Cats Protection	4,010	4,044	4,200
Dog Walking Licence	1,000	1,300	1,500
Wayleaves - EDF & UKPN	1,150	1,150	3,755
Aerial site rental	500	500	500
Model Airplane Licence	392	392	400
<b>Riding Permits</b>	32,000	38,000	38,000
<b>Forest Rate</b>	24,000	24,000	27,000
<b>Licence preparation/deed of covenant/ consideration fees</b>			
Consideration Fees	8,000	6,000	6,000
Deed of Covenant	1,500	1,500	1,500
Licence preparation fees	1,500	1,500	1,000
<b>Temporary licences (incl Filming, Wood, Events)</b>			
Wood Permits	2,400	2,400	2,500
Marketing Board licences	500	500	200
Filming Permits	3,000	500	500
Events licence incl. fitness licence	-	70	200
<b>Countryside Stewardship Staff Recharge</b>	<b>115,000</b>	<b>120,000</b>	<b>135,000</b>
1.8 multiplier no cost of staff fully funded by C.S.	50,000	55,000	70,000
Contracted-out in-house staff for CS projects	65,000	65,000	65,000
<b>Income Generation and Donations</b>	<b>37,000</b>	<b>25,700</b>	<b>98,800</b>
Memorials	5,000	9,000	52,500
The Ashdown Forest Foundation (fundraising, staff recharge)			15,000
Donations incl. Donations Box and Post	7,500	9,400	12,200
AF Centre Events	4,500	1,000	10,000
Donate! Text Giving (car parks)	20,000	3,000	5,000
Car stickers	-	2,200	3,000
Online maps and walks leaflets	-	1,000	1,200
EasyFundraising	-	100	100
<b>Unrestricted Funding</b>	<b>110,100</b>	<b>112,300</b>	<b>77,480</b>
Ashdown Forest Trust	65,100	65,100	65,100
ESCC	30,000	30,000	-
WDC	10,000	10,000	10,000
Maintenance of Pooh Car Park from ESCC	-	2,000	380
Parish Councils	5,000	5,200	2,000
<b>Sale of Forest Products incl Meat and Deer Carcasses</b>	<b>25,300</b>	<b>28,700</b>	<b>26,100</b>
<b>Products (e.g. Logs, Xmas trees)</b>	500	3,000	3,000
<b>Grazing Project Income (deer)</b>	10,000	9,000	9,000
<b>Grazing Project Income (sheep)</b>			
Sheep meat sales	3,500	3,500	3,500
Wool	100	100	100
Sale of breeding sheep	2,000	2,000	2,000
<b>Grazing Project Income (cattle)</b>			
Beef	2,000	3,700	-

<i>Hides</i>	-	-	-
<i>Sale of Breeding cattle</i>	-	-	-
<b>Grazing Project Income (other)</b>	-	100	500
<b>Miscellaneous Other</b>			
<i>Ashdown Forest Riding Association</i>	4,000	4,000	4,000
<i>Deposits</i>	500	200	600
<i>Corporate volunteers</i>	-	-	500
<i>Miscellaneous</i>	500	500	500
<b>Renewable Heat Incentive (Boiler)</b>	1,000	1,400	1,200
<b>Feed in Tarif (Solar Panels)</b>	1,200	1,200	1,200
<b>Visitors</b>	8,860	13,722	12,900
<b>Barn sales</b>	6,500	7,000	8,000
<b>Pop-up café</b>	-	3,500	3,500
<b>Sheep Proof Your Dog</b>	-	1,422	-
<b>Exhibition sales</b>	500	500	-
<b>Education team-run events</b>	-	500	-
<b>Hire of premises/equipment</b>			
<i>Hire of premises</i>	760	300	500
<i>Hire of staff/equipment</i>	1,000	400	800
<b>Talks by staff</b>	100	100	100
<b>Financial</b>	200	1,200	1,200
Bank Interest	200	1,200	1,200
<b>Restricted Funds (designated for a specific purpose)</b>	-	<b>21,699</b>	-
<i>Natural England contribution for school visits</i>		7,250	
<i>School income for school visits</i>	-	9,608	-
<i>Friends of Ashdown Forest</i>	-	3,741	-
<i>Other grants or funding received</i>	-	1,100	-
<b>TOTAL INCOME</b>	<b>487,412</b>	<b>518,177</b>	<b>552,235</b>

EXPENDITURE	2019/20 Budget £	2019/20 Forecast £	2020/21 Budget £
<b>Staff Costs (CORE Staff)</b>	<b>361,500</b>	377,000	<b>407,732</b>
CORE Gross salaries, NI & Pension	344,500	360,000	389,732
Pension - additional monetary amount	17,000	17,000	18,000
<b>Operational expenses</b>	<b>50,579</b>	<b>69,887</b>	<b>73,101</b>
Transport, machinery, equip (incl vehicle insurance)	<b>38,859</b>	<b>53,782</b>	<b>43,691</b>
Machinery (Big) - Parts	500	500	500
Machinery (Big) - Repairs	800	500	800
Machinery (Small) - Parts and fuel	1,000	1,000	1,000
Machinery (Small) - Repairs	500	500	500
Tractors - Fuel & Oil	3,000	6,000	6,000
Tractors - Parts	1,500	1,500	500
Tractors - Repairs	500	500	500
Tractors - Servicing	2,000	2,753	2,800
Vehicles - Fuel & Oil	8,000	8,000	9,000
Vehicles - Repairs	1,100	1,100	1,200
Vehicles - Servicing	2,000	2,000	2,000
Vehicles - Parts	1,000	1,000	1,000
Vehicles - Insurance	14,809	14,809	15,691
Vehicles - Licences	1,700	1,820	1,700
Radio	150	11,000	-
Hand tools	300	800	500
Income Generation expenses	-	<b>3,000</b>	<b>3,500</b>
Staff expenses	<b>2,400</b>	<b>2,100</b>	<b>1,400</b>
Travel expenses	100	100	100
Mileage Allowance	800	500	300
Staff and Volunteer Clothing	1,500	1,500	1,000
Staff training	<b>1,000</b>	<b>500</b>	-
Volunteer expenses	<b>2,200</b>	<b>2,400</b>	<b>1,300</b>
Mileage Allowance	1,200	1,200	800
Meetings & volunteer expenses	1,000	1,200	500
General Operations	<b>4,700</b>	<b>2,900</b>	<b>4,000</b>
Non-CS tree work (incl. emergencies)	4,000	4,000	3,000
Car park maintenance	-	2,000	-
Non-CS Fencing	200	400	-
Commoners' Expenses	-	-	500
Health & Safety	500	500	500
Other	<b>1,420</b>	<b>4,205</b>	<b>19,210</b>
Memorials	-	3,500	18,000
Subscriptions	420	205	210
Miscellaneous Amenity and Community Costs	1,000	500	1,000
<b>Administration Overheads</b>	<b>48,153</b>	<b>53,442</b>	<b>43,692</b>
Forest Centre Running costs (rates, utilities, maintenance)	<b>14,481</b>	<b>17,021</b>	<b>15,100</b>
Office Furniture - small items	-	40	-
Buildings Maintenance	8,150	10,750	8,800
Refreshments	200	100	100
Rates (WDC)	3,081	3,081	3,200
Electricity	2,000	2,000	2,000
Water rates	1,050	1,050	1,000

Other core staff costs (contract staff, recruitment exps)	5,000	6,500	6,500
Post, phone, printing, stationery	6,000	6,500	5,600
<i>Postage</i>	500	2,000	1,200
<i>Stationery</i>	500	500	300
<i>Stationery - Printing</i>	1,500	1,500	1,200
<i>Telephone</i>	3,500	2,500	2,900
Professional Fees	6,000	6,500	6,000
<i>Audit and accountancy</i>	6,000	6,000	6,000
<i>Legal</i>	-	500	-
Insurances, excluding vehicles	9,772	9,921	9,242
<i>Insurance buildings</i>	8,572	8,721	8,042
<i>Trustee Indemnity Insurance</i>	1,200	1,200	1,200
IT	6,600	6,700	7,500
<i>Computing - hardware &amp; software small items</i>	100	200	-
<i>Computing - service</i>	6,500	6,500	7,500
Miscellaneous	300	300	250
<i>Miscellaneous finance and support purchases</i>	300	300	250
<b>Financial</b>	<b>23,280</b>	<b>20,280</b>	<b>18,160</b>
Irrecoverable rents and rates and bad debts	-	-	100
<i>Bad Debt Provision</i>	-	-	100
Credit card terminal	1,300	1,300	1,100
Bank charges	980	980	960
<i>Bank Interest Paid</i>	30	30	10
<i>Bank charges</i>	950	950	950
Input VAT irrecoverable (non-CS)	21,000	18,000	16,000
Suspense account	-	-	-
<b>Visitors</b>	<b>3,400</b>	<b>6,878</b>	<b>3,300</b>
Information Centre (Shop)	2,500	3,500	2,000
<i>Stock for resale</i>	2,500	3,500	2,000
Forest Centre Events	900	3,378	1,300
<i>Forest Centre Events</i>	-	26	-
<i>Sheep Proof Your Dog</i>	-	1,452	-
<i>Pop-up Café</i>	800	1,500	1,000
<i>Info centre purchases other than stock</i>	100	400	300
<b>Governance/Charity Expenditure</b>	<b>-</b>	<b>5,250</b>	<b>5,250</b>
Funding for charity	-	5,250	5,250
<b>Expenditure from Ringfenced Funding</b>	<b>500</b>	<b>16,866</b>	<b>-</b>
Education programme resources	-	12,768	-
Travel bursaries for schools	-	824	-
Education Team-run Events	-	1,775	-
Other: bridge materials (Danehill Parish Council)	-	1,000	-
<b>Total non-capital Expenditure</b>	<b>487,412</b>	<b>549,604</b>	<b>551,235</b>
<b>Capital Expenditure</b>			1,000
Computing - Hardware & Software	-	-	1,000
<b>TOTAL EXPENDITURE</b>	<b>487,412</b>	<b>549,604</b>	<b>552,235</b>

**The Conservators of Ashdown Forest – Reserves****£**

Reserves 1 April 2019	374,859
Forecast deficit 2019/20	(31,427)
Forecast reserves at 31 March 2020	343,432
Forecast Movement 2020/21	-
Forecast reserves at 31 March 2021	343,432
Minimum restricted reserve	196,000
Discretionary restricted reserves	36,000
Unallocated reserves	182,432
Total Reserves	343,432

**Ashdown Forest Trust Fund 2020/21 Projected Income and Expenditure**

<b>ASHDOWN FOREST TRUST FUND</b>	<b>Budget 2019/20</b>	<b>Budget 2020/21</b>
<b>Income</b>	£	£
Royal Ashdown Forest Golf Club- Rent	70,000	70,000
Bank Interest	250	400
<b>Total Income</b>	<b>70,250</b>	<b>70,400</b>
<b>Expenditure</b>		
Conservators of Ashdown Forest- Annual Grant	65,100	65,100
Professional & Audit Fees	6,500	4,500
<b>Total Expenditure</b>	<b>71,600</b>	<b>69,600</b>
<b>Surplus/(Deficit)</b>	<b>(1,350)</b>	<b>800</b>
Balance Brought Forward	158,799	156,949
Balance Carried Forward	156,949	157,749

## Countryside Stewardship Budget 2020/21

### DRAFT For approval in January 2020

<b>RESERVE FORECAST TO YEAR END 2021</b>	<b>£</b>
Reserve brought forward at 31 March 2019	305,298
Income/Expenditure Surplus/(Deficit) forecast for year end 2019/20	46,768
Forecast reserve 31 March 2020	352,066
Income/Expenditure Surplus/(Deficit) forecast for year end 2020/21	(84,210)
<b>Forecast Reserve/Project Carry Over at 31 March 2020</b>	<b>267,856</b>

### INCOME/EXPENDITURE SUMMARY

Budget Summary	INCOME 2019/20 £	EXPENDITURE 2019/20 £	INCOME 2020/21 £	EXPENDITURE 2020/21 £
Heathland Area Payment	431,775	352,074	431,775	499,635
Bracken Supplement	33,651	48,246	33,651	50,000
Educational Visits	7,250	7,250	7,250	7,250
Woodland CS: Deer project	45,000	56,838	45,000	45,001
Woodland CS: Woodland Management	5,000	11,500	5,000	5,000
<b>TOTALS</b>	<b>522,676</b>	<b>475,908</b>	<b>522,676</b>	<b>606,886</b>

### EXPENDITURE BY PROJECT

<b>CORE STAFF COSTS</b>	<b>Budget 2019/20 £</b>	<b>Budget 2020/21 £</b>
Core staff Totals	154,118	209,235
<i>Total cost to employer (to include NI, pension)</i>	109,023	145,885
<i>1.8 multiplier difference to be attributed to Forest Core Budget</i>	45,095	63,350
Deer Programme Staff	30,254	31,241
<i>Total cost to employer (to include NI, pension)</i>	18,024	21,667
<i>1.8 multiplier difference to be attributed to Forest Core Budget</i>	12,230	9,574
<b>PROJECTS SUMMARY</b>	<b>Budget 2019/20 £</b>	<b>Budget 2020/21 £</b>
Heathland Area Projects	183,665	197,870
Manage Scrub (Gorse)	28,900	30,000
Wild Fire Risk and Plan	200	200
Birch, Oak, Willow and Scots Pine Control	30,000	35,000



Remove Rhododendron and Gaultheria (Heathland)	500	3,000
Provide/Maintain Livestock Control Structures (Visible)	32,668	43,000
Conservators Grazing - Cattle	11,594	12,000
Commoners Headage Payments	31,600	25,000
Conservators Grazing - Sheep	9,325	10,000
Conservators Grazing - Ponies	4,690	-
Livestock Welfare Facility - Barn	2,000	20,000
Manage Heather	350	-
Manage Grassland (Mowing)	170	170
Removal of Invasive Woodland	5,250	1,000
Remove Turkey Oak	1,200	500
Create Glades	10,000	3,000
Control of non-native species (spraying)	2,850	4,000
Annual mowing of rides	-	5,000
Manage Habitat (open waters, etc) by excavation	500	-
Manage Habitat (open waters, etc)	500	1,500
Ashdown Forest Life	7,100	4,000
Volunteer Management and Expenses	4,268	500
<b>Bracken Supplement</b>	<b>37,500</b>	<b>50,000</b>
Bracken Control	37,500	50,000
<b>Educational Visits</b>	<b>7,250</b>	<b>7,250</b>
School Visits - Teacher time & support costs	7,250	7,250
<b>Woodland CS: Woodland Management</b>	<b>5,000</b>	<b>5,000</b>
Rhododendron Removal Cutting/Spraying (Woodland)	5,000	5,000
<b>Woodland CS: Deer Management (See supporting budget)</b>	<b>14,746</b>	<b>13,760</b>
Deer Project additional costs (excl.staff cost)	14,746	13,760
<b>Fencing Public Consultation and Application</b>	<b>90,670</b>	<b>45,000</b>
Project costs from Project Budget v1	43,257	45,000
Staff cost: Total cost to employer (to include NI, pension)	33,455	-
1.8 multiplier on gross staff cost - recharge to Forest Core Budget	13,958	-
<b>Additional Expenditure</b>	<b>24,030</b>	<b>47,530</b>
Staff Expenses and Training	3,000	1,000
CMSi Software & Training	230	230
Memberships/Subscriptions	1,000	500
Small tools and equipment (under £100)	800	800
Vehicle expenses including repairs	6,000	5,000
Machinery repairs	1,000	1,000
Machinery capital	-	27,000
VAT	12,000	12,000
<b>TOTAL CS EXPENDITURE</b>	<b>547,233</b>	<b>606,886</b>

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