

Meeting of
East Sussex County Council
on Tuesday, 23 March 2021
at 10.00 am

NOTE: As part of the County Council's drive to increase accessibility to its public meetings, this meeting will be broadcast live on its website and the record archived. The live broadcast is accessible at: www.eastsussex.gov.uk/yourcouncil/webcasts/default.htm



EAST SUSSEX COUNTY COUNCIL

To the Members of the County Council

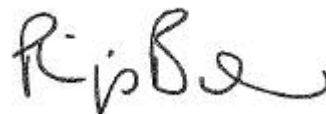
You are summoned to attend a meeting of the East Sussex County Council to be held at County Hall, Lewes, **on Tuesday, 23 March 2021 at 10.00 am** to transact the following business

Note: County Councillors will be joining the meeting remotely

- 1 **Minutes of the meeting held on 9 February 2021** (Pages 5 - 26)
- 2 **Apologies for absence**
- 3 **Chairman's business**
- 4 **Questions from members of the public**
- 5 **Report of the Cabinet** (Pages 27 - 36)
- 6 **Report of the Governance Committee** (Pages 37 - 40)
- 7 **Report of the Lead Member for Transport and Environment** (Pages 41 - 46)
- 8 **Questions from County Councillors**
 - (a) Oral questions to Cabinet Members
 - (b) Written Questions of which notice has been given pursuant to Standing Order 44
- 9 **Report of the East Sussex Fire Authority** (Pages 47 - 52)

Note: There will be a period for collective prayers and quiet reflection from 9.30 am to 9.45 am. The prayers will be led by the Reverend Annette Hawkins, Vicar at St Mary's Church, Salehurst. The Chairman would be delighted to be joined by any members of staff and Councillors who wish to attend this session which will take place via Teams.

County Hall
St Anne's Crescent
LEWES
East Sussex BN7 1UE



PHILIP BAKER
Assistant Chief Executive

15 March 2021

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MINUTES

EAST SUSSEX COUNTY COUNCIL

MINUTES of a MEETING of the COUNTY COUNCIL held at County Hall, Lewes on 9 FEBRUARY 2021 at 10.00 am

Present

Councillors John Barnes, Matthew Beaver, Colin Belsey, Nick Bennett, Bill Bentley, Bob Bowdler, Tania Charman, Charles Clark, Martin Clarke, Godfrey Daniel, Philip Daniel, Angharad Davies, Chris Dowling, Claire Dowling, Deirdre Earl-Williams, David Elkin (Chairman), Nigel Enever, Michael Ensor, Kathryn Field, Gerard Fox, Roy Galley, Keith Glazier, Darren Grover, Carolyn Lambert, Tom Liddiard, Laurie Loe, Carl Maynard, Ruth O'Keeffe, Sarah Osborne, Peter Pragnell, Pat Rodohan, Phil Scott, Jim Sheppard (Vice Chairman), Daniel Shing, Stephen Shing, Alan Shuttleworth, Rupert Simmons, Andy Smith, Bob Standley, Richard Stogdon, Colin Swansborough, Barry Taylor, Sylvia Tidy, David Tutt, John Ungar, Steve Wallis, Trevor Webb and Francis Whetstone

41 Minutes of the meeting held on 1 December 2020

41.1 RESOLVED – to confirm as a correct record the minutes of the County Council meeting held on 1 December 2020 as a correct record.

42 Apologies for absence

42.1 Apologies for absence were received on behalf of Councillor Simon Elford.

43 Chairman's business

KEITH BRIDGER

43.1 The Chairman referred to the death in January of a former colleague, Keith Bridger who had represented the Bexhill North Division from 1997 to 2005 and during his time as a county councillor was also the Leader of the Labour Group. The Chairman and other councillors paid tribute to Keith Bridger and on behalf of the Council the Chairman offered condolences to Keith's family and friends. The Council remained silent as a mark of respect to Keith Bridger.

TILLEY AWARDS

43.2 The Chairman reported that five partnership projects from across the UK had been recognised as leaders in the Problem Solving and Crime Prevention Programme for this year's Tilley Awards. This year the local partnership, made up of staff from both Sussex Police and ESCC, was voted the winner for the Neighbourhoods category, tackling anti-social behaviour and crime within Uckfield, with excellent results for local young people. The winning five projects, selected from 92 entries from police forces and partner agencies across the country, would now present their project at this year's National Problem Solving Conference in September 2021, before an overall winner is announced.

NEW YEAR'S HONOURS

43.3 On behalf of the Council the Chairman congratulated all those who lived or worked in East Sussex who were recognised in the New Year honours.

44 Questions from members of the public

44.1 Copies of the questions received from members of the public and the answers from Councillor Fox (Chair of the Pension Committee) are attached to these minutes.

45 Declarations of Interest

45.1 There were no declarations of interest.

46 Reports

46.1 The Chairman of the County Council having called over the reports set out in the agenda, reserved the following for discussion:

Cabinet report – paragraph 1 (reconciling policy, performance and resources), paragraph 3 (scrutiny review of becoming a carbon neutral council) and paragraph 4 (annual report of looked after children's services)

Place Scrutiny Committee report – paragraph 1 (scrutiny review of becoming a carbon neutral council)

NON-RESERVED PARAGRAPHS

46.2 On the motion of the Chairman of the County Council, the Council ADOPTED those paragraphs in the reports that had not been reserved for discussion as follows:

Cabinet report – paragraph 2 (council monitoring) and paragraph 5 (treasury management policy and strategy)

Governance Committee report – paragraph 1 (bylaws for local nature reserve)

47 Report of the Cabinet

Paragraph 1 – Reconciling Policy Performance and Resources

47.1 Under Standing Order 23, the Council agreed that the speeches of the Leaders of the 5 Groups (or their nominees) on paragraph 1 of the Cabinet's report be extended beyond 5 minutes.

47.2 Councillor Bennett moved the adoption of paragraph 1 of the Cabinet's report.

47.3 The following amendment was moved by Councillor Tutt and seconded:

Delete paragraph 1.56 of the Cabinet's report and replace with:-

(1) approve, in principle, the draft Council Plan 2021/22 at Appendix 1 and authorise the Chief Executive to finalise the Plan in consultation with the relevant Lead Members;

(2) approve the net Revenue Budget estimates totalling £416.7m for 2021/22 as set out on Appendix 3 (Medium Term Financial Plan) and 4 (Budget Summary) and authorise the Chief Executive, 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 budget decisions with the following amendments:

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1. *Potential Investment Areas in the MTFP - £980,000: recognising that focused work is still to be undertaken to determine actual investment, it is requested that consideration is given to the potential investment of: -*
 - a. *Training and information on respite services – indicative £100,000*
 - b. *A grant fund to support voluntary sector resilience – indicative £200,000*
 - c. *Adult Social Care mental health support – indicative - £200,000*
 - d. *Community Hubs resilience – indicative £380,000*
 - e. *Business resilience and recovery – indicative £100,000*
2. *Additional one off expenditure on child mental health to assess the impact of the pandemic on need - £200,000*
3. *Additional permanent SEND support for schools - £200,000*
4. *Additional permanent increased advice and support to primary schools - £200,000*
5. *Additional revenue contribution for 3 years to capital to increase repairs to pavements - £200,000*
6. *One-off use of Priority Outcomes and Transformation reserve to accelerate the preparation of the Climate Emergency Plan and to contribute to rectifying the environmental damage from tree felling - £250,000*
7. *Additional cost of borrowing a further £1,000,000 for Climate Emergency Plan actions - £38,500*

Total of proposed revenue amendments - £2,068,500

To be funded by:

8. *Potential Investment Areas in the MTFP - £980,000: consideration of use of budget as areas of investment are developed.*
9. *Use of the Priority Outcomes and Transformation reserve - £250,000*
10. *Use of COVID-19 reserve for child mental health - £200,000*
11. *Chief Operating Officer: deletion of role - £88,500*
12. *Reduce venue hire budget - £100,000*
13. *Reduce communications budget - £200,000*
14. *Reduce Governance and Organisational Development - £100,000*
15. *Reduce waste management budget - £150,000*

Total of proposed revenue funding amendments - £2,068,500

(3) in accordance with the Local Government Finance Act 1992 to agree that:

- (i) the net budget requirement is £416.7m and the amount calculated by East Sussex County Council as its council tax requirement (see Appendix 6) for the year 2021/22 is £310.4m;*
- (ii) the amount calculated by East Sussex County Council as the basic amount of its council tax (i.e. for a band D property) for the year 2021/22 is £1,544.04 and represents a 3.49% (1.5% of which relates to the Adult Social Care precept) increase on the previous year;*

(4) advise the District and Borough Councils of the relevant amounts payable and council tax in other bands in line with the regulations and to issue precepts accordingly in accordance with an agreed schedule of instalments to be revised as amended by proposals in paragraph (2) above

(5) note the fees and charges set out in Appendix 10 that have been increased above inflation;

MINUTES

(6) approve the Capital Strategy and Programme as set out at Appendix 9 with the following amendments;

*Increase highways capital maintenance works for repairs to pavements - £200,000
Add Climate Emergency Plan, with areas of investment including (a) Electric Vehicle charging points (b) Low carbon heating (c) Solar panels and electrical storage - £1,000,000*

Total of proposed capital amendments - £1,200,000

(7) note the progress with the Council Plan and Budget 2020/21 since quarter 2 at Appendix 2;

(8) note the Medium Term Financial Plan forecast for the period 2021/22 to 2023/24 as set out in Appendix 3 and amended by the proposals in paragraph (2) above;

(9) note the comments of the Chief Finance Officer on budget risks and robustness as set out in Appendix 7; and

(10) note the comments from the engagement exercises as set out in Appendix 8.

47.4 A recorded vote on Councillor Tutt's amendment was taken. The amendments was LOST, the votes being cast as follows:

FOR THE AMENDMENT

Councillors Philip Daniel, Field, Grover, Lambert, O'Keeffe, Osborne, Rodohan, Daniel Shing, Stephen Shing, Shuttleworth, Swansborough, Tutt, Ungar and Wallis.

AGAINST THE AMENDMENT

Councillors Barnes, Beaver, Belsey, Bennett, Bentley, Bowdler, Charles Clark, Martin Clarke, Davies, Chris Dowling, Claire Dowling, Earl-Williams, Elkin, Enever, Ensor, Fox, Galley, Glazier, Liddiard, Loe, Maynard, Pragnell, Sheppard, Simmons, Smith, Standley, Stogdon, Taylor, Tidy and Whetstone.

ABSTENTIONS

Councillor Charman, Godfrey Daniel, Scott and Webb

47.5 The following motion was moved by Councillor Bennett to adopt paragraph 1 of the Cabinet report:

1) approve, in principle, the draft Council Plan 2021/22 at Appendix 1 and authorise the Chief Executive to finalise the Plan in consultation with the relevant Lead Members;

(2) approve the net Revenue Budget estimate of £416.7m for 2021/22 as set out in Appendix 3 (Medium Term Financial Plan) and 4 (Budget Summary) and authorise the Chief Executive, 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 budget decisions;

(3) in accordance with the Local Government Finance Act 1992 to agree that:

- (i) the net budget requirement is £416.7m and the amount calculated by East Sussex County Council as its council tax requirement (see Appendix 6) for the year 2021/22 is £310.4m;*

MINUTES

- (ii) *the amount calculated by East Sussex County Council as the basic amount of its council tax (i.e. for a band D property) for the year 2021/22 is £1,544.04 and represents a 3.49% (1.5% of which relates to the Adult Social Care precept) increase on the previous year;*

(4) advise the District and Borough Councils of the relevant amounts payable and council tax in other bands in line with the regulations and to issue precepts accordingly in accordance with an agreed schedule of instalments as set out at Appendix 6

(5) note the fees and charges set out in Appendix 10 that have been increased above inflation;

(6) approve the Capital Strategy and Programme as set out at Appendix 9;

(7) note the progress with the Council Plan and Budget 2020/21 since quarter 2 at Appendix 2;

(8) note the Medium Term Financial Plan forecast for the period 2021/22 to 2023/24 as set out in Appendix 3;

(9) note the comments of the Chief Finance Officer on budget risks and robustness as set out in Appendix 7; and

(10) note the comments from the engagement exercises as set out in Appendix 8.

47.6 A recorded vote on Councillor Bennett's motion was taken. The motion was CARRIED with the votes being cast as follows:

FOR THE MOTION

Councillors Barnes, Beaver, Belsey, Bennett, Bentley, Bowdler, Charles Clark, Martin Clarke, Davies, Chris Dowling, Claire Dowling, Earl-Williams, Elkin, Enever, Ensor, Fox, Galley, Glazier, Liddiard, Loe, Maynard, Pragnell, Sheppard, Simmons, Smith, Standley, Stogdon, Taylor, Tidy and Whetstone.

AGAINST THE MOTION

None

ABSTENTIONS

Councillors Charman, Godfrey Daniel, Philip Daniel, Field, Lambert, O'Keeffe, Osborne, Rodohan, Scott, Daniel Shing, Stephen Shing, Shuttleworth, Swansborough, Tutt, Ungar, Wallis and Webb.

Paragraph 3 (Scrutiny review of becoming a carbon neutral council)

47.7 The Chairman reminded the Council that he was taking paragraph 3 of the Cabinet report with the report of the Place Scrutiny Committee.

Paragraph 4 (Annual progress report for looked after children's services)

47.8 Councillor Glazier moved the reserved paragraph in the Cabinet's report.

47.9 The motion was CARRIED after debate.

48 Report of the Place Scrutiny Committee

Paragraph 1 (Scrutiny review of becoming a carbon neutral council)

48.1 The Chairman reminded the Council that he was taking paragraph 1 of this report with paragraph 3 of the Cabinet's report.

48.2 Councillor Bowdler moved the adoption of paragraph 1 of the Scrutiny Committee's report.

48.3 Councillor Glazier moved the adoption of paragraph 3 of the Cabinet's report. The motion, including the recommendations, was CARRIED after debate.

48.4 The motion to adopt paragraph 1 of the Scrutiny Committee's report, including the recommendations, was CARRIED after debate on the basis that implementation would be in accordance with the recommendations of the Cabinet.

49 Questions from County Councillors

49.1 The following members asked questions of the Lead Cabinet Members indicated and they responded:

Questioner	Respondent	Subject
Councillor Field	Councillor Glazier	Supplementary questions in relation to public questions at County Council meetings
Councillor Ungar	Councillor Maynard	Covid vaccinations for care home workers
Councillor Shuttleworth	Councillor Bentley	Capacity in East Sussex to offer counselling, refuge places etc to victims of domestic abuse/violence
Councillor Godfrey Daniel	Councillor Standley	125 year Free School Lease for the Ropemakers' Academy, Hailsham
Councillor Stephen Shing	Councillor Glazier	Performance of contractors and contract monitoring during the current pandemic
Councillor Fox	Councillor Bennett	Promotion of decarbonisation programme and electric vehicles
Councillor Daniel Shing	Councillor Claire Dowling	Policy for the granting of licenses for adverts and notices on street furniture

49.2 Four written questions were received from Councillors Osborne, Lambert and Stephen Shing for the Leader and the Lead Member for Transport and Environment. The questions and answers are attached to these minutes. The Leader and Lead Member responded to supplementary questions.

THE CHAIRMAN DECLARED THE MEETING CLOSED AT 1.42 pm

The reports referred to are included in the minute book

QUESTIONS FROM MEMBERS OF THE PUBLIC

Note: Questions 1 and 2 relate to a similar issue. The answer to these questions is set out after question 2 below

1. The same or similar questions were asked by:

Debbie Smith, Eastbourne, East Sussex

Ann Newton-Marcial, Eastbourne, East Sussex

Since June 2020, there have been a growing number of emails sent to the County Council objecting to the East Sussex Pension Fund's investments in companies complicit in abuses of human rights and violations of international law. These violations relate to Israel's settlements on occupied land which are illegal under international law; the International Criminal Court prosecutor is investigating their construction as a war crime.

The chair of the Pension Committee has made some helpful comments, stating that Responsible Investment Principles are 'at the heart of all investment decisions and provides increased transparency and monitoring of these investments.' Also, he acknowledged that companies mentioned in the questions 'operate and profit from stolen land.' Any pension fund operating with ethical and responsible principles would surely be divesting from such companies.

A commitment by the Pension Committee chair indicated that the fund will divest from some of the complicit companies in due course. These companies are included in the United Nations list of companies involved in Israel's illegal settlement economy. The United Nations High Commissioner for Human Rights (OHCHR) has undertaken a lengthy and extensive process of engagement with these companies. The pension fund has investments in 13 of these companies. They are: Bank Hapoalim, Bezeq, Booking.com, Delek Group, Expedia Group, First International Bank, General Mills, Israel Discount Bank, Mercantile Discount Bank, Mizrahi Tefahot Bank, Motorola, Paz Oil Company and TripAdvisor. This is far more than any other local government pension fund. The vast majority have no investments in these companies at all.

- Please will you specify which of the above 13 companies you plan to divest from and provide a timetable for divestment?

Elbit Systems produces a range of banned weapons including cluster munitions, weaponised white phosphorus and flechette projectiles. It produces the weaponised Hermes 450 and 900 drones. All these weapons have been used repeatedly to target the civilian population in Gaza. The Norwegian state pension fund has divested from Elbit. So have numerous other funds such as Dutch pension giant ABP, Sweden's largest pension fund Första AP-Fonden, Danish bank Danske Bank, AXA, Folksam (Sweden), ABN AMRO and Europe's largest bank HSBC. Norges Bank, the central bank of Norway, excludes Elbit Systems due to 'particularly serious violations of fundamental ethical norms.' There are only 3 local government pension funds with investments in Elbit. This company is clearly regarded as toxic, a company that any pension fund with ethical and 'responsible' policies would keep clear of.

- Will the Pension Committee confirm that the fund intends to divest from Elbit Systems, and if so, please state when?

- Could the Pension Committee chair confirm that the Fund's investments in Elbit Systems and the 13 companies named on the UN Human Rights Office list run counter to the Fund's 'Responsible Investment Principles?'
- Do you accept that, regardless of whether these assets are pooled or held in segregated portfolios, it is the pension fund's obligation, in line with its own 'Responsible Investment Principles,' to ensure that it does not invest in companies operating from stolen land?
- Do you intend to implement screening and due diligence procedures to ensure that scheme members' money is not used to support the violation of international law relating to other companies not mentioned here?

2. Question from Nicholas Swabey, Eastbourne, East Sussex

As a retired teacher from the Eastbourne area, myself and a number of colleagues were angered and dismayed to hear that our pension funds have originated from investments which have been made in the occupied Palestinian territories (oPts) by Israeli armed forces. It is even more disturbing that East Sussex are only one of three local government pension funds that have done this and in particular, the Israeli arms manufacturer Elbit who specialise in producing banned weapons including cluster bombs, weaponised white phosphorous projectiles as well as lethal Hermes 450 and 900 drones which have resulted in the deaths of many adults and children in both Gaza and the West Bank.

I gather our pensions are invested in 13 other companies, all of which are active in the occupied Palestinian territories. This occupation is illegal under international law and the International Criminal Court prosecutor is investigating Israel for both the illegal settlements as well as war crimes.

The 2020 High Court decision backed members in their campaign to get Councils such as East Sussex to disinvest in these companies.

This is a serious issue and it would be inappropriate and immoral if these investments were to continue. In fact, unless I, and others who have chosen to write to you about this situation do not have a satisfactory outcome, then I will contact the NEU, the Teachers Pension company, many other members and also the press.

My questions to the Chair of the Committee are:

- 1) Will the Pension Committee confirm that the fund intends to divest from Elbit Systems along with the 13 other companies involved in the occupied territories (list available). If so, when will this happen?
 - 2) Would you clarify whether the Fund's investments in these 14 companies goes against the 'Responsible Investment Principles'?
 - 3) How will the Fund monitor, screen and implement due diligence procedures to ensure that member's money is not used to support the violation of international law?
- Frankly, I and others are really surprised about these investments and will not accept excuses that the Funds cannot be sold off. Many other Funds have achieved this both at home and abroad and the issue will not go away; in fact, the momentum for change has only just started!

Response by the Chair of the Pension Committee to questions 1 and 2 above

The response to these questions draws upon much of what was explained in the response to the questions raised at the December Full Council. The Pension Fund Committee has not met in the intervening time since the last Full Council, so policy and strategy has not changed in relation to this area.

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The East Sussex Pension Fund (ESPF; the Fund) as at 31 December 2020 held exposure to 4 of the 112 UN listed companies within its passive equity mandate and has no exposure to Elbit Systems. Of these four companies only one is recognised as a “Business enterprises involved in listed activities” - Expedia group which is an American online travel shopping company for consumer and small business travel. The remaining three are recognised as “Business enterprises involved as parent companies”, these are Booking Holdings Inc, General Mills and Motorola.

In addition, the Fund held exposure to three of the same companies within its Smart Beta passive manager; one being Expedia and the other two Booking Holdings Inc and General Mills.

The UN list of 112 companies was submitted to the Human Rights Council under resolution 31/36 on Israeli settlements in the Occupied Palestinian Territory in February 2020. This Database is subject to an annual revision and its likely a number of these companies will have been removed.

The Funds Smart Beta Investment Manager Storebrand carry out up to date screening of the companies they are exposed to and as at quarter 1 of 2021 Storebrand’s data provider Sustainalytics (Human Rights Radar) used for screening does not capture any of these companies.

According to Amnesty International both the travel companies were considered to be profiting by listing properties and attractions within Israeli settlement. These companies are not currently listed within the whoprofits.org database. Who Profits from the Occupation is “an independent research centre dedicated to exposing the commercial involvement of Israeli and international corporations in the ongoing Israeli occupation of Palestinian and Syrian lands”. General Mills has a plant producing baking products at one settlement. Some business activities within the occupied territories contribute more to legitimise the situation than others. After screening and analysis by the sustainability team these three companies do not meet the degree of severity that would trigger an exclusion. It is worth mentioning however that there are currently 38 companies who are on the exclusion list due to Human Rights and International law reasons including Elbit Systems which is specifically referred to in the questions.

ESPF does not directly invest in any specific company; instead it invests through a combination of holdings in passive index funds and active fund managers. As the owner of an index fund, we are passive recipients of the index and we can’t pick and choose the constituents of the global or regional indices and there is no way in which the fund can influence the holdings in that index or divest from an asset without divesting from the whole strategic asset allocation. Ordinarily, passive funds are viewed as a cheap and efficient way to gain global equity market exposure with reduced volatility and this is actively encouraged by the Ministry of Housing Communities and Local Government guidance as an intrinsic part of investment strategy for Local Government Pension Scheme (LGPS) funds due to the lower costs associated with investing in these funds compared to active mandates.

To divest from these four companies would require ESPF to disinvest from its entire passive mandate. This means we would need to sell the exposure to over 6,000 companies worth over £400m to remove four companies from the portfolio worth £0.7m. This is a major strategic decision and will result in significant final cost to the fund which

is not in the interests of the funds beneficiaries to take such a decision solely on these grounds, as it's not good stewardship of capital to take this action.

At the Pension Committee meeting in November 2020, the Committee instructed officers and investment consultants to carry out a detailed analysis as to the remaining passive mandate holding where these companies are still held as to whether this strategic allocation is a good fit for the portfolio in light of the regional exposure, income generation and Responsible Investment beliefs that the Pension Fund holds. This will be discussed in detail at the March Pensions Committee. At this stage we cannot speculate what the Committee will agree in relation to this part of the Pension Fund strategic asset allocation. Responsible investment principles will apply to any strategic change or manager change within the fund, but this is much further reaching than a single topic.

In making any investment decision the Fund will seek to follow its published Investment Strategy Statement and its Statement of Responsible Investment (RI) Principles, to balance the duties they have to all scheme stakeholders, weigh up the potential financial impact and take into consideration the views of beneficiaries where any non-financial factor is taken into account. Responsible investment is a substantial factor in driving returns alongside other investment considerations and the fund has outperformed its benchmark in all its reporting periods. The fund is not an "Ethical" or "unethical" investor, it is a responsible steward of capital where we identify and mitigate financial risks and we are guided by the legal principle of fiduciary duty where our primary function is to pay pensions to the fund beneficiaries when they become due. The objectives of the pension fund RI policy are to reduce the likelihood that Environmental, Social and Governance (ESG) issues and Climate Risk will negatively impact asset values and returns and inform stakeholders on the action the Fund is taking to address these risks. The Fund's investment policy cannot be influenced by outside parties or by personal, political or moral beliefs. The Funds Responsible Investment Principles are that the fund is an active asset owner with the aim to influence governance through voting and engagement. This is an integral part of what makes a business sustainable, successful and a suitable investment target. Engagement through voting can effect corporate change and influence businesses to derive a broader social benefit.

One of the engagement groups the Fund is a member, LAPFF (Local Authority Pension Fund Forum), have been liaising with Palestinian and Jewish interest groups in respect of 17 companies operating in the region where member funds, including ESPF, have some investment. The LAPFF Research and Engagement partner has written to, and arranged several engagement meetings with, those companies including requests of human rights impact assessments of these companies. There has been push back from some of the companies on the grounds that the UN list is political and existing legal requirements ensure human rights compliance. LAPFF will continue to engage.

All the fund's active managers screen companies in which they invest on the Fund's behalf and the Fund itself carried out significant due diligence in appointing the manager where it appoints direct. Due to changes in investment regulations in 2016, all LGPS funds are required to invest via investment pools. The Fund is part of the ACCESS LGPS investment pool. Where the Fund is invested through the pool into an asset class or investment manager the fund reviews due diligence approaches taken by the pool to ensure managers have appropriate screening in place and consider ESG factors when investing the funds money.

Touching on the unique item in the second question. ESPF is an LGPS Fund (Local Government Pension Scheme). The ESPF does not administer pensions to Teachers. Teachers Pensions are provided through the Government run Teacher's Pension Scheme which is not associated with either East Sussex County Council (ESCC) or ESPF. ESPF is a Pension Scheme set up through legislation specifically for employees eligible for the LGPS within ESCC; eligible employees of District, Borough, City and Parish Councils within the County; non-teaching staff within Schools and Academies within the County; admitted bodies as approved by the Pensions Committee; or bodies approved by the Secretary of State.

If members of the ESPF would like to discuss investment strategy, or how their pension is administered then we would suggest that they correspond with the Fund where detailed explanations of the regulatory environment in which the Fund is run can be clearly explained. Decisions relating to Pension Fund investments are not the decisions of ESCC's Full Council.

Note: Questions 3 to 7 relate to the East Sussex Pension Fund exposure to fossil fuel investments, the response to climate emergency and related issues. The answer to these questions is set out after question 7 below

3. The same or similar questions were asked by:

**Eveline Tijs, Hastings, East Sussex
Anna Newington, St Leonards on Sea, East Sussex
Andrea Needham, Hastings, East Sussex
Adam Rose, Eastbourne, East Sussex
Emily Price, Hastings, East Sussex
Dinah Morgan, Lewes, East Sussex
Polly Charlton, Brighton
Sofie Greatorox, St Leonards on Sea, East Sussex
Virginia Vilela, St Leonards on Sea, East Sussex
Jason Evans, Brighton
Barbara Dye, Seaford, East Sussex
Antony Gordon, Heathfield, East Sussex
Sally Phillips, Hastings, East Sussex
Michael Gilbert, Brighton
Cherry Lavell, Polegate, East Sussex
Tessa George, Lewes, East Sussex
Caroline Donegan, Ticehurst, East Sussex
Michael Bernard, Bexhill-on-Sea, East Sussex
Esme Waldron, Brighton
Sue Fasquelle, Lewes, East Sussex
Lynda Russell, St Leonards on Sea, East Sussex
Teresa Rowe, Bexhill, East Sussex
Mary-Jane Wilkins, Lewes, East Sussex
Oliver Darlington, Lewes, East Sussex
Sarah Rigg, Brighton
Serena Penman, Lewes, East Sussex
Richard Boyle, Eastbourne, East Sussex
Dinah Pryor, Seaford, East Sussex**

MINUTES

Fiona Kennedy, St Leonards on Sea, East Sussex
Iain Sheard, Battle, East Sussex
Duncan Armstrong, Lewes, East Sussex
Tim Beecher, Brighton
Lisa Mackenzie, Battle, East Sussex
Sue McDonnell, St Leonards on Sea, East Sussex
Sarah Ward, Hastings, East Sussex
Gary French, St Leonards on Sea, East Sussex
Angie Lynn, Brighton
Ian Bunch, Hastings, East Sussex
Jassy Denison, Newhaven, East Sussex
Susan Murray, Lewes, East Sussex
Nicola Reese, Saltdean
Rosemary Sawtell, Lewes, East Sussex
Jane Wigan, St Leonards on Sea, East Sussex
Andrew Durling, Pevensey, East Sussex
Mike Cope, Bexhill on Sea, East Sussex
Hugh Dunkerley, Brighton
Jiva Masheder, Brighton
Nicky Bishop, Battle, East Sussex
Barbara Echlin, Bexhill, East Sussex
John Hughes, Hove
Steve Penfold, Hove
Andrea Corso, St Leonards on Sea, East Sussex
Carol Mills, Eastbourne, East Sussex
Melissa McClements, Brighton
Katie Gaster, Polegate, East Sussex
Julia Turner, Brighton
Rosie Sauvage, Hove
Frances Witt, Lewes, East Sussex
Sally Attwood, Lewes, East Sussex
Carol Turner, Eastbourne, East Sussex
Su Knight, Eastbourne, East Sussex
Suzy Miller, Forest Row, East Sussex
Ian Green, Forest Row, East Sussex
Manuela McLellan, St Leonards on Sea, East Sussex
Andy Moore, Hastings, East Sussex
Richard Pike, Forest Row, East Sussex
Kathy Bor, St Leonards on Sea, East Sussex
Ella Seabrook-Wafer, Lewes, East Sussex
Fiona MacGregor, St Leonards on Sea, East Sussex
Philippa Beagley, Hastings, East Sussex
Alick Mackenzie, Battle, East Sussex
John Gray, Bexhill-on-Sea, East Sussex
Polly Gray, Bexhill-on-Sea, East Sussex
Adriana Pavel, Battle, East Sussex
Nicky Beele, Eastbourne, East Sussex
Mark Havers, Brighton
Sarah Macbeth, St Leonards on Sea, East Sussex
Andrew Wedmore, Robertsbridge, East Sussex
Luke Burrough, Brighton
Grant Angus, Brighton

Christina Thair, Brighton
Jane Johnson, Eastbourne, East Sussex
Arnold Simanowitz, Lewes, East Sussex
Liz Abbott, Bexhill-on-Sea, East Sussex
Adrian Briggs, Lewes, East Sussex
Adrian Ross, Lewes, East Sussex
Claire Finn, Hove
Nicola Harries, Brighton
Helen Jenney, Lewes, East Sussex
Sarah Hazlehurst, Brighton
Maria Preciado, Brighton
Jennifer Howells, Horam, East Sussex
Anna Jasinski, Hastings, East Sussex
Robert Robertson, Lewes, East Sussex
Christopher Hemsley, Saltdean, East Sussex
Tobias Jackson, Hastings, East Sussex
Annabel Faraday, Fairlight, East Sussex
Adrienne Hunter, St Leonards on Sea, East Sussex
Bev Ward, St Leonards on Sea, East Sussex
Julia Hilton, Hastings, East Sussex
Angie Ingman, St Leonards on Sea, East Sussex
Simon Beal, Hastings, East Sussex
Anne Fletcher, Seaford, East Sussex
Dave Carey-Stuart, St Leonards on Sea, East Sussex
Edward Richardson, Ringmer, East Sussex
Jane Wright, Lewes, East Sussex
Susan Tyler, St Leonards on Sea, East Sussex
Susan Churchill, Hastings, East Sussex
Gill Tremenheere, Hastings, East Sussex
Helen Frederick, Seaford, East Sussex
Tony Harris, Brighton
Ian Barry, Brighton
Anne Massey, Hove
Heather Atchison, Brighton
Gabriel Carlyle, St Leonards on Sea, East Sussex
Gabrielle Lewry, St Leonards on Sea, East Sussex
Nic Carter, Hastings, East Sussex
John Enefer, Hastings, East Sussex
Rebecca McCray, St Leonards on Sea, East Sussex
Alison Cooper, St Leonards on Sea, East Sussex
Alan Chapman, Lewes, East Sussex
John Lynes, St Leonards on Sea, East Sussex
Linda Jeal, Hastings, East Sussex
Ann Kramer, Hastings, East Sussex
Paul Homer, St Leonards on Sea, East Sussex
Anthony Bradnum, St Leonards on Sea, East Sussex
Marie Casey, Hastings, East Sussex
Chris Petts, St Leonards on Sea, East Sussex
Jilly Hall, Hastings, East Sussex
Lucy Paffard, St Leonards on sea, East Sussex
Sharon Moore, Hastings, East Sussex
Luke Manders, Lewes, East Sussex

Holly Rose, Hastings, East Sussex
Anna Weatherston, Hove
Erica Smith, St Leonards on Sea, East Sussex

Does the East Sussex Pension Committee accept that, because burning fossil fuels is the key driver of global warming, the goals of the Paris Climate Agreement (to keep global warming to 'well below 2 °C', pursuing 1.5°C) cannot be achieved without the rapid alignment of the big fossil fuel companies with a 1.5°C pathway?

By a 1.5°C pathway we mean one that: (a) yields a 50% or better chance of keeping global warming below 1.5°C; and (b) does so without assuming the future creation of global scale 'negative emissions technologies' (ie. ones that remove carbon dioxide from the atmosphere) that don't currently exist.

Members of the public have now submitted this question over 200 times (to the October and December Full Council meetings) without receiving an answer.

4. Question from John Hopkinson, Eastbourne, East Sussex

The time for polite terminology is long past. This country's leaders, and ESCC leaders, committed some time ago to a policy of Divestment of Fossil Fuels. It has failed. Please do not rush to exculpate yourselves - the policies have failed. Our banks and pensions consortiums and other organisations continue to invest in fossil fuels without let or hindrance from authorities like you. The people know that governments lie to them. But for the ESCC to declare a "climate emergency" in October 2019 and yet do little or nothing to actively pursue cutting back on the carbon footprint potential of all the tools in its box is not just an apathy, it is a deception.

All of you are human beings - most of you have children and perhaps many grandchildren. Go now and explain to those children what you are doing and ask them if it is enough. I challenge you. For it is their future, not yours. Forget that you are members of a grand organisation that calls itself by some supercilious title, you are parents of children who you are condemning by your inaction to lives of hardship.

We do not know what is ahead. We can only act on the science, and all the science over recent decades has pointed to the increasing damage that will occur as a result of climate change. Damage not just to humans but to all living creatures on our world. And it is accelerating. These things will happen, it is already too late to stop some of the effects. We shall tip beyond that point of 1.5deg over pre-industrial levels that has for some time now been the tipping point for all nations to observe and act to prevent.

ESCC has rejected calls to publicly commit to divesting the East Sussex Pension Fund from fossil fuels - oil, coal and gas industries. I ask what is now the ESCC's commitment to that "climate emergency"? And what is its agenda to achieve that commitment?

5. Question from Juliet Russell, Hastings, East Sussex

As a Sussex resident I am compelled to ask you why you are still investing in fossil fuels and furthermore register my complaint at you doing so

6. Question from Gemma McFarlane, Seaford, East Sussex

ESCC declared a climate emergency in October 2019.
The burning of fossil fuels is the main driver of global warming.

Why is the ESCC Pension Fund still investing in oil and gas when there are better alternatives both in terms of financial returns and climate change mitigation?

President of the European Investment Bank, Dr Werner Hotter said in January
"Europe needs a serious departure from past use of fossil fuels in order to meet climate targets.
To put it mildly, gas is over".

7. Question from Michael Ryan, St Leonards on Sea, East Sussex

As a member of the ESCC Pension Fund I am gratified at some progress in reducing Pension Fund investment in fossil fuels in line with the Council Climate Emergency declaration -but the process is incomplete. I do not want any members money at risk in Pension Fund investment in this declining asset that contradicts the scale of the crisis and the emergency declaration

The Biden government in the USA is now forcefully confirming this latter point.

Response by the Chair of the Pension Committee to questions 3 to 7 above

Firstly, in response to question 3 where 135 individuals sent the same question through. The question asked in December was whether as Chair of the Pension Committee I can give a single example of an oil and gas major that is currently aligned with a 1.5⁰c pathway, as we stated in December, the research shows that there are none, despite some bold moves by European companies. According to the Transition Pathway Initiative five oil and gas majors are on track to align with the Paris emissions pledges, three of which are getting closer to a 2⁰c climate pathway by 2050 but additional measures are required.

Question 3 is a new question asking if we accept that big fossil fuel companies need rapid alignment to enable the 1.5 °C pathway. The relationship between the burning of fossil fuels and climate change is well established and accepted, as is the reliance of the global economy on these fuels for 80% of its primary energy, and indeed the failure of most Paris signatories to align their nationally determined contributions (NDCs) with its objectives. The Fund can only respond to the physical policies and guidance that emerge from Government because of its Climate commitments, while identifying the associated risks and opportunities to its portfolio. The inevitability of an energy transition and the risks and opportunities associated with that is strongly entrenched in the Fund's Responsible Investment document. The Fund's engagement policy is supportive of this alignment and we are actively trying to influence companies that are not aligned with the Paris agreement to ensure they are on a suitable transition pathway. While the Pension Fund recognises a rapid increase of scale and actions are required to reduce the risks of climate change it is also conscious of the challenge of this and that a just transition is integral to many of the global commitments adopted by countries within the Paris agreement. It is necessary to ensure the transition is shaped by shifts in service, labour markets, changes in technologies and that the transition is equitable within the workforce, regions, communities and industries; a rapid alignment may not be

consistent with this and the transition needs to be managed across the world through policy.

East Sussex Pension Fund (ESPF; the Fund) have a policy of Engagement and not Divestment. The Minister for Pensions gave a very clear steer in a recent speech to the Professional Pensions Investment Conference about how he expected Funds to deal with climate-related risks. The approach that he outlined explicitly discourages blanket divestment as a broad strategy, favouring instead strong company engagement, the adoption by Pension Funds of absolute and intensity based Greenhouse Gas metrics, mandated The Task Force on Climate-related Financial Disclosures (TCFD) reporting, and triennial portfolio climate scenario testing, while encouraging Funds to embrace opportunities associated with decarbonisation and green infrastructure.

<https://www.gov.uk/government/speeches/pension-schemes-and-climate-related-risks>

ESPF is already pursuing all of these avenues. The Fund's exposure to fossil fuels has fallen from 6.6% of AUM since 2015 to 1.9% at the end of December 2020. The Fund has outperformed its benchmarks over the last 5 years and enjoys strong solvency levels.

The decision by East Sussex County Council (ESCC) to declare a climate Emergency is separate to the Pension Fund strategic investment decisions. The ESPF is not owned by ESCC, ESCC it is the Administering Authority for the Fund and one of 128 employers within the Fund. The ESPF has an obligation to provide defined pension benefits as laid down in statute and political or personal views cannot be taken into account in managing these assets. The 2016 Local Government Pension Scheme (LGPS) investment regulations require the Pension Fund to invest in a wide variety of investments and invest via an LGPS investment pool. Under the new regulation's, manager selection sits with the investment pool rather than with the individual Pension Fund. The Fund does not directly invest in any specific company; instead it invests through a combination of holdings in passive index funds and active fund managers. The Fund's principal fiduciary responsibility is to provide pensions to the fund beneficiaries. To this end, it must have attention to adequate diversification of risk, limiting of fund volatility and provision of sufficient income from its holdings through dividends to pay the pensions. As a responsible investor it must reconcile the unfolding energy transition with its need for income to pay those pensions and it has an overriding interest in maximising the investable set of companies in its portfolio. Climate Risks are therefore managed at a whole portfolio level via Manager diversification and via engagement by the Institutional Investors Group on Climate Change (IIGCC).

The Fund's recent investment decisions clearly illustrate its attention to managing the risks and opportunities associated with climate change and the energy transition and it has taken substantial measures this year:

ESPF was one of the first LGPS Funds to undertake regular carbon foot-printing of its assets. It has recently taken ground-breaking action by placing half of its index fund exposure into an Index Fund which specifically seeks to invest in a manner consistent with achieving the long term goals of the Paris Agreement, tilting to green revenues, removing the traditional fossil fuel energy sector and its supply chains, replacing them with one focused on Climate Solutions. Additionally, ESPF has invested a quarter of its equity exposure in Impact Funds which profit from solving Climate and Sustainability related challenges.

MINUTES

ESPF is a United Nations' Principles of Responsible Investment (PRI) signatory, a member of the Climate lobbying organisation(s) IIGCC/CA100+ and has undertaken to report in line with the strengthened 2020 UK Stewardship code and promote reporting aligned with the TCFD. It encourages all its Active Managers to align their engagement with the objectives of the IIGCC.

WRITTEN QUESTIONS PURSUANT TO STANDING ORDER 44

1. Question by Councillor Osborne to the Leader and Lead Member for Strategic Management and Economic Development

It would appear that in some councils the rule about councillors having to face re-election after an absence of six months is not subject to any of the provisions about maternity leave. Some councils use their discretion to agree that a woman can be missing for more than six months in particular circumstances, but there is no rule.

Can the Lead Member confirm that East Sussex County Councillors taking maternity or paternity leave will not be subject to re-election either after a six-month absence or after an agreed period of statutory leave?

Answer by the Leader and Lead Member for Strategic Management and Economic Development

Whether a Member is granted a dispensation in relation to a period of absence is a matter for Full Council to consider and not just me as Leader. While I can't respond for other members of the Council I would be supportive of such a request. I would also expect that they and the residents that they represent are properly supported during this period.

2. Question by Councillor Lambert to the Lead Member for Transport and Environment

East Sussex County Council declared a climate emergency in October 2019 and set a target of achieving carbon neutrality from its activities as soon as possible.

Part of the climate emergency comes from car emissions, and in particular, from cars left standing with their engines running. One in ten urban roads breached legal levels for the toxic gas NO₂ and nearly 800 stretches of monitored road fell short of the minimum standard. (*The Times*, 19 December 2020). The tragic death of Ella Kissi-Debrah from an asthma attack with the coroner's finding that the failure of the local authority to reduce pollution levels to legal limits was a contributory factor in her death, highlights the urgency of reducing emissions.

We therefore need to take urgent action to avoid this as much as possible. Under Section 42 of the Road Traffic Act of 1988, a fixed penalty fine can be issued by local authorities for allowing an engine to run while stationary.

Will the County Council write to all schools, including nursery schools and colleges in the county asking them to advise parents to switch off their car engines when collecting children from school? Will the County Council further work with partner authorities to put up notices reminding people to switch off their car engines when parked and to apply for the right to issue fixed penalties under the Road Traffic (Vehicle Emissions Fixed Penalty Regulations 2002/1808)?

Answer by the Leader and Lead Member for Transport and Environment

The Sussex Air quality partnership, which is hosted by ESCC, carried out a Defra-funded project in 2018-19 which included:

- 1) anti-idling interventions at 25 schools in Sussex, which was delivered by the charity Living Streets.

- 2) An assessment of the air quality impact of idling outside 4 of these schools, which was carried out by nationally-recognised air quality experts from the Environmental Research Group at Imperial College.

Living Streets concluded that: 'the most surprising outcome was that our data and observation showed that most parents and carers were not idling outside schools'.

The Environmental Research Group, for their part, were unable to find conclusive results from the air quality assessment.

In other words, whilst there are no doubt instances at some schools where idling of vehicles by parents or carers at school drop-off and pick-up times is contributing to poor local air quality, it doesn't appear to be as widespread as is commonly believed to be the case.

Nevertheless, Sussex Air partners, including the County Council and its district and borough partners, have put up a number of anti-idling signs, including outside some schools and by some level crossings. What is unclear at this stage is what difference these signs make to idling behaviour.

In view of the available evidence, the County Council doesn't believe that it's appropriate or effective to write to all schools in the county asking them to advise parents to switch off their car engines when collecting children from school. What the County Council will continue to do is work with schools to support them to increase the number of pupils who walk or cycle to and from school. For example, through the use of Defra funding we have secured, we have delivered projects with schools specifically aimed at improving air quality. These have included organising the temporary closure of streets outside schools during drop-off and pick-up times to encourage walking and cycling and we are working with Sustrans to explore extending this to other schools. We are also working with Sustrans to deliver educational sessions on air pollution and assisting pupils and parents or carers to plan walking and cycling routes to and from school. We feel that this is a more practical and effective way to support behavioural change that will lead to a real improvement in local air quality.

This will also be supported through the delivery of the East Sussex Local Cycling & Walking Infrastructure Plan. By working with key local partners ESCC will look to increase the cycling and walking network across the county alongside delivering travel behaviour change programmes, with schools being a key target audience.

3. Question by Councillor Lambert to the Leader and Lead Member for Strategic Management and Economic Development

The rollout of the Covid vaccination has raised significant concerns about communication and accessibility of the Clinical Commissioning Group. Despite briefings arranged for councillors, no links were provided so that councillors could keep residents updated with regular, accurate information about the rollout of the vaccinations. The email link that was provided, did not work. The website does not explain who the members are or give details of names and contact addresses, including for the Director of Communications and Chief Executive. This lack of accessibility meant that the many councillors receiving numerous emails from anxious residents were unable to provide re-assurance or a clear timetable on the rollout of the programme. Residents were also

confused by the lack of local vaccination centres and why GPs in some areas were administering the vaccine but not in others.

Will the Leader of the Council write to the Chief Executive of the Clinical Commissioning Group asking for clearer information to be provided on the website and for more clarity on the work of the CCG?

Answer by the Leader and Lead Member for Strategic Management and Economic Development

The Director of Adult Social Care has been in contact with the Clinical Commissioning Group (CCG) in East Sussex who are very sorry to hear the concerns that have been raised about the communication in relation to the Sussex COVID-19 Vaccination Programme and have provided the following information about how the programme is now working:

There are now a range of ways for those in the eligible groups, as set nationally, to be offered and receive the vaccination:

1. GP led vaccination services are in place across our communities, established in primary care network areas, providing the vaccination to registered patients at the specific GP practices;
2. Three larger vaccination centres have now opened in Sussex (Eastbourne, Brighton and Crawley);
3. Three pharmacy led services (Midhurst in West Sussex, and Ore and Ticehurst in East Sussex) to provide additional choice for people in where they receive their vaccination.

People in the priority groups can book appointments at the above services via the national booking system after receiving an invitation letter.

4. A roving service is in place to visit care homes and those who are housebound and who cannot attend a vaccination site.

To support this programme, a range of communications approaches are being utilised to ensure the public, partners, stakeholders and the media can be kept updated on the detail of how services are working, the latest programme news and developments. This includes:

- A Daily Update (weekdays). The highlights of these updates, together with links to the full briefing, are included in the County Council's normal twice weekly Member updates.
- A twice weekly stakeholder communication that provides the latest data on uptake and percentages of the population who have received the vaccination.
- Virtual face to face briefings, drop in sessions for the voluntary and community sector.
- Attendance at community, public and patient meetings.

Further to this, a public campaign has been launched for Sussex – “When will I get my jab” – to further support effective communication around the programme and engagement with our communities.

The Sussex COVID-19 vaccination programme is system wide and involves health and social care partners in planning and delivery. As such, an area of the Sussex Health and Care Partnership (SHCP) website has been developed to hold all of the latest information, including the communications products such as the Daily Updates, about the programme. The main section is available here: www.sussexhealthandcare.uk/get-my-jab and the latest briefings can be found here: <https://www.sussexhealthandcare.uk/keepsussexsafe/sussex-covid-19-vaccination-programme/stakeholder-briefings/>

This website is for the Partnership and provides information on what the SHCP is and who is involved (<https://www.sussexhealthandcare.uk/about-us/>), but it does not hold information about the leadership of any of its individual partners. Information on the Chief Executive of East Sussex CCG and leadership team is available on the CCG's website at the following link: <https://www.eastsussexccg.nhs.uk/about-us/our-governing-body/members/>

Locally, the NHS recognises the high interest in the vaccination programme and a dedicated email address has been established to support residents to ask their questions and receive timely and accurate information - sxccg.vaccineenquiries@nhs.net. We would encourage all residents and Councillors to use this and the team will be able to respond to you as quickly as possible.

In light of the above response from the CCG, the Leader and Lead Member for Strategic Management and Economic Development does not consider it necessary to engage further with the CCG on this matter.

4. Question by Councillor Stephen Shing to the Leader and Lead Member for Strategic Management and Economic Development

Due to COVID-19 and the uncertainty on when lockdown and restrictions will ease, it is unknown whether the coming County Council elections in May 2021 could go ahead. As a member of the IT references group, I am aware that the council is going to provide a new laptop to new council members, I wondered whether the council would consider delaying the order for those laptops and any other equipment until we know the election date?

Answer by the Leader and Lead Member for Strategic Management and Economic Development

As you will be aware, Government has now confirmed that the elections will go ahead on the 6 May. Officers are therefore continuing to make preparations based on this date and this includes the planned renewal of Member computer equipment.

To ensure that new devices are available in May to replace the current 2in1 machines, which have reached the end of their lifespan, it is recommended that a period of eight weeks be allowed from ordering the new devices to deploying them. This allows time for manufacturing, shipping and for IT & Digital to prepare the devices for Members. Consequently, an order will be placed by early March. An update will be provided to the Member Reference Group on 22 February.

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REPORT OF THE CABINET

The Cabinet met on 2 March 2021. Attendances:-

Councillor Glazier (Chair)

Councillors Bennett, Bentley, Claire Dowling, Maynard, Simmons, Standley and Tidy

1. Council Monitoring - Quarter 3 2020/21

1.1 The Cabinet has considered a report on performance against the Council Plan, Revenue Budget, Capital Programme, Savings Plan and risks for quarter 3 2020/21. Broad progress against the Council's four strategic priority outcomes is summarised below and an overview of finance and performance data is provided in the Corporate Summary at Appendix 1. Strategic risks are reported at Appendix 7.

Council Plan 2020/21 amendments and variations

1.2 The Cabinet has agreed to the amendment of seven Adult Social Care and Health performance measures:

- Number of hospital bed days lost due to delayed transfers from hospital care (Daily average)
- Number of hospital bed days lost due to delayed transfers from hospital care due to Council social services (Daily average)
- Number of hospital bed days lost due to delayed transfers from hospital care due to local NHS (Daily average)

Targets to be amended from 39.8, 11.5, and 24.4 respectively to 'Cannot be implemented due to COVID' because NHS England has paused the collection and publication of the data (see Appendix 2, refs i, ii, iii).

- 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

Target to be amended from 600 to 150 due to disruption in delivering the initiative (see Appendix 2, ref vi).

- Number of new service user interventions started through One You East Sussex as part of the Integrated Lifestyle Service

Target to be amended from 7,000 to 4,500 due to disruption in delivering the interventions (see Appendix 2, ref vii).

- Cumulative percentage of the eligible population who have received an NHS health check since 2015/16 (five-year period)

Target to be amended from 50% to 40% due to disruption to the programme (see Appendix 2, ref viii).

- The proportion of people who use services who say that those services have made them feel safe and secure (Adult Social Care Survey)

Target to be amended from >83.8% to 'Cannot be implemented due to COVID' because of concerns about the practicality and response rate of completing the survey during the pandemic (see Appendix 2, ref ix).

1.3 The Corporate Summary (Appendix 1) contains a forecast of performance against targets. There are several new performance target exceptions now rated amber or red due to the impact and uncertainty caused by COVID-19, these are highlighted in the relevant appendices.

1.4 Given current circumstances, and as per quarter 1 and quarter 2, finance reporting has been split into Planned Budgets/Business as Usual (non-COVID-19) and COVID-19 related items. Details of non-COVID-19 related over and underspends in each department are set out in the relevant appendices. The total service forecast overspend is £1.7m; this compares to £2.2m at quarter 2.

1.5 The main headlines are:

- The Adult Social Care (ASC) budget is currently forecast to overspend by £0.441m excluding the financial impact of COVID-19 on ASC costs. This comprises an overspend of £0.572m in the Independent Sector, offset by an underspend of £0.131m in Directly Provided Services. The Independent Sector overspend reflects ongoing demand-led pressure on ASC services and the likely future impact of the Hospital Discharge Programme (HDP) as approximately 1,000 clients discharged under Scheme 1 of the HDP transition back to ASC during the second half of the year. The underspends in Directly Provided Services relate mainly to lower demand in Day Services, temporary reductions in social worker training and increased staffing vacancies while recruitment activity remains lower.
- The Business Services (BSD) overspend equals £0.550m and mainly consists of £0.406m of budgeted savings, originally planned to be delivered through Orbis efficiencies, which are no longer deemed achievable in-year as some services have been removed from the Orbis partnership, therefore limiting the ability to make savings through shared working arrangements. Furthermore, the impact of COVID-19 has limited the ability to mitigate these savings elsewhere. Additionally, there are some overspends within Property; due to delays in implementing the proposed property restructure, as well as an increase in rent following a rent review. However, there are underspends within Information, Technology & Digital (IT&D), reducing the overall overspend position.
- Of the non COVID-19 related pressures for Children's Services (CSD), there is an increase of £0.255m to £0.900m from the quarter 2 forecast overspend position. An increase in forecast spend is due to removal of unrequired travel budgets (£0.468m); this transfer has been completed across all departments after the decision at quarter 2, following an assessment of the impact of home working, the funding being moved to a reserve to meet future workstyle expenditure across the council. Additionally, there are ongoing pressures on the Social work staffing budgets in Locality as reported previously. Reductions in forecast Home to School Transport costs (in Communications, Planning and Performance) arising from school closures have offset some of the pressures by £0.300m. A range of strategies is being pursued to reduce the pressures.

1.6 Within Treasury Management (TM) and other centrally held budgets including the general contingency there is an underspend of £6.1m before the impact of COVID-19:

- There is currently an estimated £1.4m underspend on TM, reflecting that no additional borrowing has been required to support the delivery of the capital programme and revenue balances remain healthy due to the receipt of COVID-19 funding. The underspend on TM will be used to offset future borrowing requirements in the Targeted Capital Programme as per the Capital Strategy, in order to minimise the revenue impact of borrowing in future years.
- The pension estimates when the budget was set in February 2020 were based on preliminary figures for the outcome of the triannual actuarial review. Now that the outcome is known, there is an in-year forecast underspend of £1.1m due to a lower secondary pensions contribution required by the actuary. Less other minor variation of £0.2m the net underspend on centrally held budgets of £0.9m.
- With a reduction in Business Rate income of £0.2m. This leaves £0.7m underspend on centrally held budgets, that will in the first instance, be used to offset service pressures. Followed by the general contingency of £3.8m. The remaining balance of the general contingency of £2.8m will, per normal practice, be transferred to reserves for use in future years.

1.7 Capital Programme expenditure for the year is projected to be £75.3m against a budget of £78.7m, a net variation of £3.4m. Of the variation position, net £3.3m relates to planned programme activity, and £0.1m are COVID-19 related (£1.5m of slippage offset by an estimated £1.4m overspend).

1.8 Of the net £3.3m planned programme variation (non-COVID-19 related); there is £0.3m net underspend, £3.6m of slippage to future years, partly offset by £0.6m of spend in advance. The main variances include:

- Broadband – Delivery is behind schedule due to difficulties encountered in rural areas with complex traffic management and other build technicalities. This has resulted in anticipated slippage of £2.1m. The timing of expenditure, delivery and flow of information regarding the project is largely outside of the Council's control as they are provided by the third party supplier.
- Westfield Lane – Slippage of £0.3m anticipated due to the ongoing legal process to confirm a change of use before the contract can be awarded.
- Queensway Depot Development- Slippage of £0.2m due to early site preparations resulting in the need for unforeseeable environmental surveys ahead of any main construction works commencing.
- Libraries - Slippage of £0.2m due to delays in the procurement of self-service machines. Installation will now be in early 2021/22.
- Other programme slippage of £0.8m across various schemes for reasons such as procurement delays, unforeseeable additional surveys being required and uncertainty around the timing of settlement claims.
- Emergency Access Travel Fund (Tranche 1) – Underspend of £0.3m against the tranche 1 grant allocation; as several schemes included in the original funding bid for are not going ahead following consultation.
- Special Provision in Secondary Schools – Spend in advance of £0.3m following earlier than anticipated commencement of Phase 2 at Robertsbridge Community College.
- IT & Digital Strategy Implementation – Spend in advance of £0.3m where the opportunity has been taken to refresh elements of essential back office equipment earlier than planned.

COVID-19 Related Monitoring

1.9 There have been four tranches to the end of December 2020 of general COVID-19 related funding allocated by the Ministry of Housing Communities and Local Government for use by the Council (specific grants are dealt with at service level and appropriate accounting treatments and payback applied), plus the first claim against Income Guarantee for loss of Sales, Fees and Charges (SFC) income has been paid:

	£m
Tranche 1	16.297
Tranche 2	9.810
Tranche 3	3.553
Tranche 4	3.069
SFC Round 1	1.606
Total	34.335

1.10 The details of COVID-19 related revenue pressures in each department are set out in the relevant appendices, and show a total forecast overspend of £24.6m. The main headlines are:

- ASC is currently forecasting the net financial impact of COVID-19 to be £7.484m in 2020/21. This is split, with £3.692m in the Independent Sector, £3.774m in Directly Provided Services and £0.018m in Community Safety. The main areas of expenditure include relief payments to providers; spend on Personal Protective Equipment (PPE) and the support to shielded groups via the Community Hubs (the latter of which is funded in part by the Food and Emergency Supplies Grant). Hospital discharge costs will be funded by the HDP funding, which includes a contribution from ASC's core budget equal to our normal spend meeting the needs of people discharged from hospital, in line with national guidance. The projected COVID-19 related spend has fallen since quarter 2 as projected one-off payments to social care providers will be replaced by funding from the Rapid Testing Grant and Tranche 2 of the Infection Control Fund.
- The BSD estimate of £0.703m is directly related to additional costs, lost revenue or savings not being achieved due to COVID-19. Additional Information Technology (IT) expenditure has been incurred to allow for remote working, as well as the loss of income streams within Human Resources & Organisational Development (HR&OD) and Property due to closure of various premises. There is also a savings target within ESCC's contribution to Orbis, which is now unlikely to be made this year due to COVID-19.
- CSD's pressures have increased by £0.832m to £11.075m since quarter 2 and continue to be primarily within Early Help and Social Care (£8.804m). Within this, Looked After Children (LAC) budgets continue to be impacted by COVID-19, with the increase arising from further placements during quarter 3, where a mixture of new residential and foster placements and semi-independent accommodation placements continue to be required.
- There is a pressure of £5.330m in Communities, Environment & Transport (CET); the most significant of which are in Transport and Operations where car parking income is down £2.265m. Increased collection volumes and the cost of reopening household waste sites with social distancing, have resulted in an overspend of £1.029m in the Waste service. The overspend in Customer, Libraries and Registration is mostly due to lost income from marriages and other ceremonies (£617k) along with reduced Road Safety training income. The Council's share of the pan Sussex cost of excess deaths as a result of COVID-19 is expected to be £555k although this may rise. Income is also down across other services.

1.11 Within Centrally Held Budgets and Corporate Funding there are further COVID-19 related pressures of £5.7m, the key areas being:

- Estimated risk of reduced investment income within TM £0.7m;
- Estimated provision for capital overspending in 2020/21 and 2021/22 of £2.8m;
- Levies, Grants & Other includes a £0.5m increase in bad debt provision;
- Estimated risk of reduced proceeds from the Business Rates Pool with Districts and Boroughs of £0.5m. Complexities in formulae and COVID-19 funding mean clarity of outturn remains work in progress with Districts and Boroughs; and

- A provision has been made by setting aside estimated collection fund carry forward of £1.2m from 2019/20. This is to allow for the ongoing uncertainty pertaining to final District and Borough calculations of the fund as a result of COVID-19 funding complexities.

1.12 The COVID-19 related pressures and slippage in the Targeted Capital Programme comprise a net £0.1m; of which there is a net £1.4m overspend adding to the funding shortfall (this could reduce to £1.0m but is subject to £0.4m being funded from project specific funding that is currently unconfirmed), and £1.5m slippage. The main variances include:

- IT&D Strategy Implementation – Cost increases of £0.3m anticipated to enable the purchase of IT&D equipment to enable non-Agile teams and ensure compliance with Display Screen Equipment (DSE) regulations for staff working from home. Slippage of £0.8m anticipated across several projects as resources have been reprioritised to deliver urgent remote working devices to support displaced staff. None of the delayed projects or programmes impacts on existing systems or security but does delay new capabilities being introduced.
- Other programme cost increases of £1.1m are anticipated across various schemes such as Special Provision in Secondary Schools, Schools Basic Need and Highways Structural Maintenance programme due to a combination of temporary site closures, social distancing requirements and difficulty of acquiring materials. Slippage of £0.7m is also anticipated due to various project delays.

1.13 The tables below summarise the net COVID-19 position and the estimated requirement to carry £4.0m as yet unapplied balance forward, as follows:

Net COVID-19 Costs	£m
Revenue and Capital	30.333
Funding Tranches 1-4	(32.729)
Funding SFC Round 1	(1.606)
Total Net COVID-19 funding unapplied	(4.002)

Summary of Variances	£m	
	Non-COVID-19	COVID-19
Service Budgets	(1.726)	(24.618)
Central Budgets	6.127	(3.935)
Central Resources	(0.200)	(1.780)
Subtotal Variances	4.201	(30.333)
less COVID-19 Grant - tranches 1 to 4		32.729
less SFC - round 1		1.606
Net COVID-19 funding unapplied		4.002
less Non-COVID-19 variance		4.201
Net total variance before transfers		8.203

1.14 The Strategic Risk Register, Appendix 7, was reviewed and updated to reflect the Council's risk profile. Risk 12 (Cyber Attack) and Risk 14 (Post European Union (EU) Transition) have updated risk definitions and controls. Risk 1 (Roads), Risk 4 (Health), Risk 6 (Local Economic Growth), Risk 8 (Capital Programme), Risk 9 (Workforce), Risk 15 (Climate) and Risk

16 (COVID-19) have updated risk controls. Risk 10 (Recruitment) was removed from the register as a stand-alone risk and incorporated into Risk 9 (Workforce).

Progress against Council Priorities

Driving sustainable economic growth

1.15 Over 10,000 young people, parents and carer tuned in to a virtual Careers Hub event, 'What's Next Sussex', during quarter 3, to hear from employers, post-16 colleges and apprenticeship providers. 15 Industry Champions have signed up to film Open Doors videos, which will allow young people to visit their workplaces virtually (Appendix 5).

1.16 86 carriageway asset improvement schemes were completed in quarter 3, to maintain and improve the condition of the county's roads (Appendix 5).

1.17 Businesses were helped by business support programmes to create or safeguard 100 jobs in quarter 3. Locate East Sussex also helped 13 businesses to remain within, or relocate to, East Sussex (Appendix 5).

1.18 Trading Standards provided online business training activities to 13 delegates in quarter 3, with 304 businesses also advised on COVID-19 closures. Trading Standards also delivered an EU Exit Training session to 46 delegates at the Sussex Chamber of Commerce (Appendix 5).

1.19 At the end of quarter 3 the Department for Education published the performance tables showing how all public sector organisations are progressing towards the target of 2.3% of staff being apprentices. The Council was sixth nationally amongst all county councils, with 1.8% of staff, 200 individuals, currently undertaking an apprenticeship, including 46 apprentices who enrolled during quarter 3 (Appendix 3).

1.20 During quarter 3 eight contracts which qualified for the Social Value Measurement Charter were awarded with a total value of £9m. Over £1m of social value commitments were secured as part of the contracts, equating to an outturn of 11%. We also appointed a new social value lead in quarter 3 to drive a number of social value activities forward and support the delivery of the Economic Recovery Plan (Appendix 3).

Keeping vulnerable people safe

1.21 During quarter 3 we have coordinated and improved the Medically Ready for Discharge pathways and Home First/Discharge to Assess to help enable patient flow out of hospitals and support the NHS. We have also continued to work with the NHS to support the Clinically Extremely Vulnerable (Appendix 2).

1.22 The Safer East Sussex Team (SEST), working with Sussex Police, delivered Against Exploitation workshops to Uckfield Community College students in quarter 3. The workshops aim to help young people learn about the consequences of gang membership and County Lines drug-dealing. The SEST have also created and distributed guidance around knives and exploitation to school student and their parents, including support for parents on how to spot signs of exploitation and where to seek help if their children are at risk (Appendix 2).

1.23 The Council agreed to use a significant portion of the funding received from the COVID-19 Winter Grant scheme to provide food vouchers, to pupils eligible for free school meals, during the Christmas and February half term holidays. Vouchers were also provided to eligible pupils aged 16 – 19, and 2, 3 and 4-year olds attending early years provision who were eligible for pupil premium. By the end of the scheme we will have provided food vouchers to approximately 16,500 pupils at a cost of £750,000 (Appendix 4).

1.24 The multi-agency Vulnerable Children Risk Assessment Group (VCRAAG) concentrated on getting vulnerable children back into school, once schools reopened in quarter 3, as many pupils have been out of school since March 2020. This work saw East Sussex have one of the highest rates of attendance for pupils with an Education Health and Care Plan in the south east. The Education Support Behaviour and Attendance Service (ESBAS) Attendance Recovery Offer saw every school offered free support to encourage their pupils back, with non-returners dropping from 865 at the start of September, to 68 at the end of quarter 3 (Appendix 4).

1.25 The number of children subject to a Child Protection (CP) plan has reduced from 637 in quarter 2, to 548 in quarter 3. This is the result of targeted work to reduce numbers safely, however we anticipate the number may rise again during the current lockdown. There has been an increase in the number of Looked after Children, from 606 in quarter 2, to 610 in quarter 3. Some families have felt unable to continue to care for their challenging teenagers in this quarter, and we have also seen an increase in the number of children involved in criminal exploitation (Appendix 4).

Helping people help themselves

1.26 Public Health have been working with the NHS and West Sussex County Council (WSCC) to support COVID-19 testing. The Public Health teams in East Sussex County Council (ESCC) and WSCC developed a local COVID-19 tracing partnership agreement in quarter 3, which will support the national test and trace systems. ESCC Public Health have also helped to set up three local testing sites, in Bexhill, Eastbourne and Hastings; numerous locations for Mobile Testing Units; and a Regional Testing Site at Plumpton racecourse (Appendix 2).

1.27 We have received positive results from a number of Road Safety behaviour change trials and also the Speed Management Programme. These include the final results from the Notice of Intended Prosecution (NiP) Trial, which have shown that receiving the redesigned NiP and leaflet significantly reduced speeding reoffending by 23% within six months. This would translate to 560 fewer reoffences over the six months if everyone in the trial had received the new leaflet and NiP. The results of the Anniversary Trial have been analysed and showed that 8% of the participants were less likely to reoffend after engagement with the trial, which meant 80 fewer reoffences than business-as-usual. Preliminary results from eight road infrastructure schemes that were part of the Speed Management Programme have indicated over a 50% reduction in the average number of crashes and over a 60% reduction in the average number of casualties per annum (Appendix 5).

1.28 Work has continued in quarter 3 on further health and social care integration to support people during COVID-19, including out of hospital support and discharge hubs to ensure timely discharge to appropriate care. Our integration transformation priorities have been updated to reflect the learning and ways of working emerging from the pandemic response. The original integration objectives will now be reviewed to ensure the correct emphasis for 2021/22 (Appendix 2).

Making best use of resources

1.29 The Council has continued lobbying in quarter 3, alongside local partners and MPs. We contributed to the County Council Network's budget survey highlighting the particular pressures facing county councils in advance of the Spending Review. Council Group Leaders also wrote jointly to the Secretary of State for Housing, Communities and Local Government to reflect that without additional resources the Council would soon not be able to maintain its Core Offer. As a result of ongoing lobbying, the Spending Review, published in November 2020, included several provisions that assist our financial position for 2021/22. However, the Spending Review was for one year only, meaning there remains considerable financial uncertainty from 2022/23 onwards (Appendix 6).

1.30 An advertising campaign to highlight teaching opportunities in the county saw over 1,000 people visit the website in December. 50 people also booked places at an event to find out more about Joint Community Rehabilitation work after a campaign that included targeted emails, social media advertising and publicity to all residents (Appendix 6).

2. Conservators of Ashdown Forest Budget

2.1 The Cabinet has considered a report setting out the financial position of the Conservators of the Ashdown Forest (COAF) for 2020/21, against the approved balanced budget agreed by the Board of Conservators at their meeting on 25 November 2019 and presented to Cabinet in January 2020. A challenging year, due to COVID-19 and staffing changes, has led to a projected deficit of £69,792, including lost income of circa £53,000 due to the pandemic. There is a surplus

on the Countryside Stewardship Fund of £20,294, which is restricted under the agreement and not offset against the core budget deficit.

2.2 The report sets out the draft budget for 2021/22 approved by the Board of Conservators on 1 February 2021. Due to the challenges face by the COAF this draft budget is considered an interim budget, with the COAF committing to presenting a revised budget in September 2021, alongside a medium-term strategy and financial plan.

2.3 As part of the Reconciling Policy, Performance and Resources process in setting a balanced budget, the Council approved the total removal of the £61,000 Ashdown Forest budget from the authority's revenue budget, in two phases, 2019/20 £31,000 and 2020/21 £30,000.

Current Financial Year 2020/21

2.4 As a result of the administrative changes in the organisation, there have been changes in officers, together with a new Chief Executive who joined in January 2021. Officers from the Council's Human Resources, Legal Service and Finance Teams have been working closely with the COAF over recent months in support of these changes and continue to engage regularly.

2.5 Over the last quarter, it has become clear that Covid-19 has had a detrimental impact on the operation, particularly on the income received, resulting in a forecast deficit of £69,792 in the Core budget for 2020/21 (see Appendix 8).

2.6 The Countryside Stewardship (CS) budget is forecast to underspend by £20,294, this is restricted under the agreement and has not been set off against the deficit on the core budget.

2.7 The COAF Board have provided a briefing note in support of the forecast deficit, Appendix 9, which attributes the unachieved income to factors outside of their control and arising from the impact of Covid-19. The two items of material impact are the loss of £23,000 income from the Ice Cream vendor and £30,000 unachieved income from the planned Memorial wall on the golf course. The briefing note includes reference to the Ashdown Forest Act which stipulates that any deficit is the liability of the Council.

Interim Budget 2021/22

2.8 The Conservators' budget is formed of the Core Budget (General Fund) and the Countryside Stewardship (CS) budget. The Conservators balanced Core Budget for 2021/22 is summarised at Appendix 11, with supporting narrative in a briefing note, Appendix 10. This was approved by the Board of Conservators at their meeting on 1 February 2021.

2.9 The draft Countryside Stewardship (CS) budget is shown at Appendix 13. (The draft CS budget is shown for information only.)

2.10 The Conservators Core Budget receives a grant from the Ashdown Forest Trust for which ESCC is the trustee. The balance of the Trust Fund is estimated to be £161,499 at 1 April 2021. (The Ashdown Forest Trust position is shown at Appendix 12.) The Conservators' draft Core Budget assumes the level of grant from the Trust Fund will continue at £65,100. The lease to the Ashdown Forest Golf Club was reviewed in early 2020 and remains unchanged so this assumption is reasonable.

2.11 The interim balanced budget for 2021/22 has been approved by the Board of Conservators. In doing so, the Board has provided assurance that the balanced budget is deliverable and there is no requirement for the County Council to provide additional funding in 2021/22. The Board has committed to providing quarterly update reports and work to deliver a Medium Term Financial Plan by September 2021, that will support the strategic objectives of the COAF. The 2021/22 interim budget does include an income contribution of £150,000 from the recently formed charitable body, The Ashdown Forest Foundation (TAFF) which will be generated by private donations, fund raising initiatives and the recovery of gift aid. Many of these proposed

income streams are new and will have an element of uncertainty, there is risk that they will not be achieved.

2.12 The expenditure budget includes the additional cost of essential building and equipment maintenance which have been neglected in recent years and are in critical condition. The Conservators are aware that the organisation needs to review expenditure on its core operations and secure sustainable income streams to achieve financial stability.

2.13 COAF Board members and the Chief Executive are currently working with officers of the Council to explore options for sustainable income generation and these will be reported to Cabinet as part of the revised budget and medium-term plan scheduled for September 2021. The September budget proposal is an opportunity for the performance and robustness of these initiatives to be clarified.

2.14 An investigation by the Rural Payment Agency (RPA) in 2019/20 raised questions regarding some of the areas that the Conservators have been claiming for under the Countryside Stewardship (CS) Natural England grant terms. This has resulted in a £36,000 p.a. reduction in grant funding, which was withheld in 2020 (for the calendar year 2019), with three years' backdated payment to be recouped by the RPA (£108,000), the timing of which is currently unknown. An appeal is in process, along with a request to phase any resulting repayments, rather than one lump sum which will drastically affect the COAF reserves.

2.15 With the Countryside Stewardship (CS) Natural England grant funding to the value of c. £500,000 being paid at least one year in arrears by the RPA, this is having a significant impact on the Conservators' cash flow. At the financial year ending 31 March 2020, the Conservators reported £600,000 owing from the RPA. Supporting this programme year on year has impacted on the ability of the Conservators to access its Core reserves which are forecast to be £307,005 for the year ending March 2022.

Agreed Funding

2.16 The Cabinet has agreed that the Council makes a financial contribution to the COAF of £69,792 in this financial year 2020/21. This is in recognition that the organisation has been severely impacted by the lockdown and social distancing regulations imposed by the government during the pandemic. In providing the one-off funding, it should also be recognised that during the course of 2020/21 a significant amount of officer time and professional support, from the County Council, was provided, for which no charge was raised.

2.17 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 therefore be maintained at £65,100 in 2021/22.

2.18 The award of the grant from the Trust Fund would support the Conservators to manage the operation within the proposed balanced budget for 2021/22.

2.19 The interim budget for 2021/22 has been approved by the Board of Conservators. In doing so, the Board has provided assurance that the balanced budget is deliverable and there is no requirement for the County Council to provide additional funding in 2021/22. The Board has committed to providing quarterly update reports and work to deliver a Medium Term Financial Plan by September 2021, that will support the strategic objectives of the COAF.

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REPORT OF THE GOVERNANCE COMMITTEE

The Governance Committee met on 2 March 2021. Attendances:

Councillor Glazier (Chair)

Councillors Bennett, Godfrey Daniel, Simmons and Tutt

1. Coronavirus meeting arrangements

1.1 In May 2020 the County Council agreed recommendations from the Committee in relation to a number of temporary measures to help enable the County Council's business to be conducted efficiently throughout the period of disruption due to Covid-19. These included:

- to approve the approach in relation to Lead Member decisions being made virtually and to its continuation;
- to agree that the Leader will assume all the powers of the Cabinet where required;
- to agree delegations to officers in relation to the functions of the Planning, Pensions and Governance Committees and the Discretionary Transport Appeal Panel;
- to agree that Member non-attendance related to Covid-19 be considered as an absence approved by the Council;
- to agree that the Chief Executive (or in her absence the Assistant Chief Executive) be authorised to cancel or postpone meetings, in consultation with the relevant Chair or Cabinet Member.

1.2 These measures were reviewed by the Committee and full Council in October and it was agreed that they remain in place and are reviewed again at the Council meeting in July 2021 or as soon as practicable thereafter.

1.3 Since May 2020 a large number of virtual meetings have been held under the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority Police and Crime Panel Meetings) (England and Wales) Regulations 2020 (the Regulations) which were enacted by Government to enable Members to attend remotely during Covid-19 restrictions. These regulations are currently in place until 7 May 2021. The meetings have largely worked well and have enabled Members to continue to make decisions in a transparent way.

1.4 In October 2020 the Council passed a resolution asking the Government to allow local authorities to have the ability to make their own decisions in relation to whether to hold virtual meetings after May 2021, should they want to.

1.5 As set out above, the Regulations which expressly permitted the holding of virtual meetings are in place until 7 May 2021. Local Authorities have welcomed the current flexibility to hold virtual meetings and have lobbied Government for this to continue beyond the current end date. The Government has recognised the benefits of such meetings but has said that due to the pressure on the legislative programme it will not be possible to make the provisions permanent before the temporary Regulations expire. This position is reflected in the response from the Secretary of State to the resolution passed by Council in October which is attached at appendix 1.

1.6 Much of the debate on whether it is or is not possible to make the provisions permanent relates to whether primary legislation is needed or whether this can be achieved through secondary legislation. This discussion is ongoing, together with whether in fact any

change in legislation is required or whether current provisions can be interpreted such to facilitate the same result. At the time of writing these questions remain unresolved.

1.7 Although the vaccination programme is progressing at pace it is clear that at the time of the Council's Annual Meeting on 25 May 2021 that public health measures, including social distancing, will continue to be in place. The Government's 'roadmap' for exiting lockdown, published on 22 February 2021, indicates that a review of social distancing is unlikely to conclude before June.

1.8 Should it be necessary to hold a physical meeting in May the Council Chamber will not be able to accommodate all Members and enable appropriate social distancing (as currently set out in guidance) to take place. This clearly presents a significant challenge.

1.9 In light of the situation outlined above, we are currently seeking an alternative venue which would be capable of accommodating all Members and the necessary officers with appropriate social distancing. Arrangements for webcasting a meeting from such an alternative venue are also being investigated. Should Government guidance continue to limit the number of Members able to attend in the Chamber and the legality of virtual meetings is not confirmed, the intention would be to use these alternative arrangements to enable the County Council to meet. Bearing in mind we will effectively be transitioning to the new make-up of the Council, it is recommended that authority be delegated to the Chief Executive to determine whether the meeting should take place at a venue other than County Hall, what venue the meeting should be held at and to make the necessary arrangements.

1.10 Should a legal basis for holding virtual meetings beyond 7 May be confirmed, it would be possible to hold the Council's Annual Meeting virtually, minimising both the Covid-related risks and the cost to the authority. To cover this scenario it is proposed that the supplementary standing orders agreed by Council in July 2020 remain in place and are reviewed by the "new" Council in July 2021 or as soon as practicable thereafter. The arrangements that were agreed included provision for Member non-attendance at a meeting due to issues related to the virtual nature of the meeting (for example technical difficulties) to be considered as an absence for a reason approved by the Council and it is proposed that this be extended on the same basis.

1.11 The Committee recommends the County Council to agree:

- ☆ (i) to delegate authority to the Chief Executive to determine the venue for the Annual Meeting and make the necessary arrangements accordingly;
- (ii) that the standing orders relating to virtual meetings continue and are reviewed by the newly elected Council in July 2021 or as soon as practicable thereafter; and
- (iii) to extend for the period pending the review referred to in (ii) above the Council's agreement whereby Member non-attendance at a meeting due to issues related to Coronavirus or the virtual nature of the meeting be considered as an absence for a reason approved by the Council in relation to attendance requirements.

2. Pay Policy Statement

2.1 The Localism Act 2011 requires local authorities to prepare an annual pay policy statement relating to the remuneration (total pay package) of its Chief Officers, as defined by statute, Deputy Chief Officers (and, by definition, Assistant Directors), the Monitoring Officer and its lowest-paid employees, excluding schools. The pay policy also has to state the relationship between the remuneration of Chief Officers and the remuneration of its employees who are not Chief Officers. This policy statement has to be approved annually by full Council by 31 March.

2.2 At its meeting on 27 March 2012, County Council agreed that the Governance Committee should have formal responsibility for the approval of posts at Chief Officer, Deputy Chief Officer and Assistant Director level with a remuneration package of £100,000 or more, provided the existing grade bands and terms and conditions are applied and any proposed exceptions to these are reported to full County Council. The actual appointment decision will continue to be made using existing delegations. Any proposed exceptions to this would require the approval of the full County Council.

2.3 The Hutton report of Fair Pay in the Public Sector recommended the publication of an organisation's pay multiple as a means of illustrating the relationship between the remuneration arrangements for Chief Officers in comparison with the rest of the non-schools workforce in the form of a ratio. The ratio is currently (March 2020) 6.89 to 1 (down from 7.14:1 previously). The pay multiple is published on our website with the Pay Policy Statement and will be updated in March 2021.

2.4 It is necessary to include definitions and the authorities' policies relating to levels and elements of remuneration including all additional payments and benefits in kind. The statement must also indicate the approach to the payment of Chief Officers on ceasing employment, including eligibility for the award of additional pensionable service and on the engagement or re-engagement of Chief Officers previously made redundant or accessing a local government pension.

2.5 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 placed a new requirement on all employers with 250 or more employees to publish gender pay data on the gov.uk website by 30 March each year. The median gender pay gap for 2020/21 is 10.7%; the gender pay report for East Sussex County Council is published on our website, along with the Pay Policy Statement.

2.6 The statutory provisions governing exit pay payments to local government workers are in the process of reform. There are three separate elements:

(i) Exit payment cap - the Restriction of Public Sector Exit Payments Regulations 2020 came into force on 4 November 2020, limiting the total value of exit payments to £95,000. However, on 12 February 2021, HM Treasury published a Treasury Directive revoking the legislation implementing the cap with immediate effect;

(ii) Proposals to require high earners to repay severance payments if they secure re-employment in the public sector within 12 months - these proposals have previously been consulted on but there has been no further indication of if and when this proposal will be implemented, and;

(iii) Reform of the Discretionary Compensation Payments Regulations and Local Government Pension Scheme Regulations to place additional restrictions on severance payments and limit the amounts an employer can contribute to pension strain costs where an employee aged 55 or over draws their pension early as a result of exiting. These include capping severance payments at a maximum of 3 weeks' pay per year of service or 15 months' salary and imposing a maximum salary level on which calculations for severance pay can be based (currently £80,000). The consultation closed on 9 November 2020.

2.7 The existing pay policy statement is a valid statement of the County Council's remuneration arrangements at present. It will need to be updated to reflect the outcomes of the above consultations once known. A copy of the pay policy statement for 2021/22 is attached as Appendix 2.

2.8 The Committee recommends the County Council to:

- ☆ agree the updated pay policy statement for 2021/22 as set out in Appendix 2.

2 March 2021

KEITH GLAZIER
(Chair)

REPORT OF THE LEAD MEMBER FOR TRANSPORT AND ENVIRONMENT

The Lead Member for Transport and Environment met on 15 February 2020. Attendances:-

Councillor Claire Dowling (Lead Member)

Councillors Bentley, Grover and Lambert

1 Notice of Motion – Road Safety on the A259 at Seaford

1.1 The following Notice of Motion was submitted by Councillor Lambert, and seconded by Councillor Grover:

“Members will be aware of the two accidents in two days that closed the A259 in Seaford at the junction with Marine Parade. Statistically, the roads in East Sussex are among the highest in the country for killed and seriously injured people. Seaford is the biggest town in Lewes district and is continuing to grow.

East Sussex County Council agrees to request the Cabinet to:

- *undertake a proper survey of the whole town, not just the Buckle by-pass, with particular focus on all the junctions with the A259, to identify the areas of greatest risk to both car users, cyclists and pedestrians, and to come up with some concrete proposals to enhance road safety. The County Council is already undertaking a review of the A259 from Seaford to Brighton in terms of congestion and the safety of both car users, pedestrians and cyclists should be part of that;*
- *impose lower speed limits on the approaches to Seaford and to work with partners to ensure these are enforced;*
- *provide safe pedestrian crossings at key points of the A259 including at the Bishopstone junctions.”*

1.2 In line with County Council practice, the matter was referred by the Chairman to the Lead Member for Transport and Environment for consideration to provide information and inform debate on the Motion.

A259 - Context

1.3 The A259 is a primary coastal route that runs between the County boundary at Telscombe Cliffs and Pevensey Roundabout where it becomes trunk road and part of the Strategic Road Network. The Average Annual Daily Traffic (AADT) flow on the section between Newhaven and Seaford is approximately 25,950 vehicles per day (2019 figures).

1.4 The road is multi-functional and accommodates local intra-urban journeys along the sections in Eastbourne and through the coastal towns of Seaford, Newhaven, Peacehaven and Telscombe Cliffs as well as longer distance inter urban journeys between these settlements. The inconsistent quality of the A27 corridor, particularly between Lewes and Polegate, means that traffic uses the A259 coastal corridor as an alternative route.

A259 Corridor Study

1.5 In December 2018, the A259 was identified as part of the Government’s Major Road Network (MRN) of economically important local authority maintained A class roads which sits between the Strategic Road Network, managed by Highways England, and the local network managed by the County Council as highway authority.

1.6 In establishing the MRN, Government made funding of between £20m and £50m available for MRN schemes through the National Roads Fund, with an expectation of a local contribution of at least 15% being made to schemes. Department for Transport (DfT) guidance identifies the types of schemes that are eligible for MRN funding include packages of improvements which may include elements of safety, widening, new alignment and junction improvements as well as traffic management and the use of smart technology and data to raise network performance.

1.7 Transport for the South East (TfSE) was asked to coordinate with its constituent local transport authorities on potential MRN schemes across their geography that could come forward as 'early entry' MRN schemes, commencing before April 2023 or for delivery between 2023 and 2025. TfSE assessed all the schemes put forward against the MRN criteria as set out by DfT, as well as TfSE's strategic objectives for the region which focus on sustainable economic growth, improved quality of life and the environment. Following this assessment TfSE identified that the A259 South Coast Road Corridor between Pevensey and Brighton & Hove as one of their ten priority MRN schemes for submission to Government.

1.8 Following the adoption of their Transport Strategy in July 2020, TfSE are currently undertaking their Outer Orbital Corridor Study which includes the A259. The study will consider strategic and regional significant interventions that could be delivered to support the delivery of the Transport Strategy vision and objectives by 2050. The study is programmed for completion in September 2021.

1.9 In addition, the County Council is planning to undertake a A259 South Coast Road corridor study focussed on the corridor between Eastbourne and Brighton. Complementing the TfSE study, the study will be multi-modal and using an appropriate evidence base will seek to identify localised interventions for public transport, improvements to enable people to cycle or walk for all or part of their journeys, alongside localised road and junction capacity improvements and the potential use of smart technology along and around the hinterland of this corridor.

1.10 The outcomes of both studies will, in turn, inform the development of a Strategic Outline Business Case to Government to make the case for MRN funding. Work on the A259 corridor study will start this financial year and is expected, alongside the Strategic Outline Business Case, to take between 12 and 18 months to complete.

1.11 Subject to the approval of the Strategic Outline Business Case by Government, further work will be required to progress to the Outline Business Case and then Final Business Case stages which can take up to a further two to three years to complete. Therefore, it is expected it will be 2024/25 at the earliest before any MRN funding would be available for delivering the preferred package of interventions. In addition, a local contribution of at least 15% would need to be provided as part of any funding submission to Government.

1.12 In response to previous concerns raised about the Bishopstone Road, Marine Parade and Hill Rise junctions with the A259, a feasibility study to consider potential improvements was commissioned through the County Council's capital programme of local transport improvements in 2018/19.

1.13 This study identified and modelled several potential junction and accessibility improvements to address concerns about road safety and community severance between the Bishopstone Road and Hill Rise junctions. These included the introduction of traffic signals and standard roundabouts at the Bishopstone Road, Marine Parade and Hill Rise junctions as well as a gyratory incorporating the Marine Parade and Hill Rise junctions.

1.14 The findings of the study show that, apart from the introduction of a gyratory, it would not be possible to formalise the current situation without creating significant and potentially unacceptable delays on the A259. However, the introduction of a gyratory would potentially require land acquisition and be prohibitively expensive to implement. Consequently, the outcomes of the study will be fed into and considered through the wider A259 South Coast Road corridor study.

Road Safety

1.15 Local authorities have a statutory duty to identify crashes on their road network and put in place a programme of works to address these crashes. Each year the Road Safety Team identifies sites (for urban areas a radius of 25m is applied) that display a minimum of four personal injury crashes recorded within the previous three year period; three years is the nationally accepted timeframe that represents the most up to date situation whilst giving adequate data to assess if there is a causation theme that can be addressed by conventional traffic management or engineering measures. This informs an annual road safety assessment programme of identified areas of concern and where further investigation may be required. Sites are then treated on a priority basis within the funding available.

1.16 Last year's assessment identified 75 sites on the county council managed road network that met these criteria. Within the Seaford area, only the A259 Hill Rise junction was listed and was 46th of the prioritised 75 sites identified on the local road network. A full review using the latest 3 years' crash data (up to December 2020) will be undertaken in due course when a full validation process has been completed. As a result, this may change the relative priority of this site within the annual road safety assessment programme.

1.17 However, as the current review process in place identifies more sites than we are able to treat with the level of funding that is available, and due to the relative priority of the Hill Rise scheme compared to other locations in the county, as highlighted in paragraph 1.16, any safety improvements at the Hill Rise junction would need to be considered as part of the A259 South Coast Road corridor study.

Imposing and enforcing lower speed limits

1.18 It is recognised nationally that the majority of drivers travel at the speed they consider to be safe for the conditions of the road based on their assessment of the local environment. Local Speed Limit Policy (PS05/02) sets out the principles for setting speed limits in the county. This indicates that 30mph speed limits are appropriate in areas with frontage access indicating to drivers the need to reduce their speed with a mean vehicle speed below 33mph. The policy highlights that 40mph speed limits are appropriate in less built up areas where properties are set back and where the mean average speeds need to be below 42mph whilst 50mph limits are appropriate where there is limited frontage and average vehicles speeds of 52mph. A copy of Policy PS05/02 is included in Appendix 1.

1.19 The introduction of any change to a speed limit needs to be supported by the Police and self-enforcing, potentially through the introduction of engineering measures which are appropriate for the function of the road to reduce vehicle speeds. However, if engineering measures are not appropriate or cannot be justified then a higher speed limit will be considered.

1.20 The section of the A259 west of Seaford was one of several routes identified for investigation as part of a previous assessment of A and B-class roads in the county. The investigation resulted in the introduction of a 50mph speed limit on the section in March 2017. The extent of the speed limit was carefully considered with Sussex Police prior to it being introduced to ensure it aligned with a driver's assessment of the road environment. Consequently, it was agreed to start the limit approximately 400 metres to the northwest of Bishopstone Road as it is on this part of the road that the setback properties become visible to drivers. It also meant that Bishopstone Road, Marine Parade and Hill Rise junctions were included in the extent of the 50mph speed limit. This has shown to produce a largely self-enforcing speed limit.

1.21 In addition, a petition to introduce a 40mph speed limit, enforced with speed cameras, was considered by the Lead Member for Communities and Safety at his decision making meeting on 23 July 2019. The Lead Member resolved that a 40mph speed limit on the A259 between Seaford and Newhaven was not a priority for the County Council and that the location did not meet the Sussex Safer Roads Partnership criteria for speed cameras. To introduce an effective 40mph speed limit on this section of the A259 would require a significant level of engineering

work to ensure that vehicle speeds are brought down. This could not be justified in terms of the potential impact to casualty reduction.

Pedestrian crossings at key points on the A259, particularly at Bishopstone junctions

1.22 There are numerous crossings and types along the A259 through Seaford ranging from informal crossing points through to signalised crossings. These are focussed on locations where there are desire lines to cross the A259 and their type will be influenced by traffic speed and flow as well as the level of pedestrian activity.

1.23 As highlighted in paragraph 1.9, the County Council is planning to undertake a A259 South Coast Road corridor study which will be multi-modal and seek to identify improvements, including upgrading or new crossings, to enable people to walk for all or part of their journeys. The outcomes of the A259 Bishopstone junctions study referred to in paragraphs 1.12 to 1.14 alongside the local assessment for Seaford which has supported the development of the draft Local Cycling and Walking Infrastructure Plan for the county will be used as part of the evidence base to inform potential crossing improvements on the A259 corridor.

1.24 However, the delivery of any crossing improvements or other interventions along the corridor is dependent on either securing MRN or other external (e.g. Community Infrastructure Levy) funding or a standalone scheme being prioritised and allocated County Council Integrated Transport funding within the capital programme of local transport improvements.

1.25 The Notice of Motion firstly requests that the Cabinet undertake a multi-modal study which considers the needs of all road users, particularly at the junctions with the A259, and identifies proposals to address these. Two studies are already underway or planned to consider these issues. The Transport for the South East's Outer Orbital Corridor Study which is currently underway will consider strategic and regionally significant interventions on the A259 corridor. The County Council led A259 South Coast Road corridor study planned to start this year will identify, using appropriate evidence, more localised interventions for pedestrians, cyclists, public transport users as well as congestion and safety measures along the corridor. Both these studies will then inform the development of a business case to secure Major Road Network funding from Government to deliver the preferred package of interventions. As this request is already being actioned, it is recommended that this element of the Notice of Motion is not supported.

1.26 Secondly, the Notice of Motion requests that lower speed limits on the approaches to Seaford are imposed and enforced. The setting and changes to speed limits are undertaken in accordance with the Local Policy PS05/02. A 50mph speed limit was introduced on the A259 western approach into Seaford in 2017 and post-implementation surveys identified that the limit was largely self-enforcing. Previous requests have been made to reduce this speed limit further to 40mph. However, for this to be effective would require a significant level of engineering work to ensure that vehicle speeds are brought down, did not meet the Sussex Safer Roads Partnership criteria for speed cameras, and therefore could not be justified. We will continue to work with the Police to ensure the enforcement of speed limits, however their setting needs to be appropriate to the local environment as set out in our Speed Limit Policy. Therefore, it is recommended that this element of the Notice of Motion is not supported.

1.27 Finally, the Notice of Motion also requests that pedestrian crossings are provided at key points of the A259 including at the Bishopstone junctions. To ensure a holistic approach is taken, the provision of pedestrian crossing improvements at the Bishopstone junction and other locations on the A259 will be considered as part of the wider A259 South Coast Road corridor study. However, the delivery of any interventions identified through the study, including pedestrian crossing improvements at junctions on the A259, will be subject to securing MRN or other external funding or standalone schemes being prioritised for county council funding and inclusion in the County Council's capital programme of local transport improvements. With no funding currently attached to the provision of such improvements, it is recommended that this part of the Notice of Motion is not supported.

1.28 The Lead Member for Transport and Environment recommends to the County Council to:

☆ reject the Notice of Motion for the reasons set out in paragraphs 1.25 to 1.27 of the report

15 February 2021

COUNCILLOR CLAIRE DOWLING
(Lead Member)

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EAST SUSSEX FIRE AUTHORITY

Report of a virtual meeting of the East Sussex Fire Authority held at 10:30 hours on Thursday, 11 February 2021.

Present: Councillors Galley (Chairman), Lambert (Vice-Chair), Barnes, Dowling, Evans, Hamilton, O'Keeffe, Osborne, Peltzer Dunn, Powell, Pragnell, Scott, Sheppard, Smith, Taylor, Theobald, Tutt and West

The agenda and non-confidential reports can be read on the East Sussex Fire & Rescue Service's website at <http://www.esfrs.org/about-us/east-sussex-fire-authority/fire-authority-meetings/> A brief synopsis and the decisions relating to key items is set out below.

1 FIRE AUTHORITY SERVICE PLANNING PROCESSES FOR 2021/22 AND BEYOND - REVENUE BUDGET 2021/22 AND CAPITAL ASSET STRATEGY 2021/22 TO 2025/26

- 1.1 The Fire Authority considered a report detailing the Fire Authority's Revenue Budget 2021/22, Capital Strategy 2021/22 – 2025/26 and Medium Term Finance Plan for 2021/22 – 2025/26 for approval. The budget proposals for 2021/22 and the five year Medium Term Finance Plan (MTFP) had been considered by the Policy & Resources (P&R) Panel on 21 January 2021. The report had been updated to reflect the latest council tax and business rates information, collection fund positions and the best understanding of how schemes to compensate authorities for the impact of Covid-19 on Collection Funds and council taxbase would operate.
- 1.2 The P&R Panel recommended two options, either no increase (0%) or an increase of 1.99% (the referendum threshold for fire authorities was 2%). A decision to freeze council tax, even for a single year would permanently impact the Authority's future income. The loss of income resulting from a freeze in council tax for 2021/22 was estimated at £0.551m (2021/22) rising to £0.618m (2025/26). Across the 5 year MTFP the total loss of income would be £2.9m. This would increase the level of future savings required under the best case scenario to £0.9m (2025/26 base) and £5.3m (5 year total) and under the worse case scenario to £3.1m and £10.9m respectively.
- 1.3 There remained significant uncertainties for funding after 2021/22 which the Covid-19 pandemic had exacerbated. New legislation resulting from the Grenfell enquiry was likely to impose fresh demands on prevention services and there was no clarity on the extent to which Government would fund additional costs. The Fire Authority, in line with the joint National Fire Chief Council (NFCC) / LGA Comprehensive Spending Review 2020 submission, had lobbied for a fair and sustainable medium term settlement for the fire sector including additional local flexibility to increase council tax by 2% or £5 whichever was the greater, a position that would be difficult to maintain if the Authority did not take the increase in council tax available to it in 2021/22.

- 1.4 The Authority had acted prudently in establishing reserves and balances to meet its assessed risks and to provide one off funding for specific priorities. The level of reserves would significantly reduce over the life of the MTFP bringing forward the need to borrow and reducing the financial flexibility the Authority had outside its Revenue Budget. Members were reminded that the Integrated Risk Management Plan (IRMP) consultation undertaken in summer 2020 had demonstrated that 80% of the public supported an increase in council tax for the fire service.
- 1.5 The Treasurer was satisfied that the budget was based on robust and transparent estimates. The Chairman of the P&R Panel had initially been supportive of a precept freeze but, once presented with the details, was concerned about the long term implications of such a gesture. It had been helpful for the Authority to be presented with both options, but he would be supporting a 1.99% increase. Members were agreed that this had been an exceptionally challenging year, they had all carefully considered both options and were sure that the potential long term risks of a freeze would be too high and therefore were unanimously supportive of a 1.99% precept rise.
- 1.6 The Fire Authority approved an increase in council tax of 1.99% and thus approved the budget proposals and the net budget requirement of £40.704m for 2021/22, the council tax requirement of £28.303m; and the council tax and precepts. They agreed the capital programme for the next five years and the capital budget of £6.105m for 2021/22 including plans to use CIL, capital receipts, revenue contributions and new borrowing to finance capital expenditure. Approval was given to a one off contribution of £0.210m from the revenue budget to the General Reserves to return it to the policy minimum of 5% of the net revenue budget, the fees and charges; and that the Assistant Director Resources/Treasurer, in consultation with the Chief Fire Officer and the Chairman be authorised to make any adjustments to the presentation of the budget to reflect the Final Local Government Settlement.

2 TREASURY MANAGEMENT STRATEGY 2021-22

- 2.1 The Fire Authority considered recommendations regarding borrowing limits, prudential indicators and limits, the investment strategy and policy as required by Section 3 (1) of the Local Government Act 2003 and the Prudential Code for Capital Finance 2017. The emphasis continued to be on security and liquidity. The strategy and limits were consistent with the proposed capital programme and revenue budget previously dealt with at this meeting.
- 2.2 The Fire Authority agreed to approve the Treasury Management Strategy and policy statement for 2021/22 (and adopt for the remainder of 2020/21) and determined that for 2021/22 the Authorised Limit for borrowing shall be £15.155m. They adopted the prudential indicators as set out in the Appendix 2 to the report and approved the Minimum Revenue Provision (MRP) Statement for 2021/22 as set out in the attached Appendix 3.

3 PAY POLICY STATEMENT 2021-22

- 3.1 The Fire Authority considered the Fire Authority's Pay Policy Statement for the period 1 April 2021 to 31 March 2022. The Localism Act 2011 imposed a duty on relevant local authorities to prepare pay policy statements for each financial year, beginning in 2012/12, the Fire Authority was required to approve the statement by the statutory deadline of 31 March 2021. Members were satisfied with the statement, but sought clarification on re-engagement of employees. They were informed that re-engagement was a process, not undertaken at ESFRS, where an employee retires and is then re-employed. At ESFRS all vacancies were put out to open application to which anyone could apply for the role making the process transparent and fair for all. The Fire Authority approved the Pay Policy Statement as set out in Appendix 1 to the report.

4 CUSTOMER RELATIONSHIP MANAGEMENT (CRM) PROJECT - ADDITIONAL FUNDING REQUIREMENT

- 4.1 The Fire Authority were provided with an update on the delivery of the Customer Relationship Management (CRM) project, which aimed to deliver business critical enhancements to prevention, protection and response services, and they were asked to approve an additional investment of £1.094m bringing the total project budget to £1.969m to fund its full delivery.
- 4.2 The report outlined additional funding requirements for the CRM project to enable delivery of business benefits impacting the legal requirement to enforce the Regulatory Reform (Fire Safety) Order and meet legal expectations of the Fire and Rescue Services Act in respect to prevention of fires and ensuring risk information is available to crews, a critical firefighter safety provision. The enhancements would ensure that protection, prevention and Site Specific Risk Information (SSRI) related elements of the IRMP could be fully realised. The Service had not invested specifically in a Prevention Risk Management tool to date, but it was important that the risk information collected from prevention, protection and response activities, using the upgraded CRM system, was easily accessed by the appropriate member of staff at the appropriate time and that without the CRM enhancement, this would not be an efficient and reliable process.
- 4.3 The HMICFRS inspections review had clarified the expectations of the National Framework for prevention, protection, response and resilience. Additional functionality, unforeseen at the time of the original CRM business case, was required to respond effectively to the Grenfell enquiry outcomes, HMICFRS observations and recommendations for improvement specifically related to firefighter risk information (SSRI related), Safe and Well/Home Safety Visits and Business Safety inspections. The identified enhancements across the three areas, Minimum Viable Products (MVP's), now required an enhanced investment if the benefits were to be fully realised. This would ensure the Service was able to respond appropriately to areas requiring improvement, continue to meet its current and foreseeable statutory obligations, supply required intelligence to central government, implement key elements of the current IRMP and share risk critical information across teams and partners to support the effective safeguarding of staff and the public.

- 4.4 The Lead Member for IT told the Authority that whilst integration between systems had been lacking in the past he was confident that this project was futureproofed in so far as was possible, and he had no hesitation in recommending it to Members for approval.
- 4.5 The Fire Authority agreed to note the progress on the current SSRI development and completion of the upgrade to Dynamics 365 as part of the CRM project. Members agreed to the additional funding for the completion in full of the delivery of the MVP2 modules (Prevention, Protection and Sharing Risk Information enhancements) at a cost of £0.946m and the additional funding for the completion of the MVP3 modules (Prevention, Protection and Sharing Risk Information enhancements) at a cost of £0.148m from the source identified in the report. They noted the risks to the funding sources set out in the report and that should they crystalize then the Authority would need to consider reallocation of resources currently committed to other priorities.

5 PEOPLE STRATEGY 2021-2025

- 5.1 The Fire Authority considered the ESFRS People Strategy 2021-2025 which had been developed both collaboratively and in support of and aligned to the Integrated Risk Management Plan (IRMP) and the Corporate Plan. The strategy had been reviewed by the Senior Leadership Team, other senior officers and Trade Unions and took into account the findings of the 2019 HMICFRS Inspection and the State of the Fire and Rescue Service Report of January 2020.
- 5.2 The Authority were informed that the People Strategy had been created to fully align with the IRMP and the NFCC's People and Equality, Diversity and Inclusion Strategies. Equality, Diversity & Inclusion (EDI) was woven throughout the Service and external EDI was front and centre to the Safer Communities Strategy. The People Strategy set out where the Service intends to be in 5 years' time, with the aim to better understand and represent our communities.
- 5.3 With regards to Training delivery, the EDI training was being revised and sessions on behaviours were being rolled out to all staff. The training was currently virtual, but this was a blended approach and not solely e-learning. There was a benefit to virtual provision in our specific circumstances, as the Service was shift based it enabled staff greater flexibility to complete courses.
- 5.4 Members queried what was being done to try and ensure that the workforce better represented the diversity of the community it served. There had been no significant Firefighter recruitment for 10 years and there was a high retirement profile coming up. Recruitment would be opening in June 2021. ESFRS had already been determinedly recruiting diversity into volunteers and cadets and there was heavy engagement regarding this matter both locally and nationally.

- 5.6 The Fire Authority agreed to approve the People Strategy 2021-2025 and the subsequent plan of work. Members noted the funding required in order to deliver the deliverables outlined within the strategy and that that regular reports on the delivery of the People Strategy would be presented to the Senior Leadership Team and the Fire Authority. The Authority agreed to delegate authority to the Chief Fire Officer, after consultation with the Chairman and Vice-Chair, to make presentational amendments to the People Strategy.

COUNCILLOR ROY GALLEY
CHAIRMAN OF EAST SUSSEX FIRE AUTHORITY

11 February 2021

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