



## CABINET

FRIDAY, 2 OCTOBER 2020 AT 10.00 AM

ROOM CC2 - COUNTY HALL, LEWES

**++Please note that this meeting is taking place remotely++**

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

## A G E N D A

- 1 Minutes of the meeting held on 14 July 2020 (*Pages 3 - 6*)
- 2 Apologies for absence
- 3 Disclosures of interests  
Disclosures by all members present of personal interests in matters on the agenda, the nature of any interest and whether the member regards the interest as prejudicial under the terms of the Code of Conduct.
- 4 Urgent items  
Notification of items which the Chair considers to be urgent and proposes to take at the appropriate part of the agenda. Any members who wish to raise urgent items are asked, wherever possible, to notify the Chair before the start of the meeting. In so doing, they must state the special circumstances which they consider justify the matter being considered urgent.
- 5 Council Monitoring: Quarter 1 2020/21 (*Pages 7 - 64*)  
Report by Chief Executive
- 6 Reconciling Policy, Performance and Resources - update (*Pages 65 - 116*)  
Report by Chief Executive
- 7 Any other items considered urgent by the Chair
- 8 To agree which items are to be reported to the County Council

PHILIP BAKER  
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24 September 2020

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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](http://www.eastsussex.gov.uk/yourcouncil/webcasts/default.htm)



## **CABINET**

MINUTES of a meeting of the Cabinet held on 14 July 2020 at County Hall, Lewes

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

Members spoke on the items indicated

Councillor Barnes	- items 5, 6 and 7 (minutes 17, 18 and 19)
Councillor Belsey	- item 6 (minute 18)
Councillor Bennett	- item 5 (minute 17)
Councillor Godfrey Daniel	- item 5 (minute 17)
Councillor Philip Daniel	- item 5 (minute 17)
Councillor Davies	- Item 5 (minute 17)
Councillor Field	- item 6 (minute 18)
Councillor Scott	- item 5 (minute 17)
Councillor Shuttleworth	- items 5, 6 and 7 (minutes 17, 18 and 19)
Councillor Simmons	- item 5 (minute 17)
Councillor Standley	- item 5 (minute 17)
Councillor Swansborough	- item 5 (minute 17)
Councillor Tidy	- items 5, 6 and 7 (minutes 17, 18 and 19)
Councillor Tutt	- item 5 (minute 17)
Councillor Webb	- item 5 (minute 17)

## 16 MINUTES OF THE MEETING HELD ON 23 JUNE 2020

16.1 The minutes of the Cabinet meeting held on 23 June 2020 were agreed as a correct record.

## 17 RECONCILING POLICY, PERFORMANCE AND RESOURCES - STATE OF THE COUNTY

17.1 The Cabinet considered a report by the Chief Executive.

17.2 It was RESOLVED to:

1) note the evidence base on demographics (appendix 1) and the National and Local Policy outlook (appendix 2);

2) agree officers update the Medium Term Financial Plan as the basis for financial planning when more information is available, as set out in paragraph 4;

3) agree officers review the Capital Programme and Strategy (appendix 3), as set out in paragraph 5;

4) review the priority outcomes and delivery outcomes (appendix 4) which form the basis of the Council's business and financial planning, as set out in paragraph 6;

5) agree to review and reset the East Sussex Core Offer (appendix 5) to take account of the impact of the coronavirus pandemic, as set out in paragraph 7; and

6) agree to receive reports on more detailed plans for 2021/22 and beyond in the autumn when there is greater certainty about the impact of the coronavirus pandemic on East Sussex and future resources.

#### Reason

17.3 The State of the County report is part of the Council's Reconciling Policy, Performance and Resources (RPPR) process, its integrated business and financial planning cycle. This report contains the normal elements included in the report, the demographic evidence base; the national and local policy context; an update on our medium term financial planning position and Capital Programme. However, the coronavirus pandemic has had a profound impact on our communities and services which we are not yet fully able to quantify and reflect in our future service offer and finances.

This report sets out the current position and evidence base and gives our current understanding of how we will need to reset our services to deal with the future, as we learn to live with the reality of a world with COVID-19 and the significant impact this has on people's lives; manage the legacy impacts of the initial wave of infection; and respond to potential new waves of infection for the foreseeable future. The RPPR process, bringing together our policy, business and financial planning and risk management, provides the vehicle for the Council's service and financial recovery and reset.

### 18 JOINT TARGETED AREA INSPECTION OF THE MULTI AGENCY RESPONSES TO CHILDREN'S MENTAL HEALTH IN EAST SUSSEX

18.1 The Cabinet considered a report by the Director of Children's Services

18.2 It was RESOLVED to note the findings of the inspection into the multi agency responses to children's mental health in East Sussex which was published on 14 April and the multi agency action plan which has been developed to address the areas for development.

#### Reason

18.3 Despite the very challenging financial context, in partnership we have maintained a focus on children's emotional wellbeing and mental health and on the key priority outcome of keeping vulnerable people safe. The focus on children's emotional wellbeing and mental health continues to be a priority in our response and recovery from Covid19.

### 19 SUSSEX WIDE CHILDREN AND YOUNG PEOPLE'S EMOTIONAL HEALTH AND WELLBEING SERVICE REVIEW

19.1 The Cabinet considered a report by the Director of Children's Services

19.2 It was RESOLVED to:

1) note and receive the Independently Chaired Report – Foundations for Our Future - at Appendix 1;

2) note the Concordat Agreement which underpins the partnership commitment to act upon the recommendations – at Appendix 2; and

3) endorse the recommendations described in the Report.

## Reason

19.3 The current pathway and service model for emotional health and wellbeing in Sussex would benefit from radical transformation. This is especially the case in relation to specialist mental health services. The findings and recommendations of this review provide the opportunity for the local partners to focus on the improvements and changes that are needed. The report lays the foundations for the future.

## 20 INTERNAL AUDIT ANNUAL REPORT AND OPINION 2019/20

20.1 The Cabinet considered a report by the Chief Operating Officer

20.2 It was RESOLVED to note the internal audit service's opinion on the Council's control environment

## Reason

20.3 The report gives an opinion on the adequacy of East Sussex County Council's control environment as a contribution to the proper, economic, efficient and effective use of resources. Reasonable assurance can be provided that East Sussex County Council had in place an adequate and effective framework of governance, risk management and internal control for the period 1 April 2019 to 31 March 2020.

## 21 ITEMS TO BE REPORTED TO THE COUNTY COUNCIL

21.1 The Cabinet agreed that agenda item 5 should be reported to the County Council.

*[Note: The item being reported to the County Council refers to minute number 17]*

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**Report to:** Cabinet  
**Date:** 02 October 2020  
**Report by:** Chief Executive  
**Title:** Council Monitoring Report – Q1 2020/21  
**Purpose:** To report Council monitoring for quarter 1 2020/21

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## RECOMMENDATIONS

Cabinet is recommended to:

- 1) note the latest monitoring position for the Council
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### 1. Introduction

1.1 This report sets out the Council's position and year-end projections for the Council Plan targets, Revenue Budget, Capital Programme, and Savings Plan, together with Risks at the end of June 2020.

1.2 Broad progress against the Council's four strategic priority outcomes is summarised in paragraph 3 and an overview of finance and performance data is provided in the Corporate Summary at Appendix 1. Strategic risks are reported at Appendix 7.

### 2. Carry over report for Council Plan 2019/20

2.1 Five 2019/20 Council Plan measures were carried over from quarter 4 reporting. Measures are carried over, when action has been completed, but the outturn data was not available for reporting at year-end. Outturns for these measures are summarised in Appendix 2 ASCH. The final outturn for 2019/20 shows that 82%, 50, of the 61 Council Plan measures were green, while 18%, 11, were red; exceeding the 80% target for the year.

### 3. Council Plan 2020/21 amendments and variations

3.1 The Council Plan 2020/21 and the Portfolio Plans 2020/21 – 2022/23 have been updated with available 2019/20 outturns and performance measure targets; all plans are published on the Council's website. There are five education measures where no targets can be set this year because assessments or exams are cancelled due to COVID-19, these are for the Early Year's Stage, Key Stage 2 and Key Stage 4. Targets remain for future years. The Corporate Summary (Appendix 1) contains a forecast of performance against targets.

3.2 Given current circumstances, finance reporting has been split into Planned Budgets/Business as Usual (non-COVID) and COVID related items. The details of **non-COVID related** over and underspends in each department are set out in the relevant appendices, and show a total forecast overspend of £1.1m. The main headlines are:

- ASC is currently forecast to overspend by £0.2m. This comprises an overspend of £0.6m in the Independent Sector, offset by an underspend of £0.4m in Directly Provided Services due mainly to lower demand in day centres.
- BSD's net overspend of £0.7m mainly consists of £0.4m of savings that are unlikely to be made in 2020/21 plus a £0.2m increase in rent at St Mark's House following a rent review.
- For CSD there is net overspend of £0.7m. Pressures of £1.4m in Early Help and Social Care have resulted from new Looked After Children (LAC) agency placements and in-house foster placements over and above those anticipated: while the budget allowed for an overall increase in placements of 2 per month, the increase, in June in particular (where there were 4 new placements solely for residential agency), has been higher than both the budget and the trendline from within the forecasting model. It is also likely that while the increase is not directly related to COVID-19, some of the increase is indirectly related to it. There are also pressures in Locality within Early Help and Social Care on the Social Work staffing budgets. These pressures have been offset in part by a forecast underspend of £0.7m in Central Resources as a result of efficiencies and pay cost controls.

- CET is showing an underspend of £0.5m which is mostly due to reduced pre-COVID waste volumes.

3.3 Within Treasury Management (TM) and other centrally held budgets there is an underspend of £2.7m before the impact of COVID.

- There is currently an estimated £1.6m underspend on TM, created in part by capital slippage and the potential external borrowing requirement built into this year's budget of £0.7m. At the moment there is sufficient cash resources (investments) to fund this year's Capital Programme. The strategy to delay borrowing until needed is prudent, i.e. the Council would borrow at 1-2% and earn just 0.10% investing, which would create credit risk and a cost of carry.
- During the quarter a short term loan of £10m was taken to cover any potential cashflow shortfalls arising from COVID, arranged through one of the Council's Brokers. It cost £3k including brokerage and was fully repaid on maturity in May 2020. No long term borrowing was undertaken in the quarter and no further cost effective opportunities have arisen during Q1 to restructure the existing PWLB or wider debt portfolio.
- 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 £1.0m due to a lower secondary pensions contribution required by the actuary. This will be reflected in the MTFP for future years.
- The underspend on centrally held budgets will be used to offset service overspend in the first instance.

3.4 The general contingency of £3.9m and the remaining underspend of £1.6m on centrally held budgets after offsetting service pressures would, per normal practice, be transferred to reserves for use in future years. However, this will now be used to offset COVID-19 pressures in year, where they are not covered by the funding provided for by Government. The tables at 3.10 provide a summary.

3.5 Capital Programme expenditure for the year is projected to be £84.5m against a budget of £97.4m, a net variation of £12.9m. Of the net variation position, £1.7m relates to planned programme activity, and £11.2m are COVID related (£13.0m of slippage offset by an estimated £1.8m overspend). It should be noted that £12.0m of the COVID related slippage relates to Local Enterprise Partnership (LEP) schemes being delivered by, or in partnership with, others, where those organisations control the timetable.

Of the £1.7m planned programme variation (**non-COVID related**); there is £0.2m net underspend, £4.7m of slippage to future years, partly offset by (£3.2m) of spend in advance. The main variances include:

- Community Match Fund - low take up from parish councils means slippage of £0.686m is anticipated;
- Exceat Bridge Replacement – anticipated slippage of £0.766m due to extended consultations with stakeholders;
- Newhaven Port Access Road – it is projected that the project risk contingency and after construction costs totalling £0.854m will not be spent in 2020/21 as this is dependent on when the Port complete their part of the works. The timing of expenditure is therefore largely outside of the Council's control;
- Westfield Lane – capital works are expected to be completed this financial year. Slippage of £0.600m relates to the contingency element of the budget to cover project risks that will potentially occur in 2020/21;
- Schools Basic Need Programme - slippage of £1.756m is projected for Hailsham Secondary school to reflect an updated project start date. There is also anticipated spend in advance of (£3.040m) at Reef Way due to the contractor being able to bring works forward to the current financial year.



3.6 The details of **COVID related** pressures in each department are set out in the relevant appendices, and show a total forecast overspend of £36.5m. The main headlines are:

- ASC is currently forecasting £19.4m, primarily due to relief payments to providers, hospital discharge costs and spend on PPE.
- Within BSD, the total of £1.3m includes IT costs for remote working, loss of income streams due to closure of various premises and the likelihood that the savings target within ESCC's contribution to Orbis is now unlikely to be made in 2020/21.
- The COVID related pressures for CSD total £8.0m; primarily on LAC and Home to School Transport budgets (HTST). The HTST budget has been impacted by school closures which have reduced expenditure in Q1, but costs are forecast to increase when schools reopen fully in September with the expected changes needed to meet social distancing requirements.
- There is a pressure of £7.9m for CET, the most significant areas being a decrease in Car Parking income plus the Waste Service has seen increased collection volumes and costs of reopening household waste sites with social distancing.

3.7 Within Centrally Held Budgets and Corporate Funding there are further COVID related pressures of £1.2m, the key areas being:

- Estimated risk of reduced investment income within TM (£0.7m);
- Levies, Grants & Other includes £0.6m Emergency Assistance Grant for Food and Essential Supplies which will be fully utilised in-year, £0.3m PPE for Corporate Buildings and £0.1m increase in bad debt provision; and
- Estimated risk of reduced proceeds from the Business Rates pool with Districts and Boroughs of £0.3m. We are working to get further clarity with the Districts and Boroughs.

3.8 There have been three tranches of COVID-related funding allocated by MHCLG for use by ESCC:

Tranche 1	£16.3m
Tranche 2	£9.8m
Tranche 3	£3.6m
<b>Total</b>	<b>£29.7m</b>

It is estimated that, based on current profiles, this funding will be fully utilised by the end of August 2020, leaving a funding shortfall of £8.4m for revenue. As per normal practice, this will be mitigated by general contingency and the remaining underspend in centrally held budgets, leaving £2.9m to be funded from the Financial Management reserve. The tables at 3.10 provide a summary.

When setting the annual budget, Council agrees a contingency as part of its budget. This is made up of a formula based general contingency budget, which for 2020/21 was set at £3.850m, and a £10m General Fund Contingency, in line with CIPFA best practice, to meet in-year financial challenges. Effective budget management is also supported by financial procedures, which enable monies to be vired between budgets, our reserves strategy and the annual Chief Finance Officer's Robustness Statement. At this stage there is no requirement to revise the budgets, as a consequence of COVID-19 or any other financial risk, however, should that arise it will be brought back to Cabinet, within the quarterly monitoring reports.

3.9 The **COVID related** pressures and slippage in the Capital programme total £11.2m; of which there is a £1.8m overspend (adding to the funding shortfall), £1.0m slippage relating to schemes within the Council's control, and £12.0m of slippage relating to schemes where delivery is outside of the Council's control. The main variances include:

- Business Services various – A combination of temporary site closures, difficulty of acquiring materials and other COVID-19 implications are estimated to increase costs across various schemes by £0.732m;

- Highways Core Programme - The projected overspend of £0.478m is mainly due to the anticipated full year impact of implementing and maintaining social distancing requirements including transportation to and from sites in smaller groups than normal; social distancing marshals and other on-site measures; and the increased costs of some materials as a result of the pandemic.
- A risk factor has also been applied to the forecast relating to the general availability of commodities for capital works which could increase costs across the sector later in the financial year, although this is uncertain at this stage, an estimate of £0.522m has been made;
- Special Provision in Secondary Schools - anticipated slippage of £0.829m to 2021/22 as a result of COVID-19-related supply chain delays and new working practices for social distancing.

COVID-19 related slippage of £12.0m relates to Local Enterprise Partnership (LEP) schemes where delivery is outside of Council's control. The majority of these schemes rely on public involvement in terms of surveys and transport monitoring which have been delayed by COVID-19. The South East Local Economic Partnership (SELEP) have granted a six-month COVID-19 extension to their Local Growth Fund schemes.

3.10 The tables below summarise the unfunded COVID costs and management of the revenue unfunded deficit.

<b>Unfunded COVID Costs</b>	<b>£m</b>
Capital	1.762
Revenue	8.376
<b>Total unfunded COVID costs per July return to MHCLG</b>	<b>10.138</b>

<b>Summary of Revenue Variances</b>	<b>£m</b>	
	<b>Non-COVID</b>	<b>COVID</b>
Service Budgets	(1.058)	(36.509)
Central Budgets	6.582	(1.181)
Central Resources	-	(0.346)
<b>Subtotal Variances</b>	<b>5.524</b>	<b>(38.036)</b>
less COVID Grant - tranches 1 to 3		29.660
<b>Unfunded COVID costs (revenue)</b>		<b>(8.376)</b>
less Non-COVID variance		5.524
<b>Deficit to be funded from reserves</b>		<b>(2.852)</b>

3.11 The Strategic Risk Register, Appendix 7, was reviewed and updated to reflect the Council's risk profile. Risk 1 (Roads), Risk 4 (Health), Risk 5 (Reconciling Policy, Performance & Resource), Risk 6 (Local Economic Growth), Risk 7 (Schools), Risk 8 (Capital Programme), Risk 9 (Workforce) and Risk 10 (Recruitment) all have updated risk controls. Risk 12 (Cyber Attack), Risk 15 (Climate) and Risk 16 (COVID-19) all have updated risk definitions and controls. Risk 14 (No Trade Deal Brexit) has been reinstated onto the Strategic Risk Register

with updated risk definition and controls to reflect the risk of the Brexit transition period ending with no agreed trade deal between the UK and EU.

## **4 Progress against Council Priorities**

### **Driving sustainable economic growth**

4.1 The Transport for the South East (TfSE) Shadow Partnership Board met in July and approved the 30-year transport strategy, which sets an ambitious 2050 vision for the region. The Board also approved the proposal for statutory status, which sets out the powers and responsibilities that will help to achieve the 2050 vision. The proposal has received the formal consent of the 16 local transport authorities and has been submitted to the Secretary of State for Transport, alongside the final transport strategy (Appendix 6).

4.2 Skills East Sussex met three times in quarter 1 to support the development of the East Sussex Recovery Plan and to continue to deliver against the Skills East Sussex Strategy. The Careers East Sussex sector task group met in quarter 1 and agreed to amend its career campaign to support recovery and refocus on addressing unemployment (Appendix 5).

4.3 30 carriageway asset improvement schemes were completed in quarter 1, to maintain or improve the conditions of the county's roads (Appendix 5).

4.4 Over 40 businesses were approved to receive a business support grant in quarter 1. Businesses were also supported to create 21.5 jobs through business support programmes. Locate East Sussex helped one business to remain in the county during quarter 1 (Appendix 5).

4.5 During Q1 nine contracts which qualified for the Social Value Measurement Charter, with a total value of over £5m. £317,000 of social value commitments were made as part of the contracts, equating to an outturn of 6.3%. The social value commitments included support and advice being offered to small and medium sized enterprises, work initiatives for priority groups, careers advice and volunteering to support local community projects (Appendix 3).

4.6 All apprenticeship training has been switched from physical place-based learning to online in response to COVID-19. None of the Council staff apprentices have dropped out of their apprenticeship and based on this success we are exploring further use of remote online learning approaches and techniques without apprenticeship providers (Appendix 3).

### **Keeping vulnerable people safe**

4.7 There were over 21,000 people identified as extremely vulnerable to COVID-19 in East Sussex in Q1 who were shielded. Staff from across the Council, including from Homeworks, Libraries, Children's Services and the Parking Team made calls to these vulnerable people to ensure support was in place for them, and provide advice on the types of support available and how to access it. A new food distribution service was set up in April, for people who were shielding but hadn't received their food parcels from Government. 8,000 food boxes have been delivered and over 1,700 calls handled through the shielded helpline (Appendix 2).

4.8 Since April the Council has been issuing supplies of PPE across the county to organisations including care providers, GPs, pharmacies and crematoriums. To 17 July over 1.2m items of PPE have been issued, including masks, gloves, aprons, waste bags, body bags and eye protection (Appendix 2).

4.9 The Council has played a key role in establishing Community Hubs, alongside district and borough councils, Voluntary Action organisations and other voluntary, community and social enterprise organisations. Over 6,000 people have been in contact with their district or borough council to receive support from the Community Hubs, with many more also accessing support through other avenues. The partners in the Community Hubs have begun to work on how the hubs can continue to support vulnerable people during the next phase of the pandemic (Appendix 2).

4.10 Public Health Services have led on significant work to keep pace with developments in COVID-19 guidance, data production and test and trace services. These include: a Clinical Cell that responds to internal and external queries and works with teams across the Council and districts and boroughs; development of a Local Outbreak Plan; production of a weekly Data

Surveillance and Analysis report; and the development of a number of COVID-19 recovery projects (Appendix 2).

4.11 The number of children subject to a Child Protection (CP) plan has increased significantly, from 50.9 per 10,000 at the end of 2019/20, to 55.3 at the end of quarter 1. Reasons for the increase include increased stress within families due to COVID-19, and a reluctance to end plans during the pandemic. The rate of Looked After Children (LAC) have remained stable, with a rate of 56.5 per 10,000 at the end of 2019/20 reducing slightly to 56.4 in quarter 1. Foster carers have worked hard to prevent disruption to their placements, but there has been an increase in children moving between placements and the need to source more expensive options for children (Appendix 4).

4.12 The new Regional Adoption Agency, Adoption South East, went live on 1 April 2020, with the Council leading on behalf of Brighton and Hove City Council, West Sussex County Council and Surrey County Council. The launch went well, with a number of creative responses to COVID-19 being implemented (Appendix 4).

4.13 The Safer East Sussex Team have been working with the National Scams Team to raise awareness amongst the voluntary and community sector and the community of the types of scams that have emerged during the lockdown. The exploitation training, which has a focus on fraud and scams, has been adapted so it can be delivered virtually (Appendix 2).

4.14 Domestic and sexual violence and abuse services have been able to continue to provide support to vulnerable people during the pandemic, utilising different models of delivery. 1:1 support is now being offered virtually, and victims are responding well to the offer with face to face meetings increasing as lockdown eases, where this is appropriate, and the risk has been assessed. Group work had to be postponed, but alternative methods are being developed to reintroduce this support as soon as possible (Appendix 2).

### **Helping people help themselves**

4.15 The Council has supported the allocation of 1,187 laptops and tablets to the most vulnerable Year 10 pupils in the county. The Council was the first local authority in the country to place an order for laptops under the Department for Education scheme, to try and ensure all pupils could continue to learn from home during the pandemic. The Council has also worked in partnership with Uni Connect and the Hastings Opportunity Area, to order over 200 additional devices for vulnerable learners (Appendix 4).

4.16 Since Government closed schools to pupils in March, with the exception of vulnerable children and those with keyworker parents, the Council has worked with schools on innovative ways to keep their school communities together, keep pupils engaged and support attendance for key groups. East Sussex had some of the highest numbers of vulnerable children and young people in school and also some of the highest proportion of secondary schools open. Between 6 – 10 July, 159 of the 187 schools in the county opened their doors to more than 12,600 pupils. Schools have been supported to fully open for all pupils in September in line with the DfE guidance. The Council is developing a communication campaign to give parents and carers confidence in returning their children and young people to school at the start of the academic year (Appendix 4).

4.17 The East Sussex Health and Social Care Plan and integration programme has been paused since March, to enable the health and social care system to focus on the response to COVID-19. The response has included adapting the governance system to ensure there is coordination across the whole system, for example in hospital discharge and mutual aid support to care homes. In May we started the process to revise and restore the integration programme (Appendix 2).

### **Making best use of resources**

4.18 IT&D supported almost all staff from office-based to remote working in Q1, in response to COVID-19. Staff and teams are working effectively and productively and have employed new ways of working that ensures that services we provide continue to be delivered and performance and oversight is maintained. With more people working from home there was an

increased demand for tools to help people collaborate remotely, including audio and video calls. The rollout of Microsoft Teams was accelerated to make it widely available, and WhatsApp was made available for frontline staff within Children's Services to help them maintain contact with vulnerable young people. A soft phone solution was deployed, enabling staff who take calls from customers to continue to receive these calls at home in the same way as they would in the office. While sickness levels have been low many staff have been on the frontline of supporting vulnerable service users. Therefore the "Time to TALK" campaign was further promoted which included utilising our 100+ Mental Health First Aiders to attend at virtual team meeting and offer 1-1 support sessions. (Appendix 3).

4.19 The Council has introduced a number of campaigns to support staff through the pandemic, 'Time to TALK' utilises over 100 Mental Health First Aiders to help people cope with any mental health issues they may have. We have also used the staff communication platform, Yammer, to host a dedicated wellbeing campaign using a different theme each week; with a focus on subjects such as emotional support, managing remote teams and self-care (Appendix 3).

4.20 Lobbying has continued in quarter 1, alongside our partners in the County Councils Network (CCN) and South East 7 to raise and maintain the Government's awareness of the financial cost of the COVID-19 pandemic, and the need for full compensation of additional costs and income lost in the response. The Leader met regularly with local MPs, and the Chief Executive and Leader continue to regularly engage with ministers and civil servants to make representations on the provisions councils need to continue the COVID-19 response and play an active role in recovery (Appendix 6).

**Becky Shaw, Chief Executive**

## How to read this report

This report integrates monitoring for finance, performance and risk. Contents are as follows:

- Cover report
- Appendix 1 Corporate Summary
- Appendix 2 Adult Social Care and Health
- Appendix 3 Business Services
- Appendix 4 Children's Services
- Appendix 5 Communities, Economy and Transport
- Appendix 6 Governance
- Appendix 7 Strategic Risk Register

### Cover report, Appendix 1

The cover report and Appendix 1 provide a concise corporate summary of progress against all our Council Plan Targets (full year outturns at quarter 4), Revenue Budget, Savings Targets, and Capital Programme.

The cover report highlights a selection of key topics from the departmental appendices, for the four Council priorities:

- driving sustainable economic growth;
- keeping vulnerable people safe;
- helping people help themselves; and
- making best use of resources.

More information on each of these topics is provided in the relevant departmental appendix referenced in brackets, e.g. (Appendix 2). More detailed performance and finance data is also available in the departmental appendices.

### Departmental Appendices 2 - 6

The departmental appendices provide a single commentary covering issues and progress against key topics for the department (including all those mentioned in the cover report). This is followed by data tables showing progress against Council Plan Targets, Savings Targets, Revenue Budget, and Capital Programme for the department.

For each topic, the commentary references supporting data in the tables at the end of the appendix, e.g. **(ref i)**. The tables include this reference in the 'note ref' column on the right hand side. Where the commentary refers to the Revenue Budget or Capital Programme, it may refer to all or part of the amount that is referenced in the table, or it may refer to several amounts added together. Performance exceptions follow these rules:

Quarter 1	All targets not expected to be achieved at year end i.e. not RAG rated Green, and any proposed amendments or deletions. Changes to targets early in Q1 should be made under delegated authority for the Council Plan refresh in June.
Quarter 2	Targets that have changed RAG rating since Q1 including changes to Green (except where target was amended at Q1), plus proposed amendments or deletions.
Quarter 3	Targets that have changed RAG rating since Q2 including changes to Green (except where target was amended at Q2), plus proposed amendments or deletions.
Quarter 4	Targets that have changed RAG rating since Q3 to Red or Green (except where target was amended at Q3). Outturns that are not available are reported as Carry Overs. All target outturns for the full year are reported in the year end summary at Appendix 1.

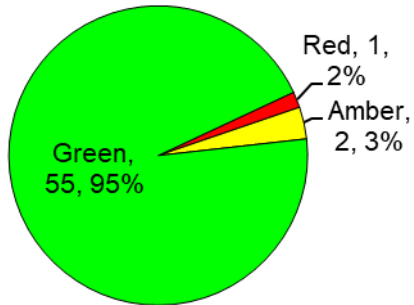
### Strategic Risk Register Appendix 7

Appendix 7 contains commentary explaining mitigating actions for all Strategic Risks.

## Council Monitoring Corporate Summary – Q1 2020/21

### Council Plan performance targets

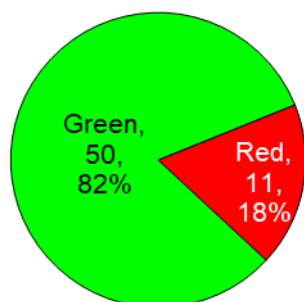
Priority	Red	Amber	Green
Driving sustainable economic growth	0	1	22
Keeping vulnerable people safe	0	1	10
Helping people help themselves	0	0	20
Making best use of resources	1	0	3
<b>Total</b>	<b>1</b>	<b>2</b>	<b>55</b>

Q1 2020/21	Q1 2020/21
<p>There are 58 individual targets in the Council Plan.</p> <ul style="list-style-type: none"> <li>Appendix 2 ASC&amp;H – 1 Amber</li> <li>Appendix 3 BSD – 1 Red</li> <li>Appendix 5 CET – 1 Amber</li> </ul>	 <p>A pie chart representing the performance of 58 individual targets. The chart is divided into three segments: a large green segment representing 55 targets (95%), a small yellow segment representing 2 targets (3%), and a very small red segment representing 1 target (2%).</p>

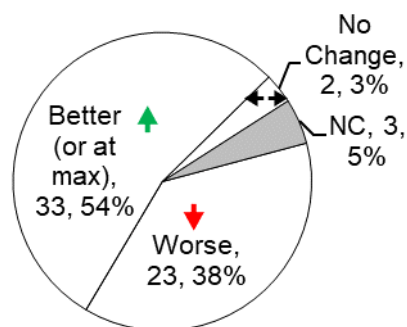
### Final Council Plan outturn summary for year ending 2019/20

Five measures were reported as carry overs at the end of Q4 2019/20. Outturns for these measures are now available and the charts below summarise the final year end position for the 61 council plan targets applicable in 2019/20. Where available, performance improvement relative to 2018/19 is given under Direction of Travel.

**2019/20 – Final**



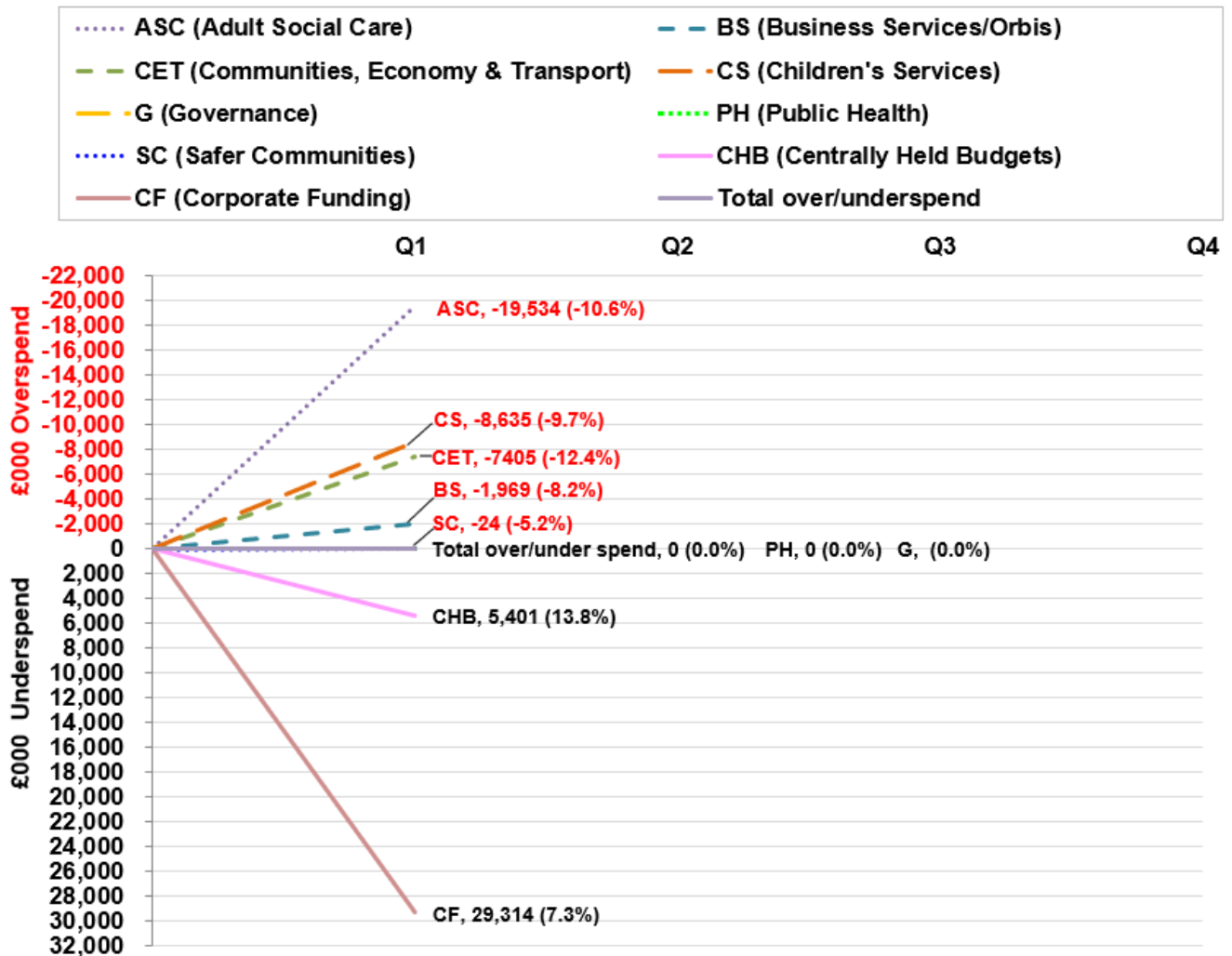
**Direction of travel since 2018/19**



Direction of Travel key

No change:	↔	Not Comparable	NC	Worse:	↓	Improved (or at maximum):	↑
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## Revenue budget outturn (net £000)





Revenue budget summary (£000)									
Divisions	Q1 2020/21								
	Planned			Outturn			(Over) / under spend		
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
<b>Services</b>									
<b>Planned Budget</b>									
Adult Social Care	280,415	(96,905)	183,510	281,397	(97,688)	183,709	(982)	783	(199)
Safer Communities	459	-	459	1,436	(977)	459	(977)	977	-
Public Health	29,105	(29,105)	-	28,011	(28,011)	-	1,094	(1,094)	-
Business Services / Orbis	52,494	(28,481)	24,013	53,760	(29,061)	24,699	(1,266)	580	(686)
Children's Services	343,120	(254,393)	88,727	344,024	(254,617)	89,407	(904)	224	(680)
Communities, Economy & Transport	119,528	(59,685)	59,843	118,174	(58,812)	59,362	1,354	(873)	481
Governance Services	7,642	(666)	6,976	7,793	(843)	6,950	(151)	177	26
<b>Subtotal Planned Budget</b>	<b>832,763</b>	<b>(469,235)</b>	<b>363,528</b>	<b>834,595</b>	<b>(470,009)</b>	<b>364,586</b>	<b>(1,832)</b>	<b>774</b>	<b>(1,058)</b>
<b>COVID-19 related</b>									
Adult Social Care	-	-	-	35,769	(16,434)	19,335	(35,769)	16,434	(19,335)
Safer Communities	-	-	-	24	-	24	(24)	-	(24)
Public Health	2,535	(2,535)	-	2,535	(2,535)	-	-	-	-
Business Services / Orbis	-	-	-	751	532	1,283	(751)	(532)	(1,283)
Children's Services	-	-	-	7,411	544	7,955	(7,411)	(544)	(7,955)
Communities, Economy & Transport	-	-	-	2,410	5,476	7,886	(2,410)	(5,476)	(7,886)
Governance Services	-	-	-	26	-	26	(26)	-	(26)
<b>Subtotal COVID-19 related</b>	<b>2,535</b>	<b>(2,535)</b>	<b>0</b>	<b>48,926</b>	<b>(12,417)</b>	<b>36,509</b>	<b>(46,391)</b>	<b>9,882</b>	<b>(36,509)</b>
<b>Total Services</b>	<b>835,298</b>	<b>(471,770)</b>	<b>363,528</b>	<b>883,521</b>	<b>(482,426)</b>	<b>401,095</b>	<b>(48,223)</b>	<b>10,656</b>	<b>(37,567)</b>
<b>Centrally Held Budgets (CHB)</b>									
<b>Planned Budget</b>									
Treasury Management	19,938	(1,700)	18,238	18,336	(1,672)	16,664	1,602	(28)	1,574
Capital Programme	3,453	-	3,453	3,453	-	3,453	-	-	-
Unfunded Pensions	10,049	-	10,049	9,070	-	9,070	979	-	979
General Contingency	3,850	-	3,850	-	-	-	3,850	-	3,850
Contrib to Reserves	2,064	-	2,064	2,022	-	2,022	42	-	42
Apprenticeship Levy	600	-	600	582	-	582	18	-	18
Levies, Grants and Other	1,004	(70)	934	967	(152)	815	37	82	119
<b>Subtotal Planned Budget</b>	<b>40,958</b>	<b>(1,770)</b>	<b>39,188</b>	<b>34,430</b>	<b>(1,824)</b>	<b>32,606</b>	<b>6,528</b>	<b>54</b>	<b>6,582</b>
<b>COVID-19 related</b>									
Treasury Management	-	-	-	-	650	650	-	(650)	(650)
Levies, Grants and Other	-	-	-	1,033	(502)	531	(1,033)	502	(531)
<b>Subtotal COVID-19 related</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,033</b>	<b>148</b>	<b>1,181</b>	<b>(1,033)</b>	<b>(148)</b>	<b>(1,181)</b>
<b>Total Centrally Held Budgets</b>	<b>40,958</b>	<b>(1,770)</b>	<b>39,188</b>	<b>35,463</b>	<b>(1,676)</b>	<b>33,787</b>	<b>5,495</b>	<b>(94)</b>	<b>5,401</b>

Revenue budget summary (£000)									
Divisions	Q1 2020/21								
	Planned			Outturn			(Over) / under spend		
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
<b>Corporate Funding</b>									
<b>Planned Budget</b>									
Business Rates	-	(82,024)	(82,024)	-	(82,024)	(82,024)	-	-	-
Revenue Support Grant	-	(3,548)	(3,548)	-	(3,548)	(3,548)	-	-	-
Council Tax	-	(301,753)	(301,753)	-	(301,753)	(301,753)	-	-	-
Social Care Grant	-	(14,630)	(14,630)	-	(14,630)	(14,630)	-	-	-
New Homes Bonus	-	(761)	(761)	-	(761)	(761)	-	-	-
<b>Subtotal Planned Budget</b>	<b>0</b>	<b>(402,716)</b>	<b>(402,716)</b>	<b>0</b>	<b>(402,716)</b>	<b>(402,716)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>COVID-19 related</b>									
COVID-19 funding	-	-	-	-	(29,660)	(29,660)	-	29,660	29,660
Business Rates	-	-	-	-	346	346	-	(346)	(346)
<b>Subtotal COVID-19 related</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(29,314)</b>	<b>(29,314)</b>	<b>0</b>	<b>29,314</b>	<b>29,314</b>
<b>Total Corporate Funding</b>	<b>0</b>	<b>(402,716)</b>	<b>(402,716)</b>	<b>0</b>	<b>(432,030)</b>	<b>(432,030)</b>	<b>0</b>	<b>29,314</b>	<b>29,314</b>
<b>Total</b>	<b>876,256</b>	<b>(876,256)</b>	<b>0</b>	<b>918,984</b>	<b>(916,132)</b>	<b>2,852</b>	<b>(42,728)</b>	<b>39,876</b>	<b>(2,852)</b>
Use of reserves to cover deficit	-	-	-	-	(2,852)	(2,852)	-	2,852	2,852
<b>FINAL TOTAL</b>	<b>876,256</b>	<b>(876,256)</b>	<b>0</b>	<b>918,984</b>	<b>(918,984)</b>	<b>0</b>	<b>(42,728)</b>	<b>42,728</b>	<b>0</b>

Revenue Savings Summary 2020/21					
Service description	2020/21 (£'000) – Q1 Forecast				
	Original Target for 2020/21	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved
<b>Savings</b>					
ASC	248	854	854	-	-
BSD / Orbis	1,161	1,161	570	591*	-
CS	770	2,028	1,794	234*	-
CET	1,362	2,362	323	2,039*	-
GS	-	-	-	-	-
<b>Total Savings</b>	<b>3,541</b>	<b>6,405</b>	<b>3,541</b>	<b>2,864</b>	<b>0</b>
ASC			-	-	-
BSD / Orbis			-	-	-
CS			-	-	-
CET			-	-	-
GS			-	-	-
<b>Subtotal Permanent Changes <sup>1</sup></b>			<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Savings &amp; Permanent Changes</b>	<b>3,541</b>	<b>6,405</b>	<b>3,541</b>	<b>2,864</b>	<b>0</b>

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding <sup>2</sup>	Part of reported variance <sup>3</sup>	Total
ASC	-	-	0
BSD / Orbis	-	591	591
CS	188	46	234
CET	39	2,000	2,039
GS	-	-	0
<b>Total</b>	<b>227</b>	<b>2,637</b>	<b>2,864</b>

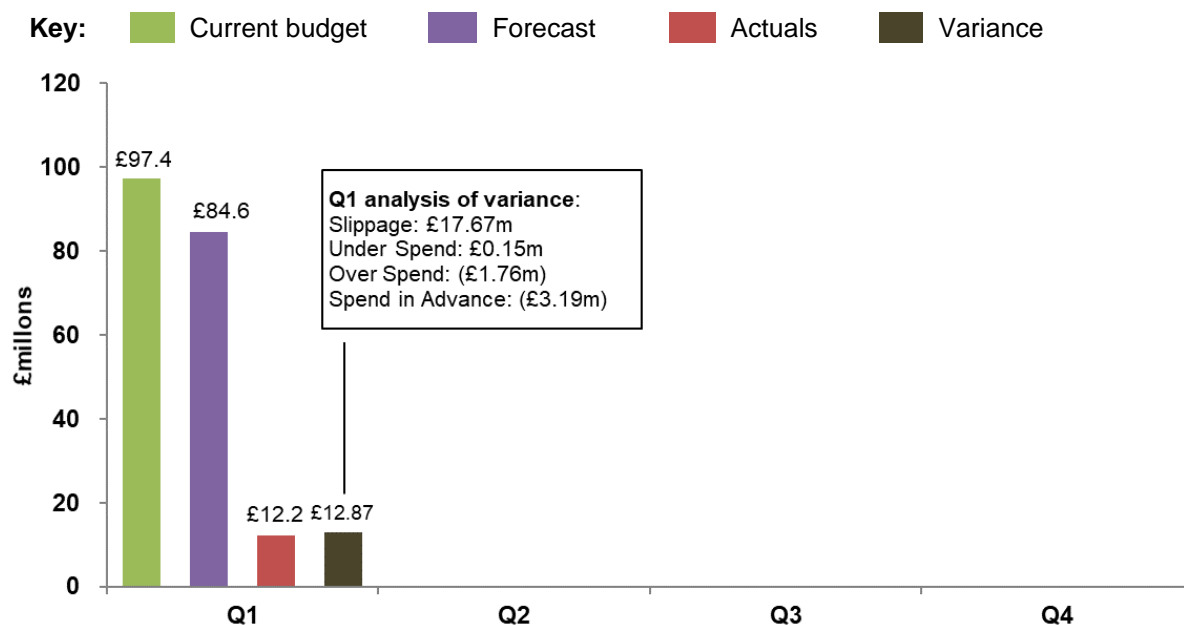
<sup>1</sup> Permanent changes will replace a previously agreed saving that can no longer be achieved. It is done via approval of quarterly monitoring.

<sup>2</sup> Temporary funding will only replace a slipped or unachieved saving for one year; the saving will still need to be made in future years (or be replaced with something else).

<sup>3</sup> The slipped or unachieved saving will form part of the department's overall variance - it will either increase an overspend or decrease an underspend. The saving will still need to be made in future years (or be replaced with something else).

\* Means that a slipped or unachieved saving within this total is COVID-19 related – see individual departmental reports for details.

### Capital Programme (gross £ millions) – approved projects



### Capital Programme Summary (£000)

	2020/21									
	Budget	Total Projected Exp.	Analysis of Variation (Planned Programme)				Analysis of Variation (Covid-19 Related)			
			Variation (Over) / Under	(Over) / under spend	Slippage to future years	Spend in advance	Variation (Over) / Under	(Over) / under spend	Slippage to future years	Spend in advance
Adult Social Care	314	239	75	-	75	-	-	-	-	-
Business Services	33,248	33,835	(684)	-	2,356	(3,040)	97	(732)	829	-
Children's Services	978	978	-	-	-	-	-	-	-	-
Communities, Economy & Transport	62,884	48,952	2,316	153	2,313	(150)	11,616	(478)	12,094	-
Covid-19 Risk Factor	-	552	-	-	-	-	(552)	(552)	-	-
<b>Gross Expenditure</b>	<b>97,424</b>	<b>84,556</b>	<b>1,707</b>	<b>153</b>	<b>4,744</b>	<b>(3,190)</b>	<b>11,161</b>	<b>(1,762)</b>	<b>12,923</b>	<b>0</b>
Section 106 and CIL	(9,410)	(9,410)	-	-	-	-	-	-	-	-
Other Specific Funding	(28,482)	(15,675)	841	-	841	-	11,966	-	11,966	-
Capital Receipts	(2,915)	(2,915)	-	-	-	-	-	-	-	-
Formula Grants	(26,317)	(26,317)	-	-	-	-	-	-	-	-
Reserves and revenue set aside	(5,783)	(5,087)	696	153	693	(150)	-	-	-	-
Borrowing	(24,517)	(23,390)	170	-	3,210	(3,040)	957	-	957	-
Covid-19 tbc	-	(1,762)	-	-	-	-	(1,762)	(1,762)	-	-
<b>Total Funding</b>	<b>(97,424)</b>	<b>(84,556)</b>	<b>1,707</b>	<b>153</b>	<b>4,744</b>	<b>(3,190)</b>	<b>11,161</b>	<b>(1,762)</b>	<b>12,923</b>	<b>0</b>

### Centrally held budgets (CHB) and Corporate Funding

The Treasury Management (TM) Strategy, which provides the framework for managing the Council's cash balances and borrowing requirement, continues to reflect a policy of ensuring minimum risk whilst aiming to deliver secure realistic investment income on the Council's cash balances. During Quarter 1 the Bank of England bank rate was at a record low of 0.10%. Market investment rates during the quarter have reduced and where possible a number of Local Authority investments were made to secure a fixed return, with market volatility and the increased risk of a reduced interest rate environment these investments up to 2 years lock in some value into 2020/21 and beyond. The average level of Council funds available for investment purposes during the quarter was £227m. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, external debt repayments, receipt of grants and progress on the Capital Programme.

The total amount received in short term interest for the quarter to 30 June 2020 was £525k at an average rate of 0.93%.

The majority of the Council's external debt was held as long term loans (£236.6m). No debt matured during the quarter, although there are two £1.3m fixed term Public Works Loan Board (PWLb) debt maturities in September 2020 and March 2021 both at a loan rate of 8.125%. During the quarter a short term loan of £10m was taken to cover any potential cashflow shortfalls arising from Covid, arranged through one of the Council's Brokers. It cost £3k including brokerage and was fully repaid on maturity in May 2020.

No long term borrowing was undertaken in the quarter and no further cost effective opportunities have arisen during Q1 to restructure the existing PWLB or wider debt portfolio. The debt portfolio is reviewed by treasury advisors Link Asset Services. With the current PWLB arrangements in place there is a cost to restructuring debt, if the terms move in the Council's favour Link Asset Services will advise.

The comparable TM budget is forecast at an underspend of £1.57m; this is based on the position on the capital programme removing the need to borrow externally in 2020/21, together with the financial information presented above.

There is also an estimated Covid risk of £0.65m for loss of investment income. Following the outbreak of the pandemic in late March the bank rate was cut twice from 0.75% to a record low of 0.10%; pre pandemic the forecast for interest rates were to remain at 0.75% for the remainder of 2020/21. Current forecasts now up to 18-24 months for interest rates are flat at 0.10% (or even lower). Most of our investments that are not fixed rate are linked to bank rate and the loss of investment income was estimated based on that decrease.

The Council holds a general contingency of £3.9m that will offset the deficit; the remaining deficit will be covered from the Financial Management Reserve.

### Reserves and Balances 2020/21 (£000)

Reserve / Balance	Balance at 1 Apr 2020	Planned net use at Feb 20	Planned net use at Q1	Movt	Est. balance at 31 Mar 2021
<b>Statutorily ringfenced or held on behalf of others:</b>					
Balances held by schools	15,041	-	-	-	15,041
Public Health	4,026	(607)	(607)	-	3,419
Other	5,929	(467)	(717)	(250)	5,212
<b>Subtotal</b>	<b>24,996</b>	<b>(1,074)</b>	<b>(1,324)</b>	<b>(250)</b>	<b>23,672</b>
<b>Service Reserves:</b>					
Capital Programme	9,334	(1,476)	(1,476)	-	7,858
Corporate Waste	14,613	-	-	-	14,613
Insurance	6,463	-	-	-	6,463
<b>Subtotal</b>	<b>30,410</b>	<b>(1,476)</b>	<b>(1,476)</b>	<b>0</b>	<b>28,934</b>
<b>Strategic Reserves:</b>					
Priority / Transformation	7,173	(1,079)	(2,334)	(1,255)	4,839
Financial Management	35,001	(397)	(2,820)*	(2,423)	32,181
<b>Subtotal</b>	<b>42,174</b>	<b>(1,476)</b>	<b>(5,153)</b>	<b>(3,677)</b>	<b>37,021</b>

Reserve / Balance	Balance at 1 Apr 2020	Planned net use at Feb 20	Planned net use at Q1	Movt	Est. balance at 31 Mar 2021
<b>Total Reserves</b>	<b>97,580</b>	<b>(4,026)</b>	<b>(7,954)</b>	<b>(3,928)</b>	<b>89,626</b>
General Fund	10,000	-	-	-	10,000
<b>Total Reserves and Balances</b>	<b>107,580</b>	<b>(4,026)</b>	<b>(7,954)</b>	<b>(3,928)</b>	<b>99,626</b>

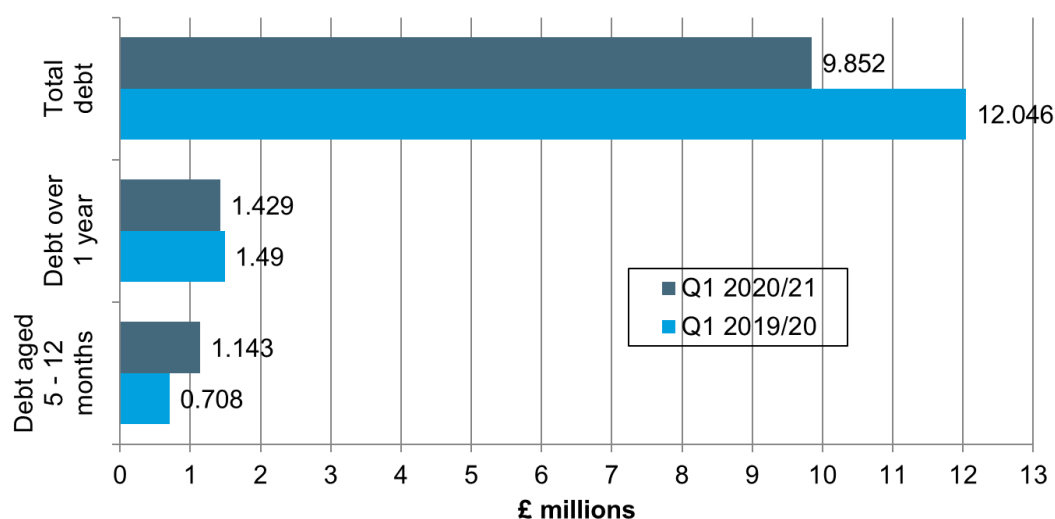
\* includes estimated use of £2,852k to cover the unfunded revenue deficit

### Changes to Fees & Charges

A change to permit fees for Temporary Traffic Regulation Orders and Notices was approved during Q1. A benchmarking exercise against other authorities concluded that it is appropriate to amend current rates to more accurately reflect the levels of network administration, coordination, site visits & inspections undertaken. All of which require a significant amount of time and skilled resource to ensure that applications are processed in accordance with Network Management duties, the New Roads & Street Works Act and the Road Traffic Regulation Act.

Description	Current (£)	Proposed (£)	Movt (£)	Movt (%)
14.1 & 16A Temporary Traffic Regulation Order	532.20	881.50	349.30	65.6%
14.2 Temporary Traffic Regulation Notice	228.80	707.75	478.95	209.3%

### Outstanding debt analysis (£ millions)



The value of debt over 5 months at Quarter 1 has increased by £0.503m to £2.572m compared to the 2019/20 outturn of £2.069m. However, the value of invoiced income continues to rise. An extra £1.8m was invoiced for services during Quarter 1 this year, compared to Quarter 1 in 2019/20.

Due to the COVID emergency, debt recovery was suspended for all debts from 26th March 2020. Debt recovery for commercial customers recommenced on 1st July 2020 and will recommence for Adult Social Care clients on 1st August 2020. During the period of debt recovery suspension, customers were encouraged to pay by direct debit as the easiest and most efficient payment method.

Even with debt recovery suspension, total debt is lower than Q1 last year despite the value of invoices increasing year on year, due to improved debt collection processes such as customers paying by direct debit.

Priorities for Quarter 2 include; the recommencement of all debt recovery routines and more mailshots to encourage direct debit uptake.

## Adult Social Care and Health – Q1 2020/21

### Summary of progress on Council Priorities, issues arising, and achievements

#### **Adult Social Care (ASC)**

##### **Impacts of Covid-19**

Clinically Extremely Vulnerable People – As of 7 July there are 21,233 people identified as clinically extremely vulnerable in East Sussex, and therefore shielded. Of these 12,874 (61%) are currently registered on the Government's Extremely Vulnerable Person (EVP) service.

Led by the ASC&H Housing & Support Solutions Team, call groups were set up to make contact with all shielded people who were not in receipt of an ASC commissioned and funded service (day care; home care; direct payments; nursing or residential placements; adult placement; extra care). These call groups were comprised of staff from Libraries, Homeworks, STEPS, the Parking Team, Children's Services, WELbeing, and a small local Independent Call Centre. Calls were made to ensure support was in place to people who have been identified by the NHS, as someone at risk of severe illness if they catch COVID-19 because they have an underlying disease or health condition that means if they catch the virus, they are more likely to be admitted to hospital than others. Up to 7 July calls have been made to 18,205 people who are shielding, and 3,404 follow up calls to people on the EVP service who required further welfare calls. Work is in progress to also contact the 2,183 people who were receiving a government food box (as at 30 June) to signpost them to alternative forms of support when the Shielded Group is paused and government food parcels cease at the end of July.

A range of signposting, advice and forms of support was offered to shielded people as part of the contact including:

- For those who required NHS volunteer support (food/medication etc), a referral was made on the GOOD SAM website.
- Details for Care for the Carers where the shielded person had a family member/friend/neighbour providing essential care who may need additional support.
- Referral for a Council Essentials Food box where the person is experiencing ongoing issues accessing food e.g. dietary/cultural or insufficient supplies due to size of household.
- Information on independent hot meal providers.
- Referral to Health and Social Care Connect (HSCC) if the person has personal care or mobility needs, or safeguarding risks identified.

Where no contact has been made through a phone call, a letter has been sent with information of support options and contact details for getting in touch with ASC&H. Where a response was not received following a letter, we are working with East Sussex Fire and Rescue Service and British Red Cross who are undertaking face to face welfare visits.

In addition to the call groups above, operational teams within ASC&H have been contacting shielded people in receipt of ASC services and people known to teams who may be vulnerable although not classified as Extremely Clinically Vulnerable (such as those over 70). A Council Shielded Helpline was also established, managed by the ASC&H Complaints Team and supported by HSCC and the training team.

ASC&H regularly receives reports from the Police and other concerned parties regarding Vulnerable Adults – letters have been sent to 2,309 people who were reported as vulnerable to ASC since the beginning of 2020.

ESCC food distribution service – Led by the ASC&H Equality and Inclusion Team, a new food distribution service was set up in April for people shielding at home that had not yet received their food parcel from the national government and had no other access to food and essentials during lockdown. Since then over 8,000 food boxes have been delivered and over 1,700 calls handled through the shielded helpline. Staff from across every department pulled together to deliver the service, a vital lifeline for hundreds of residents, and now the team's focus is on supporting people's transition back to doing their own shopping. Teams involved include; Libraries, Training, Community Safety, the Transport Hub, Procurement, Contract Management, ISEND, CET Archaeology, the Planning Policy and Development Management Team, ESBAS, CS Customer Relations and the Courier Service.

Care sector impacts – Since March 2020 all parts of the social care sector have been responding to the pandemic, including making changes to service delivery to care for the most vulnerable people in our population during lockdown, physical distancing, shielding and isolation, as well as to discharge pathways to rapidly allow for surge capacity in hospitals within our system.

In East Sussex this has been supported by regular communication and sharing of information and guidance, training and good practice and daily monitoring of the sector to support business continuity and provide rapid multi-disciplinary support in emergency situations. This has included specific steps taken by the Council and Clinical Commissioning



Group to alleviate short-term financial pressure on care homes, home care, extra care, Direct Payments and Personal Assistants and commissioned services as a result of responding to COVID-19.

An East Sussex Care Homes Resilience Plan has been developed to draw together our work as a health and social care system on infection prevention and control, training, PPE, reducing workforce movement, quarantining, stepping up NHS clinical support, comprehensive testing and building the workforce. A process has been put in place to monitor the delivery of mutual aid support to care homes jointly across primary, community, acute and social care with representation from care sector leads.

Our care sector has reported high levels of ongoing concern about the cost and supply of PPE, staff and client testing, workforce challenges and the impact on short, medium and long term financial outlook caused by COVID-19 and the ongoing need to prevent and control infection. For example, maintaining social distancing is particularly challenging for some services like day services, where capacity is significantly reduced in a buildings based environment; high levels of voids in residential and nursing homes, combined with ongoing COVID-19 outbreaks present particular financial and operational challenges for care homes. In June we distributed the first allocation of the Infection Control Fund made to East Sussex from Government to support the whole market, and will shortly be distributing the second instalment which was received on 28th July. We will continue to work as a whole health and social care system to manage existing and new challenges and requirements as they arise from COVID-19 and deliver co-ordinated support to enable our local independent care sector to provide safe, effective care for our population. This will focus on all aspects of social care, including care homes, home care, Personal Assistants, Extra Care, and supported housing, and for the Council will be managed alongside significant financial risks that have arisen from the pandemic.

PPE – Since April we have been issuing supplies of PPE across the county to a range of internal and external teams, including providers, GPs, pharmacies and crematoriums. This has included masks, gloves, aprons, waste bags, body bags and eye protection, and to 17 July we had issued 1,224,316 items of PPE. To enable this, a team of volunteers from across Adult Social Care have been undertaking a variety of tasks such as the management of requests and inboxes, picking and packing, manning a collection hub at St Marys House and undertaking deliveries.

Community Hubs – Support to a wider cohort of vulnerable people has been provided through Community Hubs. Community Hubs are led by a partnership of district and borough councils, Voluntary Action (VAs) organisations, and other local voluntary community and social enterprise (VCSE) organisations. The Council, in partnership with the NHS, has supported the Community Hubs to establish and become operational by convening regular updates and meetings, supporting communications and data gathering, and helping to identify issues and overcome barriers. Over 6,000 people have been in contact with their district & borough councils to access support through Community Hubs, and the cross-sector partnership has supported many more people through a variety of other access points.

Community Hub partners have begun discussions on the role of Hubs in supporting vulnerable people during the next phases of coronavirus pandemic. The Hubs have provided a vital service to vulnerable residents during the pandemic. As lockdown and social distancing measures ease demand has fallen and evolved, but there is a need to anticipate new types of demand driven by future phases of the pandemic and the longer-term impact on economic insecurity, health and wellbeing. We are working to consider what is required from Community Hubs in the future, and the role of each partner. Partners also recognise that organisations and communities at every level have played a vital role in the local response to the pandemic. We need to develop our understanding of the sustainability of this support and work together to meet local need. For the time-being, Community Hubs remain available for anyone struggling to cope with the effects of coronavirus until at least the 31 August.

Public Health – Significant work has been underway to keep pace with developments in guidance, data production and test and trace services, specific examples of work include:

- Clinical Cell – the cell responds to internal and external queries and works with teams across the Council and across districts and boroughs to bring in specialist advice and support for a range of situations. This includes identifying any additional needs e.g. PPE, testing and signposting to other Council services. Support is also provided to help interpret and confirm government guidance and deal with COVID-19 related public complaints, for example, reports of unsafe COVID-19 working practices. Work is often in liaison with our Primary and Secondary care stakeholders and the regional Public Health England Centre to raise or discuss any situations of increasing concern to agree a joint plan of action. Infection Prevention Control advice has been provided in line with guidance as and when it is released/updated (involving rapid assimilation) and provider training commissioned and delivered via webinar.
- Local Outbreak Plan<sup>1</sup> – all councils were asked to rapidly produce a comprehensive outbreak control plan to prevent cases of the virus where possible and respond to any local outbreaks. The plan had to cover the following areas: care homes and schools; high risk places; settings and communities; testing; contact tracing; integrated data; supporting vulnerable people; and governance. The development of this plan was led by public health but a collective effort across a range of partners, including all parts of the Council, Police, Public Health England, East

<sup>1</sup> [www.eastsussex.gov.uk/community/emergencyplanningandcommunitysafety/coronavirus/outbreak-control-plan/](http://www.eastsussex.gov.uk/community/emergencyplanningandcommunitysafety/coronavirus/outbreak-control-plan/)



Sussex Healthcare NHS Trust, Clinical Care Groups (CCG), districts and boroughs, Sussex Resilience Forum, and Health Watch.

- Data Surveillance and Analysis<sup>2</sup> – a report has been developed for weekly publication using nationally published data for all confirmed cases across the country. This enables a clearer understanding of the number of COVID-19 cases identified through NHS Test and Trace, how they change over time, and how this compares to other areas.
- Services adaptations – some key changes during the pandemic include additional infection control training commissioned to support care homes and schools, sexual health services have shifted to online triage and home testing and One You East Sussex, the commissioned integrated lifestyle provider, quickly replaced face to face services with video link technology.
- COVID-19 recovery projects – a number of one-off project proposals are in development following work with internal departments and across the system to triangulate understanding of needs and ensure they are complementary and supporting existing work. As the funding is one-off, proposals are designed to effect change which will remain after the end of the project, through building system capability, supporting groups to work together, mitigating against some of the impacts of lockdown (such as increased alcohol consumption, impacts on mental health and loneliness and social isolation) or reinforcing the positive side-effects of lockdown (such as increased physical activity and housing rough sleepers).

**Health and Social Care Integration** – Our collective business associated with the East Sussex Health and Social Care Plan and integration programme has been paused since March in order to enable our health and social care system to focus on the management of our urgent response to the COVID-19 pandemic. This has included adapting our system governance in order to deliver the emergency response where this has required coordination and grip across the whole system, for example hospital discharge and mutual aid support to care homes. In May our system started a process to revise and restore our integration programme as we started to move into further phases of the COVID-19 response and the wider recovery process.

In line with this, work has taken place to revisit our initial programme objectives for 2020/21 in light of the impacts of responding to COVID-19, including the changes made to rapidly allow for surge capacity within our hospitals and manage delivery of services and support during lockdown, social distancing and isolation. New models and ways of working have emerged at speed, including for example:

- Hubs and liaison arrangements and integrated commissioning to support discharges from hospital across physical and mental health.
- More virtual integrated working across community health and social care teams.
- Coordinated whole system support for care homes including primary and community care.
- Community hubs that have supported vulnerable people with food, medicine and social contact needs, delivered in partnership by the Council, CCG, district and borough councils and the VCSE.

As a result, we are developing a programme that takes into account the changes due to COVID-19 to integrate the learning and sustain new models of delivery where there have been agreed benefits. In the context of the wider Sussex Integrated Care System, our integration programme restoration will focus on the priorities for our recovery and ongoing transformation of care that make best sense to be collectively led at the East Sussex level, covering Children and Young People; Community; Urgent Care; Planned Care, and; Mental Health. Priorities for prevention and reducing health inequalities will also, where appropriate, form a part of each of these programme areas and projects.

Discussions have taken place with the full range of health and care system partners that have worked together to deliver the pandemic response, including General Practice, the independent care sector, district and borough councils, Healthwatch East Sussex, VCSE organisations, and core health and social care services, to explore the potential integration projects that are emerging as critical shared priorities during the remainder of 2020/21, given the changes in focus due to COVID-19 and broader restoration and recovery. This has also taken into consideration the different impacts of COVID-19 across our population and system. Priorities have been identified that will enable our system to make further progress as an Integrated Care Partnership (ICP) in 2020/21, and deliver the long term outcomes set out in our East Sussex Plan. In addition, there will be a continual requirement to balance the ongoing need to respond to the pandemic with the pace and delivery of transformation. In light of this challenge attention has also been given to programme capacity and the resources needed to support delivery of our shared priorities.

The next step will be to develop a framework of realistic programme metrics and resources for the remainder of 2020/21, taking into account the current challenges, complexities and risks across our system, and returning to our integration programme delivery in a phased and manageable way in the early autumn. The oversight boards for each programme area also started to meet again as of June, including the new Children and Young People Oversight Board and a meeting to consider the arrangements for establishing a new Mental Health Oversight Board and programme.

<sup>2</sup> [www.eastsussex.gov.uk/community/emergencyplanningandcommunitysafety/coronavirus/covid-19-weekly-update](https://www.eastsussex.gov.uk/community/emergencyplanningandcommunitysafety/coronavirus/covid-19-weekly-update)

We have also started to revisit our objectives for integrated health and social care commissioning for our population, to support how we shape and strengthen our East Sussex ICP as both a commissioner and provider of services. In the long term this will describe what is led at the East Sussex level, the outcomes our ICP has to deliver to meet the health and care needs of our population and the collective resources available to do this. Responding to COVID-19 together as a system has also enabled different working arrangements to rapidly develop around commissioning, for example a faster more collaborative approach between NHS commissioners and providers, and with voluntary and independent care sector providers. We are now building on this to accelerate our model for integrated commissioning and set out the next steps for taking this forward.

Strong progress has been made with revisiting our plans and programme for 2020/21 and our intention to produce a revised programme of the critical shared priorities, projects and objectives that will ensure our continued focus on local health and social care system issues, given the changes due to COVID-19, and the broader restoration and recovery planning process that is taking place.

**Minimising unnecessary delayed discharges from hospital** – Due to COVID-19 NHS England have paused the collection and publication of some official statistics, this includes Delayed Transfers of Care (DToc) for data due to be submitted between 1 April and 30 June. Since March 2020 all parts of the social care sector have been responding to the pandemic, including making changes to discharge pathways to rapidly allow for surge capacity in hospitals within our system.

**Reabling people to maximise their level of independence** – Reablement services are provided to help people to regain mobility and daily living skills, especially after a hospital stay. A range of measures are used to look at how effective reablement services are:

- Between April 2019 and March 2020 90.5% of older people discharged from hospital to reablement / rehabilitation services were at home 91 days after their discharge from hospital.
- Between July 2019 and June 2020, no further request was made for on-going support for 91.6% people who received short-term services.

**Enabling people to live independently at home and delaying dependency**

- Frail adults across East Sussex can receive Technology Enabled Care Services (TECS), to help manage risks and maintain independence at home. TECS includes Telecare, which offers a range of sensors and detectors to meet different needs, such as wearable alert buttons, fall detectors or medication dispensers. At the end of Q1, 8,694 people were receiving Technology Enabled Care Services (TECS).

**Adults are able to take control of the support they receive**

- There are currently 272 members signed up to Support with Confidence. This is made up of 222 Personal Assistants (PA's) and 50 businesses. In addition to these, there are 63 current applications being processed (58 PA's and five businesses).
- At the end of Q1, 35.3% of adults and older people were receiving Direct Payments (DP). This equates to a total of 4,392 people. DP are offered to all clients where appropriate, and support is in place at the start of the process to ensure as many clients as possible take up DP and continue to receive them for as long as required.

**Adults are supported to find and keep safe and affordable accommodation.**

1,958 people were supported through STEPS and Homeworks across East Sussex in Q1 to maintain their independence, provided with advice and support on topics such as debt, welfare and healthy lifestyles or to find and keep safe and affordable accommodation and to improve their health and wellbeing.

**Percentage of Health and Social Care Connect referrals triaged and progressed to required services within required timescales** – Activity is only available for April and May at this stage. Between April and May 88% of Health Hub Referrals were handled within the correct time scales across all priorities (**ref i**). This shortfall in performance is due to a staffing deficit of nurses within the Health Hub. Due to current circumstances the staffing levels for nurses have remained the same and as such are still not at full compliment. Interviews were to commence in March, but this was put on hold due to the pandemic. This will be picked up again through the HSCC ASCH Project Group.

**Safer Communities (Safer East Sussex Team, Substance Misuse and Recovery Services and Domestic Violence and Abuse, Sexual Violence and Abuse Services)**

**Safer East Sussex Team (SEST)**

**Vulnerable People being Exploited & Recruited by Serious and Organised Crime** – Working collaboratively with Victim Support, Bexhill College performing arts students and targeted youth support staff the Safer East Sussex Team are developing an innovative and interactive workshop for young people which aims to increase the awareness of the impact of crime on a victim and their family and will help recognise and avoid risky situations. Victim's personal

accounts depicting knife crime, domestic abuse, county lines and online harms are being developed into monologues by Bexhill College students before being performed to a 'test' audience in the autumn.

**Modern Slavery and Human Trafficking** – The Safer East Sussex Team have setup an internal Modern Slavery Group with representatives from ASC, Safeguarding Adults Board, East Sussex Safeguarding Children Partnership, Trading Standards and the Gypsy and Traveller team. Together we are working on the following objectives:

- Completing the Anti-Slavery Network dashboard to ensure compliance with the Modern Slavery Act.
- Developing training for councillors.
- Developing internal training such as bespoke training packages for frontline teams that may encounter Modern Slavery.
- Formulating a joint communications plan, introducing a specific communication for Modern Slavery Single Points Of Contact (SPOCs) and providing information to the community for spotting and reporting the signs of Modern Slavery.

**Vulnerable Victims of Fraud & Scams** – The Safer East Sussex Team have been working with the National Scams Team to raise awareness amongst Our Charter Partners (104 voluntary and community sector providers signed up to tackling scams in our community) and the community about the types of scams that we have been seeing during the lockdown. Due to the ongoing requirements to manage the risk of COVID-19 we have adapted our exploitation training which has a focus on fraud and scams (including prevalent coronavirus fraud) to be delivered virtually. We will be piloting the project online to Council teams and providing resources that staff can provide service users.

**Online Safety, Social Media, the Internet and Mobile Phones** – The Safer East Sussex Team have published two editions of Safe in East Sussex which reached more than 6,500 people. We provided information on COVID-19 related scams/fraud and updates on community hub development at an early stage of the lockdown period.

**Serious Violent Crime** – The partnership has commissioned and received a problem profile for East Sussex from the SEST. Following discussion with partners in our Violence Reduction Unit (VRU), we are proposing a new structure for our work as follows:

- Perpetrators / Reducing Re-Offending.
- Community Focus / Hotspot Areas in Castle and Devonshire Ward.
- Victims.

The partnership has subsequently commissioned a problem profile and an environmental audit to guide partnership work in the Castle and Devonshire ward.

The SEST have begun to map existing and proposed VRU interventions across the partnership, categorised by:

- Primary services provided for a whole population (in violence reduction these refer to preventing violence from happening in the first place).
- Secondary services for those 'at risk' (in violence reduction the focus is on preventing violence from escalating to serious criminality).
- Tertiary services for those who have experienced or caused injury (in violence reduction these relate to preventing violent offenders from reoffending).

The SEST have further developed our profile for 0-17 year olds and this initial work was presented to the YOT Chief Officers Group. The SEST are now meeting with partners to continue to build and enhance the Serious Violence Problem Profile by understanding what the risk factors and characteristics are that are associated with Children and Young People who display violent behaviour.

The partnership have been working with partners in the VCSE to develop projects run by micro charities or a social enterprise; this includes companies limited by guarantee and community interest companies (annual income under £100,000) who are working with children (0-17) who are at risk of being drawn into violence and be delivered between April and 31 October 2020 in our two hotspot areas (Castle and Devonshire).

We have also taken the lead for Pan Sussex work around re-offending and provided contacts and documents to the consultant engaged by the Serious Violence Steering Group to develop an outcomes framework.

**Substance Misuse and Recovery Services** – The drug and alcohol treatment services and other commissioned projects related to recovery have effectively been able to continue delivering services at this time via different models of delivery.

During Q1, we undertook a commissioning process to support those in recovery from drug and alcohol disorders in East Sussex. Two contracts were awarded:

- East Sussex Veterans Hub provides non-clinical support for veterans of HM Forces, specifically addressing PTSD and/or mental ill-health. Whilst statistics show 50% of those presenting to the NHS with mental health issues have alcohol and substance problems, for this cohort that percentage is considered to be around 75%, conservatively.

- Oasis Women's Recovery Service (OWRS) provide gender specific support for women experiencing problems with alcohol or drugs including those who are abstinent and in recovery. The model of support will be tailored to each client and is centred around goal-setting to promote harm minimisation and relapse prevention and to support women to sustain their recovery from drug or alcohol addiction.

In light of the COVID-19 pandemic, a separate fund was also developed to support members of the street community. This fund was used to commission the RADAR (Refocus, Assess, Develop, Activate and Recover) Project, which is delivered by Seaview. The project provides a range of psycho-social interventions and diversionary activities which helps these vulnerable individuals access support to begin or sustain recovery from substance misuse.

**Domestic Violence and Abuse, Sexual Violence and Abuse Services** – Commissioned domestic and sexual violence and abuse support services have been able to continue delivering services during the pandemic via different models of delivery. This has meant that 1:1 support is being offered virtually, and generally victims are responding well to this offer with face to face meetings increasing as lockdown eases, where appropriate and risk assessed. Group work has had to be postponed, but alternative methods are being developed to reintroduce this support as soon as practicable.

The Joint Unit for Domestic and Sexual Violence and Abuse and Violence against Women and Girls has managed communications about service availability, ensuring that up to date information is available for service providers responding to the needs of victims and their families, but also ensuring consistent information is available for the public. This has at times been challenging because of the impact of national campaigns run by both government, and others (e.g. Boots Pharmacies).

Weekly meetings are held between commissioners and commissioned services and involving Sussex Police and Health representatives. Specialist support including Independent Domestic Violence Advisor / Independent Sexual Violence Advisor services and refuge are sharing data and insight and preparing responses to trends emerging. It is still a challenge to predict the impact that the lifting of restrictions will bring, but it is anticipated that there will be an increase in demand for support.

Proactive partnership response work has included:

- Proactive promotional campaigns recognising the disjoint between national helpline numbers rising, and local services (and police) experiencing a dip in reports and referrals.
- Partnership development work in Sussex Partnership Foundation Trust to respond to increased reports of higher mental health needs (including suicidal ideation) from victims contacting services. Initiatives include free sharing of training for both SPFT and Domestic and Sexual Violence Services on Domestic Abuse/Sexual Violence, and recognising and responding to mental health needs; additional professional psychologist support for specialist services representatives managing cases where mental health issues are prevalent; mental wellbeing boxes delivered to victims to support them.
- Reviewing demand and contingency plans for responding to increases in demand for refuge space once lockdown restrictions are lifted. It is the view of all partners at this stage that the local authority strategy, with its partners, should be to make use of existing emergency/temporary accommodation and 'move on' opportunities through housing services to cope with increased demand. This will include monitoring current refuge tenants for readiness for move-on, as well as ensuring outreach specialist support is available for those in dispersed accommodation.
- MARAC weekly conferences have been at capacity for some time, and prior to the COVID-19 pandemic. MARAC is being held virtually, with some issues initially around establishing a secure platform all agencies were able to access, but is now working well. Additional resources have been secured to enable response to the predicted increase in demand when lockdown restrictions are lifted, but the matter will need to be monitored closely given the broad involvement of key agencies, and the pressure on resources to respond.

## **Public Health**

**NHS Health checks** – In the five-year reporting period ending March 2020 49.3% (84,012) of the eligible population received their NHS Health Check (**ref ii**). The slight underachievement is due the emergence/impact of COVID-19 during Q4 resulting in NHS England / Royal College of General Practitioners guidance to suspend checks in March. There is variation by CCG; Eastbourne, Hailsham and Seaford CCG: 56% (31,545); Hastings and Rother: 50.3% (29,010); and High Weald Lewes Havens: 41.6% (23,254). The county's integrated health and wellbeing service, One You East Sussex delivered 374 Checks in Q4 and 3,562 checks in 2019/20: 41% within the Hastings & Rother CCG area, as the service continues to engage communities and individuals more at risk of cardiovascular disease. The target will be reprofiled and revised for Q2 to reflect the impact of service suspension during COVID-19 and the anticipated take up to achieve the five-year target.

**Roll out of Relationships and Sex Education and Health Education** – Schools have engaged well with the Public Health commissioned programme of support to help them prepare for new statutory guidance on Relationships Education, Relationships and Sex Education and Health Education (in place from September 2020). Over 150 schools (80% of schools in East Sussex) have completed a 'Readiness Checker' to determine their preparedness for the new requirements and next steps. The support offer has been adapted for digital delivery throughout the COVID-19

pandemic and includes practical resources, consultancy support and needs-led Continuing Personal Development opportunities for teachers, school staff and governors.

**Fuel voucher scheme** – Eligibility criteria for the Sussex-wide fuel voucher scheme, which is administered locally by the East Sussex Warm Home Check service, were updated to take into account the impact of COVID-19 restrictions on vulnerable fuel poor households. The Public Health team provided emergency funds for the scheme after higher demand was seen across the county.

### **Revenue Budget Summary**

#### **Public Health**

The Public Health (PH) Budget of £31.640m comprises of the PH grant allocation of £27.702m, Test Track and Contain grant allocation £2.535m, CCG funding of £0.40m and £1.363m drawn from reserves to support in year spending.

Core PH expenditure is projected to be £1.086m less than planned due to the delivery of services being restricted by COVID-19. This reduces the forecast draw from reserves to £277k.

#### **ASC**

The net Adult Social Care budget of £183.510m includes growth and demography funding and an inflationary uplift to support the independent sector care market.

The budget is currently forecast to overspend by £0.199m, excluding the financial impact of COVID-19 on ASC costs. This comprises an overspend of £0.607m in the Independent Sector, offset by an underspend of £0.408m in Directly Provided Services due mainly to lower demand in day centres.

Savings reflect the full year impact of prior year approved savings and are forecast to be delivered in full.

ASC is currently forecasting the net financial impact of COVID-19 to be £19.534m in 2020/21. This is split £14.356m in the Independent Sector, £4.948m in Directly Provided Services and £0.024m in Community Safety. The main areas of expenditure include: relief payments to providers; the assessed financial impact of hospital discharge costs beyond the agreed funding period of the 31 July and spend on PPE.

### **Capital Programme Summary**

The ASC Capital programme is £0.314m for 2020/21. £75k slippage is expected in Greenacres as some of the budget being held for future modifications.

### **Performance exceptions (See How to read this report for definition)**

(See how to read this report for definition)

Performance measure	Outturn 19/20	Target 20/21	20/21 RAG				Q1 2019/20 outturn	Note ref
			Q1	Q2	Q3	Q4		
Priority – Helping people to help themselves								
Percentage of Health and Social Care Connect referrals triaged and progressed to required services within required timescales		90%	A				88%	i

### **Measures marked carry over at year end 2019/20 Final outturn**

Performance measure	Outturn 18/19	Target 19/20	19/20 RAG				2019/20 final outturn	Note ref
			Q1	Q2	Q3	Q4		
Priority – Keeping vulnerable people safe								
When they leave the service the % of those affected by rape, sexual violence and abuse who have improved coping strategies	80%	88%	G	G	G	G	96%	
The % of people affected by domestic violence and abuse who feel safe upon leaving the service	88%	88%	G	G	G	G	96%	

Measures marked carry over at year end 2019/20 Final outturn								
Performance measure	Outturn 18/19	Target 19/20	19/20 RAG				2019/20 final outturn	Note ref
			Q1	Q2	Q3	Q4		
Priority – Helping people to help themselves								
Percentage of Health and Social Care Connect contacts that are appropriate and effective (i.e. lead to the provision of necessary additional services)	96.8%	95.0%	G	G	G	G	98%	
Number of new service user interventions commenced as part of the Integrated Lifestyle Service	7,043	6,000	AD	G	G	G	6,432	
Cumulative percentage of the eligible population who have received an NHS health check since 2015/16 (five year period)	51.7%	50%	G	G	G	R	49.3%	ii

Savings exceptions						
Service description	2020/21 (£'000) – Q1 Forecast					Note ref
	Original Target For 2020/21	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	
Savings						
Working Age Adults: Nursing, Residential and Community Based services	248	371	371	-	-	
Meals in the Community		483	483	-	-	
Total Savings	248	854	854	0	0	
			-	-	-	
			-	-	-	
Subtotal Permanent Changes <sup>1</sup>			0	0	0	
Total Savings and Permanent Changes	248	854	854	0	0	

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding <sup>2</sup>	Part of reported variance <sup>3</sup>	Total	Note Ref
	-	-	-	
	-	-	-	
	-	-	-	
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	

<sup>1</sup> Permanent changes will replace a previously agreed saving that can no longer be achieved. It is done via approval of quarterly monitoring.

<sup>2</sup> Temporary funding will only replace a slipped or unachieved saving for one year; the saving will still need to be made in future years (or be replaced with something else).

<sup>3</sup> The slipped or unachieved saving will form part of the department's overall variance - it will either increase an overspend or decrease an underspend. The saving will still need to be made in future years (or be replaced with something else).

Revenue Budget										
Divisions	Planned (£000)			Q1 2020/21 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Planned Budget										
Adult Social Care										
Independent Sector										
IS - Physical Support, Sensory Support and Support for Memory & Cognition	120,455	(43,591)	76,864	115,372	(41,384)	73,988	5,083	(2,207)	2,876	
IS - Learning Disability Support	63,737	(4,878)	58,859	67,897	(5,608)	62,289	(4,160)	730	(3,430)	
IS - Mental Health Support	7,822	(1,805)	6,017	9,644	(3,574)	6,070	(1,822)	1,769	(53)	
Subtotal	192,014	(50,274)	141,740	192,913	(50,566)	142,347	(899)	292	(607)	
COVID-19 related										
IS - Hospital Discharges	-	-	-	9,103	(5,697)	3,406	(9,103)	5,697	(3,406)	
IS - Loss of Income	-	-	-	377	-	377	(377)	-	(377)	
IS - Provider Relief Payments	-	-	-	10,573	-	10,573	(10,573)	-	(10,573)	
IS - Infection Control Fund	-	-	-	10,737	(10,737)	-	(10,737)	10,737	-	
Subtotal	0	0	0	30,790	(16,434)	14,356	(30,790)	16,434	(14,356)	
Directly Provided Services and Assessment and Care Management										
Physical Support, Sensory Support and Support for Memory & Cognition	15,132	(4,675)	10,457	14,629	(3,863)	10,766	503	(812)	(309)	
Learning Disability Support	7,653	(726)	6,927	7,178	(842)	6,336	475	116	591	
Mental Health Support	3,008	(2,985)	23	3,008	(2,985)	23	-	-	-	
Substance Misuse Support	591	(115)	476	591	(115)	476	-	-	-	
Equipment & Assistive Technology	5,599	(3,101)	2,498	5,333	(3,357)	1,976	266	256	522	
Other	618	(199)	419	636	(199)	437	(18)	-	(18)	
Supporting People	6,830	(310)	6,520	6,828	(310)	6,518	2	-	2	
Assessment and Care Management	25,027	(2,735)	22,292	26,135	(3,509)	22,626	(1,108)	774	(334)	
Carers	3,188	(2,494)	694	2,948	(2,254)	694	240	(240)	-	
Management and Support	20,465	(29,291)	(8,826)	20,683	(29,463)	(8,780)	(218)	172	(46)	
Service Strategy	290	-	290	515	(225)	290	(225)	225	-	
Subtotal	88,401	(46,631)	41,770	88,484	(47,122)	41,362	(83)	491	408	
COVID-19 related										
Loss of Income	-	-	-	425	-	425	(425)	-	(425)	
PPE	-	-	-	2,799	-	2,799	(2,799)	-	(2,799)	
Emergency Meals, Community Hubs and Grants	-	-	-	1,436	-	1,436	(1,436)	-	(1,436)	
Staffing	-	-	-	281	-	281	(281)	-	(281)	
Other	-	-	-	38	-	38	(38)	-	(38)	
Subtotal	0	0	0	4,979	0	4,979	(4,979)	0	(4,979)	
Total Total Adult Social Care	280,415	(96,905)	183,510	317,166	(114,122)	203,044	(36,751)	17,217	(19,534)	



Revenue Budget										
Divisions	Planned (£000)			Q1 2020/21 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Planned Budget										
Safer Communities										
Safer Communities	459	-	459	1,437	(977)	459	(977)	977	-	
Subtotal	459	0	459	1,437	(977)	459	(977)	977	0	
COVID-19 related										
Community Safety - Staffing	-	-	-	24	-	24	(24)	-	(24)	
Subtotal	0	0	0	24	0	24	(24)	0	(24)	
Total Safer Communities	459	0	459	1,461	(977)	483	(1,001)	977	(24)	
Planned Budget										
Public Health										
Core Services										
Mental Health & Best Start	10,308	-	10,308	10,127	-	10,127	181	-	181	
Risky Behaviour and Threats to Health	11,278	-	11,278	11,125	-	11,125	153	-	153	
Health Systems	3,106	-	3,106	2,748	-	2,748	358	-	358	
Communities	743	-	743	738	-	738	5	-	5	
Central Support	3,670	-	3,670	3,273	-	3,273	397	-	397	
Public Health Grant income	-	(27,702)	(27,702)	-	(27,702)	(27,702)	-	-	-	
Public Health CCG and Reimbursement income	-	(40)	(40)	-	(32)	(32)	-	(8)	(8)	
Contribution from General Reserves	-	(1,363)	(1,363)	-	(277)	(277)	-	(1,086)	(1,086)	
Subtotal	29,105	(29,105)	0	28,011	(28,011)	0	1,094	(1,094)	0	
COVID-19 related										
Test, Track and Contain	2,535	-	2,535	2,535	-	2,535	-	-	-	
Test, Track and Contain Grant	-	(2,535)	(2,535)	-	(2,535)	(2,535)	-	-	-	
Subtotal	2,535	(2,535)	0	2,535	(2,535)	0	0	0	0	
Total Public Health	31,640	(31,640)	0	30,546	(30,546)	0	1,094	(1,094)	0	



Capital programme										
Approved project	Total project – all years (£000)		2020/21 (£000)							Note ref
			In year monitor Q1 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2020/21	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
OP Service Improvements	-	-	-	-	-	-	-	-	-	
Greenacres	2,598	2,598	264	34	189	75	-	75	-	
LD Service Opportunities	5,092	5,092	-	-	-	-	-	-	-	
House Adaptations for People with Disabilities	2,719	2,719	50	-	50	-	-	-	-	
Total ASC Gross	10,409	10,409	314	34	239	75	0	75	0	

## Business Services – Q1 2020/21

### Summary of progress on Council Priorities, issues arising, and achievements

**Summary of successes and achievements** – In light of Covid-19, there has been significant focus on wellbeing approaches and resources during Q1 to support staff through this challenging time. Whilst sickness levels have remained low, many staff have been on the frontline of supporting vulnerable service users. Therefore the 'Time to TALK' campaign was further promoted and re-purposed; including utilising our 100+ Mental Health First Aiders to attend virtual team meetings and offer 1-1 support sessions.

Business Operations responded to Covid-19 by ensuring Business Continuity was sustained. Throughout Q1, teams worked closely with IT&D to support all staff from office-based to remote working. As part of this several processes that had relied on manual methods were reviewed, with support from Internal Audit, to enable both our service and the wider organisations to work in a more online way. These will continue to benefit current working arrangements and for the future.

Support was provided to Adult Social Care (ASC) services with 2,000 additional resilience payments and a quick turnaround for critical services. Through Q1 we have seen prompt payment levels rise to 95%, exceeding the target of 93%. This was enabled by the move to electronic receipt of invoices, 88% of forms moving to self-service, improved turnaround for goods receipting and use of the online provider portal with the ASC payment system, *ContrOCC*.

IT & Digital worked in conjunction with Children's Services to obtain and allocate equipment in support of remote learning for the most vulnerable children, see appendix 4. As a result of early engagement with the DfE and a One Council approach between departments, the laptops were quickly provided to those that needed them the most.

As hosts of the Link Consortium, ESCC are leading on preparations for the re-procurement of the data network on behalf of partner organisations. The contract comes to an end in December 2021 with an optional 12-month extension. A review of the marketplace took place and CMT approved a joint procurement which will be set out it will enable others to join in later.

**Apprenticeships** – In response to Covid-19, all apprenticeship training has been switched from physical place-based learning to online learning. This has worked well with none of the Council staff undertaking apprenticeships dropping out. Based on this success, we will be exploring further use of remote, online learning approaches and techniques with our apprenticeship providers as a future long-term approach.

**Savings achieved through procurement, contract and supplier management activities** – During Q1, the Procurement team took on several additional activities to support services affected by Covid-19. Emergency procedures were quickly put in place to handle urgent requirements as a direct result of the outbreak. The ASC and Health service areas were heavily affected, needing up to 20 contracts to be varied or directly awarded. Support was provided to services on supplier relief claims and a delivery service was quickly set up for food and essential hygiene items for vulnerable or shielded people in our local communities. Two of our local contractors provided the delivery services free of charge as part of their Social Value contribution.

A dedicated team was set up to purchase urgent Personal Protective Equipment (PPE) for frontline services, providers, GPs, crematoriums and pharmacists. Additional resource provided by the Internal Audit team helped build a reliable supply chain of certified suppliers. A guidance document for local businesses and providers on sourcing PPE & Medical Devices was written to give support and share the learnings from the PPE team during Q1. This guidance was shared across our local business networks, with our schools and our VCSE colleagues.

**Social Value (SV)** – In Q1, a total of 14 contracts were awarded. 5 contracts were out of scope as we accessed existing pre-approved lists of suppliers with predefined terms, so the Social Value Measurement Charter could not be applied. The 9 in-scope contracts had a total value of £5.05m and secured £317k in SV commitment; equating to an outturn of 6.3%. This is below the >10% target but is anticipated it will be met by the end of Q4. The SV committed included support and advice offered to micro SMEs, work initiatives for priority groups, careers advice and volunteering to support local community projects. The Facilities Management contracts awarded in Q1 secured several SV commitments, including subcontracting 55% of the work to local contractors.

**Third Sector support** – During Q1 all activity was directed to ensuring that partners were supported in following Government 'Stay at Home' guidance and identifying adaptations for their services and activities to meet the impacts of the pandemic. Third Sector support also acted as the Volunteer SME in setting up the Sussex Resilience Forum Volunteer Cell; working with colleagues from across sectors in East Sussex and neighbouring local authorities.

Working with Crowdfunder, it was agreed to widen the criteria for the *Building Stronger Communities* match fund to include organisations that were responding to the impact of Covid-19.

**Internal audit** – During Q1 all planned audit work was suspended in order to avoid interfering with priority and frontline service delivery. As well as redeploying some staff to support other services, our resources were concentrated on providing advice on the many system and process changes implemented across the Council in response to Covid-19, with emphasis on ensuring an appropriate internal control environment is maintained.

None of the five high risk agreed actions that were due to be implemented within Q1 were completed, although work was ongoing in relation to all of these. All actions have now been incorporated into other, existing improvement programmes and we are continuing to liaise with management to ensure that work continues and will be subject to ongoing monitoring, with further escalation where necessary.

**Insurance claims** – 38.1% of liability claims were handled to first decision (i.e. initial repudiation or offer of compensation) within the relevant legal time frames. This is well below the 95% target. Most third-party claims relate to the highway and these are handled by East Sussex Highways (Costain Jacobs). All claims handled outside of the timeframe were administered by them and was caused by staffing and administration issues during Q1. The implications of not meeting these timeframes means that claimants could decide to take legal action immediately, and although there are no financial implications to ESCC (as East Sussex Highways are accountable for claim payments) there is a reputational risk for the council if response compliance continues to be below target. This performance is being addressed through the contract management process with Costain Jacobs and performance is required and targeted to recover.

**Property operations** – The core of activities for Property during Q1 have been around Covid-19 response and recovery; providing assurance around Service, Building and Team Risk assessments across our sites. This has included building compliance checks and implementing physical measures where needed. We have also completed the procurement phase for suppliers to our Hard Facilities Management Term and Reactive maintenance contracts and will conclude appointments across our planned maintenance framework in Q2. Over the course of the last 18 months officers across both East Sussex CC and Brighton & Hove CC have worked together to deliver the service and procurement strategy which aims to deliver best value for money; aligning with the councils' aims and objectives - increasing efficiencies, quality and sustainability.

Separate work is underway to finalise the renewal of framework arrangements to support our Rating and Asset Valuation/External Audit requirements. This procurement work is jointly with West Sussex CC, as we share current framework appointments with them.

Although with less people in the offices during Q1 we saw a reduction in energy costs across our corporate estate, this has been outweighed by third-party rental increase for St Mark's House. The calculations this quarter included the uplift in rent and the backdated rental increase but despite this increase being challenged, the uplift advised by the third-party was higher than forecasted. The cost of occupancy per square meter is now £179.38, which is a 10% increase on the previous year's outturn and means the target for the year will be missed (**ref i**). If the rent had remained the same, it would have reduced the cost per square meter to £167.

The data platform that supports the Property service is being replaced and during Q1 a preferred supplier was appointed following a full procurement and evaluation process. This work included a wholesale review of property related processes and enabled cross functional teams to support a programme around customer experience. The implementation stages are now starting as a sub-project of the wider corporate Modernising Back Office Systems (MBOS) programme

**Property Strategy (SPACES)** – The Strategic Property Asset Collaboration in East Sussex (SPACES) partnership continues to deliver the One Public Estate (OPE) projects, having received £760,000 of Government funding across Phases 5, 6 and 7. The projects are geographically spread across all East Sussex district and boroughs, with activities varying from emergency services colocation to town centre regeneration.

During Q1 some SPACES projects have continued to make progress wherever possible and partners gradually reconvened focus on the programme initiatives. Two OPE projects are proposed to be 'closed out' without being able to fulfil their predicted benefits as feasibility studies concluded the projects are not viable; either financially or due to estates strategy changes. Lessons are being taken from these and shared with the partnership.

OPE Phase 8 and Land Release Fund (LRF) Phase 2 funded streams are potentially being made available later this year (subject to budget approval). In anticipation of this, SPACES continue to consider pipeline projects that could be selected for submission. Focus is around the economic recovery following Covid-19; including housing, regeneration, infrastructure and supporting greener, sustainable projects which also contribute to climate emergency agendas.

As recovery plans develop, the partnership is looking at ways to share learning, best practices and exploring new opportunities especially where revised estate strategies could see synergies between the public sector organisations.

The value of benefits delivered by SPACES (a total across all SPACES partners) at the end of Q1 was over £19m, with another £2.4m identified within planned projects.

**Property Strategy** – The significant changes in working practices seen during Q1 has led to a reassessment of future needs; including the opportunity for step changes across some key services. Activities in reviewing our Corporate Office estate is ongoing but will be refined in Q2 as we determine our needs following Covid-19. Whilst the pandemic has interrupted progress of this strategy, it has highlighted wider benefits of different ways of working for the future; including opportunities to widen our partnership working and support our Climate Change and Carbon Reduction strategies

**Property Investment** – Feasibility and Town Planning work has continued during Q1 across a number of our key sites, although market factors have intervened on some site sales. All projects will be subject to a review and prioritisation assessment as part of the post Covid-19 activities.

**IT & Digital** – Whilst the Covid restrictions forced IT & Digital to pause the Windows 8 Device Refresh Project in Q1, emergency deployments of laptops continued, ensuring that staff were equipped with the tools they needed to continue working from home.

With more people working from home there was increased demand for tools to help staff collaborate remotely, especially for holding audio and video calls. In response, the rollout of Microsoft Teams was accelerated to make it widely available. WhatsApp was also made available on work iPhones for frontline staff within Children's Services to help them maintain contact with this vulnerable group; with the knowledge of how to stay safe and cyber aware.

A soft phone solution was deployed quickly to enable teams of staff who deal with calls from customers to work remotely in the same way that they would use landlines in the office. This solution was deployed to around 500 staff enabling them to use their laptops as a phone.

**Modernising Systems** – A MBOS Programme has been established to deliver the replacement of the Council's financial, resource management and property asset management systems. Replacement of these systems will be supporting further developments to increased agile and digital working. Market engagement is taking place and contract awards are targeted for Q2 for the property asset management system and Q4 for the Council's financial and resource management system.

**Attendance Management and Wellbeing** – Along with the 'Time to TALK' campaign to support staff through the Coronavirus pandemic, we have also used the Council's staff communications platform 'Yammer' to host a dedicated wellbeing campaign using different themes each week; with focuses on subjects such as emotional support, managing remote teams, and self-care. The dedicated Wellbeing Intranet page hosts information and signposts to resources on a variety of subjects to continually support staff during this challenging time.

During the pandemic, the direct experiences for some staff have been significant and potentially traumatic. The impact will vary depending on the different roles and personal situations, but if not addressed this could lead to long term consequences; both in terms of the health and wellbeing of staff and for future retention issues. In response to this, along with the resources and initiatives mentioned already, an offer based around coaching for both group and individuals has been developed. The intention is to use experienced coaches to offer facilitated sessions to consider an approach of compassionate leadership, providing the opportunity for managers to share expertise and best practice whilst also enabling the specific challenges they are facing to be explored.

The 2020/21 Q1 sickness absence figure for the whole authority (excluding schools) is 1.78 days lost per FTE, an increase of 1.7% since the previous year. Mental health continues to be the primary driver of absence. It is worth noting that Q1 covers the key period of the immediate response to the coronavirus pandemic and it is likely therefore that this will have had an impact. A range of measures have been introduced to tackle this:

- A targeted 'Time to TALK about Mental Health' campaign was launched on 10 October 2019, the aim being to remove the stigma surrounding mental health and address poor mental health in the workplace. In response to the Covid-19 situation, we have further promoted and re-purposed this campaign, including utilising our 100+ Mental Health First Aiders (MHFA) to support virtual team meetings and offer 1-1 support sessions;
- In addition to our MHFAs, a small additional cohort of staff have been trained as accredited MHFA instructors, which qualifies them to deliver future MHFA training within the Council, thereby enabling us to grow our internal MHFA community in a cost-effective way;
- A dedicated Yammer wellbeing campaign to support staff during Covid-19 was launched March 2020 and continues to run to support staff. In addition, a dedicated Wellbeing Intranet page has been developed, which hosts a wealth of information and signposts to resources on a variety of subjects to support staff;
- The development of a new Stress Risk Assessment to encourage meaningful conversations between managers and employees and provide signposting;
- As time lost due to mental health related absence has also increased in schools, a comprehensive Mental Health offer specifically for Schools has been launched.

**Business Operations** – Our Employee services teams worked in collaboration with HR and Organisational Development to create online travel and hours claims forms to enable staff to submit claims remotely. These forms are approved by their line manager through email and uploaded by our teams. Online methods were developed alongside Internal Audit to ensure that compliance and controls were still in place.

In order to support our customers, a 'Contact us' form was developed to help the redirection of emails to the right part of our service or to online resources during Covid-19. In our Accounts Payable and Accounts Receivable teams we similarly had to respond to the changes needed as well as the government policy amendments to the way we pay suppliers.

Improving the Purchase-2-Pay (P2P) reporting has helped the prompt goods receipting across the Council. As a major user of the existing SAP system, the Business Operations teams have been lending expertise and knowledge

to the MBOS programme by assisting with the requirements specifications and working with wider stakeholders to help visibility.

**Revenue Budget Summary** – The 2020/21 Business Services net revenue budget is £24m, which includes an £11.6m contribution to the Orbis budget. The full year estimated outturn is a net overspend of £1.969m (**ref ix**). As expected, a significant portion of this, £1.283m (**ref viii**), is directly related to additional costs, lost revenue or savings not being achieved due to Covid-19. Additional IT expenditure has been incurred to allow for remote working, as well as the loss of income streams with HR&OD and Property due to closure of various premises. There is also a significant savings target within ESCC's contribution to Orbis which is now unlikely to be made due to Covid-19 (**ref vii**)

The remainder of the net overspend, £0.686m, (**ref vi**) mainly consists of £0.406m of budgeted savings which due to COVID-19 are unlikely to be made this year (**ref ii**). In the revenue budget table below, these savings are included within Finance (included in **ref iii** alongside £0.018m of other variances). Additionally, there are some overspends due to an increase in rent following a rent review (**ref iv**).

The Orbis operating model changed from 2020/21. Service areas are now categorised as either "Fully integrated", "Partially integrated" or "Centres of Expertise". This is therefore reflected within the financial tables below. Categorisation is determined by the nature of the service and the participation of sovereign authorities. ESCC contribute to and operate within all Orbis areas.

The total Orbis operating budget is forecast to overspend by £0.215m (**ref x**). This is due to overspends within finance and management budgets, however further work is ongoing to assess these budgets. The ESCC contribution to this overspend is currently forecast as £0.069m. There are also a few potential pressures, mainly caused by the current situation, that have been identified which have not yet been included within the forecast variances, as service areas are assessing these and determining plans to manage them within their control totals.

**Capital Programme Summary** – The 2020/21 capital budget is £32.248m and includes the £13.308m Schools Basic Need Programme and the £9.214m Building Improvements programme. The full year estimated variance includes slippage of £3.185m, spend in advance of £3.040m and overspends of £0.732m (**ref xii**). The overspends are forecasted additional expenditure due to the impact of Covid-19. The most significant other movements are associated with the Schools Basic Need programme, with a slippage of £1.756m and spend in advance of £3.040m (**ref xi**). The slippage is mainly due to the delays into 2021/22 for Hailsham Secondary. The spend in advance relates to Reef Way. There have also been slippages in the Special Provision in Secondary School project.

Performance Exceptions (See How to read this report for definition)								
Performance measure	Outturn 19/20	Target 20/21	20/21 RAG				Q1 2020/21 outturn	Note Ref
			Q1	Q2	Q3	Q4		
Priority – Making best use of resources								
Cost of occupancy of corporate buildings per sq. metre	£161.98	2% reduction on 2019/20 revised cost base	R				£179.38	i

## Savings exceptions

Service description	2020/21 (£'000) – Q1 Forecast					Note ref
	Original Target For 2020/21	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	
Savings						
Planned savings - BSD	778	778	372	406	-	ii
Planned savings - Orbis	383	383	198	185	-	
	-	-	-	-	-	
Total Savings	1,161	1,161	570	591	0	
			-	-	-	
			-	-	-	
			-	-	-	
Subtotal Permanent Changes <sup>1</sup>			0	0	0	
Total Savings and Permanent Changes	1,161	1,161	570	591	0	

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding <sup>2</sup>	Part of reported variance <sup>3</sup>	Total	Note Ref
Delayed savings	-	591	591	
	-	-	-	
	-	-	-	
<b>Total</b>	<b>0</b>	<b>591</b>	<b>591</b>	

<sup>1</sup> Permanent changes will replace a previously agreed saving that can no longer be achieved. It is done via approval of quarterly monitoring.

<sup>2</sup> Temporary funding will only replace a slipped or unachieved saving for one year; the saving will still need to be made in future years (or be replaced with something else).

<sup>3</sup> The slipped or unachieved saving will form part of the department's overall variance - it will either increase an overspend or decrease an underspend. The saving will still need to be made in future years (or be replaced with something else).

## Revenue Budget

Divisions	Planned (£000)			Q1 2020/21 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Planned Budget										
Business Operations	13	(13)	-	13	(13)	-	-	-	-	
Finance	2,148	(1,654)	494	2,565	(1,647)	918	(417)	(7)	(424)	iii
HR & OD	394	(394)	-	394	(394)	-	-	-	-	
IT & Digital	5,990	(2,414)	3,576	5,990	(2,414)	3,576	-	-	-	
Procurement	977	(510)	467	1,018	(551)	467	(41)	41	-	
Property	26,991	(19,160)	7,831	27,810	(19,786)	8,024	(819)	626	(193)	iv
Contribution to Orbis Partnership	15,981	(4,336)	11,645	15,970	(4,256)	11,714	11	(80)	(69)	v
Subtotal	52,494	(28,481)	24,013	53,760	(29,061)	24,699	(1,266)	580	(686)	vi
COVID-19 related										
HR&OD – Covid-19	-	-	-	-	300	300	-	(300)	(300)	
IT&D – Covid-19	-	-	-	363	-	363	(363)	-	(363)	
Property – Covid-19	-	-	-	5	232	237	(5)	(232)	(237)	
Contribution to Orbis Partnership – Covid-19				383		383	(383)	-	(383)	vii
Subtotal	0	0	0	751	532	1,283	(751)	(532)	(1,283)	viii
Total BSD	52,494	(28,481)	24,013	54,511	(28,529)	25,982	(2,017)	48	(1,969)	ix

## Revenue Budget

Divisions		Planned (£000)			Q1 2020/21 (£000)						Note ref
					Projected outturn			(Over) / under spend			
		Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Planned Budget											
Fully Integrated	Business Operations	12,686	(7,592)	5,094	12,686	(7,592)	5,094	-	-	-	
	IT & Digital	22,892	(3,120)	19,772	22,892	(3,120)	19,772	-	-	-	
	Management	402	-	402	575	(55)	520	(173)	55	(118)	
	Procurement	4,658	(200)	4,458	4,550	(95)	4,455	108	(105)	3	
Partially Integrated	Finance	4,504	(1,249)	3,255	4,524	(1,219)	3,305	(20)	(30)	(50)	
	HR & OD	4,765	(1,539)	3,226	4,765	(1,539)	3,226	-	-	-	
	Management	103	-	103	103	-	103	-	-	-	
Centres of Expertise	Financial Accounting Systems	583	-	583	558	-	558	25	-	25	
	Insurance	601	(266)	335	616	(156)	460	(15)	(110)	(125)	
	Treasury & Tax	346	(22)	324	346	(22)	324	-	-	-	
	Orbis Finance Team	360	-	360	310	-	310	50	-	50	
	Orbis Internal Audit	1,835	(444)	1,391	1,760	(369)	1,391	75	(75)	-	
Total Orbis		53,735	(14,432)	39,303	53,685	(14,167)	39,518	50	(265)	(215)	x
ESCC Contribution											
				11,645			11,713			(69)	

## Capital programme

Approved project	Total project – all years (£000)		2020/21 (£000)							Note ref
			In year monitor Q1 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2020/21	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
SALIX Contract	3,590	3,590	440	132	440	-	-	-	-	
Property Agile Works	9,713	9,713	374	-	374	-	-	-	-	
Capital Building Improvements	81,052	81,052	9,214	777	9,214	-	-	-	-	
IT & Digital Strategy Implementation	31,543	31,543	4,634	508	4,634	-	-	-	-	
Schools Basic Need	135,524	135,524	13,308	2,601	14,834	(1,526)	(242)	1,756	(3,040)	xi
Special Provision in Secondary School	2,585	2,585	2,379	366	1,690	689	(140)	829	-	
14 Westfield Lane	1,200	1,200	1,200	-	600	600	-	600	-	
Disabled Children's Homes	242	242	242	-	242	-	-	-	-	
Lansdowne Unit (CSD)	7,600	7,600	1,457	342	1,807	(350)	(350)	-	-	
Total BSD Gross	273,049	273,049	33,248	4,726	33,835	(587)	(732)	3,185	(3,040)	xii



## Children's Services – Q1 2020/21

### Summary of progress on Council Priorities, issues arising, and achievements

#### **Summary of successes and achievements**

**Schools and vulnerable young people** – The Government closed all schools in March to stem the spread of COVID-19, with the exception of children considered vulnerable and those with keyworker parents. We have been working with schools in innovative ways to keep their school communities together, their pupils engaged and support attendance for key groups. East Sussex has had some of the highest numbers of vulnerable children and young people in school and we also had one of the highest proportions of secondary schools open. For the period 6 – 10 July, 159 of the 187 schools in East Sussex opened their doors every day to more than 12,600 pupils.

Colleagues across the education and social care systems worked hard to provide reassurance to parent/carers regarding attending school for vulnerable children and young people and the attendance of children with an Education, Health and Care Plans (EHCP) increased significantly. Comparing two Mondays (Monday 25 May 2020 and Monday 06 July 2020) this went from 16 children with EHCPs in May to 564 children with EHCPs in July.

Assessments and exams have not taken place in the 2019/20 academic year. Schools and colleges will provide centre assessment grades for GCSE and A level awards. For this academic year the Department for Education (DfE) will not be publishing data on outcomes or producing league tables.

Primary and Secondary Boards have supported schools to meet the challenges and share good practice at regular area groups/Education Improvement Partnership meetings. External advisers are supporting planning and preparations for school recovery.

The virtual task group 'Keeping Schools Open' was established to oversee the support for schools during lockdown and the recovery period, in order to ensure that provision is offered in line with the government's guidance. Members of the group include staff from across Children's Services and other key teams across the Council – school transport, catering and cleaning contract managers.

A vulnerable children and young people (0-25) virtual group was set up including education and social care staff to agree and implement a process to ensure:

- the assessment and management of risk for vulnerable children during COVID-19 school closures;
- improved systems for sharing information and utilising resources to monitor at-risk children during school closures; and
- identification of barriers to vulnerable children attending school and working together to resolve these so that schools are able to prioritise the right children to attend.

The Council has supported the allocation of 1,187 laptops and tablets to the most vulnerable Year 10 pupils. The Council was the first local authority to order laptops and has committed additional resources to address the gap between DfE allocations and targeted pupils in year 10 requiring equipment to access online learning. Working in partnership with Uni Connect and Hastings Opportunity Area, further resources have enabled us to order in excess of 200 additional devices to support our most vulnerable learners.

**Supporting schools to open in September** – We have worked closely with schools on the key areas to support schools to fully open for all pupils in September in line with the DfE guidance. The Council has developed a communication campaign to give parents and carers confidence in returning their children and young people to school at the start of the next academic year. The average daily attendance, as a percentage of registered pupils for week commencing 14 September, was 76.8%. This figure is based on DfE returns which are distorted by a number of schools who have not completed their returns on a daily basis.

**Participation in education, training or employment with training academic age 16 and 17** – There are significant concerns about the impact of COVID-19 on young people and their opportunities going forward and our target will be reviewed in Q2. Our plans and response to this include: increased frequency and intensity of support from Youth Employability Services; careers hub developing online resources and alternative ways of working i.e. virtual work experience; Track and Place proposal to support year 14 plus (academic age 18); developing an economic recovery plan (led by Community and Transport); and lobbying and inputting to national youth unemployment groups and new government initiatives.

**Participation in annual Education, Health and Care Plan (EHCP) review** – 94.2% (802 out of 851) children and young people gave their views and/or participated in their annual review in Q1. This is significantly higher than the 85.9% in the comparable period in 2019/20.

**Proportion of all new Education, Health and Care Plans (EHCPs) issued within 20 weeks** – of all new EHCPs issued in Q1, 84.4% (76 out of 90) including exceptions and 88.1% (74 out of 84) excluding exceptions were issued



within statutory timescales. This is a significant improvement from the comparable period in the previous financial year (29.5% and 29.1%).

**Communication and support to parents and carers of children with special educational needs or disabilities –**

We have improved our communication support to parents and carers over the lockdown period including: a dedicated telephone line for parents and carers of children with special educational needs or disabilities, through the educational psychologist service; resources including videos for children and young people and parents and carers; and we increased the frequency of meetings with our Parents and Carers Forum.

**Children subject to Child Protection (CP) plans and Looked after Children (LAC) –** The numbers of children subject to CP plans has risen substantially from a rate of 50.9 per 10,000 (542 children) at Q4 2019/20 to a rate of 55.3 (588 children) at Q1. Reasons for this include increased stress within families during COVID-19 and an understandable reluctance to end plans during times of heightened pressure. However, LAC numbers have remained stable throughout the pandemic, a rate of 56.5 per 10,000 (601 children) at Q4 and a rate of 56.4 (599 children) at Q1. Foster carers have worked above and beyond to prevent major difficulties and disruption, however, the numbers of children moving between placements have increased with 68 placements being made during lockdown and there has been a need to source more expensive options for children, including residential placements for young children when no fostering placements (either internally or in agencies) have been available. Reasons for this include: 30% of the Council's foster carers and 25% of supported lodgings providers were isolating throughout, which has meant that they could not be approached to increase capacity and take new children. Some families have also felt unable to retain care of their challenging teenagers during lockdown and 5 children who were on the edge of care in March became LAC, in the context of their involvement in criminal exploitation. All went into residential accommodation.

**Initial health assessments for LAC –** We have seen further increases in our performance during Q1 building on the much-improved performance in this area over the last 18 months. At a very early stage of the COVID-19 pandemic lockdown we agreed with Health how we would evidence parental consent for initial health assessments and this flexible approach has led to further positive performance during Q1. 91% of initial health assessments were completed within 20 days and 97% within 25 days.

**Integrated 0 – 19 Early Help service –** The Integrated 0-19 Early Help service was launched successfully at the beginning of April. This meant a major reconfiguration of teams, budgets etc. Although the current COVID-19 context has required a more flexible approach to working with families, health visiting staff have continued to support families via delivery of the Healthy Child programme and keyworkers have maintained contact with families at level 3 on the continuum of need and who have been stepped down from Social Care.

**Service user feedback 0 – 19 Early Help Service –** 97% of respondents to the feedback surveys who agree that things have changed for the better as a result of getting targeted support from the 0-19 Early Help Service.

**Regional Adoption Agency (RAA) –** The RAA, Adoption South East, went live on 1 April. The Council is leading this on behalf of Brighton and Hove City Council, West Sussex County Council and Surrey County Council. Staff in the Council's adoption service are part of the RAA and the launch has gone well to date, with very creative responses to the COVID-19 context.

**Revenue Budget Summary –** The net budget of £88.727m is currently forecast to be overspent by £8.635m by the year end (ref viii). Within this, £7.955m relates directly to COVID-19 pressures (ref vii) and £0.680m to non COVID-19 pressures (ref iv).

The **COVID-19 related pressures** are primarily on the LAC budgets (£4.842m) within Early Health and Social Care (ref v) and the Home to School Transport budget (£1.350m) within Communication, Planning and Performance (ref vi).

LAC budgets have been directly impacted by COVID-19, with the financial pressures reflected in the increase in new placements during the period to date. As covered above, there has been a mixture of residential and foster provision and semi-independent accommodation from early April onwards, where weekly fees have also increased. In addition, there have also been extra agency costs for staff employed at residential sites to support staff absences. The Care Leavers service has been impacted by placement changes and delayed moves, as well as the universal credit uplift. Lansdowne Secure Unit has also experienced build delays and a resulting loss of income.

The HTST budget has been impacted by school closures which have reduced expenditure to date, but costs are forecast to increase when schools reopen fully in September with the expected changes needed to meet social distancing requirements.

Of the **non COVID-19 related pressures**, £1.372m relates to Early Help and Social Care (ref iii). Pressures of £0.856m on the Looked After Children's budgets within this have resulted from new agency placements and in-house foster placements, over and above those anticipated: while the budget allowed for an overall increase in placements of 2 per month, the increase, in June in particular (where there were 4 new placements solely for residential agency), has been higher than both the budget and the trendline from within the forecasting model. It is also likely that while the increase is not directly related to COVID-19, some of the increase is indirectly related to it. There are also Locality

pressures of £0.728m on the Social work staffing budgets. We are pursuing a range of strategies to reduce these pressures. This includes the review of placements as Independent Fostering Agencies start to increase their availability due to lockdown easing.

These non COVID-19 overspends have been mitigated in part by a forecast underspend of £0.662m in Central Resources as a result of efficiencies and pay cost controls (**ref ii**).

Within the above forecast outturn position, £1.794m (**ref i**) of the £2.028m savings planned for 2020/21 are forecast to be achieved this year, with £0.234m to be achieved in future years. £0.188m are being offset within the department this year, and the remaining £0.046m is slipped due to COVID-19.

**Capital Programme Summary** – The Capital Programme for Children's Services for 2020/21 is £0.978m (**ref xi**) and we are forecasting spend to be on line.

**Performance exceptions**  
(See How to read this report for definition)

Performance measure	Outturn 19/20	Target 20/21	20/21 RAG				Q1 2020/21 outturn	Note Ref
			Q1	Q2	Q3	Q4		
There are no Council Plan exceptions								

**Savings exceptions**

Service description	2020/21 (£'000) – Q1 Forecast					Note ref
	Original Target For 2020/21	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	
Savings						
SLES: Performance monitoring	410	410	410	-	-	
I-SEND: EHCP Assessment Services	188	188	-	188	-	
I-SEND: Inclusion Services	19	19	19	-	-	
Early Years: Inclusion Services	85	85	85	-	-	
Early Help	68	1,065	1,019	46	-	
ISEND and ESBAS	-	261	261	-	-	
Total Savings	770	2,028	1,794	234	0	i
			-	-	-	
			-	-	-	
			-	-	-	
Subtotal Permanent Changes <sup>1</sup>			0	0	0	
Total Savings and Permanent Changes	770	2,028	1,794	234	0	

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding <sup>2</sup>	Part of reported variance <sup>3</sup>	Total	Note Ref	
I-SEND: EHCP Assessment Services	188	-	188		
Early Help	-	46	46		
<b>Total</b>	<b>188</b>	<b>46</b>	<b>234</b>		

<sup>1</sup> Permanent changes will replace a previously agreed saving that can no longer be achieved. It is done via approval of quarterly monitoring.

<sup>2</sup> Temporary funding will only replace a slipped or unachieved saving for one year; the saving will still need to be made in future years (or be replaced with something else).

<sup>3</sup> The slipped or unachieved saving will form part of the department's overall variance - it will either increase an overspend or decrease an underspend. The saving will still need to be made in future years (or be replaced with something else).

## Revenue Budget

Divisions	Planned (£000)			Q1 2020/21 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Planned Budget										
Central Resources	2,975	(1,578)	1,397	2,313	(1,578)	735	662	-	662	ii
Early Help and Social Care	69,673	(12,528)	57,145	71,444	(12,927)	58,517	(1,771)	399	(1,372)	iii
Education and ISEND	89,619	(6,821)	82,798	89,389	(6,637)	82,752	230	(184)	46	
Communication, Planning and Performance	19,081	(1,643)	17,438	19,106	(1,652)	17,454	(25)	9	(16)	
DSG non Schools	-	(70,051)	(70,051)	-	(70,051)	(70,051)	-	-	-	
Schools	161,772	(161,772)	-	161,772	(161,772)	-	-	-	-	
Subtotal	343,120	(254,393)	88,727	344,024	(254,617)	89,407	(904)	224	(680)	iv
COVID-19 related										
Central Resources	-	-	-	621	-	621	(621)	-	(621)	
Early Help and Social Care	-	-	-	5,328	22	5,350	(5,328)	(22)	(5,350)	v
Education and ISEND	-	-	-	80	377	457	(80)	(377)	(457)	
Communication, Planning and Performance	-	-	-	1,382	145	1,527	(1,382)	(145)	(1,527)	vi
Subtotal	0	0	0	7,411	544	7,955	(7,411)	(544)	(7,955)	vii
Total Children's Services	343,120	(254,393)	88,727	351,435	(254,073)	97,362	(8,315)	(320)	(8,635)	viii

## Capital programme

Approved project	Total project – all years (£000)		2020/21							Note ref
			In year monitor Q1 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2020/21	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
House Adaptations for Disabled Children's Carers	1,057	1,057	104	7	104	-	-	-	-	
Schools Delegated Capital	23,697	23,697	791	(133)	791	-	-	-	-	
Conquest Centre redevelopment	356	356	83	-	83	-	-	-	-	
<b>Total CSD Gross</b>	<b>25,110</b>	<b>25,110</b>	<b>978</b>	<b>(126)</b>	<b>978</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>ix</b>

## Communities, Economy & Transport – Q1 2020/21

### Summary of progress on Council Priorities, issues arising, and achievements

**Summary of successes and achievements** – Construction of the Newhaven Port Access Road has continued in Q1, with social distancing rules in place, completion is currently scheduled for autumn 2020. 30 carriageway asset improvement schemes were completed in Q1, to maintain and improve the condition of the county's roads. Q1 data for the number of additional premises with improved broadband speeds will be available in Q2; the latest progress report shows that superfast coverage is now at 97% in East Sussex, with overall take-up at 71%. Initial discussions on forming a pan-Sussex tourism group have begun. We are also exploring the possibility of applying for emergency funding for 1066 Country, Visit Eastbourne and Sussex Modern, to support the promotion of various tourism campaigns. As our libraries and The Keep were closed in Q1, many members of staff were redeployed (along with staff from our Customer Services Team) to support other services which were experiencing greater demand or to help support the emergency response. Services supported included the Registration Service, the Emergency Control Centre, the Multi Agency Information Cell and the Excess Deaths workstream. Staff were involved in the management and operation of Adult Social Care's food delivery scheme, delivering urgent food drops to residents who were shielding and who had no other means of obtaining food at short notice. The Library Service also set up a call centre at Ropemaker Park in Hailsham, to provide further support to Adult Social Care in making telephone calls to people who were on the shielded list from the government.

**Queensway Gateway Road** – Work has been suspended, with Sea Change Sussex (SCS) aiming to get contractors back on site in Q2, with a view to opening the temporary link road to the A21 by the end of Q2. Opening the temporary link is dependent on social distancing working arrangements being in place, as well as securing a temporary traffic regulation order and stopping-up order for Whitworth Road and Junction Road respectively. The Council is continuing to work with SCS to progress the land acquisition needed to deliver a permanent solution, potentially via a Compulsory Purchase Order.

**Employability and Skills** – Skills East Sussex met three times in Q1 to support the development of the East Sussex Economy Recovery Plan and to continue to deliver against the Skills East Sussex Strategy. The sector task groups have met, to give important business sectors the chance to feed into the plans. The Careers East Sussex group met in Q1 and agreed to amend its career campaign to support recovery and refocus on addressing unemployment. Schools were supported by the Careers Hub in Q1 to achieve an average of 4.9 of the Gatsby benchmarks. The development of the Careers East Sussex web portal is underway, including an events calendar, resources for Careers Leaders and Enterprise Advisers, that help meet the Gatsby benchmarks, and resources for Industry Champions to help them engage with children in schools.

**Business Support and job creation** – Over 40 businesses have been approved to receive a grant in Q1; but the number of business engagement events to promote SECCADS has been limited due to COVID-19. Businesses were supported to create 21.5 jobs in the county through business support programmes in Q1 (ref i). Locate East Sussex helped one business to remain the county, this figure is expected to increase in Q2 once the economy begins to reopen.

**Road Safety** – A number of the trials of the behavioural change initiatives launched as part of the Council's £1m Road Safety Programme are now coming to an end with results from these expected during Autumn/Winter 2020. A number of the trials have been affected by COVID-19 and these will now need to be extended for a number of months to ensure a statistically significant outcome. Six road safety schemes have been completed in Q1, with one further scheme currently under construction and due to be completed shortly.

**Trading Standards** – 33 delegates received online business training activities in Q1, while 193 businesses were provided with advice regarding COVID-19 closures. There were 67 positive interventions to protect vulnerable people, including remote contact with 66 victims of rogue trading or financial abuse, and one intervention from the rapid response team.

**Waste** – The final outturns for 2019/20 show that 528kg/hh of waste was re-used, recycled or composted or used beneficially, against a target of 540kg/hh. The total amount of household waste exceeded the target, with 958kg/hh collected, against a target of 970kg/hh. The Council's Waste Teams have worked closely with all Districts and Boroughs to ensure services continued to be delivered throughout the pandemic.

**Revenue Budget Summary** – The revenue budget is forecast to overspend by £7.405m. Only £323k of the £2.362m savings will be achieved this year mainly due to the delay in implementing the new parking charges and reduced income as a result of COVID-19 (ref ii). There is a pressure of £7.886m relating to additional costs and reduced income resulting from COVID-19 (ref iv). The most significant COVID-19 pressures are in Transport and Operations where car parking income is down £2.345m (this has reduced the planned Parking contribution to Concessionary Fares). Increased collection volumes and the cost of reopening household waste sites with social distancing, have resulted in a COVID-19 related overspend of £1.2m in the Waste service (ref iii). The overspend in Communities is mostly due to lost income from marriages and other ceremonies (£1.06m) 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 £407k. Income is also down in across other services. There is a non COVID-19 related underspend of £481k which is mostly due to reduced pre COVID-19 waste volumes.

**Capital Programme Summary** – The CET capital programme had a gross budget of £62.883m and has slippage of £14.407m, spend in advance of £150k, overspend of £478k and an underspend of £153k. Of the slippage £12.094m is due to COVID-19 delays. The COVID-19 related slippage is mostly within the various movement and access schemes (**ref viii,ix,x,xi**). These schemes rely on public involvement in terms of surveys and transport monitoring. The South East Local Economic Partnership have granted a six-month COVID-19 extension to their Local Growth Fund schemes and as a result the Skills for Rural Business scheme will slip (**ref v**). The Newhaven Port Access Road is progressing well, and the risk contingency will not be spent this year nor will some after construction costs which will be due when the Port complete their part of the works (**ref vi**). Low take up from parish councils means the Community Match Fund has slipped (**ref xi**). The Exceat Bridge scheme has slipped due to extended consultations with stakeholders with the completion expected in late 2022/23 (**ref xii**). The programme now includes the additional funding for Emergency Travel Fund schemes (**ref xiii**). The overspend on the Highways Structural Maintenance programme is due to the cost of ensuring social distancing (**ref xiv**). There is also a risk to the general availability of commodities for capital works which could increase costs across the sector later in the financial year, although this is uncertain at this stage.

**Performance exceptions**  
(See How to read this report for definition)

2020/21 RAG								
Performance measure	Outturn 19/20	Target 20/21	20/21 RAG				Q1 2020/21 outturn	Note Ref
			Q1	Q2	Q3	Q4		
Priority – Driving sustainable economic growth								
Job creation from East Sussex Programmes	141 jobs created	135 jobs safeguarded or created	A				New jobs created: 21.5 FTE	i

**Savings exceptions**

Service description	2020/21 (£'000) – Q1 Forecast					Note ref
	Original Target For 2020/21	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	
Savings						
Archives and Records Service	74	74	60	14	-	
Road Safety Services	33	33	33	-	-	
Parking: Civil Parking Enforcement	1,000	2,000	-	2000	-	
Concessionary Fares	70	70	70	-	-	
Transport Hub Services	30	30	30	-	-	
Rights of Way Services	100	100	100	-	-	
Environmental Advice Services	25	25	-	25	-	
Ashdown Forest	30	30	30	-	-	
Total Savings	1,362	2,362	323	2,039	0	ii
			-	-	-	
			-	-	-	
			-	-	-	
Subtotal Permanent Changes <sup>1</sup>			0	0	0	
Total Savings and Permanent Changes	1,362	2,362	323	2,039	0	



Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding <sup>2</sup>	Part of reported variance <sup>3</sup>	Total	Note Ref
Reduced contribution from Parking to Concessionary Fares and reduced contribution to reserves	-	2,000	2,000	
Environmental Advice vacancy	25	-	25	
Archives and Records additional income	14	-	14	
<b>Total</b>	<b>39</b>	<b>2,000</b>	<b>2,039</b>	

<sup>1</sup> Permanent changes will replace a previously agreed saving that can no longer be achieved. It is done via approval of quarterly monitoring.

<sup>2</sup> Temporary funding will only replace a slipped or unachieved saving for one year; the saving will still need to be made in future years (or be replaced with something else).

<sup>3</sup> The slipped or unachieved saving will form part of the department's overall variance - it will either increase an overspend or decrease an underspend. The saving will still need to be made in future years (or be replaced with something else).

Revenue Budget										
Divisions	Planned (£000)			Q1 2020/21 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Planned Budget										
Management and Support	3,589	(1,487)	2,102	3,599	(1,487)	2,112	(10)	0	(10)	
Customer and Library Services	6,962	(2,033)	4,929	6,870	(2,080)	4,790	92	47	139	
Communities	4,438	(2,806)	1,632	4,426	(2,776)	1,650	12	(30)	(18)	
Transport & Operational Services	83,340	(46,874)	36,466	81,863	(45,722)	36,141	1,477	(1,152)	325	iii
Highways	15,110	(2,462)	12,648	15,110	(2,462)	12,648	0	0	0	
Economy	3,211	(2,033)	1,178	3,150	(1,972)	1,178	61	(61)	0	
Planning and Environment	2,878	(1,990)	888	3,156	(2,313)	843	(278)	323	45	
Subtotal	119,528	(59,685)	59,843	118,174	(58,812)	59,362	1,354	(873)	481	
COVID-19 related										
Management and Support	-	-	-	520	1,000	1,520	(520)	(1,000)	(1,520)	
Customer and Library Services	-	-	-	98	150	248	(98)	(150)	(248)	
Communities	-	-	-		1,186	1,186	0	(1,186)	(1,186)	
Transport & Operational Services	-	-	-	1,184	2,508	3,692	(1,184)	(2,508)	(3,692)	
Highways	-	-	-	538	195	733	(538)	(195)	(733)	
Economy	-	-	-	55	218	273	(55)	(218)	(273)	
Planning and Environment	-	-	-	15	219	234	(15)	(219)	(234)	
Subtotal	0	0	0	2,410	5,476	7,886	(2,410)	(5,476)	(7,886)	iv
Total CET	119,528	(59,685)	59,843	120,584	(53,336)	67,248	(1,056)	(6,349)	(7,405)	

Capital programme										
Approved project	Total project – all years (£000)		2020/21 (£000)							Note ref
			In year monitor Q1 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2020/21	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
The Keep	1,091	1,091	24	-	24	-	-	-	-	
Libraries	5,140	5,140	670	123	670	-	-	-	-	
Broadband	33,800	33,800	4,279	66	4,279	-	-	-	-	
Bexhill and Hastings Link Road	126,247	126,247	1,652	56	1,652	-	-	-	-	
BHLR Complementary Measures	1,800	1,800	219	2	219	-	-	-	-	
Economic Intervention Fund	12,033	12,033	542	61	542	-	-	-	-	
Economic Intervention Fund - Loans	3,000	3,000	500	472	650	(150)	-	-	(150)	
Stalled Sites Fund	916	916	152	20	152	-	-	-	-	
EDS Upgrading Empty Commercial Properties	500	500	7	-	-	7	-	7	-	
Queensway Gateway Road	10,000	10,000	504	-	504	-	-	-	-	
Bexhill Enterprise Park North	1,940	1,940	1,940	-	1,540	400	-	400	-	
Skills for Rural Businesses - Post Brexit	2,918	2,918	2,189	-	1,189	1,000	-	1,000	-	v
Sidney Little Road Business Incubator Hub	500	500	435	(44)	335	100	-	100	-	
Bexhill Creative Workspace	960	960	946	(14)	946	-	-	-	-	
Newhaven Port Access Road	23,271	23,271	4,054	1,100	3,200	854	-	854	-	vi
Real Time Passenger Information	2,963	2,963	284	26	284	-	-	-	-	
Parking Ticket Machine Renewal	1,479	1,479	291	-	138	153	153	-	-	
Hastings and Bexhill Movement & Access Package	9,057	9,057	6,169	10	1,581	4,588	-	4,588	-	vii
Eastbourne/South Wealden Walking & Cycling Package	7,017	7,017	2,988	126	802	2,186	-	2,186	-	viii
Hailsham/Polegate/Eastbourne Movement & Access Corridor	2,350	2,350	1,203	(19)	135	1,068	-	1,068	-	ix
Terminus Road Improvements	9,182	9,182	-	59	-	-	-	-	-	
Eastbourne Town Centre Movement & Access Package	3,486	3,486	3,014	12	390	2,624	-	2,624	-	x
Other Integrated Transport Schemes	56,119	56,119	3,235	176	3,207	28	-	28	-	
Community Match Fund	1,500	1,500	769	(26)	83	686	-	686	-	xi
Exceat Bridge	4,133	4,133	1,500	32	734	766	-	766	-	xii
Queensway Depot Development	1,956	1,956	1,153	10	1,153	-	-	-	-	
Hailsham HWRS	97	97	97	-	97	-	-	-	-	
Emergency Travel Fund	535	535	535	-	535	-	-	-	-	xiii
Core Programme - Highways Structural Maintenance	380,207	380,207	19,404	4,689	19,844	(440)	(440)	-	-	xiv
Core Programme - Bridge Assessment Strengthening	25,770	25,770	1,267	301	1,305	(38)	(38)	-	-	
Core Programme - Street Lighting	24,759	24,759	1,331	200	1,331	-	-	-	-	
Core Programme - Street Lighting - SALIX scheme	2,804	2,804	935	-	935	-	-	-	-	

Capital programme										
Approved project	Total project – all years (£000)		2020/21 (£000)							Note ref
			In year monitor Q1 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2020/21	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
Core Programme - Rights of Way Bridge Replacement	8,748	8,748	596	89	496	100	-	100	-	
Total CET	766,278	766,278	62,884	7,527	48,952	13,932	(325)	14,407	(150)	



## Governance – Q1 2020/21

### Summary of progress on Council Priorities, issues arising, and achievements

**Reconciling Policy, Performance and Resources (RPPR)** – The State of the County report, to be considered by Council in October and as reported to Cabinet in July, sets out the initial impacts COVID-19 has had on the Council and the county, and how we can move towards recovery, including opportunities offered by the new partnerships which have been fostered during the pandemic. COVID-19 has caused an unprecedented level of financial uncertainty and the need for a sustainable long-term funding solution remains. The Council Plan and Portfolio Plans 2020/21 have been refreshed with completed outturns, there have been some changes to the performance measures and targets, based both on the outturns now available and due to the impact of COVID-19. The updated plans are available on our website.

**Transport for the South East (TfSE)** – The Shadow Partnership Board approved the 30-year transport strategy at their meeting on 16 July. The strategy sets an ambitious 2050 vision which shows that with the right investment in the region's transport network the South East's economy will more than double, creating an additional 500,000 jobs, boosting quality of life and access to opportunities and helping cut the South East's carbon emissions to net-zero.

The Board also approved the proposal for statutory status, which sets out the powers and responsibilities that will help to achieve the 2050 vision, including road and rail, smart ticketing and air quality powers. The proposal has received the formal consent of the 16 local transport authorities and has been submitted to the Secretary of State for Transport, alongside the final transport strategy. If the bid for statutory status is successful, TfSE will become a statutory body in summer 2021. A communications and engagement campaign to support the bid has commenced, with briefing sessions for MPs arranged in July 2020.

The Department for Transport (DfT) confirmed that grant funding has been awarded to TfSE for 2020/21 to support the delivery of the technical programme. The amount will be confirmed imminently. Work continues at pace on the technical programme. Work on the Future Mobility Strategy is underway and the procurement exercise for the five Area Studies has recently been completed. Due to budgetary constraints, initial work will focus on one area study, although this will be accelerated depending on the amount of DfT grant made available.

**Corporate Lobbying** – In Q1 we worked with our partners in the County Councils Network (CCN) and South East 7 to raise and maintain Government's awareness of the financial cost of the coronavirus pandemic, and the need for full compensation of additional costs and income lost in the response. The Leader met regularly with local MPs to brief them on the Council's COVID-19 response and financial position, and discuss other local issues. The Chief Executive and Leader continue to regularly engage with ministers and civil servants in the Ministry for Housing, Communities and Local Government and other departments to make representations on the provisions councils need to continue the COVID-19 response and play an active role in recovery.

**Supporting democracy** – During Q1, in light of COVID-19 restrictions, we facilitated the transition of Council meetings to a remote meeting format using video conferencing technology. Local democratic accountability and transparency were maintained throughout by rapidly putting in place the necessary practical arrangements and new procedures to hold Member meetings remotely under temporary regulations. This enabled core business to continue in a transparent and open way. Public access to remote meetings has been arranged via our existing webcasting site and agendas for remote meetings are being published as normal. During Q1 we supported 22 virtual meetings including: one County Council meeting; two Cabinet meetings; nine Lead Member meetings; two Scrutiny Boards; and nine other committees and panels. We also published agendas for a further 13 meetings which will be held in Q2.

The Member development programme was realigned in Q1 to focus on supporting the transition to virtual meetings. Three online training sessions were provided to Members, covering the use of video conferencing technology and virtual meeting procedures, supported by the development of a Member guide to remote meetings. The Member ICT and Development Reference Group met regularly to provide oversight of the arrangements for remote meetings.

The Council's Scrutiny Committees continued to undertake research and hold informal virtual meetings to support ongoing scrutiny work where feasible during Q1, whilst suspending formal meetings to enable frontline services to focus on the emergency COVID-19 response. Health Overview and Scrutiny Committee Members have raised a range of questions about the impact of COVID-19 on NHS services on behalf of local residents via regional briefings with NHS leaders.

Significant work was undertaken by the East Sussex School Appeals Service during Q1 to design and implement an approach to holding appeal hearings remotely under temporary regulations, which came into effect nationally from 24 April. All planned appeal hearings were rearranged in line with the agreed temporary arrangements, with significant support provided to independent volunteer panel members, parents and admission authorities to participate fully in the remote hearing process. Remote hearings for the main round of appeals began during Q1 and will continue into Q2 ahead of the start of the new academic year in September. It is anticipated that the vast majority of appeals will be heard by the end of the summer term as originally planned, despite the delayed start due to COVID-19 restrictions. In total 225 school admission appeals were received during Q1. During this period, we also held 11 separate appeal

hearings, three of which took place over several days. The majority of appeals were submitted by parents using the secure online digital appeal management system. This system, which was developed in-house, has provided significant benefits in the context of remote working.

**Legal Services** – During Q1 we assisted Trading Standards in securing a restraint order in relation to the proceeds of sale from a house, pending prosecution of the homeowner who is suspected of committing fraud by running a scam company. In Q1 most criminal trials have been suspended as have all education prosecutions but it is anticipated that these prosecutions will be effective from September 2020. In Q1 we carried out 67 cases involving the protection of vulnerable adults (compared to 68 in Q4 of 2019/20) and 31 Deprivation of Liberty Safeguarding Applications in the Court of Protection (compared to 57 in Q4 of 2019/2020). We have also continued to provide advice and support to Adult Social Care in relation to the Coronavirus Act 2020 and related guidance.

During Q1, we also advised and assisted Children's Services in pre-proceedings and court applications for care proceedings, with the priority always of seeking ways to keep children within their family when it is safe to do. We provided advice and assistance in relation to a wide range of other children's matters, such as private law applications, secure accommodation, deprivation of liberty, wardship and judicial review. We have continued to work creatively with Children's Services and the Courts to find solutions to the impact of COVID-19 on the carrying out of assessments and on the progression of court proceedings in order to avoid delays where possible in relation to final decisions being made for children. This has included East Sussex making an offer to facilitate parents in a number of cases to attend hearings remotely by providing technology and use of local authority rooms. The latest guidance from the President of the Family Division issued this month is that with court capacity for full face to face hearings following government guidance being limited, remote and hybrid hearings will be a feature for the remainder of 2020 and into Spring 2021, but that decisions cannot be put on hold and children's welfare must be at the forefront of minds. The organisation of remote hearings is time consuming due to arrangements having to be tailored to the individual circumstances of the parties to the case. Legal Services will continue to be instrumental in the organisation of those hearings for some months to come.

In Q1 we completed planning agreements which helped to secure financial contributions to the Council of £1,075,000. We also finalised a substantial agreement allowing works to commence on a site in Uckfield, which will unlock an extensive house building programme, and we finalised an agreement with Highways England to enable the Council to complete elements of a road improvement scheme straddling the county highway and Highways England Trunk Road in the Glyne Gap area of Bexhill. During Q1 we also advised on a significant adverse possession claim, assisting in collating and presenting evidence to prove the land to be a highway so that the claim was withdrawn. In Q1 we also worked with the Services to Schools team to review contract terms, which has resulted in a significant increase in positive engagements with schools. In addition, we also advised on 37 new contract and procurement matters and 18 new property transactions.

**Coroner Services** – On average 193 deaths per month were reported to the Coroner in Q1. This is lower than the 2019/20 Q4 figure of 206 and higher than the 2019/20 average of 178. In Q1, 62 inquests were opened, whereas 99 were opened in Q4 of 2019/20. However, only 1 inquest was closed in Q1 compared to 64 in Q4 of 2019/20. COVID-19 has not impacted significantly on deaths reported to the Coroner because it is capable of being a natural cause of death and is not therefore a reason on its own to refer a death to a Coroner. However, where non-paper inquests cannot be held remotely and have currently been delayed until August 2020, this has impacted on the number of inquests that the Coroner has been able to close.

**Regulation of Investigatory Powers Act (RIPA)** – There were no RIPA applications during Q1. A Facebook Usage Policy is being formulated, which will draw upon direction from the Investigatory Powers Commissioner's Office on whether RIPA applications need to be considered, if non-overt engagement with Facebook users is undertaken by Council employees.

**Local Government Ombudsman complaints** – On 29 March the Ombudsman suspended all casework to enable local authorities to focus on key services during the COVID-19 pandemic. After consultation with local authorities some casework resumed on 22 May and on 29 June the suspension was fully lifted.

Six decisions were issued in Q1 with two of these cases relating to Adult Social Care (ASC), three to Communities, Economy & Transport (CET) and one to Children's Services (CS). Two were closed before a full Ombudsman investigation, in one case this was due to insufficient evidence of fault and for the other the Ombudsman felt it was reasonable for the complainant to go to court to seek a remedy.

Of the four fully investigated, one was closed with no fault found and the following three were closed with the complaint partly or fully upheld.

CET – The Ombudsman found the Council at fault in the way it ran a tender for a contract because it did not establish whether the complainant's bid was compliant before awarding them the contract. The Council has agreed to apologise to the complainant, to pay him £250 for the frustration that he experienced at having the contract rescinded, and to review its procurement procedures.

**CET** – The Ombudsman found the Council at fault as it failed to follow up on reports about unauthorised work on the highway and there was also some fault in the Council's record keeping. The Council has agreed to apologise to the complainant and review its record keeping procedures.

**CS** – The Ombudsman found fault with the Council for failing to provide respite services. Despite accepting that there were good reasons for this, the Ombudsman considers that the failure to provide a service to meet an assessed need is a fault. The Ombudsman also found fault as there was some delay in progressing to Stage Two and Stage Three of the statutory complaint procedure. The Council has agreed to:

- pay the complainant £7,800 to acknowledge the impact of a loss of a non-monetary benefit for 39 months and £200 for the avoidable time and trouble caused by delay in progressing the complaint;
- review the complainant's daughter's 'child in need plan' to determine what support is necessary and appropriate and put it in place; and
- review its children's social care complaints procedures to ensure they reflect the statutory guidance on progressing to Stage Two where complainants are unhappy with the Stage One response, and on engaging in alternative dispute resolution methods following Stage Two rather than Stage One.

**Effective publicity and campaigns** – An online survey about public experiences of coronavirus was completed by 10,335 residents and the results have been published. The survey ran for two weeks in June and used a chat format on both the web and social media to broaden the range of responders. A separate survey by phone has also been carried out in June with results to come.

**Media work** – There were 306 media stories about the Council in Q1, of which 136 were positive and 134 were neutral (stories are classified as positive if they generally celebrate an aspect of the Council's work and neutral if they balance any criticism with positive comment from the Council or others). The press office issued 32 press releases, generating 95 stories. 174 media enquiries were handled.

The number of schools open and COVID-19 case figures featured heavily in the media enquiries in Q1, as did the issues caused by the number of people heading to Camber Sands during June's heatwave.

The Council's Active Travel plan submitted to the DfT attracted positive publicity, as did Public Health's spring cards initiative which, as well as local and regional coverage was picked up by the Press Association, resulting in 186 online stories on news sites across the country from the Dorset Echo to the Glasgow Evening Times. The project was also covered by Mail Online.

**Web activity** – Web pages offering public information and support with COVID-19 were published on the council website as the disease arrived in the UK. These pages were viewed 58,102 times in Q1. There have been 80,820 views of these pages up to 15 July 2020. In Q1 the entire council website was accessed almost 665,733 times, with more than 2 million page-views.

**South East 7 (SE7)** – SE7 Leaders and Chief Executives have maintained contact throughout the COVID-19 response. The partnership has continued to provide an important forum for enhancing councils' understanding of the shifting policy landscape; and for augmenting approaches to a range of issues, including sourcing PPE, Local Outbreak Planning, re-opening services, supporting the return of schools and lobbying for adequate funding and future funding certainty.

**Partnership with West Sussex County Council (WSCC)** – During the pandemic we have worked with WSCC to share approaches for HR practices and responses, and how we maintain the democratic process with virtual meetings. We have worked closely through the Sussex Resilience Forum on the emergency response and continue to do so through the easing of lockdown and planning for recovery. We have shared information on the procurement of Personal Protective Equipment and shared a bulk order of face masks to secure an improved price. Work is ongoing regarding further joint procurements including accessing each other's Frameworks. There are ongoing discussions about waste and highways management and significant support has been provided by Children's Services to recruitment within WSCC. This closer working will reduce the risks to the Council's workforce development of a competitive rather than collaborative approach. Close working between the Leaders, including through greater involvement with SE7 partners at Member and officer level, has strengthened our collective lobbying voice at local, regional and national level, including within the CCN, the Local Government Association and with Government.

**Health and Wellbeing Board (HWB)** – The Board met on 14 July and work on the joint plan with health has begun again following suspension during the initial response to the COVID-19 pandemic. The joint plan will also now include programmes on Children and Mental Health. Reports were also received on the Healthwatch Annual Report, Sussex Wide Children and Young Person's Emotional Health and Wellbeing Service Review and joint targeted inspection of multi-agency responses to children's mental health in East Sussex. The Board also agreed the East Sussex Local Outbreak Plan.

**Revenue budget summary** – Governance Services are reporting a balanced budget at Q1. It is expected that £26k of costs will be incurred as a result of COVID-19 but that this will be mitigated from underspends within the department.

Performance exceptions (See How to read this report for definition)								
Performance measure	Outturn 19/20	Target 20/21	20/21 RAG				2020/21 outturn	Note ref
			Q1	Q2	Q3	Q4		
There are no Council Plan targets								

Savings exceptions						
Service description	2020/21 (£'000)					Note ref
	Original Target For 2020/21	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	
Savings						
There are no targeted savings in 2020/21	-	-	-	-	-	
	-	-	-	-	-	
Total Savings	0	0	0	0	0	
			-	-	-	
			-	-	-	
Subtotal Permanent Changes <sup>1</sup>			0	0	0	
Total Savings and Permanent Changes	0	0	0	0	0	

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding <sup>2</sup>	Part of reported variance <sup>3</sup>	Total	Note Ref
	-	-	-	
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	

<sup>1</sup> Permanent changes will replace a previously agreed saving that can no longer be achieved. It is done via approval of quarterly monitoring.

<sup>2</sup> Temporary funding will only replace a slipped or unachieved saving for one year; the saving will still need to be made in future years (or be replaced with something else).

<sup>3</sup> The slipped or unachieved saving will form part of the department's overall variance - it will either increase an overspend or decrease an underspend. The saving will still need to be made in future years (or be replaced with something else).

Revenue Budget										
Divisions	Planned (£000)			Q1 2020/21 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Planned Budget										
Corporate Governance	4,187	(74)	4,113	4,110	(226)	3,884	77	152	229	
Corporate Support	3,455	(592)	2,863	3,683	(617)	3,066	(228)	25	(203)	
Subtotal	7,642	(666)	6,976	7,793	(843)	6,950	(151)	177	26	
Covid Related										
Corporate Governance	-	-	-	-	-	-	-	-	-	
Corporate Support	-	-	-	26	-	26	(26)	-	(26)	
Subtotal	0	0	0	26	0	26	(26)	0	(26)	
Total Governance	7,642	(666)	6,976	7,819	(843)	6,976	(177)	177	0	

Capital programme										
Approved project	Total project – all years (£000)		2020/21 (£000)							Note ref
			In year monitor Q1 (£000)				Analysis of variation (£000)			
	Budget	Projected	Budget	Actual to date	Projected 2020/21	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
No current programme for Governance	-	-	-	-	-	-	-	-	-	
Total Governance	0	0	0	0	0	0	0	0	0	

Strategic Risk Register – Q1 2020/21		
Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score
16	<p><b>COVID-19</b></p> <p>Adverse impact of Covid-19 sickness and restrictions on Council finances and services. Reduced ability to deliver services, priorities and long-term planning, impacting on e.g. protecting and supporting vulnerable adults and children, education and schools, roads and infrastructure, local economic growth, and the Council's workforce. Capacity to manage a response to a significant sustained increase in Covid-19 cases (a second wave). Adverse impact of Covid-19 on local health, wellbeing and economy creating new long-term need for Council services.</p>	<p>Services have changed and adapted to the changing situation and Government guidance. We are endeavouring to keep services going as far as possible and to offer other options when it isn't possible. Looking after the most vulnerable people in our community is our absolute priority and community hubs have been established with Borough and District partners to support those that need additional help. We have received additional funding from the Government and are closely monitoring our Covid-19 spend. We are also monitoring impacts on the economy and wider community and developing recovery plans with our partners.</p> <p>We have developed a Local Outbreak Plan to prevent, where possible, and respond to and contain local outbreaks, with specific measures for high risk areas.</p> <p>The Corporate Management Team are meeting regularly to ensure our response and recovery is effectively co-ordinated and working well through our established partnerships and the new partnerships, which come into operation when we are operating under the Civil Contingencies Act, including the Sussex Resilience Forum and the Local Health Resilience Forum. Preparation for a reasonable worst-case scenario of a second wave of infections is taking place in ESCC and coordinated across the Sussex Resilience Forum.</p> <p>Extensive co-ordination and lobbying are taking place at Member and officer level through SE7, CCN and other arrangements.</p>
12	<p><b>CYBER ATTACK</b></p> <p>The National Cyber Security Centre (NCSC) has highlighted the substantial risk to British web infrastructure with elevated levels of Cyber Crime being reported against all areas of government.</p> <p>Cyber-attacks often include multi vector attacks featuring internet based, social engineering and targeted exploits against hardware, software and personnel. The remote nature of the internet makes this an international issue and an inevitable risk. There is a significant rise in global and local Cyber based attacks, which are increasing in sophistication in terms of technology and social based insertion methods. The Covid-19 pandemic has increased the need to carry out many additional functions virtually and remotely and there are more requests to relax security controls, with services more likely to take risks on the technology they procure and how they use it.</p> <p>Examples of the impact of a Cyber Attack include:</p> <ul style="list-style-type: none"> <li>• Financial fraud related to phishing of executives and finance staff;</li> </ul>	<p>Most attacks leverage software flaws and gaps in boundary defences. Keeping software up to date with regular patching regimes; continually monitoring evolving threats and re-evaluating the ability of our toolset to provide adequate defence'. Ongoing discussion and communication with the Information Security industry to find the most suitable tools and systems to secure our infrastructure.</p> <p>IT&amp;D use modern security tools (e.g. Splunk) to help monitor network activity and identify security threats. These tools have proved their value in preventing and quickly tracing, isolating and recovering from significant malware attacks. IT&amp;D continues to invest in new tools which use AI and machine learning to identify threats by analysing network traffic and patterns for abnormal behaviour. The increasing use of Software As A Service adds additional risk for the user outside of the corporate data centre and core managed platforms, so elements of Cloud Access Security Broker functionality are being looked into but are expensive.</p> <p>Enhancing user awareness - Expanding E-Learning and policy delivery mechanisms to cover Cyber threat, educating staff around the techniques and methods used by active threats and providing GDPR training and workshops to cascade vital skills and increase awareness of responsibilities under Data Protection legislation.</p> <p>ESCC servers moved to the Orbis Primary Data Centre for resilience – An accredited Tier 3</p>

Strategic Risk Register – Q1 2020/21		
Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score
	<ul style="list-style-type: none"> <li>• Loss of Personally Identifiable Information and subsequent fines from Information Commissioner's Office (4% of global revenue under the new General Data Protection Regulations);</li> <li>• Total loss of access to systems that could lead to threat to life.</li> </ul> <p>A successful cyber-attack can shut down operations - not just for a few hours, but rather for multiple days and weeks. The collateral damage, such as information leaks and reputational damage can continue for much longer. Added to that, backup systems, applications and data may also be infected and therefore, of little usable value during response and recovery operations - they may need to be cleansed before they can be used for recovery. This takes time and consumes skilled resources, reducing capacity available to operate the usual services that keep the Council working.</p> <p>Our external technology stack is dependent on vendors ensuring that their products are up to date against the methods employed by internet-based threats.</p> <p>Furthermore, aside from the technical risks - social engineering-based insertion methods (such as legitimate looking emails which trigger viral payloads) are becoming harder to identify and filter.</p>	<p>environment certified to these standards:</p> <ul style="list-style-type: none"> <li>• ISO 27001 - IT Governance and Information Security Management</li> <li>• ISO 9001 - Quality Standard in Customer Service, Customer Processes, Product Process and Service, Efficiency and Continuous Improvement</li> <li>• ISO 14001 - Environmental Management and Best Practices for Corporate Environmental Responsibility.</li> </ul> <p>Disaster Recovery services are similarly relocated in a Tier 3 Data Centre environment (Orbis Secondary Data Centre in Guildford).</p>



Strategic Risk Register – Q1 2020/21		
Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score
4	<p><b>HEALTH</b></p> <p>Failure to secure maximum value from partnership working with the NHS. If not achieved, there will be impact on social care, public health and health outcomes and increased social care cost pressures. This would add pressures on the Council's budget and/or risks to other Council objectives.</p>	<p>Our collective business associated with the East Sussex Health and Social Care Plan and integration programme has been paused since March in order to enable our health and social care system to focus on the management of our urgent response to the Covid-19 pandemic. This has included:</p> <ul style="list-style-type: none"> <li>• Adapting our system governance in order to deliver the emergency response where this has required coordination and grip across the whole system, for example hospital discharge and mutual aid support to care homes.</li> <li>• The production of system plans to support hospital discharge including integrated commissioning of additional bedded capacity, the local response to the DHSC Action Plan for Adult Social Care and the Care Homes Resilience Plan.</li> </ul> <p>We will continue to work as a whole health and social care system to manage existing and new challenges and requirements as they arise from Covid-19 and deliver co-ordinated support across all aspects of social care, and for the Council will be managed alongside significant financial risks that have arisen from the pandemic as we move into second wave planning and winter pressures. Funding arrangements for hospital discharges were initially confirmed from 19th March to 31st July, and local agreements and processes have been agreed via the East Sussex CFO Group and operated without issues to date. NHSE have committed to extend funding to September, with new conditions expected to be published by Friday 17th July, and the local discharge funding arrangements and the transition process will be reviewed in light of this.</p> <p>In May our system started a process to revise our integration programme as we moved into further phases of the Covid-19 response and the wider recovery process. This will take into account the changes due to Covid-19 to integrate the learning and sustain new models of delivery where there are agreed benefits, to produce a revised programme of the critical shared priorities, projects and objectives that will ensure our continued focus on local health and social care system issues. There will be a continual requirement to balance the ongoing need to respond the pandemic with the pace and delivery of transformation, and attention has also been given to programme capacity and the resources needed to support delivery of our shared priorities. The next step will be to develop a framework of realistic programme metrics and resources for the remainder of 2020/21. We have also started to revisit our objectives and next steps for integrated health and social care commissioning for our population to support how we shape and strengthen our East Sussex ICP as both a commissioner and provider of services, in light of the faster more collaborative approach between commissioners and providers emerging as a result of Covid-19.</p>

R



Strategic Risk Register – Q1 2020/21		
Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score
5	<p><b>RECONCILING POLICY, PERFORMANCE &amp; RESOURCE</b></p> <p>Failure to plan and implement a strategic corporate response to resource reductions, demographic change, and regional economic challenges in order to ensure continued delivery of services to the local community.</p>	<p>We employ a robust Reconciling Policy, Performance and Resources (RPPR) process for business planning. We take a commissioning approach to evaluating need and we consider all methods of service delivery. We work with partner organisations to deliver services and manage demand.</p> <p>We take a 'One Council' approach to delivering our priorities and set out our targets and objectives in the Council Plan. We monitor our progress and report it quarterly. Our plans take account of known risks and pressures, including social, economic and demographic changes and financial risks.</p> <p>The Coronavirus pandemic has had, and will continue to have for a long time, profound impacts on our communities and services. We are operating in new, changing and uncertain contexts. We will review and undertake research to track and understand the impacts. We will update and reset our performance targets, priorities, service offers and financial plans, as required, to reflect them.</p>
15	<p><b>CLIMATE</b></p> <p>Failure to limit global warming to below 1.5°C above pre-industrialisation levels, which requires global net human-caused emissions of carbon dioxide (CO2) to be reduced by about 45 percent from 2010 levels by 2030, reaching 'net zero' by 2050 at the latest. The predicted impacts of climate change in East Sussex include more frequent and intense flooding, drought and episodes of extreme heat, as well as impacts from the effects of climate change overseas, such as on food supply. This will lead to an increase in heat-related deaths, particularly amongst the elderly, damage to essential infrastructure, increased cost of food, disruption to supply chains and service provision, and greater coastal erosion.</p>	<p>Climate change adaptation: we are following national adaptation advice, including working with partners on flood risk management plans, a heatwave plan and drought plans.</p> <p>Climate change mitigation: we are continuing to reduce the County Council's own carbon footprint, which was cut by 56% between 2008-9 and 2018-19.</p> <p>The County Council declared a Climate Emergency in October 2019 and committed to achieve net zero carbon emissions from the County Council's own activities as soon as possible, and by 2050 at the latest. A corporate climate emergency plan was agreed by Cabinet on 2nd June. A new post of Climate Emergency Officer has been created to lead on delivering the plan and the new postholder will start on 1st July. A senior Officer climate emergency board has been set up and is holding its first meeting on 3rd July.</p>

Strategic Risk Register – Q1 2020/21		
Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score
14	<p><b>NO TRADE DEAL BREXIT</b></p> <p>Brexit transition period ends with no agreed trade deal or future relationship between the UK and EU leading to disruption. Key areas at risk of disruption are:</p> <ul style="list-style-type: none"> <li>•At Newhaven Port and on the surrounding road network due to new port checks;</li> <li>•In business and economic activity, due to import/export administrative complexities for SME's, supply chain disruption and goods storage, impact of trade tariffs on consumer purchasing power, and workforce supply;</li> <li>•The Covid-19 pandemic response and local outbreak management e.g. through disrupting international supply chains for PPE; and</li> <li>•delivery of Council Services.</li> </ul> <p>The impact of this risk could be heightened should disruption coincide with other events such as an increase in Covid-19 infection rates or extreme weather, which challenges the Council's capacity to respond to events effectively and interrupts recovery of the economy from the Covid-19 pandemic.</p>	<p>Many of the key areas at risk of disruption are already on the Strategic risk register (Covid-19 response, Local Economic Growth) or departmental risk registers and are subject to business as usual risk and business continuity management.</p> <p>The Trading Standards team are working with Environmental Health colleagues to assess the impact of emerging Government border policy on the capacity required to support new border enforcement arrangements at Newhaven Port. Planning will also be informed by the Government Border Group, of which the Director of Communities, Economy and Transport is a member.</p> <p>The Sussex Resilience Forum has run a preparatory exercise on the coincidence of emergency responses to the Covid-19 pandemic and a No Trade Deal Brexit to inform multi-agency emergency planning for the scenario.</p> <p>The Chief Executive is a representative for the South East on the MHCLG group of nine regional chief executives, which provides a direct channel of communication into the Ministry on local and regional issues emerging in advance of the end of the transition period.</p>

R

Strategic Risk Register – Q1 2020/21			
Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	
1	<p><b>ROADS</b></p> <p>Wet winter weather, over recent years has caused significant damage to many of the county's roads, adding to the backlog of maintenance in the County Council's Asset Plan, and increasing the risk to the Council's ability to stem the rate of deterioration and maintain road condition.</p> <p>Covid-19 could lead to an increase in the level of staff sickness, as well as the need for staff to self-isolate/distance. It will lead to a change in our working approach and arrangements, even beyond the length of any Government imposed lockdown.</p>	<p>The additional capital maintenance funding approved by Cabinet in recent years has enabled us to stabilise the rate of deterioration in the carriageway network and improve the condition of our principle road network. However, a large backlog of maintenance still exists and is addressed on a priority basis.</p> <p>The County Council's asset management approach to highway maintenance is maintaining the overall condition of roads, despite recent years' winter weather. However, severe winter weather continues to be a significant risk with the potential to have significant impact on the highway network. The winter of 2019/20 was one of the wettest on record and generated 4 times more potholes for example. The recently approved five-year capital programme for carriageways 2018/19 to 2022/23, and the six-year additional capital programme for drainage and footways 2017/18 to 2022/23 provide the ability to continue to manage condition and build resilience into the network for future winter events.</p> <p>Additional DfT money from 2018/2019 has supported this approach.</p> <p>Remote working has been adopted where possible in response to Covid-19. We are still able to deliver works on the ground adhering to current working restrictions and the carriageway programme is continuing as normal. If working restrictions change, this might impact our ability to deliver. If staff illness increases for either our contractor, sub-contractors or suppliers, this might impact our ability to deliver.</p>	A

Strategic Risk Register – Q1 2020/21			
Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	
7	<p><b>SCHOOLS</b></p> <p>Failure to manage the expected significant reduction in resources for school improvement from 2017/18 and the potential impacts of changing government policy on education, leading to reduced outcomes for children, poor Ofsted reports and reputational damage.</p>	<p>Continue to secure high quality leadership and governance across all our schools, colleges and settings is a high priority for the SLES performance plan. We will:</p> <ul style="list-style-type: none"> <li>•Work with Teaching Schools Alliances and Education Improvement Partnerships to support the development of outstanding leaders.</li> <li>•Work with the existing Academy Chains within East Sussex, including the Diocese of Chichester, to ensure appropriate solutions for schools in East Sussex.</li> <li>•Work in partnership with the National College to increase opportunities for leadership and governance development programmes.</li> <li>•Implement strategies for encouraging headship applicants from outside East Sussex, including supporting schools to place more attractive advertisements and to provide better information on the benefits of living and working in East Sussex.</li> <li>•Accelerate the work to develop partnerships between schools that cannot secure adequate leadership alone and explore the options for closure of schools that are unable to deliver a high-quality education to their pupils.</li> <li>•Secure the establishment and implementation of the Primary Board and delivery working groups within it.</li> <li>•Develop the role of the Secondary Board and Area Groups to review data and other information to identify priorities for improvement, support needs of individual schools and build capacity for school led improvement.</li> <li>• Review of leadership responsibilities and capacity will help respond effectively to changes in the external environment and deliver our refreshed priorities for 2020/21</li> </ul>	A

Strategic Risk Register – Q1 2020/21		
Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score
8	<p><b>CAPITAL PROGRAMME</b></p> <p>As a result of current austerity, the capital programme has been produced to support basic need only and as a result of this there is no resource for other investment that may benefit the County e.g. that may generate economic growth. Additionally, there is a risk, due to the complexity of formulas and factors that impact upon them, or changes in these, that the estimated Government Grants, which fund part of the programme, are significantly reduced.</p> <p>There is also a risk that the move from S106 contributions to Community Infrastructure Levy will mean that Council has reduced funding from this source as bids have to be made to Districts and Boroughs. Slippage continues to occur within the programme, which has an impact on the effective use of limited resources.</p>	<p>The Council has a Capital Strategic Asset Board (CSAB), a cross departmental group consisting of officers from each service department, finance, property and procurement to oversee the development and delivery of the capital programme. Governance arrangements continue to be reviewed and developed in support of the robust programme delivery of the basic need programme. The Education Sub Board, which in part focuses on future need for schools places, continues to inform the CSAB of key risks and issues within the School Basic Need Programme. Regular scrutiny by the CSAB of programme and project profiles (both in year and across the life of the programme) occurs on a quarterly basis.</p> <p>The CSAB also proactively supports the seeking and management of all sources of capital funding, including; grants, S106, CIL and, Local Growth Fund monies. A cross department sub board has been set that oversees the process for bidding for CIL and to the use of S106 funds, and work continues with Districts and Boroughs to maximise the Council's receipt of these limited resources. The impact of Covid-19 provides a risk to external funding that supports the capital programme, with future years capital grants and receipts estimates, CIL and S106 targets at risk of reducing. Officers will proactively monitor funding announcements and seek to minimise the impact on delivery of the capital programme and ensure that there is sufficient liquidity to meet funding requirements.</p> <p>A risk factor was introduced in 2019/20 to acknowledge and address the historic level of slippage in the capital programme, its impact on the financing of the capital programme, and therefore on treasury management activity. Following the creation of the 20-year capital strategy (2020/21 to 2040/41) and the enhanced rigour in the building of the 10-year capital programme (2019/20 to 2029/30), this factor has not been extended to future years. CSAB will continue to monitor slippage and recommend any change should it become necessary. Covid-19 is impacting on the delivery of projects and programmes of work and as a result slippage will increase in 2020/21, to be reported as part of the capital monitoring process overseen by the CSAB. The pressures and issues that Covid-19 has presented are unprecedented and has thrown many of the current planning assumptions off course. Over the summer, services will need to consider if their current targeted basic need investment and capital strategy remain appropriate to support the post Covid-19 service offer and Council Plan.</p>

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Strategic Risk Register – Q1 2020/21			
Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	
9	<b>WORKFORCE</b> Stress and mental health are currently the top two reasons for sickness absence across the Council, potentially leading to reduced staff wellbeing, reduced service resilience, inability to deliver efficient service and / or reputational issues.	<p>The 2020/21 Q1 sickness absence figure for the whole authority (excluding schools) is 1.78 days lost per FTE, an increase of 1.7% since last year.</p> <p>Stress/mental health remains the primary reason for absence, increasing sharply by 106.5% compared to 2019/20 Q1. It is worth noting that Q1 covers the key period of the immediate response to the coronavirus pandemic and lockdown period and it is likely therefore, that the sudden increase since April 2020 is as a result of the Coronavirus situation. This should become clearer in future reports.</p> <ul style="list-style-type: none"> <li>•Almost 100 Mental Health First Aiders have been trained across the organisation and 73 interventions have taken place since November 2019</li> <li>•Employee and Managers Mental Health Guides have been produced alongside a supporting toolkit, campaign video and dedicated resource intranet page</li> <li>•A dedicated Yammer wellbeing campaign to support staff during Covid-19 was launched in March 2020 and continues to run to support staff</li> <li>•Development of a coaching offer to support an approach based on compassionate leadership</li> <li>•A new Stress Awareness Campaign, with supporting resources has been launched</li> </ul>	A
10	<b>RECRUITMENT</b> Inability to attract high calibre candidates, leading to limited recruitment choices and therefore lack of the expertise, capacity, leadership and/or innovation required to deliver services and service transformation.	<p>Following an assessment of our workforce demographics and recruitment and retention 'hotspots', CMT had previously supported the establishment of two workstreams of: 'attracting and recruiting the future workforce' and 'leading the workforce'. Work on these workstreams had progressed well with the intention of specific proposals for action being presented to CMT in April 2020. This was delayed as a result of the Coronavirus pandemic. Before reporting back to CMT, the opportunity will now be taken to incorporate the lessons learned from Covid-19 and the Council's response to it, including new ways of working and new models of service delivery.</p>	A

Strategic Risk Register – Q1 2020/21		
Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score
6	<p><b>LOCAL ECONOMIC GROWTH</b></p> <p>Failure to deliver local economic growth, and failure to maximise opportunities afforded by Government proposal to allocate Local Growth Funding to South East Local Enterprise Partnership, creating adverse reputational and financial impacts.</p>	<p>The County Council and its partners have been successful in securing significant amounts of growth funding totalling £118m, via both the South East and Coast 2 Capital Local Enterprise Partnerships, to deliver a wide range of infrastructure projects in East Sussex. We have also secured outgoing EU funding for complementary economic development programmes supporting businesses to grow, including South East Business Boost (SEBB), LoCASE, SECCADS and inward investment services for the county. We have continued to bid for further EU funding on the above projects and have secured over £4m of investments to be delivered from April 2020 for a further 3 years.</p> <p>Government has withheld a third of all LEPs LGF allocations for 2020/21, which for SELEP equates to approximately £25m pending a review of the deliverability of all the projects within its programme. They subsequently issued a call in mid June for pipeline projects that can create jobs and deliver over next 18 months, and East Sussex submitted over 25 schemes worth over £40m for consideration – we await further details. Furthermore, there are several recent funds including Future High Streets, Stronger Towns Fund and European Social Fund and we have been actively working with partners in developing projects and submitting proposals and await the outcomes.</p> <p>East Sussex have submitted projects for consideration to SELEP for the Growing Places Fund (GPF Round 3) programme and in June both Barnhorn Green (Rother) commercial workspace and medical centre AND the Observer Building in Hastings secured £1.75m each, subject to business case approval.</p> <p>The Covid-19 outbreak in early March 2020 is seemingly changing the funding landscape, having an impact on major funding decisions from Government. We are developing the East Sussex Economy Recovery Plan, and this is identifying deliverable actions in the short term, alongside more aspirational asks. The initial action plan is expected to be presented to Team East Sussex at end of July, and this plan will become an important bidding document.</p>

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**Report to:** Cabinet  
**Date:** 2 October 2020  
**By:** Chief Executive  
**Title of report:** Reconciling Policy, Performance and Resources (RPPR) – Update  
**Purpose of report:** To update Members on the latest policy context, the review of priority and delivery outcomes, the review and reset of the East Sussex Core Offer and the updated Medium Term Financial Plan and capital programme.

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## **RECOMMENDATIONS:**

**Cabinet is recommended to:**

- i. note the updated national policy context and local position as set out in paragraphs 2 and 3 and appendix 1;**
  - ii. agree the updated Council priority outcomes and delivery outcomes as the basis for ongoing planning (appendix 2);**
  - iii. agree the updated East Sussex Core Offer as the basis for ongoing planning (appendix 3);**
  - iv. agree the updated Medium Term Financial Plan as the basis for financial planning (appendix 5); and**
  - v. agree to continue lobbying for a sustainable funding regime to meet the needs of the residents of East Sussex and which recognises the significant impact of COVID-19 on the Council's expenditure and income.**
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## **1. Background**

1.1. In July, Cabinet considered the State of the County report, a key milestone in the Council's Reconciling Policy, Performance and Resources (RPPR) process, its integrated business and financial planning cycle. The report set out the demographic, economic and service evidence base; the national and local policy context; and updates on our medium term financial planning position and capital programme based on the current understanding at that time. It also set out that the COVID-19 pandemic has had a profound impact on our communities and services and created both a need and opportunity for the Council to review our priority and delivery outcomes and the Core Offer, to ensure they remain relevant in the new context we are working in.

1.2. The RPPR process, bringing together our policy, business and financial planning and risk management, provides the vehicle for the Council's service and financial recovery. The process of planning, through RPPR, for 2021/22 and beyond will take into consideration the immediate and future impact of the pandemic, alongside other trends and pressures, to form an integrated forward view and to ultimately translate this into service and financial plans which reflect recovery alongside ongoing work.

1.3. This report sets out our updated understanding of how we will need to reset our service and financial plans to deal with the future, as we continue to live with the reality of a world with COVID-19 and the significant impact this has on people's lives, as well as a fast-moving national policy agenda. In this rapidly evolving context it remains very challenging to quantify future need for services and national expectations for local government and to reflect these in our future service offer and financial planning. The report therefore provides our latest best assessment of the policy and financial context that will continue to inform our planning for 2021/22, and includes:

- updates on key national and local policy context developments since July;
- an update on the review of the Council's priority outcomes and delivery outcomes;
- an update on the review and reset of the East Sussex Core Offer;
- the updated Medium Term Financial Plan for 2021/22-2023/24; and
- updates to the Capital Programme.

## **2. National context update**

2.1. The national context the Council is operating in continues to change rapidly. Since the State of the County report in July there have been a number of national developments which are expected to affect the Council's future work and business and financial planning, although the detailed implications for ESCC are uncertain in many areas. These developments are outlined in appendix 1 and include:

- Launch of the 2020 Comprehensive Spending Review (CSR) – to set Government departments' resource budgets for 2021/22-2023/24, although this will now almost certainly be reduced to 2021/22 only. Government had confirmed that department spending would grow in real terms across the CSR period but that there would be tough choices in areas of spending outside the priorities at the review (which for public services were 'supporting the NHS, taking steps to cut crime and ensure every young person receives a superb education'). The CSR or Spending Review is expected to impact future central government resource allocations for areas of county council responsibility and those of our partners. The future national approach to sustainably funding Adult Social Care remains an urgent issue. The outcome of the Spending Review had been expected to be announced in the Autumn Budget which has since been cancelled. It is understood that a Spending Review will still take place this autumn, but the cancellation of the Budget demonstrates the fast moving and uncertain context we are working in.
- Economic outlook update - the Office for Budget Responsibility published a commentary on public sector finances in August which outlined that the budget deficit has continued to rise sharply with Government borrowing £150.5bn between April and July; public sector net debt is now over 100% of GDP and tax returns for April-July were 31% lower than a year earlier. Although projections vary, a reduction in national economic output (GDP) of around 10% is expected this year. There is evidence of increases in job losses nationally and there is expected to be a further increase following the closure of Government employment support schemes at the end of October, although the Chancellor has announced further employment and business support measures to support

job retention through the winter. Two quarters of negative growth mean the UK economy is now in recession;

- Publication of the Contain Framework – which guides the approach to prevention and containment of local coronavirus outbreaks and the national escalation steps to be taken to augment local activity in areas with outbreaks. Government has also recently reinstated some nationwide restrictions following a national increase in COVID-19 case rates since early September;
- A Devolution and Local Recovery White Paper was due to be published this autumn, although this now seems to be in doubt. It was expected to propose a new phase of local government reorganisation and creation of Combined Authorities as the first step to securing further devolution deals to deliver economic recovery and renewal;
- Launch of the final phase of negotiations on the future relationship with the EU – with a future trading relationship between the UK and EU still to be agreed;
- Publication of the Planning for the Future White Paper – intended to overhaul the planning system, with potential implications for funding and delivery of infrastructure improvements to support housing developments in East Sussex; and
- Publication of the ASC Taskforce Report and ASC Winter Plan – which includes extensive actions for local authorities, the Department for Health and Social Care and the NHS to ensure that high-quality, safe and timely care is provided to everyone who needs it, whilst protecting those that need care, their carers, and the social care workforce from COVID-19 this winter. Many of the actions are already taking place within the East Sussex Health and Social Care System but there are new requirements for ESCC, including to produce an East Sussex Winter Plan by 31 October and complete a care market sustainability self-assessment.

2.2. Further detail and more developments are included at **appendix 1**. We expect the detail of policy changes and the resulting implications for the County Council to become clearer in the coming months and will continue to factor these into planning for 2021/22 and beyond.

### **3. Local position**

3.1. As with elsewhere in the country, East Sussex saw an increase in COVID-19 infections in September, although at a rate slower than the national average. Public Health continually monitor the situation in consultation with health and borough and district partners. The second iteration of the East Sussex Outbreak Control Plan was reported to the Health and Wellbeing Board in September. This included a new escalation framework which set out the points at which local cases or outbreaks may require an escalated response, communications and action with partners. In consultation with local partners, the Director of Public Health agreed East Sussex should move from ‘monitor and contain’ to ‘raised local alertness’ on the escalation framework in September in response to the rising number of cases.

3.2. The pandemic has had a significant effect on the East Sussex economy and labour market, with the latest local data showing:

- nearly 100,000 people in the county were in receipt of government support through the Coronavirus Job Retention Scheme (71,500 claims) and Self-Employment Income Support Scheme (28,000 claims) at the end of July;
- Between March and July, the number of Job Seekers Allowance and Universal Credit (searching for work) claimants in East Sussex more than doubled to 20,000;
- In July, 47% of the East Sussex working age population were claiming Universal Credit, Job Seekers Allowance or receiving support from a Government COVID-19 income support scheme; and
- 10,700 businesses in the county have received grants for small businesses who are experiencing difficulties. There were 22,900 business enterprises in the county in 2019.

3.3. The 100,000 people on furlough or claiming self-employment income support at the end of July represents 31% of the East Sussex working age population. This is above the national average of 29% and indicates that, while levels of unemployment have already increased, there is a risk of further increase when these schemes cease at the end of October. We would expect this to have an impact on future need for council services and Council Tax income revenue. The East Sussex Economy Recovery Plan has been developed within this context and agreed by Team East Sussex to inform urgent work to be delivered over the next 12-18 months to support changes required in response to the pandemic and capitalise on the opportunities it presents for the East Sussex economy.

3.4. For the Council, the period since July has seen our staff and services continue to transition from temporary arrangements put in place during lockdown. We have closely followed public health and Government guidance to ensure that the steps taken are appropriate in the context of continuing to contain the spread of the virus. Changes to ways of working have been based on robust assessment of what is needed to effectively deliver services to residents. Some staff have continued to work from office bases or directly with clients throughout, with appropriate safeguards in place, where this has been essential to maintain services. Where staff have been working remotely as part of containment measures, a return to buildings has been prioritised for services where remote working is not sustainable or as effective. This approach is being kept under review with regular checkpoints. As part of this transition, all departments have also reviewed opportunities to take forward positive outcomes and learning from the new ways of working and new partnerships that have arisen from the local pandemic response. Member meetings have continued to take place online and are being discussed through the Member reference group.

3.5. A renewed Adult Social Care and Health Programme has been established to look at how we can continue to provide social care services to those that need them safely, effectively and efficiently, in light of the changes to working that have been made in response to the pandemic and any lessons learned. The programme will look at all areas of the department's activity to reshape and improve ways of working and will not impact levels of service provided. The programme will run until August 2021 and any financial implications will be included in 2021/22 budget setting. One

of the project workstreams will consider opportunities to work with partners to build on the success of the multi-agency Community Hubs, to build community capacity and prevent escalation of need in East Sussex.

3.6. Orbis continues to support staff to effectively deliver all services that we can remotely to reduce the risk of coronavirus spread. Across the Council we have seen improvements in productivity due to modernised processes and increased flexibility of working. Staff management and new service delivery practices are enabling staff to work in this increasingly flexible way. Opportunities to embed and expand digital technologies and processes that have enhanced service delivery and working processes in lockdown are being explored. There is some indication that the shift to increased remote working and economic uncertainty has increased applications to County Council job vacancies, including previously hard-to-recruit roles.

3.7. Work has also taken place to begin to assess the impact of the pandemic and accompanying economic disruption on future need and service pressures over and above pre-COVID trends in demand. This assessment will be an ongoing process throughout the autumn as the impact continues to emerge. The following will need to be taken into account:

- How people currently on temporary COVID-19 care pathways will translate into ongoing core demand for ASC. This will become clearer as further assessments take place throughout the autumn;
- The support we will need to provide if advice to shield the most clinically vulnerable is re-activated nationally or locally, and the impact of that beyond the current financial year. As set out in appendix 1, a new national shielding framework is expected to require councils to assess and meet the food and other basic needs of Clinically Extremely Vulnerable people if shielding is reactivated at a future date;
- The re-opening of schools is resulting in an increase in referrals of children newly in need. Modelling is taking place to assess the potential for an increase in children in need but understanding the scale of this need and how it will translate into future years will take time and be an iterative assessment;
- We will need to assess the impact of COVID-19 on ongoing work to support mainstream schools to improve families' confidence in local Special Educational Needs Provision; and
- Whether there are longer-term requirements to provide additional Home to School Transport capacity (as outlined in appendix 1) beyond this school term and whether additional grant funding will be provided for this.

3.8. It is clear that we will need to take account of the ongoing reality of COVID-19 in our plans. In the short to medium term we are likely to see new waves of infection which will need services to flex and respond rapidly to changing circumstances once again. The longer-term impacts of COVID-19 will not be felt evenly across our services and are not yet fully clear.

3.9. In this ongoing period of uncertainty it is important that we apply our existing robust political and business planning processes to develop our plans for the short, medium and longer term.

#### **4. Priority and Delivery Outcomes**

4.1. Cabinet agreed in July to review the Council's four priority outcomes and their subsidiary delivery outcomes in light of the changed context, and revise these as needed to ensure the priorities we are working to deliver, and the way we measure the performance of our activities and services, remain appropriate in the changing operating context.

4.2. An expansion of the cross-cutting priority outcome 'making best use of resources' to 'making best use of resources in the short and long term' has already been considered by Cabinet. This reflects the Council's ambitions for carbon neutrality and better reflects that the Council's decisions should be guided by a test priority that we ensure sustainability of our resources, both in terms of money and environmental assets.

4.3. As a result of the review several further amendments to the delivery outcomes which support the four priorities are proposed. The amended outcomes are shown in **appendix 2** with the key proposed changes detailed below.

4.4. Priority outcome: Driving sustainable economic growth –

- A new delivery outcome has been added to reflect the Council's role in supporting local businesses to recover and grow through the delivery of the Economy Recovery Plan in conjunction with partners.
- Delivery outcome 1, relating to employment and productivity rates, has been amended to reflect the changed context – the revised wording reflects the focus on recovery and the aim to maximise employment and productivity rates.
- Delivery outcome 3, on skills and employment, now includes reference to meeting the needs of the future East Sussex economy, recognising the potentially significant shifts in ways of working, differing impacts across sectors and potential new opportunities arising from the COVID-19 pandemic and other developments in the local economy.
- A new delivery outcome has been included to recognise the opportunity to maximise the influence of the County Council's role as a significant employer within the county and a buyer of local goods and services both in terms of supporting local economic recovery and longer term.

4.5. Priority outcome: Keeping vulnerable people safe –

- An additional delivery outcome has been included to reflect the Council's role, working as part of the wider health and care system, to support people affected by COVID-19 to achieve the best health outcomes possible.

4.6. Priority outcome: Helping people help themselves –

- Delivery outcome 9 has been broadened to include vulnerable people of all ages and to better reflect the range of ways in which support is provided.

- Delivery outcome 10 has been re-worded to reflect the opportunity to build on the mutual support systems that have been developed in partnership within communities so that these can continue to support the COVID-19 response, its impacts on people's lives and to help people help each other longer term.

4.7. Priority outcome: Making best use of resources in the short and long term -

- The wording of delivery outcome 12 has been enhanced to reflect the increased strength and long term importance of partnership working across sectors and its role in making best use of all available resources for the benefit of local people.
- Delivery outcome 16 is proposed for deletion as a strategic commissioning approach is now embedded in the Council's ways of working and does not require a specific delivery outcome.

4.8. Whilst other delivery outcomes may not have changed it is important to acknowledge that delivery of some of these will present a significant challenge in light of the increasing needs of individuals, communities and families as a result of the pandemic and its consequences, and uncertainty about the future.

4.9. Cabinet is recommended to agree the updated priority and delivery outcomes attached at **appendix 2** as the basis for ongoing planning for 2021/22 and beyond.

## **5. Core Offer**

5.1. As a consequence of austerity and the requirement to find £138m of savings since 2010, the Core Offer was developed last year to define the Council's minimum reasonable service offer to our residents in this context, and to ensure resources were directed to areas of highest need. The Core Offer represents a level of service below which we should not go in order to meet the needs of residents, not only for the services we provide but to play our part in supporting them in their wider health and wellbeing needs. Savings already planned will take us to the minimum core service offer by 2022/23. Alongside this, the COVID-19 pandemic has brought with it additional roles and expectations for local authorities and changes in demand for existing services.

5.2. We have reviewed whether the activities within the current Core Offer, and the volumes of those activities, are regarded as core to meeting residents' needs in the new operating context. We have considered where local need for services and prioritisation of services have diverted from our current Core Offer as a result of the pandemic and whether the offer should be amended to include these in the longer term. We have also considered if there are existing elements of our Core Offer that are no longer priorities in the new operating context.

5.3. The review has shown that the Core Offer remains largely appropriate as an expression of our minimum locally appropriate service offer to residents in a time of austerity. It continues to reflect our statutory responsibilities, core functions and the range of services required to meet local needs. It includes a commitment to delivering good value for money in all we do. However, in many areas the way in which services are provided has changed and may continue to change, and demand has already increased in some areas, affecting the volume of activity needed to

deliver the Core Offer. The anticipated increase in demand for some services in light of the pandemic and the associated pressures on resources are reflected in financial planning.

5.4. As a result of the Core Offer review some specific changes have been identified to reflect the changed context as shown in **appendix 3**. The key proposed changes are summarised below.

5.5. As one Council

- Additional wording has been included to reflect the preventative focus of work with the voluntary and community sector.
- Wording has been updated to reflect the increasing importance of working within wider systems, for example in health and social care.
- The addition of a new core requirement to respond effectively as an organisation to the impact of COVID-19 and to maximise learning from this response.

5.6. Schools

- Wording has been added to reflect the new core responsibility to address the specific impact of COVID-19 on pupils' progress and outcomes.

5.7. Public Health

- Inclusion of specific wording to reflect enhanced responsibilities in relation to local outbreak planning and response as part of our health protection role.
- Several points relating to the commissioning of specific public health services have been replaced with a single overarching point focused on commissioning public health services to meet needs. This reflects the outcome of the public health review and the strategic commissioning approach to services.

5.8. Cabinet is recommended to agree the updated Core Offer attached as **appendix 3** as the basis for ongoing planning.

## **6. Medium Term Financial Plan**

6.1 It remains difficult to plan for 2021/22 and beyond. The level of Government funding that ESCC will receive between 2021/22 – 2023/24 is yet to be confirmed; Spending Review (SR) 2019 was for a single year and therefore funding for this planning period will be announced at SR20 in the autumn, the date of which is still to be confirmed. Due to the ongoing uncertainty related to the end of the Brexit transition period and COVID-19 it is increasingly likely that there will be a single year SR similar to SR19. Cabinet, at its meeting in November 2019, welcomed the one-off funding of £4.4m that is now rolled into base funding. Additionally, the Fair Funding Review and Business Rate Retention reform have been confirmed delayed until at least 2021/22.

6.2 The Medium Term Financial Plan (MTFP) has been updated to provide a baseline position before further refinement of pressures, including those relating to



Children's Services, the future impact of COVID-19, and reduced income from council tax and business rates. A number of scenarios based on the potential for further funding announcements are set out in section 6.7. For financial planning purposes, the working assumption is that the authority will be conducting business as usual from 1 April 2021. Should there be a loss of income or extra pressures arising in 2021/22 from COVID-19, these will be managed through our normal quarterly monitoring process. The assessment at this stage is for the potential loss of income to be £2.0m whilst cost pressures may be in the region of £1.1m.

6.3 The baseline position includes: (1) Normal updates for regularly calculated adjustments and the additional year 2023/24, summarised at **appendix 4**; (2) Proposed updates following review by CMT via the Pressures Protocol, also summarised at appendix 4; (3) A review of deliverability of approved savings (see section 6.4).

6.4 The deliverability of existing savings plans has been reviewed, and whilst no savings have been identified as undeliverable, there will be slippage of £2.316m of savings into 2022/23 and 2023/24. The detail is set out in **appendix 6**.

6.5 These movements are summarised in the table below and provide a deficit budget position by 2023/24 of £23.860m.

<b>Medium Term Financial Plan</b>	<b>2021/22 £m</b>	<b>2022/23 £m</b>	<b>2023/24 £m</b>	<b>Total £m</b>
<b>Council 11 February 2020 DEFICIT/(SURPLUS)</b>	<b>1.443</b>	<b>7.879</b>	<b>0.000</b>	<b>9.322</b>
Normal Updates (appendix 4)	(2.106)	(1.441)	8.872	5.325
Proposed Updates (appendix 4)	9.895	(0.206)	(0.477)	9.213
Savings Reprofile (appendices 4 & 6)	2.316	(1.074)	(1.242)	0.000
<b>Deficit / (Surplus) AFTER UPDATES TO THE MTFP</b>	<b>11.548</b>	<b>5.158</b>	<b>7.154</b>	<b>23.860</b>

6.6 A detailed MTFP after normal updates and proposed pressures is shown at **appendix 5**.

6.7 As set out above, our known deficit for 2021/22 is £11.5m with an aggregate deficit of £23.9m. However, we know there is uncertainty about future funding allocations. In resetting the MTFP and presenting the budget for 2021/22 and beyond, a number of scenarios have been considered that could impact the possible level of budget deficit that will need to be addressed and these are set out in the table below. Scenario 1 includes potential options for further national funding which have yet to be clarified. For example, is it likely that we will have flexibility to raise Council Tax by a further 1%, will Revenue Support Grant receive an inflationary increase to Baseline Funding levels, and/or is it likely that we will get further one-off funding? If the council receives all of these then our position will reduce to a £3.0m deficit in 2021/22. Further scenarios presented below consider additional possible national announcements and their impacts on ESCC.

Scenarios	Estimate (£m)			
	2021/22	2022/23	2023/24	Total
<b>DEFICIT/(SURPLUS) AFTER NORMAL UPDATES</b>	<b>(0.663)</b>	<b>6.438</b>	<b>8.872</b>	<b>14.647</b>
Total Proposed Updates to the MTFP	12.211	(1.280)	(1.719)	9.213
<b>DEFICIT/(SURPLUS) AFTER PROPOSED UPDATES</b>	<b>11.548</b>	<b>5.158</b>	<b>7.154</b>	<b>23.860</b>
<b>Local Considerations</b>				
New Homes Bonus retain in revenue	(0.252)	0.138	0.114	0.000
<b>DEFICIT/(SURPLUS) AFTER Local Considerations</b>	<b>11.296</b>	<b>5.296</b>	<b>7.268</b>	<b>23.860</b>
<b>Scenario 1, Likely</b>				
<b>Funding announced at SR20 similar to SR19</b>				
Adult Social Care Precept and / or increase in referendum limit @ 1%	(2.983)	(0.068)	(0.070)	(3.121)
Revenue Support Grant (inflationary increase to Baseline Funding level)	(0.935)			(0.935)
One off grant – per previous years	(4.417)	4.417		0.000
<b>DEFICIT/(SURPLUS) AFTER Scenario 1, Likely</b>	<b>2.961</b>	<b>9.645</b>	<b>7.198</b>	<b>19.804</b>
<b>Scenario 2, Less Likely</b>				
Government Funds 2020/21 Business Rates loss	(0.237)	0.237		0.000
		(0.178)	0.178	0.000
			(0.119)	(0.119)
Government Funds 2020/21 Council Tax loss	(2.263)	2.263		0.000
		(1.697)	1.697	0.000
			(1.131)	(1.131)
Increase in referendum limit @ 1%	(2.983)	(0.068)	(0.070)	(3.121)
<b>DEFICIT/(SURPLUS) AFTER Scenario 2, Less Likely</b>	<b>(2.522)</b>	<b>10.202</b>	<b>7.753</b>	<b>15.433</b>
<b>Scenario 3, Unlikely</b>				
Business Rates, Proceeds of Pooling 2021/22	(1.279)	1.279		0.000
Income Guarantee: Government compensation for 75% of losses of income after the first 5%.	tbc			tbc
<b>DEFICIT/(SURPLUS) AFTER Scenario 3, Unlikely</b>	<b>(3.801)</b>	<b>11.481</b>	<b>7.753</b>	<b>15.433</b>

6.8 Although at this point in the RPPR process it is not possible to present a balanced MTFP due to the considerable level of national funding uncertainty and the everchanging requirements to meet the response to COVID-19, there are no plans to seek to identify further savings. Current savings plans (at appendix 6) get the Council to its Core Offer and any further savings would take it below that. Over the coming months, we will work to refine the budget to update for the impact of the Local Government Settlement, in whatever form that takes, whilst reflecting updated assessments of budget pressures, including Council Tax and Business Rates. If there is a deficit on the 2021/22 budget, and in line with our robust financial management policies and procedures, the plan at this point will be to use reserves to mitigate this position until the medium-to-longer term funding position is clarified.

## 7. Capital Programme

7.1 The approved capital programme was reported to Cabinet in July 2020 as part of RPPR State of the County report, where it was agreed that the impact of COVID-19 on the planned programme during 2020/21 would be reported as slippage and/or under/overspend as part of the capital monitoring process. The table below provides an updated programme. These variations including funding updates are detailed at **appendix 7**.

Capital Programme Gross (£m)	2020/21	MTFP Period			2024/30	Total
		2021/22	2022/23	2023/24		
<b>Approved Programme as at State of the County</b>	<b>96.889</b>	<b>69.391</b>	<b>59.285</b>	<b>51.688</b>	<b>293.076</b>	<b>570.329</b>
Updates to the programme	0.535	1.982	-	-	-	2.517
<b>Revised Programme</b>	<b>97.424</b>	<b>71.373</b>	<b>59.285</b>	<b>51.688</b>	<b>293.076</b>	<b>572.846</b>

7.2 As part of the RPPR process, service finance and departmental capital teams will complete a capital programme refresh as part of the Quarter 2 monitoring process which will be formally used to provide a realigned capital programme. There have been no revisions to the capital targeted basic needs proposals to support post COVID-19 service offer at this stage.

## 8. Lobbying and Communications

8.1. Work has been ongoing over the summer to understand the impact of COVID-19 on East Sussex residents through a range of both open access and targeted surveys, research and engagement. We received over 10,000 responses to an online survey open to all residents and held telephone interviews with a sample of 1,000 residents designed to ensure we heard from a representative cross-section of the local population.

8.2. Residents responding online identified improving the local economy as their top priority for the future, whereas respondents to the phone survey placed stronger public services at the top of their list. The uneven impact of the pandemic was reflected in research findings with around a third of online respondents feeling closer to their community, whereas around a quarter felt more distant. Almost a third (31%) of telephone interviewees had seen household income somewhat reduced, with a further 10% indicating their income had been greatly reduced as a result of the pandemic. A third of respondents expect they will need public services more than before COVID-19 over the next 12 months. A third of people expect that public services will have fewer resources to help them, whereas a third expect services to be resourced at about the same level as now. Looking at how the pandemic may change future behaviour, nine in 10 people expect to do more tasks and interaction online, six in 10 intend to do more to reduce their environmental footprint and more than half say their main focus will be on increasing their or their family's income. Findings from this research will feed into the evidence base that informs our planning for 2021/22 and our ongoing lobbying.

8.3. We are doing all we can, in the context of significant uncertainty, to understand and plan to meet local need, but we greatly need assurance we will have

sufficient funding to deliver all that is required to support local residents and businesses in the wake of the pandemic; and deliver an ambitious local and national recovery agenda in the future. We also urgently need a sustainable long term settlement for Adult Social Care, where demand is increasing year on year against a background of diminishing resources. While proposals for longer term reform of social care are still awaited, assurance that the short term support provided in 20/21 will be at least matched in 21/22 is a minimum requirement now.

8.4. South East 7 Leaders have written to the Chancellor this summer to set out the urgent need for certainty that in-year pressures from coronavirus will be met and that we will have adequate funding provision next year. The Leader and Chief Officers have also worked to help Government Departments evidence local government spending need in support of their submissions to the Comprehensive Spending Review and to explain the cost of not adequately funding councils in the current context. Lobbying will continue concerted in partnership with others, including our local MPs, in the autumn.

## **9. Next Steps**

9.1. This report demonstrates the high level of uncertainty within which planning for 2021/22 is taking place and the scale of the challenge we face. Much is to be determined around national spending allocations and priorities for 2021/22 onwards, and the impact of the coronavirus pandemic and economic upheaval on our services is still emerging. National government will be looking to local government to support the ongoing COVID-19 response and economic and social recovery, as well as delivering significant reform in a range of areas. We need certainty as early as possible that we will receive an adequate level of funding next year to enable focus on this work. We will redouble our lobbying efforts to ensure absolute clarity of this message to Government.

9.2. Work will continue throughout the autumn and winter to understand the impacts on our residents and services of the coronavirus pandemic, the detailed funding picture as it emerges and the implications of national policy developments. This analysis will feed into our ongoing business and financial planning.

9.3. Subject to agreement by Cabinet, the Council's updated priority and delivery outcomes, Core Offer and Medium Term Financial Plan will be used as the basis for more detailed business and budget planning for 2021/22 and beyond.

9.4. Members will continue to be involved in developing plans through Cabinet, County Council, Scrutiny Committees, Whole Council Member Forums and specific engagement sessions throughout the 2020/21 RPPR process.

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

**Policy Outlook Update – October 2020****1. Introduction**

1.1. There have been a number of national developments since the local and national policy outlook was reported to Cabinet in July that are expected to have implications for the County Council's future work and business and financial planning. These are detailed below.

**2. Overall Context****Containing and managing local coronavirus outbreaks**

2.1. Government launched a national COVID-19 Contain Framework in mid-July, which set out how NHS Test and Trace and the Joint Biosecurity Centre (JBC) will work with local authorities, Public Health England (PHE) and the public to contain and manage local COVID-19 outbreaks. The framework provided further guidance on roles, responsibilities and powers of Upper Tier Local Authorities (UTLA) in managing local outbreaks, following publication of Local Outbreak Management Plans by all UTLAs in June. Government has allocated funding to UTLAs to support development and delivery of these plans. ESCC has received £2.5m which will be used to support implementation of the East Sussex Local Outbreak Control Plan approved by the Health and Wellbeing Board in July. The move to localised management of outbreaks is part of the Government's strategy to undertake a targeted response, employ smarter restrictions and limit nation-wide restrictions as far as is possible to manage the pandemic. Government has reinstated some nation-wide restrictions following a national increase in COVID-19 case rates since early September.

2.2. A range of indicators are monitored to provide situational awareness of COVID-19 transmission and prevalence across England. The indicators used fall into four primary groups: PHE and NHS Test and Trace data (e.g. the number and rate of increase of positive cases and the number of outbreaks in an area), syndromic surveillance (e.g. increase in NHS111 calls regarding COVID-19 like symptoms), NHS activity (e.g. hospital admissions for COVID-19), and other indicators (e.g. mortality data). Detailed local data on the above indicators is now shared with local public health teams.

2.3. These indicators are used to assess the level of risk in each area and are the basis of PHE's weekly surveillance reports, which include a watchlist of areas with higher-than-average incidences of COVID-19. Areas are placed in one of three 'escalation categories' if it is deemed additional resource or approaches are required to augment local responses. Escalation categories are:

- areas of concern - UTLAs work with partners, supported by regional PHE and NHS Test and Trace resource, to take additional actions to manage outbreaks and reduce community spread of the virus to more normal levels.
- areas of enhanced support – area provided with increased national support, capacity and oversight, including additional resources deployed to augment the local teams where this is necessary.
- areas of intervention - are defined where there is divergence from the lockdown measures in place in the rest of England because of the significance of the spread of COVID-19. There are a range of non-pharmaceutical interventions available to local and national leaders, from extensive communications and expanded testing, to restrictions on businesses and gatherings.

2.4. A number of areas across the country have been placed in the above categories over the summer. The interventions taken in each place has varied according to local

circumstances and the national support available to augment local arrangements continues to develop. In August it was announced that councils in areas of intervention would be expected to reach consensus and bring forward proposals, informed by case data, on the geography that should be included in the area of intervention. The intention is that areas with lower rates of infection are not subject to restrictions unnecessarily.

2.5. Supplementary to the Contain Framework, publication of a COVID-19 Shielding Framework is expected to inform local authority planning to support Clinically Extremely Vulnerable (CEV) individuals in the event that shielding guidance is reintroduced on a local or national basis. Any decision to reintroduce shielding will be taken at a national level, and the framework is expected to set out that in the event this happens councils will now be responsible for assessing the food and basic support needs of CEV individuals and facilitating delivery of that support. Funding to support councils in assessing and meeting these needs is anticipated but details are to be confirmed.

2.6. There is now a legal requirement for people to self-isolate when they test positive for COVID-19 or are instructed to by NHS Test and Trace. New fines have been brought in to enforce the requirement. People on lower incomes who cannot work from home and have lost income as a result of being asked to self-isolate will receive a payment of £500, administered via local government. The Department for Health and Social Care (DHSC) and Ministry for Housing, Communities and Local Government are engaging with local authorities on how this will work in practice.

### Economic Outlook

2.7. In April, the Office for Budget Responsibility (OBR) assessed the potential impact of coronavirus on the UK economy and public finances. The OBR updated the analysis in July to take account of Government's announcement of lifting lockdown restrictions. The analysis provided three medium-term scenarios for the economy and in all scenarios a reduction in GDP of over 10% was projected for 2020. In August, the OBR published further commentary on public sector finances:

- Public Sector Net Borrowing (the budget deficit) has continued to rise sharply with £150.5bn borrowed between April – July 2020;
- Public Sector Net Debt had topped £2tn for the first time and was 100.5% of GDP in July;
- HMRC cash receipts for the first four months of 2020/21 were 31% lower than a year earlier, with VAT accounting for the bulk of deterioration due to the Government's deferral scheme and lower consumer spending; and
- Central Government spending was 36% higher than a year earlier reflecting the cost of the coronavirus job retention and self-employment income support schemes, plus higher public services spending.

2.8. Similar forecasting by the Bank of England has indicated GDP will shrink by 9.5% this year, less severe than previously forecast, but that unemployment could almost double to 7.5% by the end of 2020. Latest figures published by ONS indicate that 695,000 fewer employees were on UK payrolls in August than in March; and there was a large drop in employment of 16 – 24 year olds between May and July (decreased 156,000), while there was a combined increase in employment on the previous quarter for those aged 25 – 64. The end of the Coronavirus Job Retention Scheme (furlough) and Self-employment Income Support Scheme on 31 October is expected to contribute to further job losses nationally, although the Treasury has announced further employment and business support measures to support retention of jobs through the winter. Other ONS figures released in August demonstrated that the UK economy is officially in recession following two quarters of negative GDP growth.

2.9. The second report of the House of Commons Treasury Committee's inquiry into the economic impact of coronavirus looked at the national challenges of economic recovery and found them to be maintaining recovery of consumer confidence and spending, including potentially through a second wave; minimising long-term unemployment increases while enabling sufficient labour flexibility to allow structural change and movement from shrinking to growing sectors; dealing with elevated levels of corporate debt; and, in the long term, managing Government debt sustainably.

#### Comprehensive Spending Review and Autumn Budget

2.10. Government launched the 2020 Comprehensive Spending Review (CSR) at the end of July to set Government departments' resource budgets for 2021/22-2023/24 and capital budgets for 2021/22-2024/25. Given ongoing uncertainty around COVID-19 and the end of the Brexit transition period, it is highly likely this will now be reduced to a spending review for 2021/22 only. The following priorities have been set for the review:

- strengthening the UK's economic recovery from COVID-19 by prioritising jobs and skills
- levelling up economic opportunity across all nations and regions of the country by investing in infrastructure, innovation and people – thus closing the gap with our competitors by spreading opportunity, maximising productivity and improving the value add of each hour worked
- improving outcomes in public services, including supporting the NHS and taking steps to cut crime and ensure every young person receives a superb education
- making the UK a scientific superpower, including leading in the development of technologies that will support the government's ambition to reach net zero carbon emissions by 2050
- strengthening the UK's place in the world
- improving the management and delivery of our commitments, ensuring that all departments have the appropriate structures and processes in place to deliver their outcomes and commitments on time and within budget

2.11. Government confirmed that department spending would grow in real terms across the CSR period but that there would be tough choices in areas of spending outside the above priorities at the review. Government departments have been asked to identify opportunities to reprioritise and deliver savings. The CSR consultation closed on 24 September.

2.12. The Autumn Budget 2020 was expected to confirm the CSR/Spending Review outcome and Government's longer-term fiscal plans. The Autumn Budget has now been cancelled but it is understood that a Spending Review will still take place this autumn.

#### Devolution and Local Government Reorganisation

2.13. Government committed in the December 2019 Queen's Speech to publish an English Devolution White Paper to 'unleash the potential' of all English regions by increasing the number of mayors and doing more devolution deals across 'functional economic areas' to level up powers and investment.

2.14. A Devolution and Local Recovery White Paper was expected to be published this autumn, although that is now in doubt. The paper was expected to propose a new phase of local government reorganisation and creation of Combined Authorities as the first step to securing further devolution deals to deliver economic recovery and renewal.



### End of EU Exit Transition Period

2.15. Agreements on the future relationship between the EU and UK following the end of the transition period on a range of matters - including trade, security and control of fishing waters - are still to be agreed. On 7 September, the Prime Minister made a statement to open the final phase of negotiations with the EU in which he said that an agreement on trade must be reached by 15 October for the new relationship to be agreed in time. If an agreement is not reached, future trade with the EU will take place under World Trade Organisation rules from the end of the transition period on 31 December. There is a risk that ending the transition period without an agreed relationship between the UK and EU could result in disruption at Newhaven Port, in the local economy, to the coronavirus response and in delivery of the council's services and this has been captured on the Council's Strategic Risk Register.

2.16. Government is undertaking preparations for the end of the transition period. Plans for a post-transition Border Operating Model were published in July which set out that the Government has taken the decision to introduce the new border controls in three stages up until 1 July 2021. Government is also making plans for inland ports. A Border Facilities and Infrastructure (EU Exit) Special Development Order was laid in Parliament in early September to provide Government with emergency and temporary planning permission for the development of inland border facilities and associated infrastructure. 29 administrative areas in England were listed in the order, including East Sussex, although HMRC have confirmed they are not currently planning arrangements within East Sussex. The Trading Standards team are monitoring developments to understand regulatory requirements following the transition period and to ensure there is sufficient capacity to meet new demands for enforcement and business advice.

## **3. Adult Social Care and Health**

### Adult Social Care Taskforce Report and ASC Winter Plan

3.1. Earlier this year, Government established an ASC Taskforce to oversee delivery of support to the social care sector in its response to COVID-19; and of the Department for Health and Social Care (DHSC) Social Care Action Plan. As part of its work, the Taskforce was commissioned to advise the Minister of State for Social Care on what needed to be in place in the care sector in England to respond to COVID-19 ahead of winter. The final report of the Taskforce includes 52 recommendations for Government, local authorities, the NHS and others within the health and social care system. We are working through the recommendations with our partners across the local health and social care system.

3.2. The Taskforce recommendations have informed Government's ASC Winter Plan, published in September, setting out its ambitions for and challenges facing the social care sector this winter. The plan outlines actions DHSC is taking and actions local systems (councils, the NHS and Voluntary and Community Sector) should take to ensure that high-quality, safe and timely care is provided to everyone who needs it, whilst protecting people who need care, their carers and the social care workforce from COVID-19.

3.3. The plan outlines a wide-range of actions that local systems and DHSC are already taking to provide care while reducing transmission of COVID-19. Further actions the plan outlines DHSC is taking include:

- working up a designation scheme with the Care Quality Commission (CQC) for premises that are safe for people leaving hospital who have tested positive for COVID-19 or are awaiting a test result – although it will remain councils' responsibility to provide alternative accommodation in local systems for supporting people with a positive test result requiring care;



- providing free PPE (for COVID-19 needs in line with current guidance) to care homes and domiciliary care providers via the PPE portal until the end of March 2021;
- providing free PPE to local resilience forums (LRFs) who wish to continue PPE distribution, and to local authorities in other areas, to distribute to social care providers ineligible for supply via the PPE portal, until the end of March 2021;
- working with local authorities and the CQC to strengthen their monitoring and regulation role to ensure infection prevention and control procedures are taking place;
- publishing a new online Adult Social Care Dashboard, bringing together data from the Capacity Tracker and other sources;
- publishing information about effective local and regional protocols and operational procedures based on what we have learnt so far to support areas with local outbreaks and/or increased community transmission; and
- in partnership with the Association of Directors of Adult Social Services and Local Government Association, carrying out a Service Continuity and Care Market Review in the autumn to understand the robustness of the plans local authorities have in place, and what additional support may be needed.

3.4. The primary new and additional actions for ESCC resulting from the plan are:

- to put in place an East Sussex Winter Plan building on existing planning, including the East Sussex Local Outbreak Plan and in the context of planning for the end of the Brexit Transition Period, by 31 October;
- provide free PPE to care providers ineligible for the PPE portal (supplied by DHSC) when required (including for personal assistants) directly until March 2021;
- to work with local partners to carry out learning reviews after each care home outbreak to identify and share lessons learned;
- to ensure care providers carry out testing as set out in the testing strategy and, together with NHS organisations, provide local support for testing in adult social care if needed;
- for the Director of Public Health to regularly assess of whether visiting care homes is appropriate, taking into account the wider risk environment and immediately moving to stop visiting if an area becomes an 'area of intervention' (see 2.3 above), except in exceptional circumstances such as end of life;
- to work alongside the Care Quality Commission to ensure care homes are taking necessary steps to prevent spread of the virus and follow up with care providers that are not limiting staff movement; and
- establish a weekly joint communication from the Director of Adult Social Care and Health and Director of Public Health to go to all local providers of adult social care.

3.5. Government has also requested all councils complete a care market sustainability self-assessment. This will be reported to the Minister of Care, through DHSC. The Minister is seeking assurance that care markets are sustainable though the winter period and where this cannot be provided the intention is to provide support to councils to address any identified challenges.

3.6. Government has committed to continue to engage across the sector to understand needs as they develop throughout the winter and provide appropriate support. We will continue to engage and emphasise the need for a sustainable funding settlement for social care, that reflects the scale of investment made in the NHS, and the need to limit self-assessment/ assurance/ Government reporting to free-up fundamental capacity to deliver.

3.7. Government has provided a second £546m tranche of Infection Control Funding, to be distributed by councils to care providers, to support delivery of the plan. The East Sussex allocation, conditions of this funding and reporting requirements are to be confirmed, but as with the first tranche, the expectation is the funding will help providers with the extra costs of

infection prevention and control measures – including the payment of care workers who are self-isolating in line with government guidelines. We anticipate central designation of what proportion of the funding is provided to which parts of the care market. £588m has also been provided for the NHS to support people needing additional follow-on care after they have been discharged from hospital. From September 1 – 31 March 2021, the NHS will fund up to the first six weeks of support following hospital discharge, during which assessments will be carried out to determine ongoing care and funding arrangements.

#### National Institute for Health Protection and future of population health improvement

3.8. Government has announced the creation of a National Institute for Health Protection (NIHP) to advance the country's response to the COVID-19 pandemic and any future pandemics and health threats. The NIHP brings together Public Health England's health protection functions, NHS Test and Trace and the Joint Biosecurity Centre under a single leadership team in its shadow form.

3.9. Government has published a paper providing detail on the transition to the new NIHP, as well as scoping plans for the future of the health improvement/ preventative functions PHE also currently has responsibility for. The paper confirms prevention of ill health remains a national priority and PHE will continue its health improvement and wider prevention work in the coming months under the leadership of the NIHP. In this time Government will consider the best future arrangements for work on health improvement, including the range of non-health protection functions PHE provides, engaging with representatives across the public health system.

3.10. The paper outlines a number of options under consideration, including:

- devolving functions to a more local level such as local authorities and/or integrated care systems
- creating a separate national organisation dedicated to driving progress on prevention, health improvement and, potentially, public healthcare services
- retaining health improvement responsibilities within DHSC and/or other government departments
- embedding health improvement responsibilities into existing health arm's length bodies such as NHS England and NHS Improvement
- a combination of the above options

3.11. A new Population Health Improvement Stakeholder Advisory Group has been established to advise Government on the options, and input into an options paper to be published in October. This will provide an opportunity for stakeholders to share views and we will consider the proposals and respond. The national budget of the NIHP and for future health improvement activities will be agreed in the Spending Review. Government intends to publish its final recommended approach and delivery plan by the end of 2020.

## **4. Children's Services**

### Support to schools

4.1. Pupils returned to schools and colleges at the start of September with education settings putting a 'system of controls' in place to keep students and staff safe, focussed around minimising direct contact and maintaining social distancing wherever possible.

4.2. Education settings re-opened in places subject to local restrictions and Government has been clear that re-introduction of restrictions on education and childcare settings is to be considered only once all other possible measures have been taken. A tiered system of

restrictions has been established to guide the phased introduction that would take place in circumstances where areas that are subject to national intervention require some level of restriction to education or childcare settings. Tier 1 restrictions apply to all areas subject to local intervention; all schools remain open but with a requirement for adults and pupils in settings educating years 7 and over to wear face coverings in communal areas where it is not possible to socially distance. Guidance has been provided to support settings to plan for how they would implement tier 2 restrictions - moving to a rota model, combining on-site provision with remote education - if required. Tiers 3 and 4 involve further limiting students attending on site in different education settings.

4.3. There has been an increased expectation on councils to support schools this year; with partial closure, with providing places for vulnerable children and children of keyworkers in lockdown, with provision of remote learning in lockdown, and recently with making preparations to re-open. In this new context, the focus of the Standards and Learning Effectiveness Service for the 2020/21 academic year will be on:

- Planning, preparation and support for schools in potential local lockdowns – see 4.2 above;
- Increased support for vulnerable pupils, including safeguarding, addressing learning loss and ensuring attendance;
- Ongoing co-ordination of services for schools;
- Managing the impact of COVID19 on early years providers and ensuring that we maintain sufficient places for the future; and
- Supporting young people into Education, Employment and Training during a period of rising unemployment and economic downturn that will disproportionately impact 18-24 year olds.

#### Home to School Transport

4.4. In the summer, national guidance was published on transport provision to support the return of schools and colleges in September. This set out that as capacity on public transport is limited, local authorities needed to put in place local demand management solutions for public services, and supplement the public bus network, and existing home to school transport, with additional capacity, to ensure that children could travel to school safely, and disruption for all passengers on the public network was minimised. The Transport Team made arrangements to support school returns accordingly, including working with operators to ensure sufficient provision on the network of bus services used by school children travelling to schools in East Sussex and to other neighbouring authorities.

4.5. The County Council has been allocated £464,596 by the Department for Education (DfE) to assist in securing additional transport capacity until the end of the October school term. There is uncertainty about the resource we will have for additional capacity after this period. All Chief Finance Officers have been asked by DfE to account for use of the funding provide to date, to inform a second tranche of funding for the second half of this term.

#### Ofsted Inspections

4.6. Ofsted has announced interim inspections arrangements for a range of settings:

- Ofsted and CQC will begin visiting councils in October to understand the impact of the pandemic on children and young people with SEND and their families. They will look to find out what has worked well for them during this time, what the challenges have been, and lessons learned;
- As part of a phased return to the Inspection of Local Authority Children's Services (ILACS) programme, Ofsted will be carrying out focused visits from the autumn. Inspectors will look at the experiences of children and how local authorities and providers have made the best possible decisions for children in the context of the pandemic. For

councils, this includes how they have joined up schools and social care services while schools were closed, to ensure vulnerable pupils continued to be identified. Ofsted is intending to visit as many providers and local authorities as possible, prioritising those it has concerns about (i.e. an area of priority concern or judged inadequate). Ofsted will also visit a sample of local authorities judged good or outstanding at their last inspection to identify good practice that will help others with their recovery plans, which could include ESCC;

- Assurance visits of social care provider's children's homes, secure homes and residential special schools will take place from 1 September 2020 – 31 March 2021 and will look at the experiences and progress of children and young people, taking into account the Covid-19 context;
- Ofsted will be undertaking interim visits of registered early years providers from September to ensure standards are being maintained and there is safe and effective childcare available for all who need it; and
- Interim visits of maintained schools and academies will take place from 28 September to December to look at how leaders are managing the return to full time education for their pupils, including considering remote learning and safeguarding in line with the guidance for full re-opening.

4.7. With all inspections, Ofsted will not give graded judgements but will set out findings in a published report/letter setting out what is going well and what needs to improve.

#### Unaccompanied Asylum Seeking Children

4.8. There has continued to be an increase in asylum seekers and Unaccompanied Asylum Seeking Children (UASC) entering the country in recent months, particularly in Kent. As a result, in August, Kent County Council declared it could no longer safely accept UASC into its care.

4.9. In response, the Home Office has launched a consultation on introducing a more sustainable National Transfer Scheme (NTS). The focus is on creating a sustainable rota system that will take account of the broader range of support local authorities provide across the whole of the asylum system, including to care leavers and the dispersed population. This will include a broad and comprehensive approach to look at all the issues facing local authorities hosting the greatest number of UASCs – particularly those that are over their 0.07% allocation (i.e. UASC make up more than 0.07% of the total child population) and those with significant numbers of former UASC care leavers.

4.10. The consultation is seeking views on:

- how the Home Office might implement a voluntary transfer system and what the barriers might be for local authorities;
- the need for a mandatory scheme to force those local authorities who have been less willing/ able to engage in the NTS; and
- including care leavers in the 0.07% ratio

4.11. ESCC already works closely with the scheme and has taken a number of new arrivals via NTS. Our willingness to continue to work with the NTS will not change. There will however be implications in terms of planning for increased numbers of new UASC admitted into care at certain times of the year to reflect our place on the rota set against the number of spontaneous arrivals that we receive outside of the scheme as a local authority with a port of entry. At the moment, we are able to balance the impact of assuming responsibility for young

people via the NTS and to sequence placements in a way that delivers good and safe outcomes for UASCs.

4.12. Whether the scheme continues to be voluntary or mandatory will arguably have a significant impact on the numbers and timing of young people who the Council is asked to take but a mandatory scheme would spread the requests more equitably. Including care leavers in the 0.07% ratio seems a sensible step given the ongoing commitment to that group of young people.

## **5. Communities, Economy and Transport**

### Planning for the Future White Paper

5.1. Published in August, the White Paper is open for consultation until the 29 October and proposes a fundamental reform of the planning system. The proposed reforms are heavily focussed on housebuilding and driven by the Government's clear aim of delivering a minimum of 300,000 new houses per annum. The paper proposes simplifying the role of Local Plans to focus on identifying land under three categories –

- Growth – areas suitable for sustainable development, and where outline approval for development would be automatically secured for forms and types of development specified in the Plan;
- Renewal - areas suitable for some development; and
- Protected - areas where development is restricted.

5.2. The White Paper sets out a vision for a reformed planning system so further detail will be required to fully understand the implications for ESCC. Whilst the reforms are likely to have a greater impact upon our District and Borough partners (as well as the South Downs National Park Authority), there are potentially significant implications for the County Council, particularly where we perform a statutory consultee role and/or are a key infrastructure provider. These implications include:

- Reforms to capture development value for infrastructure provision – it is proposed to replace Section 106 agreements and the Community Infrastructure Levy with a national Infrastructure Levy to be paid on completion of developments. Government acknowledge that this may impact on the ability to get new and improved infrastructure in place before developments are occupied and therefore suggest that councils consider forward funding the necessary infrastructure improvements. If this materialises, the implications on the County Council will be substantial as it could involve the need to forward fund and deliver infrastructure improvements ourselves. We would encourage Government to consider an alternative mechanism to deliver transport improvements that make development sites viable in transport terms;
- Abolition of the Duty to Cooperate – while broadly welcomed as it has been an ineffective mechanism for undertaking strategic planning nationally, the paper has not set out how cross-boundary planning issues will be addressed or how reforms will enable planning for large-scale and cross-boundary infrastructure proposals linked to housing and employment growth;
- Commitment to review resourcing of planning functions – while welcome, it is essential that this also considers the resourcing that is required for statutory consultees in the planning process;
- the White Paper has no mention of waste and minerals planning, so clarification is needed as to how the reforms will impact upon this particular sector of planning, for which ESCC has responsibility; and

- further digitation of the planning system – this is welcome and a change authorities have been working towards.

5.3. ESCC's draft response to the White Paper will be considered by Lead Member for Transport and Environment, and in addition to the above points, will seek clarity and further detail on a number of areas; emphasise the need for the system to enable ESCC to continue delivering important public services, i.e. new school places; and that the system needs to be underpinned by democratic oversight and accountability for decisions.

5.4. Alongside the White Paper, the Government also published a consultation on changes to the current planning system. The majority of changes are unlikely to directly impact upon the County Council. However, of most significant consequence is the proposed revised formula for calculating the housing delivery target that each planning authority should aim to plan for, which if taken forward is likely to increase the demand on the Council's statutory consultees and those services tasked with planning and delivering infrastructure.

#### Pavement parking consultation

5.5. The Department for Transport has launched a consultation which will explore proposals to ban pavement parking in England. The Department for Transport is looking at three options: improving the Traffic Regulation Order process, under which local authorities can already prohibit pavement parking; legislative change to allow local authorities with civil parking enforcement (CPE) powers to enforce against 'unnecessary obstruction of the pavement'; and legislative change to introduce a London-style pavement parking prohibition. The consultation will run until late November. The decision to allow authorities with CPE powers to enforce the obstruction would have implications for ESCC as we undertake civil parking enforcement in Hastings Borough, Lewes District and Eastbourne Borough and anticipate the order enabling CPE in Rother to be in place from 29 September.

#### Integrated Review

5.6. The Cabinet Office is currently undertaking an Integrated Review of Security, Defence, Development and Foreign Policy. Part of the review will consider national resilience and changes required to deliver resilient places and communities, including the future of Local Resilience Forums. Sussex Resilience Forum will be engaging in the review and making the case for the need for core funding for LRFs, particularly given their role in the COVID-19 response.

### **6. Support Services**

#### Public sector exit payments

6.1. In April 2019, Government published a consultation seeking views on regulations implementing a £95,000 cap on exit payments in the public sector. In September, Government published a further consultation seeking information on

- the effects that the proposals for reform will have on the regulations which currently govern exit payments in local government; and
- the impact the proposals will have on the local government workforce.

Full details of the regulations and how they will operate in practice are not yet known as they are subject to the latest consultation, although Treasury regulations to implement the cap have already been introduced to Parliament. However, it is expected that they will have significant implications for how we manage workforce change and reform.

[Proposed changes in red]

### The Priority Outcomes

The Council has four overarching priority outcomes: driving sustainable economic growth; keeping vulnerable people safe; helping people help themselves; and making best use of resources **in the short and long term**. Making best use of resources **in the short and long term** is the gateway priority through which any activity and accompanying resources must pass.

For each priority outcome there are specific delivery outcomes. These are referenced to performance measures in this Portfolio Plan.

#### Driving sustainable economic growth - delivery outcomes

**NEW:** East Sussex businesses are supported to recover and grow through the delivery of the Economy Recovery Plan

1. The county's employment and productivity rates are ~~high throughout the county~~ **maximised**
2. Individuals, communities and businesses thrive in East Sussex with the environmental and **social** infrastructure to meet their needs
3. The workforce has and maintains the skills needed for good quality employment **to meet the needs of the future East Sussex economy**

**NEW:** The value of our role as both a significant employer and a buyer of local goods and services is maximised

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

#### Keeping vulnerable people safe - delivery outcomes

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

**NEW:** We work with the wider health and care system to support people affected by Covid-19 to achieve the best health outcomes possible

#### Helping people help themselves - delivery outcomes

8. Commissioners and providers from all sectors put people first when providing services and information to help them meet their needs
9. The most vulnerable ~~adults~~ **adults** get the support they need to maintain their independence and this is provided at or **as** close to home **as possible**
10. ~~Individuals and communities are supported and encouraged to be responsible, help others and make the most of community capacity and assets~~ Through our work with others, individuals and communities are encouraged to maintain and develop local mutual support systems

## **Making best use of resources in the short and long term - delivery outcomes**

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



## East Sussex County Council's Core Offer

[Proposed changes in red]

### ***As one council***

We will:

- be driven by the needs of our residents, businesses and communities and focus on our four priority outcomes;
- be democratic, open and honest about our decision making;
- work with all our partners to make sure there is a shared view of priorities and that we make the most of opportunities and resources available in East Sussex;
- work effectively with the community and voluntary sector, **including to avoid the need for statutory services**;
- work well as a single organisation **and within wider systems**;
- provide the best quality service we can within the resources we have available;
- compare our cost and performance against others to make sure we provide value for money;
- learn from others to improve outcomes for residents;
- ensure that as much money as possible is directed towards front line services;
- lobby hard to protect and promote the interests of East Sussex.
- **respond effectively and flexibly to the impact of Covid-19 on our services and communities and ensure we harness opportunities to do things differently in the longer term.**

### ***Customer Service***

We will:

- respond to formal complaints and statutory information requests;
- seek to provide information and services online wherever possible.

### ***Protecting and supporting vulnerable people***

#### **Children at risk**

We will:

- provide a statutory social care offer to safeguard children at risk of harm. This includes: protecting children; looking after children who are in care, helping care leavers become successful adults and managing efficient and effective **residential**, fostering and adoption services;
- we will provide an Early Help Service for 0-19 year olds where it helps us manage the demand for higher cost services, including an integrated service with Health Visitors for 0-5 year olds;
- we will work with partners to prevent young people from offending and to respond effectively when they do.

#### **Special Education**

We will:

- carry out statutory assessments of children with Special Education Needs (SEN), where there are significant barriers to learning;
- use our best endeavours to secure the right educational provision for those with the greatest need;

- fulfil our statutory duties to safeguard and promote the welfare of disabled children who meet the threshold under the Continuum of Need;
- where possible, work to build capacity in Early Years settings to ensure vulnerable pupils can attend a pre-school setting from 2 years old and can be supported to attend and succeed in mainstream schools.

## **Adults**

We will:

- provide information and advice for all those seeking care and support;
- assess need and arrange help for individuals and their carers who are eligible for support from Adult Social Care;
- provide support that reduces the need for social care in the longer term and/or prevents the need for a more expensive service;
- continue to ensure that we safeguard vulnerable adults who are at risk of harm or abuse.

## ***All Children***

### **Schools**

We will:

- operate a light-touch monitoring of the performance of maintained schools. We will use our best endeavours to intervene when a school is at high risk of failure;
- encourage the Regional Schools Commissioner to intervene where academies in East Sussex are under-performing;
- use our best endeavours to improve the outcomes of pupils vulnerable to under-achievement, **including the impact of Covid-19 on pupils' progress and outcomes**;
- promote post-16 participation in education and training, including provision and support for young people with learning difficulties/disabilities.

### **School planning and access**

We will:

- plan to have enough Early Years and school places where they are needed;
- co-ordinate and administer the admission process;
- provide home to school transport where we have a statutory duty to do so **and in the context of Covid-19**.

## ***Universal offer to all residents***

### **Highways and Transport**

We will:

- maintain roads, pavements, bridges, structures, highway drainage and verges and carry out repairs to our current standards;
- investigate road accident sites and take measures to prevent recurrence where this is possible;
- carry out safety audits of proposed highways improvement schemes;
- manage the national concessionary fares scheme and provide limited bus subsidies where they provide access to vital services, education and employment for communities which would otherwise be cut off;
- enforce civil parking restrictions where they are in place;
- carry-out strategic planning of the highways network to help to ensure the County's transport needs are met now and in the future;

- provide footpath clearance on priority and popular rights of way routes, maintain the Definitive Map and respond to public requests for footpath diversions and searches.

## **Economy and Trading Standards**

We will:

- provide access to high quality employment to reduce avoidable reliance on public services by acting as a strategic economic authority that intervenes, in partnership, decisively and cost effectively where it can make a difference, especially by leveraging in external funding;
- carry out food sampling and food inspection where the risk is high; carry out reactive animal health disease control and take enforcement action where necessary.

## **Waste Management**

We will:

- dispose of waste collected by the borough and district councils and provide sufficient waste sites to meet national guidance.

## **Planning & Environment**

We will:

- fulfil our statutory duties on planning, development control, flood risk and environmental management, including specialist environmental advice where required;
- provide emergency planning services.

## **Libraries**

We will:

- provide a library service which meets our assessment of current and future needs.

## **Public Health**

We will:

- Work at population level to identify the areas where risks and threats to health are greatest to create a healthier, happier and fairer East Sussex.
- Support the **NHS whole health and care system** to ensure a population health focus lies at the heart of integration and innovation within **the NHS health and care** in East Sussex
- Ensure the protection of public health through **local** outbreak **planning and** management; screening; immunisation and emergency planning and preparedness, working with all relevant agencies and professions to gain maximum impact from our combined efforts.
- Continue the universal offer for school nursing and health visiting and look at the specification of future contracts to see if services could add more value to early years and preventive programmes within children's health and social care.
- **Commission public health services that meet the needs of local communities**

- ~~Continue to offer the NHS Healthcheck programme, targeting specific populations and groups with the aim of reducing the life and healthy life expectancy gaps across the County.~~
- Contribute to health improvement by making targeted interventions focused on those populations for which there is clear evidence of efficacy and by tackling the wider the causes of ill health. We will draw on the preventative nature of the NHS long-term plan locally to align and gain value from integrated commissioning, design and provision of services.
- ~~Provide Drug and Alcohol Services which concentrate on the provision of successful treatment and prevention of harm and keep pace with new threats and new treatment options.~~
- ~~Commission sexual health services which seek to increase efficiency by modernising the way services are delivered and focus on areas of highest risk, whilst maintaining quality and access.~~
- ~~Reduce management and support costs by 15% to bring in line with reductions already made across the remainder of the Council.~~

### **Archives and Records**

We will:

- manage the records which we are required to keep by law. We will meet our basic statutory duties as a Place of Deposit for public records at The Keep including a basic level of public access to those records.

### **Gypsies and Travellers**

We will:

- manage our current portfolio of permanent and transit sites.

### **Registration Service**

We will:

- fulfil our duties to register births, deaths and marriages.

### **Community Safety**

We will:

- deliver our local Community Safety priorities, commission effective substance misuse and domestic abuse support services and fulfil our statutory duties in relation to Prevent; Modern Slavery and the Crime and Disorder Act.

### **Support Services**

We will:

- work in partnership with others to provide the best value for money, ensuring professional and modern support to front line services as efficiently as possible so maximum resource is focussed on front line delivery;
- manage our assets and central financial resources, including Treasury Management, capital and reserves prudently and effectively to support the County Council's business and sustainability.

## APPENDIX 4 – Normal and Proposed Updates to the MTFP

Normal and Proposed Updates	Ref	Estimate (£m)			
		2021/22	2022/23	2023/24	Total
<b>Council 11 February 2019 DEFICIT/(SURPLUS)</b>		<b>1.443</b>	<b>7.879</b>	<b>0.000</b>	<b>9.322</b>
<b>NORMAL UPDATES</b>					
Business Rates Retention	A	(0.211)	0.092	(1.844)	(1.963)
Business Rates Growth (0.7%)	A		(0.010)	0.010	0.000
Revenue Support Grant	B	(0.500)	(0.081)	1.571	0.990
Council Tax Base (growth @ 0.9%)	C	0.307	0.314	(2.849)	(2.228)
Council Tax Inflation (1.99%)	D	(0.002)		(6.417)	(6.419)
Council Tax Collection Fund	E	0.990			0.990
New Homes Bonus Reduction	F			0.114	0.114
NHB to Capital Programme	F			(0.114)	(0.114)
Savings Profiling	G	0.100		(0.100)	0.000
Treasury Management Pressure	H	0.650		1.000	1.650
General Contingency (1% of net budget less TM)	I	(0.020)	0.010	0.110	0.100
Pensions Final Revaluation	J	(1.400)	(0.400)		(1.800)
Levies Increase	K			0.012	0.012
Pay Award (impact of 0.25% additional in 2020/21; 2% in all years, reduced from 2.5%)	L	(0.315)	(0.587)	2.438	1.536
Contractual inflation (contract specific)	M			2.252	0.877
Normal inflation for contracts	N	(0.342)	(0.195)	7.435	6.898
ASC & CSD Growth and Demography	P	(0.087)	0.230	5.056	5.199
CSD: SEND High Needs Block Additional funding	Q	(1.276)	(0.814)		(2.090)
CET: Waste Housing Growth	R			0.198	0.198
<b>DEFICIT/(SURPLUS) AFTER NORMAL UPDATES TO THE MTFP</b>		<b>(0.663)</b>	<b>6.438</b>	<b>8.872</b>	<b>14.647</b>
<b>PROPOSED UPDATES</b>					
Savings reprofile	S	2.316	(1.074)	(1.242)	0.000
<b>Pressures (BAU):</b>					
BSD: Accounts Receivable	T	0.058	0.004	0.005	0.067
CET: Ash Dieback management	U	0.137	0.014	0.015	0.166
CET: The Keep - BAU funding gap pressures	V	0.069			0.069
CET: Trading Standards - loss of income	W	0.056			0.056
<b>Contractual / Statutory Obligations:</b>					
BSD: St Marks House Rent Review	X	0.052			0.052
CSD: EH&SC Living Allowances	Y	0.060			0.060
CSD: EH&SC LAC Placement Costs	Z	3.429	(0.795)	(0.789)	1.845
CSD: Child Protection Plans	AA	tbc	tbc	tbc	0.000
CSD: No recourse to public funds and Intentionally Homeless	AB	tbc	tbc	tbc	0.000
<b>Cost Pressures Covid-related:</b>					
CSD: Home to School Transport	AC	tbc	tbc	tbc	0.000

Normal and Proposed Updates	Ref	Estimate (£m)			
		2021/22	2022/23	2023/24	Total
ASC: Future Demand Modelling	AD	2.243	(0.628)	(0.323)	1.292
ASC Mitigation: Additional Attrition due to Excess Mortality		(1.110)	0.263	0.191	(0.656)
Income Losses Covid-related:					
CSD: EH&SC Lansdowne income loss (includes payback in 2023/24)	AE	0.124	(0.124)	(0.124)	(0.124)
Business Rates: collection fund deficit (2021/22-2023/24) based on Ds' & Bs' MHCLG Covid-19 returns	AF	0.237	(0.237)		0.000
			0.178	(0.178)	0.000
				0.119	0.119
0.065		0.011	0.011	0.087	
Business Rates: growth reduction to 0.25% in 2021/22 (due to Covid-19)			0.076	0.002	0.078
				0.077	0.077
		2.263	(2.263)		0.000
Council Tax: collection fund deficit (2021/22-2023/24) based on Ds' & Bs' MHCLG Covid-19 returns			1.697	(1.697)	0.000
				1.131	1.131
		1.975	0.058	0.061	2.094
Council Tax: growth reduction to 0.25% in 2021/22 (due to Covid-19)			1.515	0.045	1.560
				1.033	1.033
Reductions in Budget					
ASC Mitigation: S117 Additional Income	AG	(0.500)			(0.500)
ASC Mitigation: Supporting People Contract Reduction		(0.243)			(0.243)
Subtotal PROPOSED UPDATES		11.231	(1.305)	(1.663)	8.263
Potential Investment Areas:					
CET: Additional Team East Sussex (TES) support	AH	0.030			0.030
CET: Work on the pan Sx tourism brand with WSCC	AI	0.070	0.025	(0.055)	0.040
ASC: Voluntary Sector / Community Hubs / Shielded Group	AJ	0.880			0.880
Subtotal Potential Investment Areas		0.980	0.025	(0.055)	0.950
DEFICIT/(SURPLUS) AFTER NORMAL AND PROPOSED UPDATES TO THE MTFP		11.548	5.158	7.154	23.860

## A Business Rates Retention and Growth

The current planning assumptions on business rates have been updated to reflect the latest inflation estimate by the Office of Budget Responsibility (OBR) and to include 2023/24. Growth continues to be estimated at an average of 0.7% increase of the business rates base. Whilst unrealistic, given the impact of the pandemic it allows visibility of the full reduction as a result of Covid-19 which is then shown as a pressure, this will form part of the LGFutures review and will be subject to refinement.

Since Full Council, updated estimates on business rates income from District and Borough Councils (NNDR1 forecasts) have been received. This showed a small improvement in income. Business rates have been updated to reflect these estimates. However, much has changed since these estimates were made. Business rates will continue to be monitored and

along with the collection fund, reviewed with the District and Borough Councils alongside their final accounts and latest collection forecasts to understand the impact for 2021/22.

As per normal practice the next inflation update to the MTFP will be made in October when the September Inflation figures are published.

## **B Revenue Support Grant (RSG)**

At final settlement government confirmed that the Settlement Funding Assessment (SFA) would be increased in line with the increase to the small business rates multiplier. With the delay to Business Rate reform and the Fair Funding Review, until 2022/23 at the earliest, the plan assumes we will be no better or worse off. The calculation of RSG has been updated to reflect the latest OBR inflation estimates on the small business rates multiplier, while still assuming the Spending Funding Assessment (SFA) will not see an inflationary increase.

## **C Council Tax Base Growth**

Growth for baseline purposes is being estimated at 0.9% for 2021/22 to 2023/24 in line with normal average annual growth. Whilst unrealistic, given the impact of the pandemic it allows visibility of the full reduction as a result of Covid-19 which is then shown as a pressure, this will form part of the LGFutures review and will be subject to refinement.

## **D Council Tax Inflation & Adult Social Care Precept**

The assumption is a council tax increase of 1.99%; the current limit before referendum is triggered post 2020/21.

## **E Council Tax Collection Fund**

It is expected there will be a reduction in Council Tax income in 2020/21 through lower collection levels and increased Local Council Tax Support. This is based on current estimates from Ds and Bs. The actual figure will be confirmed within Districts' and Boroughs' final accounts. Whilst unrealistic, given the impact of the pandemic it allows visibility of the full reduction as a result of Covid-19 which is then shown as a pressure, this will form part of the LGFutures review and will be subject to refinement.

## **F New Homes Bonus (NHB) Reduction**

Government indicated at settlement that NHB will be wound down. The final legacy payment will be due in 2022/23 with no further income expected for 2023/24. The 2021/22 amount will be confirmed at Local Government Finance Settlement and is assumed now to fund capital. The bonus could be used for revenue, although with the risk that the amount could decrease further.

	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
New Homes Bonus	0.252	0.114	0.000

## **G Savings Profiling - One-off temporary mitigations**

Update to the Savings Profile for the 2023/24 financial year.

## **H Treasury Management Pressure**

Update to the MRP and interest calculation to include IT&D investment over 10 years rather than over 30 years and reduced interest rates respectively. Also, to include the additional year of 2023/24 in regard of the 10 year capital programme.

## **I General Contingency**

This is calculated at an agreed formula of 1% of net budget less treasury management.



## **J Pensions Final Revaluation**

The triannual pensions revaluation was finalised after the budget for 2020/21 was approved. The impact is a reduction in the secondary contribution required for all years.

## **K Levies Increase**

The figures are reflective of the latest estimates of the Flood & Coastal Protection Levy, Sussex Inshore Fisheries Levy and New Responsibilities Funding.

## **L Pay Award**

Service inflation model has been updated to include 2023/24 and for a 2.0% pay award in all years (previously assumed at 2.5%). This is offset by the increase in award for 2020/21 to 2.75% (approval by Governance Committee for LMG and Chief Officers pending).

## **M Contractual Inflation (contract specific)**

The service inflation model has been updated for an additional year and a small drop in rates in 2021/22. The methodology provides inflation to services for large contracts as per the contract but does not provide for inflation on running costs or small contracts.

## **N Normal Inflation for Contracts**

The service inflation model has been updated for an additional year using the inflation figures published by the OBR at the Budget statement in March.

Outside normal inflation provided for in approved models there is additional provision for inflationary pressures in ASC and CSD, agreed under the Pressures Protocol.

## **P ASC & CSD Growth and Demography**

Updates to 2021/22 and 2022/23, and a forecast for 2023/24 has been added to the current plan.

## **Q CSD: SEND High Needs Block Additional funding**

This has been updated to reflect that the additional funding is permanent and not expected to be removed.

## **R CET: Waste Housing Growth**

The forecast pressure for 2023/24 has been added to the current plan. Further review and update will be required.

## **S Savings**

Deliverability of existing savings targets for 2020/21 to 2023/24 has been reviewed by Services, the detail of which is shown at appendix 6. Any slippage in 2020/21 will be funded through reserves, but there will be an impact on the MTFP in future years.

## **T BSD: Accounts Receivable**

Increased costs for address traces and the third party contract for printing/postage of invoices that are raised for the council. The third party contract is more cost effective than in-house provision, but increasing volumes mean that there is an identified pressure that cannot be mitigated.

## **U CET: Ash Dieback management**

The number of ash requiring felling in East Sussex is expected to increase dramatically over the next few years of the spread of Ash Die Back (ADB) in the county.



## **V CET: The Keep - BAU funding gap pressures**

There are funding gap pressures at The Keep. These are due to;

- i. Increased cost for electricity, rates, other energy costs, premises costs such as increased maintenance costs.
- ii. Reduction in income due to the current room rental agreement with University of Sussex (UoS) ending August 2021.
- iii. All three partners, ESCC, BHCC and UoS are under financial pressure to make savings and reduce contributions to the Keep budget. They will all contribute less in 2021/22 due to KSP savings.

## **W CET: Trading Standards - loss of income**

Loss of funding from the ending of our partnership with Checkatrade of £0.046m, plus a loss of business advice and Primary Authority income of £0.010m as a result of businesses opting not to pay for these services (particularly in the hospitality and restaurant business where 50% of our Primary Authorities are focused).

## **X BSD: St Marks House Rent Review**

The St Marks House rent review has now been agreed following a consultation with the Landlord.

## **Y CSD: EH&SC Living Allowances**

In response to COVID-19, the government increased Universal Credit payments. This requires an increase in Living Allowance for LAC and Care Leavers, to bring them in line with Statutory Sick Pay. The impact is the on-going increase in future years, further to those reported/ required in 20/21.

## **Z CSD: EH&SC LAC Placement Costs**

As a direct consequence of the COVID-19 lockdown, further to what has been reported for 20/21 via the COVID-19 finance log, there has been an increase in the future year costs forecast for LAC. This is over and above what would normally be expected through the detailed LAC modelling and forecasting which assumes a certain level of growth and “churn” based on historic trends.

Essentially although overall LAC numbers have remained broadly stable, children that are coming into the system or who are moving around within it, are going into placements that are ‘higher tariff’ and hence more expensive. For example, children who would previously have been placed within a foster placement have had to go to a more expensive residential placement because no foster placements either in house or in agency are available. Children who were previously on the edge of care with packages to support them, have moved into the care system because of the additional pressure on families.

## **AA CSD: Child Protection Plans**

We have seen a 23% increase in the number of child protection (CP) plans during the Covid pandemic. Our own predictive modelling (and that of the DfE) suggests we are likely to see a 20% surge in demand for children’s social care once schools return. However, as schools return and visiting families resumes, we would also hope to be able to cease a number of CP plans. At this stage it is not possible to predict with any degree of accuracy how many more plans will be started and how many plans we will be able to cease. We propose to review the data at the beginning of October, which should enable us to produce a more accurate assessment of whether a pressure is likely to arise.

**AB CSD: No recourse to public funds and Intentionally Homeless**

It is presently unclear in future years whether and at what value additional costs will be incurred. However, pressures do appear likely around additional financial support for:

- i) Families with No Recourse to Public Funds (NRPF); and
- ii) Families who have been assessed as Intentionally Homeless by the D&Bs and who then present to CSD for support with rent in the private sector.

**AC CSD: Home to School Transport**

New Covid-Safe transport guidelines have been implemented for pupils returning to school. CET is in the process of calculating the additional costs and whether the new grant given to the County Council will cover the additional costs for the Autumn term. It is not clear whether the grant will continue for the rest of the financial year or for 2021/22 if Covid-Safe transport is still required.

**AD ASC: Future Demand Modelling offset by Attrition**

Additional independent sector packages of care due to volumes of hospital discharges between 19<sup>th</sup> March 2020 and 31<sup>st</sup> August 2020. As no assessments have been undertaken it is unclear how many of the existing clients will be eligible for ongoing LA funded packages of care and placements. Some will be eligible for CHC or will be self-funders. However, it is impossible to accurately predict until assessments start to ramp up.

It is estimated that this will be 60% of current clients but a more accurate figure is unlikely to be available until at least December. The figures quoted in this bid equal the ongoing cost of funding these clients less the usual budget for comparable activity in the period. Future reductions in cost are due to attrition, and further mitigation is provided by additional attrition due to excess mortality.

**AE CSD: EH&SC Lansdowne income loss**

Works on the building expansion of Lansdowne Secure Children's Home have been delayed due to COVID-19, resulting in a loss of income. Completion of the works and full re-opening is now likely during 2021/22. The allocation will be paid back in 2023/24.

**AF Business Rates and Council Tax**

LGFutures have been commissioned to carry out work to refine these figures for consistency and reasonableness. The £7.499m currently estimated by District and Boroughs to be the collection fund deficit is shown as spread over 3 years per the Government announcement that was made on 2 July, that fund deficits arising in 2020/21, could be spread over the next 3 years rather than the usual one year. More detail on how this will work and the authority to do this will be announced at the Spending Review in the Autumn.

**AG ASC Mitigations**

ASC have found budget reductions through S117 Additional Income and a Supporting People contract reduction which is re-commissioned from April 2021.

**Potential Investment Areas:** The following items are new areas of investment within the Council's Core Offer. Members are asked to consider whether to support them going forwards:

**AH CET: Additional Team East Sussex (TES) support**

An Economy Recovery Plan has been developed in response to the devastating effects of the pandemic on the local economy. In order for the department to be able deliver the plan to meet its key objectives, the EDSCI Service will require additional (part-time) resource.

**AI Work on the pan Sussex tourism brand with WSCC**

Identified with West Sussex County Council is the need to collaborate together to jointly create a pan Sussex tourism brand. This will require a defined and resourced programme of work to enable the Tourism Sector ecosystem to continue to be a major economic driver for Sussex, whilst supporting a quality of life that residents and businesses expect from living and working in Sussex.

**AJ ASC: Voluntary Sector / Community Hubs / Shielded Group**

A multi-agency partnership worked to ensure no one in East Sussex was left on their own to cope with the effects of the coronavirus pandemic from March to August 2020, through a range of services and interventions to vulnerable and extremely vulnerable people.

It is clear that the COVID-19 pandemic has highlighted pre-existing pressures and vulnerabilities and that recent events have further exposed or exacerbated those difficulties. There is a general acceptance of a need to develop a longer-term approach to collectively address these problems, and that building on the ethos and model of Community Hubs provides a mechanism to achieve this.

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## Appendix 5 – Normal Updates to the MTFP

<b>Medium Term Financial Plan</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
	<b>Approved Budget</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>£million</b>	<b>£million</b>	<b>£million</b>	<b>£million</b>
<b>TAXATION &amp; GOVERNMENT FUNDING</b>		<b>(403.437)</b>	<b>(405.678)</b>	<b>(419.715)</b>
Business Rates (Inclusive of BR Pooling in 20/21)	(82.023)	0.639	(1.645)	(1.823)
Revenue Support Grant	(3.548)	0.903	1.437	1.601
Council Tax	(296.698)	(4.298)	(7.967)	(8.673)
Adult Social Care Precept	(5.771)			
New Homes Bonus	(0.767)	0.515	0.138	0.114
Social Care Grant	(14.630)			
<b>TOTAL TAXATION &amp; GOVERNMENT FUNDING</b>	<b>(403.437)</b>	<b>(405.678)</b>	<b>(413.715)</b>	<b>(422.496)</b>
<b>SERVICE PLAN</b>				
Service Expenditure	359.787	365.210	383.785	396.215
Investment of unallocated funding – Revenue	2.453	(0.746)	(1.707)	
<b>Inflation</b>				
Pay Award	3.415	2.754	2.548	2.438
Contractual inflation (contract specific)	0.658	0.841	0.839	2.252
Normal inflation for contracts	9.182	8.143	8.703	7.435
<b>Adult Social Care</b>				
Growth & Demography	3.840	3.413	3.917	4.063
Future demand modelling net of attrition (Covid-related) Appendix 4 (AD)		1.133	(0.365)	(0.132)
Proposed updates Appendix 4 (AG)		(0.743)		
Winter Pressures	2.586	(2.586)		
Improved Better Care Fund	(21.137)			
<b>Children's Services</b>				
Dedicated Schools Grant	1.778	0.422		
Growth & Demography	1.555	1.070	2.635	0.993
Looked After Children	5.015	1.909		
Disabled Access Regulations for Buses/Coaches	0.012	0.043	0.098	
Residential Homes - staffing	0.549			
Looked After Children Placements (Covid-related) Appendix 4 (Z)		3.429	(0.795)	(0.789)
Proposed updates Appendix 4 (Y & AA – AC & AE)		0.184	(0.124)	(0.124)
SEND High Needs Block Additional funding	(1.276)	(0.814)	(2.138)	
<b>Communities, Environment &amp; Transport</b>				
Waste Housing Growth	0.108	0.236	0.238	0.198
Street lighting Electricity/Re-payment of Investment	(0.195)	(0.655)		
Climate Change Officer	0.055			
Proposed updates Appendix 4 (U – W)		0.262	0.014	0.015
<b>Business Services</b>				
IT & Digital Licences	0.123	0.025		
IT & Digital Data Centre	0.093			
Apprenticeship Team	0.117			
Proposed updates Appendix 4 (T & X)		0.110	0.004	0.005

<b>Medium Term Financial Plan</b>	<b>2020/21 Approved Budget £million</b>	<b>2021/22 Estimate £million</b>	<b>2022/23 Estimate £million</b>	<b>2023/24 Estimate £million</b>
<b>Governance Services</b>				
Coroners - post mortems / pathology	0.033			
<b>Potential Investments Areas</b>				
Potential Investment Areas Appendix 4 (AH – AJ)		0.980	0.025	(0.055)
<b>Savings</b>				
Savings 2020/21 - 2021/22	(4.227)	(2.953)		
Temporary mitigations to savings	0.686	(0.198)	(0.388)	(0.100)
Savings Slippage Appendix 4 (S)		2.316	(1.074)	(1.242)
<b>NET SERVICE EXPENDITURE</b>	<b>365.210</b>	<b>383.785</b>	<b>396.215</b>	<b>411.172</b>
Corporate Expenditure		38.227	33.441	34.206
Treasury Management	18.238	0.471	0.221	
Treasury Management Capital Programme			1.000	1.000
Funding Capital Programme - base contribution				
Funding Capital Programme - New Homes Bonus	0.767	(0.515)	(0.138)	(0.114)
Investment of unallocated funding – Capital	1.242	(1.242)		
General Contingency	3.850	0.020	0.070	0.080
Contribution to balances and reserves	2.786	(2.138)		
Pensions	9.823	(1.400)	(0.400)	
Apprenticeship Levy	0.600			
Levies & Grants	0.921	0.018	0.012	0.012
<b>TOTAL CORPORATE EXPENDITURE</b>	<b>38.227</b>	<b>33.441</b>	<b>34.206</b>	<b>35.184</b>
<b>TOTAL PLANNED EXPENDITURE</b>	<b>403.437</b>	<b>417.226</b>	<b>430.421</b>	<b>446.356</b>
<b>CUMULATIVE DEFICIT/(SURPLUS)</b>	<b>0.000</b>	<b>11.548</b>	<b>16.706</b>	<b>23.860</b>
<b>ANNUAL DEFICIT/(SURPLUS)</b>	<b>0.000</b>	<b>11.548</b>	<b>5.158</b>	<b>7.154</b>

Department	Targets					Deliverability					Movement				
	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
Communities, Economy & Transport	1,362	629	388	100	2,479	323	594	1,462	100	2,479	(1,039)	(35)	1,074	0	0
Children's Services	770	1,835	0	0	2,605	536	2,069	0	0	2,605	(234)	234	0	0	0
Adult Social Care	248	0	0	0	248	248	0	0	0	248	0	0	0	0	0
Business Services / Orbis	1,161	787	0	0	1,948	570	136	0	1,242	1,948	(591)	(651)	0	1,242	0
<b>Total Departments</b>	<b>3,541</b>	<b>3,251</b>	<b>388</b>	<b>100</b>	<b>7,280</b>	<b>1,677</b>	<b>2,799</b>	<b>1,462</b>	<b>1,342</b>	<b>7,280</b>	<b>(1,864)</b>	<b>(452)</b>	<b>1,074</b>	<b>1,242</b>	<b>0</b>
Impact on MTFP											-	(2,316)	1,074	1,242	0

## Communities, Economy &amp; Transport

East Sussex County Council - Savings 2020/21 to 2023/24		Savings Targets					Update: deliverability of savings					Movt				
		2020/21	2021/22	2022/23	2023/24	Total	2020/21	2021/22	2022/23	2023/24	Total	2020/21	2021/22	2022/23	2023/24	Total
Activity	Savings Proposal and impact Assessment	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Community Services</b>																
Archives and Records Service	The Keep Sustainability Plan has been agreed and is a three-part savings and income plan to ensure the financial sustainability of The Keep. It would ensure that the partners still deliver our statutory and legal duties, and maintain a good degree of public access.. [2nd year of savings]	74	104			178	60	104	14		178	(14)	0	14	0	0
Road Safety Services	Reduced road safety education and no engagement with Community Safety Partnerships or Joint Action Groups. [2nd year of savings]	33				33	33				33	0	0	0	0	0
Library Services	We will keep our Needs Assessment and Accessibility Analysis under review, and as a result we may in future provide a reduced library service.		240	288		528		240	288		528	0	0	0	0	0
Trading Standards	Carry out food sampling and food inspection only where the risk is high; carry out reactive animal health disease control and take enforcement action where necessary. There will be a reduction in our preventative and support work, to business, to people vulnerable to scams and the reduction in routine inspection may increase public health risks.  <b>NB: there is also a target of £100k for 2023/24</b>			100	100	200			100	100	200	0	0	0	0	0
<b>Transport</b>																
Parking: Civil Parking Enforcement	Increase on-street parking charges where possible. Surpluses to be used for transport related funding. [2nd year of savings]	1,000				1,000			1,000		1,000	(1,000)	0	1,000	0	0
Transport Hub Services	Reduced staffing capacity may result in a reduction in the overall level of service in the Transport Hub. This may mean answering public queries and our ability to resolve problems with bus operators and transport providers will be slower. This could increase public dissatisfaction and complaints to the Council.	30				30	30				30	0	0	0	0	0
Concessionary Fares	Generated from negotiations with Stagecoach on our fixed reimbursement contract arrangement.	70				70	70				70	0	0	0	0	0



Communities, Economy & Transport

East Sussex County Council - Savings 2020/21 to 2023/24		Savings Targets					Update: deliverability of savings					Movt				
		2020/21	2021/22	2022/23	2023/24	Total	2020/21	2021/22	2022/23	2023/24	Total	2020/21	2021/22	2022/23	2023/24	Total
Activity	Savings Proposal and impact Assessment	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Rights of Way Services	We will provide a reduced footpath clearance focused on those priority / popular routes resulting in a deterioration in the condition of other paths. Staff reductions may also lead to delays and longer timescales for dealing with requests for Definitive Map modifications and requests for footpath diversions which may result in an increase in public dissatisfaction and complaints to the Council.	100				100	100				100	0	0	0	0	0
Waste Disposal																
Household Waste Disposal	Ongoing review of commercial saving opportunities, with possible reductions in the number of HWRSSs		250			250		250			250	0	0	0	0	0
Planning and Environment																
Environmental Advice Services	Income generation through traded services. [2nd year of savings]	25	35			60			60		60	(25)	(35)	60	0	0
Ashdown Forest	Reduce financial support to conservators where possible. [2nd year of savings]	30				30	30				30	0	0	0	0	0
TOTAL Communities, Economy & Transport		1,362	629	388	100	2,479	323	594	1,462	100	2,479	(1,039)	(35)	1,074	0	0

## Children's Services

East Sussex County Council - Savings 2020/21 to 2023/24		Savings Targets					Update: deliverability of savings					Movt				
		2020/21	2021/22	2022/23	2023/24	Total	2020/21	2021/22	2022/23	2023/24	Total	2020/21	2021/22	2022/23	2023/24	Total
Activity	Savings Proposal and impact Assessment	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Support to schools and pupils</b>																
SLES: Performance monitoring	Reduce staffing and management capacity for performance monitoring across maintained and academy schools, only light touch monitoring where risk of serious failure has been brought to attention of LA. This could reduce the proportion of good or outstanding schools. [2nd year of savings]	410				410	410				410	0	0	0	0	0
I-Send: EHCP Assessment Services	Reduced staffing capacity may mean the process for completing statutory assessments will be slower. This could increase parental dissatisfaction and complaints to the Council and LGO and reduce the proportion of annual reviews we attend.	188				188	0	188			188	(188)	188	0	0	0
I-Send: Inclusion Services	From 2020/21 statutory duties in relation to attendance will be met wholly through DSG. This will reduce the number of families we work with to improve attendance and may lead to an increase in pupil absence from schools.	19				19	19				19	0	0	0	0	0
Early Years: Inclusion Services	No support to schools and early years providers to promote inclusion and share best practice. This may increase the proportion of pupils who are referred for statutory assessment, it may increase the proportion of pupils with EHCPs. We will need to continue to monitor the long term spend in SEN budget as the decisions made could have an impact throughout pupils' education.	85				85	85				85	0	0	0	0	0
<b>Children's Social Care</b>																
Safeguarding Services	The ACT service, an assertive outreach service for young people aged 16-24 who are at risk of or being exploited criminally; the problem solving team which supports the Family Drug and Alcohol Court; and Video Interactive Guidance which helps parents who are already in difficulty learn how to respond better to their children will continue alongside existing activity levels for families who are going through court proceedings and the Foundations Project which works with families who have already had children removed from their care. The deferment of savings in 2020/21 means the Family Group Conferences/family meetings when children are subject to child protection plans will continue and be expanded, subject to the budget being agreed. These services will be reduced if savings are made in later years.		854			854		854			854	0	0	0	0	0

**Children's Services**

East Sussex County Council - Savings 2020/21 to 2023/24		Savings Targets					Update: deliverability of savings					Movt				
		2020/21	2021/22	2022/23	2023/24	Total	2020/21	2021/22	2022/23	2023/24	Total	2020/21	2021/22	2022/23	2023/24	Total
Activity	Savings Proposal and impact Assessment	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Early Help	Following Lead Member decisions and remodelling the Early Help Service, there will be a reduction in the family key work service, which has been deferred until 2021/22. Savings will be generated in 2020/21 as a result of ceasing to run services from 10 children's centres.	68	981			1,049	22	1,027			1,049	(46)	46	0	0	0
<b>TOTAL Children's Services</b>		<b>770</b>	<b>1,835</b>	<b>0</b>	<b>0</b>	<b>2,605</b>	<b>536</b>	<b>2,069</b>	<b>0</b>	<b>0</b>	<b>2,605</b>	<b>(234)</b>	<b>234</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Adult Social Care**

East Sussex County Council - Savings 2020/21 to 2023/24		Savings Targets					Update: deliverability of savings					Movt				
		2020/21	2021/22	2022/23	2023/24	Total	2020/21	2021/22	2022/23	2023/24	Total	2020/21	2021/22	2022/23	2023/24	Total
Activity	Savings Proposal and impact Assessment	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Working Age Adults: Nursing, Residential and Community Based services	Review care packages to ensure these are focused on those with Care Act eligible needs and deliver support in the most cost effective way. The average spend on Working Age Adults is significantly higher in East Sussex than in other south east councils. The intention is to deliver an overall level of support which is fair, reflects need and achieves a level of spend comparable to other councils. Any decisions to change care arrangements will be dependent on reviews that take account of a clients individual circumstances. Some clients may however have their support reduced or removed. [2nd year of savings]	248				248	248				248	0	0	0	0	0
<b>TOTAL Adult Social Care</b>		<b>248</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>248</b>	<b>248</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>248</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Business Services / Orbis**

East Sussex County Council - Savings 2020/21 to 2023/24		Savings Targets					Update: deliverability of savings					Movt				
		2020/21	2021/22	2022/23	2023/24	Total	2020/21	2021/22	2022/23	2023/24	Total	2020/21	2021/22	2022/23	2023/24	Total
Activity	Savings Proposal and impact Assessment	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Business Services: Orbis and Managed on Behalf of (MOBO) services: Finance, IT&D, Procurement, Property Services, HR and OD and Business Operations	The Advisory and Change areas of support are being analysed and presented to the 3 partner Councils to determine which elements need to form part of the Core Offer as they are essential in supporting the partners deliver their priorities, and which elements will no longer be provided. The aim would be to reduce spending as set out in this table although the details of how this might be achieved is still being developed.	1,161	787			1,948	570	136		1,242	1,948	(591)	(651)		1,242	0
<b>TOTAL Business Services / Orbis</b>		<b>1,161</b>	<b>787</b>	<b>0</b>	<b>0</b>	<b>1,948</b>	<b>570</b>	<b>136</b>	<b>0</b>	<b>1,242</b>	<b>1,948</b>	<b>(591)</b>	<b>(651)</b>	<b>0</b>	<b>1,242</b>	<b>0</b>

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## APPENDIX 7 – Capital Programme Update

1.1 Table 1 below summarises the movements to the approved capital programme since State of the County in July 2020. Noting that the first 3 years of the programme, to 2022/23, are approved, this years' RPPR process will add 2023/24. Whilst the remaining years to 2029/30 are indicative to represent the longer term planning for capital investment. The impact of COVID-19 on the programme will be reported as slippage and/or under/overspend as part of the capital monitoring process until its reset at Q2 as part of the normal RPPR process.

**Table 1 – Capital Programme (gross) movements**

Capital Programme (gross) movements (£m)	MTFP Programme + 1				Future Years	Total
	2020/21	2021/22	2022/23	2023/24	2024/30	
Approved programme at July 2020	96.889	69.391	59.285	51.688	293.076	570.329
Approved Variations	0.535	1.850				<b>2.385</b>
Strategic Investment		0.132				<b>0.132</b>
<b>Total Programme</b>	<b>97.424</b>	<b>71.373</b>	<b>59.285</b>	<b>51.688</b>	<b>293.076</b>	<b>572.846</b>

1.2 The **approved variations** to the programme relate to fully funded schemes totalling £2.385m (the profiling of which is currently under review) as follows:

- **Emergency Active Travel Fund:** The council has been awarded £0.535m Tranche 1 funding in 2020/21 from the DfT Emergency Active Travel Fund to support the installation of cycling and walking facilities following the Covid-19 pandemic. Further funding allocations have been announced as part of Tranche 2 of the fund, approval of which to include in the capital programme will be through the variation process.
- **Schools Capital Allocation Grant:** The council has been awarded an additional £1.850m Schools Capital Allocation grant, in addition to funding already allocated, towards building condition improvements. This has been profiled to reflect the projected programme of works.

1.3 Additionally, it has been agreed that **strategic investment** of £0.132m be made in utilising automation to support the Core Offer. The RPPR process in 2022/23 (next year) will look to confirm the impact of the investment and any savings that will be embedded.

1.4 This increases the gross programme to £572.846m The detailed approved capital programme is attached at Annex 1

1.5 At Q1 there were a number of overspends relating to the pandemic reported amounting to £1.762m. Should mitigations within programmes not be forthcoming or other funding be made available from Government, then there are two options for funding. They could either be absorbed within the current programme, at the risk of not meeting the basic need targets set. Or, as reported at February 2020, a capital risk provision of £7.5m is held. This is a permission to borrow for emerging risks and is managed through ensuring Treasury Management capacity rather than representing funds that are within the council's accounts. If utilised to fund Covid overspend it would, therefore, require additional borrowing.

1.6 Ahead of further announcements and decisions there is no material updates to the overall funding position. Work will continue as part of the RPPR process to review and update estimates of CIL/Section 106 income, capital receipts and updates to formula grants following government announcements, as well to reflect the capital programme refresh as part of the Quarter 2/2.5 monitoring process and normal reset.



## Annex 1

<b>CAPITAL PROGRAMME 2020/21 to 2029/30 (£'000)</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/30</b>	<b>Total</b>
<b>Adult Social Care</b>						
Older People's/LD Service Improvements	50	50	50			<b>150</b>
Greenacres	264					<b>264</b>
<b>Adult Social Care Gross</b>	<b>314</b>	<b>50</b>	<b>50</b>			<b>414</b>
<b>Business Services</b>						
SALIX Contract	440	350	350	350	2,100	<b>3,590</b>
Property Agile Works	374					<b>374</b>
Lansdowne Secure Unit - Phase 2	1,457	96				<b>1,553</b>
Special Educational Needs		800	1,600	800		<b>3,200</b>
Special Provision in Secondary Schools	2,379	60				<b>2,439</b>
Disability Children's Homes	242					<b>242</b>
Westfield Lane (delivered on behalf of CSD)	1,200					<b>1,200</b>
<b>Core Programme - Schools Basic Need</b>	13,308	19,688	12,002	6,650	37,225	<b>88,873</b>
<b>Core Programme - Capital Building Improvements</b>	9,214	9,833	7,982	7,982	47,891	<b>82,902</b>
<b>Core Programme - IT &amp; Digital Strategy Implementation</b>	4,634	4,251	11,580	8,978	33,998	<b>63,441</b>
IT & Digital Strategy Implementation (utilising automation)		132				<b>132</b>
<b>Business Services Gross</b>	<b>33,248</b>	<b>35,210</b>	<b>33,514</b>	<b>24,760</b>	<b>121,214</b>	<b>247,946</b>
<b>Children's Services</b>						
House Adaptations for Disabled Children's Carers Homes	104	50	50			<b>204</b>
Diploma Exemplar Programme						
Schools Delegated Capital	791	760	729			<b>2,280</b>
Conquest Centre redevelopment	83					<b>83</b>
<b>Children's Services Gross</b>	<b>978</b>	<b>810</b>	<b>779</b>			<b>2,567</b>
<b>Communities, Economy &amp; Transport</b>						
Registration Ceremonies Website						
Hastings Library						
Southover Grange						
Broadband	4,279	3,276	3,277			<b>10,832</b>
Bexhill and Hastings Link Road	1,652	643	252			<b>2,547</b>
BHLR Complementary Measures	219					<b>219</b>
<b>Economic Growth &amp; Strategic Infrastructure Programme</b>						
Economic Intervention Fund - Grants	542	460	599	407	492	<b>2,500</b>
Economic Intervention Fund - Loans	500	500	500	500	1,000	<b>3,000</b>
Stalled Sites	152	150	47			<b>349</b>
EDS Upgrading Empty Commercial Properties	7					<b>7</b>
EDS Incubation Units						

LGF Business Case Development						
<b>Integrated Transport</b>						
Community Match Fund	769	307	250			<b>1,326</b>
Terminus Road Improvements						
Newhaven Port Access Road	4,054	170	20	20	21	<b>4,285</b>
Real Time Passenger Information	284		44	60	61	<b>449</b>
Parking Ticket Machine Renewal	291					<b>291</b>
Queensway Depot Development (Formerly Eastern)	1,153					<b>1,153</b>
Hailsham HWRS	97					<b>97</b>
The Keep	24	73	49	96	849	<b>1,091</b>
Other Integrated Transport Schemes	3,235	3,152	2,969	3,069	18,114	<b>30,539</b>
<b>Emergency Active Travel Fund - Tranche 1</b>	535					<b>535</b>
<b>Core Programme</b> - Libraries Basic Need	670	262	619	449	2,694	<b>4,694</b>
<b>Core Programme</b> - Highways Structural Maintenance	18,404	17,850	12,946	18,644	124,215	<b>192,059</b>
Dropped Kerbs	1,000					<b>1,000</b>
<b>Core Programme</b> - Bridge Assessment Strengthening	1,267	1,285	1,260	1,626	10,834	<b>16,272</b>
<b>Core Programme</b> - Street Lighting and Traffic Signals - life expired equipment	1,331	1,712	1,545	1,592	10,587	<b>16,767</b>
Street Lighting and Traffic Signals - SALIX scheme	935	1,869				<b>2,804</b>
<b>Core Programme</b> - Rights of Way Surface Repairs and Bridge Replacement Programme	596	565	565	465	2,995	<b>5,186</b>
<b>LEP/SELEP schemes - delivery not controlled by ESCC</b>						<b>0</b>
Eastbourne Town Centre Phase 2	3,014					<b>3,014</b>
Bexhill Enterprise Park North	1,940					<b>1,940</b>
Exceat Bridge Replacement (Formerly Maintenance)	1,500	1,651				<b>3,151</b>
East Sussex Strategic Growth Package						<b>0</b>
Eastbourne/South Wealden Walking & Cycling Package	2,988	363				<b>3,351</b>
Hailsham/Polegate/Eastbourne Movement & Access Corridor	1,203	206				<b>1,409</b>
Hastings and Bexhill Movement & Access Package	6,169	309				<b>6,478</b>
Queensway Gateway Road	504					<b>504</b>
Sidney Little Road Business Incubator Hub	435					<b>435</b>
Skills for Rural Businesses Post- Brexit	2,189	500				<b>2,689</b>
Bexhill Creative Workspace	946					<b>946</b>
<b>LEP/SELEP schemes sub total</b>	<b>20,888</b>	<b>3,029</b>				<b>23,917</b>
<b>Communities, Economy &amp; Transport Gross</b>	<b>62,884</b>	<b>35,303</b>	<b>24,942</b>	<b>26,928</b>	<b>171,862</b>	<b>321,919</b>
<b>Total Gross</b>	<b>97,424</b>	<b>71,373</b>	<b>59,285</b>	<b>51,688</b>	<b>293,076</b>	<b>572,846</b>



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