



CABINET

TUESDAY, 8 DECEMBER 2020

10.00 AM 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 10 November 2020 (*Pages 3 - 4*)
- 2 Apologies for absence
- 3 Disclosures of interests
Disclosures by all members present of personal interests in matters on the agenda, the nature of any interest and whether the member regards the interest as prejudicial under the terms of the Code of Conduct.
- 4 Urgent items
Notification of items which the Chair considers to be urgent and proposes to take at the appropriate part of the agenda. Any members who wish to raise urgent items are asked, wherever possible, to notify the Chair before the start of the meeting. In so doing, they must state the special circumstances which they consider justify the matter being considered urgent.
- 5 Council Monitoring: Quarter 2 2020/21 (*Pages 5 - 60*)
Report by Chief Executive
- 6 East Sussex Economy Recovery Plan (*Pages 61 - 156*)
Report by Director of Communities, Economy and Transport
- 7 Annual Progress Report of the Looked After Children's Service 2019-20 (*Pages 157 - 190*)
Report by Director of Children's Services
- 8 Treasury Management Stewardship Report 2019/20 and mid-year report 2020/21 (*Pages 191 - 210*)
Report by Chief Operating Officer
- 9 Any other items considered urgent by the Chair
- 10 To agree which items are to be reported to the County Council

PHILIP BAKER
Assistant Chief Executive
County Hall, St Anne's Crescent
LEWES BN7 1UE

30 November 2020

Contact Andy Cottell, 01273 481955,
Email: andy.cottell@eastsussex.gov.uk

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

CABINET

MINUTES of a meeting of the Cabinet held on 10 November 2020 at County Hall, Lewes

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 and 6 (minutes 27 and 28)
Councillor Bowdler	- item 6 (minute 28)
Councillor Davies	- items 5 and 6 (minutes 27 and 28)
Councillor Godfrey Daniel	- item 6 (minute 28)
Councillor Claire Dowling	- item 6 (minute 28)
Councillor Field	- item 5 (minute 27)
Councillor Lambert	- items 5 and 6 (minutes 27 and 28)
Councillor Osborne	- item 5 (minute 27)
Councillor Rodohan	- item 6 (minute 28)
Councillor Stephen Shing	- item 6 (minute 28)
Councillor Shuttleworth	- item 5 (minute 27)
Councillor Stogdon	- item 5 (minute 27)
Councillor Taylor	- item 6 (minute 28)
Councillor Tidy	- item 5 (minute 27)
Councillor Tutt	- item 5 (minute 27)
Councillor Whetstone	- items 5 and 6 (minutes 27 and 28)

26 MINUTES OF THE MEETING HELD ON 2 OCTOBER 2020

26.1 The minutes of the Cabinet meeting held on 2 October 2020 were agreed as a correct record.

27 CORONAVIRUS UPDATE

27.1 The Cabinet considered a report by the Chief Executive.

27.2 It was RESOLVED to note the report.

Reason

27.3 The report provided an update on the measures the Council has taken in response to the coronavirus pandemic.

28 SCRUTINY REVIEW OF ROAD MARKINGS

28.1 The Cabinet considered a report by the Place Scrutiny Committee and a report by the Director of Communities, Economy and Transport with observations on the Scrutiny Committee's report.

28.2 It was RESOLVED to:

- 1) note and welcome the report of the Scrutiny Committee; and
- 2) recommend the County Council to welcome the report of the Scrutiny Committee and to agree the response of the Director of Communities, Economy and Transport to the

recommendations and their implementation as set out in the action plan attached as Appendix 1 to the Director's report.

Reason

28.3 The Scrutiny review has been welcomed by the Department as it highlighted some concerns about the current approach to maintaining road markings in the county and provided an opportunity for officers to provide an explanation as to how the service is delivered.

29 ITEMS TO BE REPORTED TO THE COUNTY COUNCIL

29.1 It was agreed that items 5 and 6 should be reported to the County Council.

[Note: The items being reported to the County Council refer to minute numbers 27 and 28]

Report to: Cabinet
Date: 8 December 2020
Report by: Chief Executive
Title: Council Monitoring Report – Q2 2020/21
Purpose: To report Council monitoring for quarter 2 2020/21

RECOMMENDATIONS

Cabinet is recommended to:

- 1) note the latest monitoring position for the Council
 - 2) approve the proposed amendment to the performance measure set out in paragraph 2.1
-

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 September 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. Council Plan 2020/21 amendments and variations

2.1 One performance measure is proposed for amendment:

- Road Safety, from:

The percentage of young drivers and their passengers who report positive attitudinal and behavioural change in response to the engagement campaign designed to reduce risk of collisions/KSIs immediately after intervention and over time;

to:

The campaign cannot be implemented in 2020/21 due to COVID-19 (see Appendix 5, ref ii).

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

2.2 Given current circumstances, and as per Q1, finance reporting has been split into Planned Budgets/Business as Usual (non-COVID) and COVID related items.

Details of **non-COVID related** over and underspends in each department are set out in the relevant appendices. The total service forecast overspend is £2.2m; this compares to £1.1m at Q1. The main headlines are:

- ASC is currently forecast to overspend by £0.3m. This comprises an overspend of £1.6m in the Independent Sector, offset by an underspend of £1.3m in Directly Provided Services. The Independent Sector overspend reflects ongoing demand-led pressure on ASC services and the likely future impact of the Hospital Discharge Programme (HDP) The underspends in the Directly Provided Services relate mainly to lower demand in Day Services, temporary reductions in social worker training and increased staffing vacancies while recruitment activity remains lower.
- The BSD overspend of £0.9m mainly consists of £0.4m of budgeted savings, originally planned to be delivered through Orbis efficiencies, but no longer attainable due to the disaggregation of some BSD services from the Orbis partnership. Furthermore, the impact of COVID-19 has limited the ability to mitigate these savings elsewhere in BSD due to the current circumstances. Additionally, there are some overspends within Property due to delays in implementing the proposed property restructure, as well as an increase in rent following a rent review.

- For CSD there is net overspend of £0.6m; a small decrease from the Q1 forecast of £0.7m. Within this, £1.2m of the forecast overspend relates to Early Help and Social Care. Of this, Locality pressures (£0.6m) continue on the Social work staffing budgets. A range of strategies to reduce these pressures is being pursued; this includes the review of placements as Independent Fostering Agencies continue to increase their availability since the initial lockdown ended. Overall, any small increases in non COVID-19 overspends since Q1 have been mitigated by further efficiencies, increasing the forecast underspend in Central Resources to £0.9m.
- CET is showing an overspend of £0.4m which is mainly due to a review of reserves; taking a One Council approach, CET has been able to support activities and expenditure in a number of services that would normally have been funded through reserve drawdowns. This means that the Council's reserves will not be expended to the level previously scheduled and this makes funding available for future years. The occurrence of underspends that will support the expected reserves income are not aligned with the services that were to receive this funding, therefore some service areas may appear to be in an overspend position.
- Following a review of the impact of the pandemic on travel budgets, it is proposed that the estimated underspend in this area should be held to support the Future Workstyles Programme. This has amounted to £0.975m and is shown at the bottom of the Corporate Summary; if approved the budgets will be taken as a one-off transfer to reserve for Q3.

2.3 Within Treasury Management (TM) and other centrally held budgets including the general contingency there is an underspend of £6.3m before the impact of COVID:

- There is currently an estimated £1.2m underspend on TM, this is based on the position on the capital programme removing the need to borrow externally in 2020/21. No long term borrowing was undertaken in the quarter and no further cost effective opportunities have arisen during quarter 2 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 £1.1m due to a lower secondary pensions contribution required by the actuary. This is reflected in the MTFP for future years.
- There are £0.2m other minor movements.
- The underspend on TM and other centrally held budgets will be used to offset service overspend in the first instance.
- The general contingency of £3.9m would, per normal practice, be transferred to reserves for use in future years. However, this will in the first instance be used to offset unfunded COVID-19 pressures in year, where they are not covered by the funding provided for by Government. The tables at 2.13 provide a summary.

2.4 Capital Programme expenditure for the year is projected to be £82.8m against a budget of £99.3m, a net variation of £16.5m (£12.9m at Q1). Of the variation position, net £3.7m relates to planned programme activity, and £12.8m are COVID related (£15.2m of slippage offset by an estimated £2.4m overspend). It should be noted that £11.7m 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.

2.5 Of the net £3.7m planned programme variation (**non-COVID related**); there is £0.2m net underspend, £8.1m of slippage to future years, partly offset by (£4.6m) of spend in advance. The main variances include:

- Community Match Fund – low take up from parish councils means slippage of £0.686m is anticipated.
- Exeat 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 £0.568m 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.

- Queensway Depot Development – Slippage of £0.853m with planning application now to be assessed in November 2020 rather than July 2020, only site clearance works and preliminary works are expected to occur in 2020/21, with construction slipping to 2021/22.
- Highways Structural Maintenance – Spend in advance of £1.026m planned. Working conditions due to reduced road usage and effective project management have allowed £1.026m of planned works in 2021/22 to be brought forward to 20/21.
- Westfield Lane - Total slippage of £0.850m, of which £0.250m relates to delays to the tender award process and £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 – total slippage of £3.445m is projected for Hailsham Secondary school to reflect an updated project start date and Hailsham (Burfield) project because work to repair the roof will now take place at the next summer break. There is also anticipated spend in advance of (£3.340m) largely at Reef Way due to the contractor being able to bring works forward to the current financial year.
- Capital Building Improvements (Schools) – slippage of £0.800m relates to additional schools condition funding of £1.850m announced by government in late June, where projects were not in place to proceed in the current financial year.
- Bexhill and Hastings Link Road – The first tranche of part 1 settlement claims is expected to be paid in Q3. The value and timing of further settlements is uncertain, so it is difficult to provide an estimate of the value to be paid this financial year. There will be an update at Q3 on the overall anticipated cost and timeline of settlement for the remaining part 1 claims.

2.6 The details of **COVID related** pressures in each department are set out in the relevant appendices, and show a total forecast overspend of £31.2m. The main headlines are:

- ASC is currently forecasting the net financial impact of COVID-19 to be £14.6m in 2020/21. The main areas of expenditure include relief payments to providers; spend on PPE and the support to shielded groups via the Community Hubs (the latter of which is funded in part by the Food and Emergency Supplies Grant).
- Within BSD, the total of £0.8m 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 of £10.2m are primarily in Central Resources (£1.1m) comprising payments to early years providers and within Early Help and Social Care (£7.8m). LAC budgets have been directly and significantly impacted by COVID-19, with the financial pressures continuing to be reflected in the increase in new placements during the period to date. A mixture of new residential and foster provision and semi-independent accommodation provision have continued, where weekly fees have also increased. In addition, there have also been continued 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.
- There is a CET pressure of £5.6m relating to additional costs and reduced income resulting from COVID-19. The most significant COVID-19 pressures are in Transport and Operations where car parking income is down £2.4m (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 an overspend of £0.8m in the Waste service. The overspend in Communities is mostly due to lost income from marriages and other ceremonies (£0.6m) 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 £0.6m. Income is also down across other services.

2.7 Within Centrally Held Budgets and Corporate Funding there are further COVID related pressures of £1.8m, the key areas being:

- Estimated risk of reduced investment income within TM (£0.7m);
- Levies, Grants & Other includes £0.3m PPE for Corporate Buildings and £0.5m 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.

2.8 There have been three tranches to the end of September of general COVID-related funding allocated by MHCLG for use by the Council:

	£m
Tranche 1	16.297
Tranche 2	9.810
Tranche 3	3.553
Total	29.660

2.9 Against the current COVID revenue estimate of £33.0m this leaves a funding pressure of £3.3m for revenue. Since quarter 2, tranche 4 funding has been announced. In the first instance this will support the deficit, with any arising surplus being held to support any further in year pressures, that are as yet unknown (there being an increased risk as a result of the 2nd lockdown) and capital in-year COVID overspend that cannot be mitigated, outlined at 2.13 below.

2.10 The Council has submitted a bid to MHCLG for support for losses on sales, fees and charges. The bid covers the first four months of 2020/21 and totals £1.6m. The bid is subject to review by MHCLG, but if approved this could be extrapolated for the rest of the year. For prudence this is not currently included in the forecasts.

2.11 The **COVID related** pressures and slippage in the Capital programme total £12.8m; of which there is a £2.4m overspend (adding to the funding shortfall), £3.5m slippage relating to schemes within the Council's control, and £11.7m 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, the purchase of IT&D equipment to enable non-Agile teams to work remotely and other COVID-19 implications are estimated to increase costs across various schemes by £1.210m.
- Capital Building Improvements (Schools) – slippage of £1.700m is largely due to uncertainty within the corporate estate with possible changes in workstyles and occupation has meant several projects are on hold this financial year.
- IT & Digital Strategy Implementation – Slippage of £1.000m due to diverting from planned projects to support the COVID response in the first half of the financial year. None of the delayed projects or programmes affects the council's existing systems or security but does delay new capabilities being introduced.
- Highways Core Programme - A projected Covid-19 risk of £1.212m 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.
- Communities, Economy & Transport various – a total slippage of £0.626m for reasons including low take up of Economic Intervention Fund grants during lockdown and delays to schemes where public interaction would have ordinarily played a role in design development.

2.12 COVID-19 related slippage of £11.7m 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. The South East Local Economic Partnership (SELEP) have granted a six-month COVID-19 extension to their Local Growth Fund schemes

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

Unfunded COVID Costs	£m
Capital	2.422
Revenue	32.969
Funding Tranches 1-3	(29.660)
Total unfunded COVID costs	5.731

Summary of Revenue Variances	£m	
	Non-Covid	Covid
Service Budgets	(2.190)	(31.171)
Central Budgets	6.330	(1.452)
Central Resources	-	(0.346)
Travel underspends to be transferred to reserve	(0.975)	-
Subtotal Variances	3.165	(32.969)
less Covid Grant - tranches 1 to 3		29.660
Net Covid costs (revenue)		(3.309)
less Non-Covid variance		3.165
Deficit to be funded from reserves		(0.144)

2.14 The Strategic Risk Register, Appendix 7, was reviewed and updated to reflect the Council's risk profile. Risk 5 (Reconciling Policy, Performance & Resources), Risk 7 (Schools) and Risk 16 (COVID-19) have updated risk definitions and controls. Risk 4 (Health), Risk 6 (Local Economic Growth), Risk 8 (Capital Programme), Risk 9 (Workforce), Risk 10 (Recruitment) and Risk 15 (Climate) have updated risk controls.

3 Progress against Council Priorities

Driving sustainable economic growth

3.1 TfSE submitted the final transport strategy to Government in July 2020. This was accompanied by the proposal for statutory status, which sets out the powers and responsibilities required to deliver the thirty-year vision set out in the strategy. A response has now been received from the Department for Transport (DfT) which has rejected the proposal to grant TfSE statutory status. However, the Secretary of State did acknowledge the good working relationship between TfSE and Government and the desire for this to continue (Appendix 6).

3.2 Skills East Sussex (SES) met in quarter 2 to finalise the Economy Recovery Plan for the county. The subgroups of SES also met and agreed to collaborate on the Government's Plan for Jobs incentives, and the South East Local Enterprise Partnership's £2m funding pot for skills and employment (Appendix 5).

3.3 27 carriageway asset improvement schemes were completed in quarter 2, to maintain and improve the condition of the county's roads (Appendix 5).

3.4 During quarter 2 15 contracts which qualified for the Social Value Measurement Charter were awarded with a total value of almost £24m. Over £1.2m worth of social value commitments were secured as part of the contracts. The restrictions in place due to COVID-19 have made it

difficult to deliver social value in traditional ways, however organisations are adapting, for example by using virtual environments for skills and employment initiatives (Appendix 3).

3.5 During the summer the Government announced a new Apprentice Incentive Scheme, which runs from August 2020 to January 2021 and offers payments to support new apprentices. A range of publicity materials promoting the scheme have been issued to managers across the Council, and we have subsequently seen an increase in new apprenticeship starts (Appendix 3).

Keeping vulnerable people safe

3.6 Centralised support for the shielded group was paused at the start of August, however the Council has maintained a number of support streams. Community Hubs continue across the county; Health and Social Care Connect (HSCC) has taken on responsibility for advising previously shielded people, with additional capacity being recruited in HSCC to meet demand; and funding has been provided to 15 foodbanks across the county, with food partnerships created to provide additional funding to those accessing food banks (Appendix 2).

3.7 The Safer East Sussex Team hosted the Sussex Anti-Slavery network in October, and through the work of the network the Council has committed to seeing a slavery free East Sussex by adopting the United National Sustainable Development Goal to take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking, and secure the prohibition and elimination of the worst form of child labour by 2030. The pledge was signed by Council leaders including the Chief Executive and Leader (Appendix 2).

3.8 Children's Services worked closely with schools in quarter 2, to implement Government guidance on the full reopening of schools from September 2020. Guidance has been provided to schools to allow them to plan for future eventualities, including any potential move to different tiers of restrictions; model risk assessment and contingency plans have been shared; and there was increased support for vulnerable pupils (Appendix 4).

3.9 The East Sussex Youth Cabinet developed a social media campaign called Stay in quarter 2, to support young people to Stay informed, Stay well, Stay sunny and Stay safe. The Youth Cabinet also raised concerns about the anxiety young people were facing in returning to school, and organised a webinar which was attended by school leaders and Council representatives to discuss the concerns and how they could be addressed (Appendix 4).

3.10 The number of children subject to a Child Protection (CP) plan continued to increase in quarter 2; from a rate of 55.3 per 10,000 at the end of quarter 1, to a rate of 59.9 at the end of quarter 2. Reasons for the increase include plans not ceasing due to it being difficult to end plans safely if children aren't being seen regularly at school, and some contact by social work staff happening virtually. Targeted work has begun to safely reduce the number of plans now that children are back in school and more face to face social work is possible. The number of Looked After Children has remained relatively stable in quarter 2, 57.0 per 10,000, compared to the end of quarter 1, when the rate was 56.4 (Appendix 4).

Helping people help themselves

3.11 A new service to support families and loved ones affected by drug and alcohol disorders was commissioned in quarter 2. The contract was awarded to Adfam, who are a national charity working to improve the lives of families affected by alcohol and drugs and started on 1 October. A project to support members of the street community housed in temporary accommodation also commenced in quarter 2, with a programme of harm reduction and basic diversionary activities delivered (Appendix 2).

3.12 Work on revising and updating the health and social care integration programme began in quarter 2. The objectives for this year have been updated to take account of learning from the new ways of working adopted in response to the pandemic; the impacts of COVID-19 and the ongoing need to manage the response; new responsibilities and restoration and recovery planning; and the need to manage capacity resources and risks appropriately across the system (Appendix 2).

Making best use of resources

3.13 The Council has continued lobbying in quarter 2; alongside the other South East 7 (SE7) Leaders, the Leader wrote to Government to set out the vital role that SE7 councils had played in the COVID-19 response. The letter also made clear that in order for councils to continue this work in the autumn and support the long-term recovery of local communities, Government needed to address the financial cost of the pandemic to provide an adequate funding settlement for local government (Appendix 6).

3.14 The Council's Hailsham Primary Academy project won 'Building Project of the Year under £10m' at the SECBE 2020 Construction Excellences awards in quarter 2. The award recognised the completion of the project 11 weeks ahead of schedule, meaning pupils could start the new term in a brand-new school rather than in temporary accommodation as was originally planned. The project also saved 145 tonnes of CO2 and reduced waste by around 39% by using a number of site-specific schemes (Appendix 3).

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.

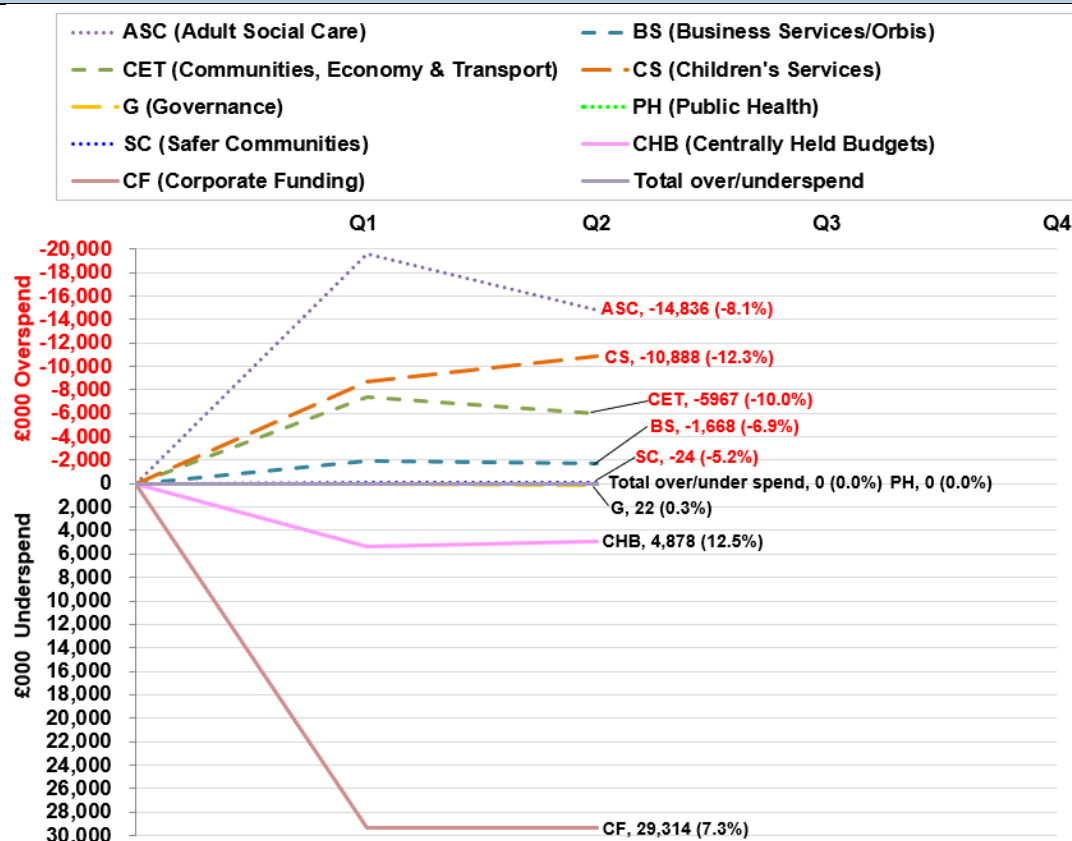
Council Monitoring Corporate Summary – Q2 2020/21

Council Plan performance targets

Priority	Red	Amber	Green	Amend/ Delete
Driving sustainable economic growth	1	0	22	0
Keeping vulnerable people safe	0	3	8	0
Helping people help themselves	1	3	15	1
Making best use of resources	1	1	2	0
Total	3	7	47	1

Q2 2020/21	Q1 2020/21	Q2 2020/21
<p>There are 58 individual measures in the Council Plan.</p> <ul style="list-style-type: none"> Appendix 2 ASC&H – 1 Red, 4 Amber Appendix 3 BSD – 1 Red, 1 Amber, Appendix 4 CSD – 2 Amber Appendix 5 CET – 1 Red, 1 Amend/Delete 	<p>Red, 1, 2% Amber, 2, 3% Green, 55, 95%</p>	<p>Amend/ Delete, 1, 2% Red, 3, 5% Amber, 7, 12% Green, 47, 81%</p>

Revenue budget outturn (net £000)



Revenue budget summary (£000)									
Divisions	Q2 2020/21								
	Planned			Outturn			(Over) / under spend		
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
Services									
Adult Social Care	280,794	(97,225)	183,569	278,408	(94,559)	183,849	2,386	(2,666)	(280)
Safer Communities	484	(25)	459	1,453	(994)	459	(969)	969	-
Public Health	29,082	(29,082)	-	28,164	(28,164)	-	918	(918)	-
Business Services / Orbis	52,823	(28,809)	24,014	54,158	(29,232)	24,926	(1,335)	423	(912)
Children's Services	340,633	(251,760)	88,873	343,084	(253,566)	89,518	(2,451)	1,806	(645)
Communities, Economy & Transport	121,259	(61,394)	59,865	120,485	(60,219)	60,266	774	(1,175)	(401)
Governance Services	7,490	(508)	6,982	7,734	(800)	6,934	(244)	292	48
Subtotal Planned Budget	832,565	(468,803)	363,762	833,486	(467,534)	365,952	(921)	(1,269)	(2,190)
COVID-19 related									
Adult Social Care	-	-	-	44,441	(29,885)	14,556	(44,441)	29,885	(14,556)
Safer Communities	-	-	-	24	-	24	(24)	-	(24)
Public Health	1,195	(1,195)	-	1,195	(1,195)	-	-	-	-
Business Services / Orbis	-	-	-	472	284	756	(472)	(284)	(756)
Children's Services	-	-	-	8,762	1,481	10,243	(8,762)	(1,481)	(10,243)
Communities, Economy & Transport	-	-	-	1,712	3,854	5,566	(1,712)	(3,854)	(5,566)
Governance Services	-	-	-	26	-	26	(26)	-	(26)
Subtotal COVID-19 related	1,195	(1,195)	0	56,632	(25,461)	31,171	(55,437)	24,266	(31,171)
Total Services	833,760	(469,998)	363,762	890,118	(492,995)	397,123	(56,358)	22,997	(33,361)
Centrally Held Budgets (CHB)									
Planned Budget									
Treasury Management	19,938	(1,700)	18,238	18,705	(1,675)	17,030	1,233	(25)	1,208
Capital Programme	3,453	-	3,453	3,453	-	3,453	-	-	-
Unfunded Pensions	10,080	-	10,080	8,931	-	8,931	1,149	-	1,149
General Contingency	3,850	-	3,850	-	-	-	3,850	-	3,850
Contrib to Reserves	1,782	-	1,782	1,764	-	1,764	18	-	18
Apprenticeship Levy	600	-	600	599	-	599	1	-	1
Levies, Grants and Other	1,021	(70)	951	999	(152)	847	22	82	104
Subtotal Planned Budget	40,724	(1,770)	38,954	34,451	(1,827)	32,624	6,273	57	6,330
COVID-19 related									
Treasury Management	-	-	-	-	650	650	-	(650)	(650)
Levies, Grants and Other	-	-	-	291	511	802	(291)	(511)	(802)
Subtotal COVID-19 related	0	0	0	291	1,161	1,452	(291)	(1,161)	(1,452)
Total Centrally Held Budgets	40,724	(1,770)	38,954	34,742	(666)	34,076	5,982	(1,104)	4,878

Revenue budget summary (£000)									
Divisions	Q2 2020/21								
	Planned			Outturn			(Over) / under spend		
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
Corporate Funding									
Planned Budget									
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)	-	-	-
Subtotal Planned Budget	0	(402,716)	(402,716)	0	(402,716)	(402,716)	0	0	0
COVID-19 related									
COVID-19 funding	-	-	-	-	(29,660)	(29,660)	-	29,660	29,660
Business Rates	-	-	-	-	346	346	-	(346)	(346)
Subtotal COVID-19 related	0	0	0	0	(29,314)	(29,314)	0	29,314	29,314
Total Corporate Funding	0	(402,716)	(402,716)	0	(432,030)	(432,030)	0	29,314	29,314
Total	874,484	(874,484)	0	924,860	(925,691)	(831)	(50,376)	51,207	831
Contribution to reserve; support Future Workstyles Programme	-	-	-	975	-	975	(975)	-	(975)
Use of reserves to fund revenue deficit	-	-	-		(144)	(144)	-	144	144
Final Total	874,484	(874,484)	0	925,835	(925,835)	0	(51,351)	51,351	0

Revenue Savings Summary 2020/21					
Service description	2020/21 (£'000) – Q2 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
Savings					
ASC	248	854	854	0	0
BSD / Orbis	1,161	1,161	570	591*	0
CS	770	2,028	1,794	234*	0
CET	1,362	2,362	323	2,039*	0
GS	-	-	-	-	-
Total Savings	3,541	6,405	3,541	2,864	0
ASC			-	-	-
BSD / Orbis			-	-	-
CS			-	-	-
CET			-	-	-
GS			-	-	-
Subtotal Permanent Changes ¹			0	0	0
Total Savings & Permanent Changes	3,541	6,405	3,541	2,864	0

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding ²	Part of reported variance ³	Total
ASC	-	-	0
BSD / Orbis	-	591	591
CS	188	46	234
CET	14	2,025	2,039
GS	-	-	0
Total	202	2,662	2,864

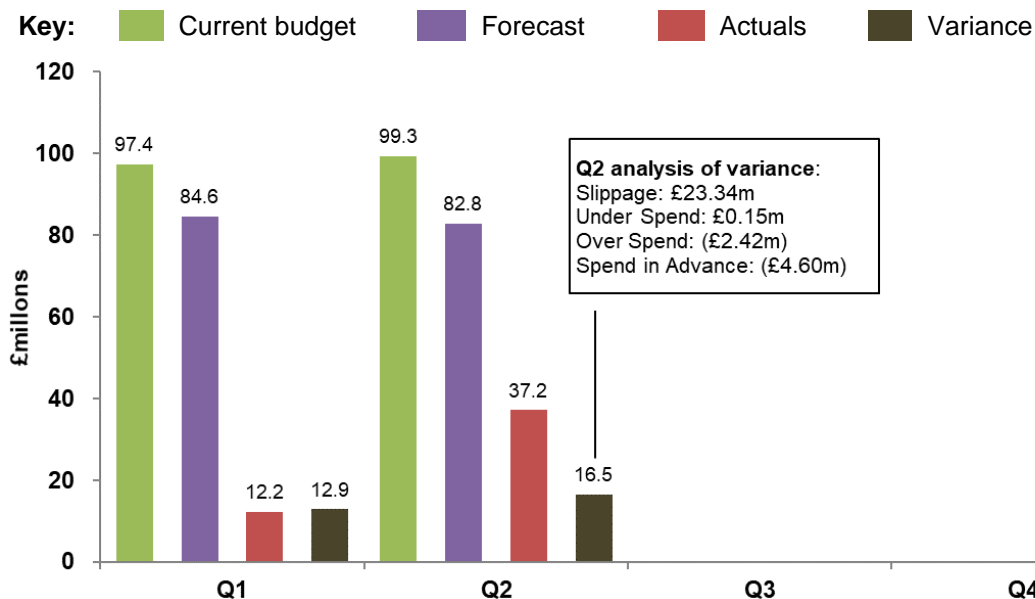
¹ Permanent changes will replace a previously agreed saving that can no longer be achieved. It is done via approval of quarterly monitoring.

² 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).

³ 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	170	-	-	-	-	144	-	144	-
Business Services	34,372	31,139	1,743	-	5,096	(3,353)	1,490	(1,210)	2,700	-
Children's Services	978	924	34	-	34	-	20	-	20	-
Communities, Economy & Transport	63,604	50,563	1,932	153	3,028	(1,249)	11,109	(1,212)	12,321	-
Covid-19 Risk Factor	-	-	-	-	-	-	-	-	-	-
Gross Expenditure	99,268	82,796	3,709	153	8,158	(4,602)	12,763	(2,422)	15,185	0
Section 106 and CIL	(9,410)	(5,299)	3,546	-	3,546	-	565	-	565	-
Other Specific Funding	(29,202)	(17,733)	766	-	766	-	10,703	-	10,703	-
Capital Receipts	(2,915)	(2,915)	-	-	-	-	-	-	-	-
Formula Grants	(28,167)	(27,367)	800	-	800	-	-	-	-	-
Reserves and revenue set aside	(5,910)	(4,962)	778	153	775	(150)	170	-	170	-
Borrowing	(23,664)	(22,098)	(2,181)	-	2,271	(4,452)	3,747	-	3,747	-
Covid-19 tbc	-	(2,422)	-	-	-	-	(2,422)	(2,422)	-	-
Total Funding	(99,268)	(82,796)	3,709	153	8,158	(4,602)	12,763	(2,422)	15,185	0

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 2 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 £244m. 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 September 2020 was £469k at an average rate of 0.76%.

The majority of the Council's external debt was held as long term loans (£234.9m). Borrowing of £1.3m matured on the 30 September held with the Public Works Loan Board (PWL) the loan rate was 8.125% and a further £1.3m will mature by March 2021 at the same rate. No long term borrowing was undertaken in the quarter and no further cost effective opportunities have arisen during Q2 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 £1.2m; 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 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)

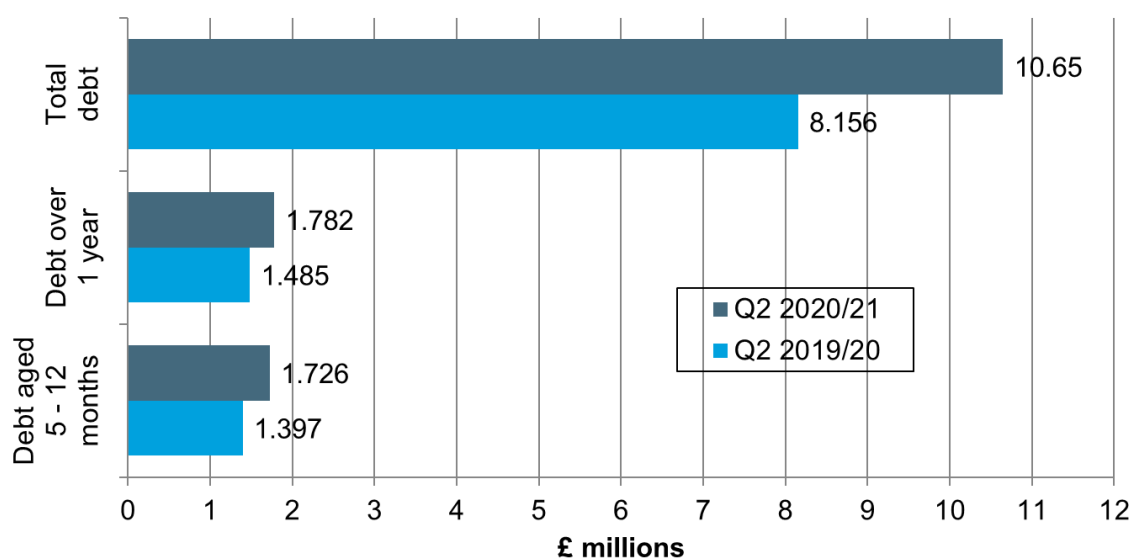
Reserve / Balance	Balance at 1 Apr 2020	Planned net use at Q1	Planned net use at Q2	Movt	Est. balance at 31 Mar 2021
Statutorily ringfenced or held on behalf of others:					
Balances held by schools	15,041	-	-	-	15,041
Public Health	4,026	(607)	(444)	163	3,582
Other	5,929	(717)	(87)	630	5,842
Subtotal	24,996	(1,324)	(531)	793	24,465
Service Reserves:					
Capital Programme	9,334	(1,476)	(1,168)	308	8,166
Corporate Waste	14,613	-	1,000	1,000	15,613
Insurance	6,463	-	-	-	6,463
Subtotal	30,410	(1,476)	(168)	1,308	30,242
Strategic Reserves:					
Priority / Transformation	7,173	(2,334)	(602)	1,732	6,571
Financial Management	35,001	(2,820)	(2,846)*	(26)	32,155
Subtotal	42,174	(5,153)	(3,447)	1,706	38,727
Total Reserves	97,580	(7,954)	(4,146)	3,807	93,434
General Fund	10,000	-	-	-	10,000
Total Reserves and Balances	107,580	(7,954)	(4,146)	3,807	103,434

* includes estimated use of £144k to cover the unfunded revenue deficit

Changes to Fees & Charges

There were no changes to fees and charges during Q2.

Outstanding debt analysis (£ millions)



The value of debt aged over 5 months at Quarter 2 has increased by £1.439m to £3.508m compared to the 2019/20 outturn of £2.069m. This rise in outstanding debt is partly due to the four month suspension in debt collection, and includes an increase of £0.969m due from ASC client contribution and £0.250m due from other local authorities.

Debt recovery recommenced for commercial debt on 1st July 2020 and for ASC debt on 1st August 2020. Work is on-going to collect outstanding income quickly and progress debts through the debt recovery routines.

Aged Debt continues to be a high priority focus area with a continuous improvement approach to re-engineer systems and processes. A full review of the end to end debt recovery process commenced in September 2020 with a small cross-departmental working group of key colleagues from Business Operations, ASC and Legal Services. Priorities for Quarter 3 include further debt recovery workshops, focused debt recovery catch up, and further mailshots to encourage customers to pay by direct debit.

Adult Social Care and Health – Q2 2020/21

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

Adult Social Care (ASC)

COVID-19 – Following the pause of centralised support to the Shielded Group as at the start of August, East Sussex has also paused elements of its support – most notably the food distribution service. However, support arrangements are still available:

- Community Hub provision continues in each District and Borough. As demand has fallen to circa 25 calls per week, provision has generally been taken into existing contact centres and is being used as business as usual. Regular demand monitoring is still occurring, and any significant increase would require a review of arrangements.
- Health and Social Care Connect (HSCC) has taken responsibility at a county level for advising previously shielding people. Additional capacity is being recruited into HSCC to support this and prepare for a second wave.
- Recognising that food security has been a key issue during the initial lockdown investment has been agreed to:
 - Support 15 foodbanks across the county through £270k of funding.
 - Develop food partnerships in each District and Borough to Provide £100k of additional funding to groups to help those accessing food banks.
 - Fund Citizens Advice to provide fuel vouchers.
- The East Sussex Vulnerable People Group has evolved to become a network to provide ongoing coordination on specific issues.

The COVID-19 Shielding Framework sets out the five stages for shielding in future, as part of three elements we should have in hand now:

- A. Meeting statutory needs of Clinically Extremely Vulnerable (CEV)
- B. Primary care maintaining the Shielded Patient List (SPL)
- C. Planning the '5 stages' of Shielding:
 - i. Contacting CEV people in the area of intervention.
 - ii. Implementing a local model of food and basic support.
 - iii. Reporting on support provided to CEV people.
 - iv. A process for clinical review points for pausing shielding.
 - v. Ending shielding and associated support.

In addition, the COVID-19 Shielding Framework proposes five broad 'objectives' for our plans:

1. Data Management and the ability to contact CEV people at short notice.
2. A Contact Strategy to signpost CEV people to the support they need.
3. A Local Food Offer for those without alternative support.
4. Re-establishment of a local 'Basic Support Needs Service' (in the VCSE).
5. Collaboration opportunities with neighbouring councils.

In response to this we have set up a Shielded Framework Steering Group, a development of previous governance structures to lead and deliver this work.

Health and Social Care Integration – Good progress has been made with revising and updating our integration programme priorities and objectives for 2020/21 to take account of:

- The learning from new ways of working that have rapidly been developed as part of our system response to the pandemic and sustaining new models of delivery where there have been agreed benefits.
- The impacts of responding to COVID-19 and the ongoing need to manage the response during 2020/21.
- New responsibilities and changes in focus, and broader restoration and recovery planning.
- The need to manage capacity, resources and risks appropriately across our system for the remainder of 2020/21.

Our focus has been to ensure we can identify and prioritise the key areas of development that will enable our system to continue 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.

Discussions have taken place across our system during June, July, August and September to identify and test the potential integration projects and critical shared priorities for the remainder of 2020/21, given the changes in focus due to COVID-19, and broader restoration and recovery planning. This covers children and young people; community; urgent care; planned care, and; mental health. Within this, priorities for personalisation, prevention, and reducing health inequalities have also been taken into consideration.

The project areas that have emerged out of the recent system discussions as being appropriate priorities for our collective system working in order to continue to make progress have been further tested and sense-checked to ensure they contribute wherever possible to:

- Offer greater levels and experience of integrated care and personalised care and support.
- Maximise the potential for prevention, early intervention and avoiding unnecessary attendance or admission to hospital.
- Support patient flow through hospital and reduced length of stay, and planning for winter and the ongoing need to manage the response to COVID-19, including any possible outbreak control if necessary.
- Support our individual organisations' core service delivery, including local NHS and Sussex Integrated Care System (ICS) plans for recovery and restoration of services, including the national requirement to restore NHS services to pre-COVID-19 levels.
- Align with broader Sussex-wide programmes of work where appropriate to meet the health and social care needs of our East Sussex population, for example the collaboratives for acute care, primary and community, and mental health, and the planned care and cancer programmes.

In addition to testing the agreed benefits for our system in the short and medium term attention has also been given to programme resources and capacity, and specifically our operational capacity to manage and deliver the revised programme in the current environment. The following work has also taken place:

- Developing a framework of realistic programme metrics and resources for the integration programme for the remainder of 2020/21. This includes formalising the detailed objectives, projects and KPIs into a comprehensive programme, taking into account the current challenges, complexities and risks across our whole system.
- Our system governance meetings have now been fully re-instated to support this, and also the work on other critical action plans such as preparation for winter and supporting recovery and restoration of services.

The partnership nature of the discussions across our system has been fundamental to the process of restoring the integration programme. As the revised programmes and projects are worked up in detail this will include future arrangements for partner organisations to be involved in project delivery where there is a shared interest, and how clients, patients and carers will be involved. Health inequalities and equality impact screens and full assessments will also be undertaken if this is required as part of future agreed projects.

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 September.

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 and June 2020 87.8% of older people discharged from hospital to reablement / rehabilitation services were at home 91 days after their discharge from hospital. Activity is showing a decrease, this is likely to be due to changes in activity and restrictions during lockdown and ongoing context of COVID-19, as this measure relates to reablement both carried out in the person's own home and in community based reablement beds. Performance against this measure is unlikely to improve as the scope for rehab has reduced due to COVID-19.
- Between October 2019 and September 2020, no further request was made for on-going support for 90.9% 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 Q2, 8,764 people were receiving TECS.

Adults are able to take control of the support they receive

- There are currently 286 members signed up to Support with Confidence. This is made up of 236 Personal Assistants (PA's) and 50 businesses. In addition to these, there are 63 current applications being processed (56 PA's and 7 businesses).
- At the end of Q2, 36.3% of adults and older people were receiving Direct Payments (DPs). This equates to a total of 1,539 people. DPs 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 a DP and continue to receive them for as long as required.

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

- 2,248 people were supported through STEPS and Homeworks across East Sussex in Q2 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 July at this stage, when 88% of Health Hub Referrals were handled within the correct time scales across all priorities. 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.

Carers supported through crisis intervention – This target is related to the British Red Cross service (ref i) and due to COVID-19 they are not able to deliver business as usual. Therefore, the outturn is to be confirmed.

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

Vulnerable People being Exploited & Recruited by Serious and Organised Crime – SEST are developing a number of interventions as part of the Uckfield Contextual Safeguarding work with the MACE – these interventions will be aimed at various audiences to educate and raise awareness of how to identify those at risk and protect young people in the local area as well as how young people can keep themselves safer.

Interventions with key partners will include:

- Test purchasing, awareness raising and training to identified off-license businesses.
- Whole School Assemblies – On specific issues such as Drugs, County Lines and Exploitation to young people.
- School Staff Training/Briefing sessions from multi - agency partners around the specific issues that are present in the locality involving young people.
- Communities Against Exploitation Event in the community to raise awareness of the types of exploitation that may be present in the local area to people who live and work in the area.
- In order to assist parents and carers to become more aware of the specific issues locally we will be developing information sessions via webinars.

Modern Slavery and Human Trafficking – During Q2:

- SEST, Sussex Police, Adult Social Care and Children's Services delivered a multi-agency briefing session for councillors.
- SEST coordinated specialist bespoke training with the Sussex Police Modern Slavery force lead for the Council's Trading Standards and the Gypsy and Traveller team that may encounter Modern Slavery.
- SEST shared key information and resources relating to modern slavery across the economic development workforce and East Sussex business networks. With the support of our district and borough colleagues one resource was shared across the Wealden District to over 15k recipients.
- SEST hosted the Sussex Anti-Slavery network in October and through the work of the network the Council has demonstrated a commitment to seeing a slavery free Sussex by adopting an overt public facing pledge; The United Nations Global Sustainable Development Goal 8.7, to take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour by 2030, this pledge was signed by council leaders; Chief Executive Becky Shaw, Cllr Keith Glazier and Cllr Bill Bentley.
- We worked with our internal procurement teams to reduce the risk of modern slavery in our supply chains and support their awareness of how the pandemic has increased risk of modern slavery in the care sector.

Vulnerable Victims of Fraud & Scams – The Safer East Sussex Team have been supporting local and national initiatives such as the call blocker project and working to raise awareness of our East Sussex Against Scams Partnership via the Ageing Well festival to continue to bring organisations together to fight scams. Our exploitation training has a focus on fraud and scams (including prevalent coronavirus fraud) which we keep updated to deliver the latest resources and preventative guidance.

Online Safety, Social Media, the Internet and Mobile Phones – With the return of schools in September we have returned to primary schools to deliver our RelationSHOPS programme. This includes a specific session around our Relationship with the Digital World, looking at the importance of how young people can keep safe online as well as how to use the internet responsibly. Key areas of learning cover the sharing of images, cybercrime and the Law, protecting personal information and your digital footprint.

Serious Violent Crime – As the understanding of the impact of serious violence in East Sussex has grown and following an update report to the Serious Violence Executive Group and the Safer Communities Board, partners have agreed to amend the definition of serious violence to concentrate on violence that; occurs in a public place, AND has a victim, suspect or offender up to the age of 39.

East Sussex has been asked to lead on the Reducing Re-offending workstream for Sussex and initial scoping shows that the most significant barriers to reducing re-offending in East Sussex are accommodation and wrap around support for serious violence perpetrators. For East Sussex this will link to the work that we have started on the prevention of homelessness for people leaving prison with the Rough Sleeper Initiative (HMPPS trailblazer status pending). It will also link to the work we are undertaking around substance misuse and Operation Adder which focuses on drug related crime (e.g. robbery, county lines etc).

The Sussex work will take two strands

- supporting the development of a probation post to work on an accommodation strategy and draft funding bids; and
- supporting the development of the recently formed Probation Violence and Exploitation Unit.

Other developments include:

- Sussex Violence Reduction Unit (VRU) funded initiatives led by Children's Service colleagues - College Central and the Multi-agency Child Exploitation (MACE) Key workers intensive family services.
- Through the Home Office Vulnerable Children's Charities VRU Funding three local charities were awarded grants: Priority 1-54, Project Rewild and Gizmo Theatre Company. A separate report request has been sent by the Sussex VRU to these partners.
- A Project between victim support, Bexhill College, SEST and Targeted Youth Support to develop a Forum Theatre workshop for Year 8 pupils around crime: serious violence including knife crime, domestic abuse, county lines, online harms - to increase the awareness of the impact these crime have on the victim/their family and learn to recognise and avoid potentially risky situations.
- Developing a Community Engagement proposal specifically for the two identified hotspot areas. This will consider how local communities can actively influence delivery in their areas. This will include providing opportunities for community feedback on existing and future activity.
- Development of a perpetrator profile looking at the top 20 perpetrators of serious violence, causation factors and the interventions they have received.

Substance Misuse and Recovery Services

- During the Q2 we undertook a commissioning process to support families and loved ones affected by drug and alcohol disorders in the county. The contract was awarded to Adfam, who are a national charity working to improve life for families affected by drugs and alcohol, the contract started on 1 October 2020.
- A key element raised through the *Conversation about drugs and alcohol* that was held in March 2020 was around reducing the harm caused by excessive drinking. As this dovetails with the development of the Alcohol Harm Strategy it was agreed that a further consultation should be undertaken to look at people's relationship with alcohol in more detail. *Continuing the conversation – let's focus on alcohol* was therefore launched in August 2020 and included both an online survey and focus group work with local services and service users. Results will be published during Q3.
- The project to provide support to members of the Street Community housed in temporary accommodation under emergency COVID-19 powers has commenced, and a structured programme of harm reduction support and basic diversionary activities has started to be delivered. The training for providers of Temporary Accommodation has gone well with 12 individuals attending the training during Q2, and in July and August some excellent Harm Reduction training was delivered which was well attended. Individuals have also been engaging in arts activities, which have proved to be very popular.

Domestic Violence and Abuse, Sexual Violence and Abuse Services

Domestic Abuse (DVA) and Sexual Violence (SVA) services continue to flex delivery while staff are predominantly home working, although some face to face work has been re-introduced.

Referrals to DVA services remain high with an average of 70 medium/high risk referrals received each week. Ministry of Justice additional COVID-19 emergency funding has paid for existing staff to work overtime, increasing service opening hours, and resulting in all demand being met, without waiting lists for support.

In Hastings and Rother, over 85% of referrals relate to reported continued or renewed harassment and on-going incidents from alleged perpetrators who are recorded as ex- or separated partners rather than current partners. In Eastbourne, Wealden and Lewes, there are higher numbers of reports of current partners perpetrating abuse, and just under 50% of all referrals have reported physical abuse. There has been a noticeable increase in the number of male referrals (victims in same sex relationships) to MARAC in Q2.

The new CCG funded Health independent domestic violence advisor (IDVA) post has started, with a remit to work across Eastbourne DGH and Conquest Hospitals, both taking referrals of people presenting to A&E, maternity and minor injuries units, and also to build capacity re: identification and referral of hospital staff. This provision, funded on and off for the last few years, has now been mainstreamed into the recommissioning of services from April 2021.

The MARAC Hub Pilot (a secondary meeting in which cases are discussed and safety planning co-ordinated by core partners, reducing the number of cases presented and discussed at the MARAC) was evaluated by Fulfilling Lives who published their report and recommendations: <https://www.bht.org.uk/wp-content/uploads/2020/08/Fulfilling-Lives-Marac-Report-2020.pdf>. On the completion of the pilot, numbers referred to MARAC increased to previous levels with spikes in July and August, although they have reduced to more manageable levels through September.

Referrals to rape and sexual violence remain stable with an average of five young people and five adults a week; however, there are extremely long waiting lists (over 400 people) waiting for counselling support.

The commissioning of East Sussex community Domestic Abuse Services has been delayed due to the pandemic, and the contract with the current provider has been extended to the end of March 2021. The tender documentation is to be published this month with award before the end of December and new contracts going live on 1 April 2021 for 5 years, plus up to 24 months. The recommissioning of the accommodation services (refuge) has been delayed until 2021, pending the passing of the Domestic Abuse Bill and its new duty around provision of accommodation for all people fleeing domestic abuse.

A focus on Domestic Homicide Reviews (DHRs) has signed off completed reviews and a subsequent submission to the Home Office, and appointed independent chairs for more recent homicide reviews. The team has produced a flow-chart with statutory timeframes for each step in the process, and a spreadsheet to track the progress of all DHRs.

Public Health

Number of new service user interventions started through One You East Sussex as part of the Integrated Lifestyle Service – The number of new service user interventions (ref ii) started in Q1 was much lower than we would normally expect. Although the service was able to move swiftly to a fully remote offer in response to COVID-19, the number of referrals received from primary care (the main referral source) was significantly reduced. As activity in primary care returns to more normal levels, we expect referrals to pick up. In the meantime, One You East Sussex (OYES), has undertaken significant digital promotion of its stop smoking and weight management support and as a result, these parts of the service are performing well. The service's online weight management programme received recognition in Public Health England's (PHE) 'Weight management services during COVID-19: phase 1 insights' as an example of good practice.

The number of health and social care staff and voluntary sector organisations trained to deliver brief interventions and advice to promote, encourage and help people make healthier choices as part of the Making Every Contact Count (MECC) initiative – OYES has developed a virtual version of its MECC training programme (ref iii) and this has been piloted within the School of Nursing and Midwifery at the University of Brighton. This development came too late to have an impact on Q1 performance, which is much lower than we would expect. We are working to increase training activity during the rest of the year. However, potential recipient organisations are currently unable to commit due to not having capacity to attend training as a result of the COVID-19 outbreak. This may result in continued low uptake.

Cumulative percentage of the eligible population who have received an NHS health check since 2015/16 (five year period) – Since April 2016 - March 2021 (this five year reporting period) 38.6% (65,454) of the eligible population have received their NHS Health Check (ref iv) by the end of Q1. The service was suspended by NHSE/RCGP guidance in March 2020 due to the COVID-19 pandemic and all providers ceased delivering the service. This also includes the county's integrated health and wellbeing service, OYES that delivered 0 Checks in Q1.

A consultation was issued to assess the impact of COVID-19 and GP delivery. GPs responded that NHS Health Checks will be significantly reduced due to prioritised workloads. Some GP providers and OYES started to deliver NHS Health Checks in August in a limited and 'COVID-19 secure' way. A new tariff has been developed and will be launched in Q3 to incentivise GPs to target checks to specific COVID-19 vulnerable communities and to align the NHS Health Check service with similar types of health checks such as the Black, Asian and Minority Ethnic (BAME) holistic health assessment and the Learning Disability annual health check.

Successful partnership working

- **Crowdfunder East Sussex** aims to make great ideas happen through a combination of expert crowdfunding coaching, events and grants. Public Health's [Building Stronger Communities Fund](#) supports projects that promote social inclusion, diversity and empowerment of people and communities through the development of community facilities or community activities. The fund also supports projects helping people most affected by the coronavirus pandemic with up to £2,500 in match funding available for not-for-profit organisations with projects that make a real difference in our communities. In Q2 Crowdfunder East Sussex and the Building Stronger Communities Fund have awarded £16,000 in match funding for eight eligible projects. 641 supporters came forward to make pledges to these projects, successfully raising over £87,000 through a combination of public giving and match funding.
- An application to the **Department for Business, Energy & Industrial Strategy's Green Homes Grant Local Authority Delivery** scheme by a consortium of East Sussex local authorities, led by Hastings Borough Council, has been successful. East Sussex County Council will receive £662,714 of the £912,714 awarded, which will help

to boost the Warm Home Check service offer for eligible residents this winter. The service, commissioned by Public Health and delivered by RetrofitWorks and Citizens Advice East Sussex, will offer home energy efficiency improvements for at least 75 low-income fuel poor households in private tenures (home-owners or those privately renting). The measures on offer will include home insulation and low carbon heating systems. The remaining funding awarded will be used by Optivo, along with their own match funding, to deliver works to improve 50 homes in their social housing stock in East Sussex.

National recognition of good practice

- **Thrive Tribe** (our Integrated Health and Wellbeing Service provider) swiftly adapted its service delivery model following lockdown, to provide remote weight management and stop smoking support. The service's weight management programme has since been recognised as an example of good practice by PHE. Feedback has shown that the move to online provision has broken down barriers for some service users who were unwilling to engage with face-to-face group interventions but are happy to sign up to an online service.
- **Innovation in suicide prevention** – The LGA recently published [a case study](#) on innovative work led by Public Health last year, to review and reframe issues surrounding suicide at a public place in East Sussex. The case study describes the design led approach used to creatively engage 37 stakeholders from 17 organisations in the intensive five-day workshop programme. The outcomes of this programme have informed new plans to improve suicide prevention in East Sussex.

New ways of working

- **A whole sexual health system monthly tracker** has been developed to cover STI testing, contraception, Emergency Hormonal Contraception (EHC), condom supply and abortion activity to monitor true 'real time' activity compared to 2019-20. This includes CCG, acute provider, abortion provider and online datasets in one dashboard. This tracker is assisting in negotiations with providers and development of new services.
- **Specialist sexual health services** have successfully adopted remote ways of working. Online Sexual Transmitted Infection testing activity has increased since lockdown and services continue to signpost. Online EHC and contraception bridging access was commissioned as a temporary measure under COVID-19 rules and has proved successful. Online condoms provision is available via the sexual health website for all ages in light of a 65% drop in accessing condoms. Reactive marketing and website development have enhanced remote working and signposting to accessible services. The service specification for abortion procurement now includes remote consultation, scan only where indicated and postal early medical oral treatment.
- **Drug related harm** - A proposal has been agreed in principle by the Home Office to provide significant funding to address drug related harm in Hastings (one of four areas in the country to benefit from increased funding (an investment of £3 million pounds) over the next two and a half years). It aims to reduce drug related deaths, reduce drug related offending and reduce the prevalence of drugs in the town. This funding will be used to underpin a whole system approach that enhances existing assets that address substance misuse in the town. The project focuses on the harm associated with heroin and crack cocaine use and work has been divided into three work streams – enforcement, treatment and recovery and diversion. Each strand has a range of interventions which contribute to increased Police and other partner related activity to break up serious and organised crime structures around drug supply, increase the number of heroin and crack users who enter treatment and then enter and sustain recovery and increase the number of people who are diverted away from the court system due to drug related offences. The outcomes of the project include an increase in the number of children and other vulnerable people safeguarded, a reduction in costs to local Police forces, the court system and health and social care systems and a reduction in drug related deaths.
- **Clinical Cell** – Public Health staff were drawn in on a rota basis to review and interpret daily government guidance to provide timely advice and support to various clinical and public queries. The clinical cell has grown and now has ten individuals supporting the function of providing advice on prevention of the spread of COVID-19 and reinforcing of the control measures required. The team supporting the cell works on a rota basis responding to enquiries from Members of the Public internal and external stakeholders to the Council. An example the enquiries range from interpretation of guidance, providing specialist advice on Infection Prevention Control (IPC), PPE and supporting NHSE mandated IPC training for care homes and more latterly schools and homeless services. Members of the cell have a wealth of expertise which is transferable and as well as supporting the function of the cell also provide leads for mass COVID-19 vaccination task and finish groups, COVID-19 testing, including antibody testing, mobile testing.

Revenue Budget Summary

Public Health

The Public Health (PH) Budget of £30.277m comprises of the PH grant allocation of £27.702m, Test Track and Contain grant allocation £2.535m (of which £1.195m is planned to be spent in 20/21), CCG funding of £0.017m and £1.363m drawn from reserves to support in-year spending. Core PH expenditure is projected to be £0.918m less than

planned due to the delivery of services being restricted by COVID-19. This reduces the forecast draw from reserves to £0.445m.

ASC

The net Adult Social Care budget of £183.485m includes growth and demography funding and an inflationary uplift to support the independent sector care market. The budget is currently forecast to overspend by £0.280m, excluding the financial impact of COVID-19 on ASC costs. This comprises an overspend of £1.570m in the Independent Sector, offset by an underspend of £1.290m in Directly Provided Services. The Independent Sector overspend reflects ongoing demand-led pressure on ASC services and the likely future impact of the Hospital Discharge Programme (HDP) as approximately 1,000 clients discharged under Scheme 1 of the HDP transition back to ASC during the second half of the year. The impact of the HDP on core ASC expenditure will be reviewed throughout Quarter 3. The underspends in Directly Provided Services relate mainly to lower demand in Day Services, temporary reductions in social worker training and increased staffing vacancies while recruitment activity remains lower.

ASC is currently forecasting the net financial impact of COVID-19 to be £14.556m in 2020/21. This is split £10.253m in the Independent Sector, £4.303m in Directly Provided Services and £0.024m in Community Safety. The main areas of expenditure include relief payments to providers; spend on PPE and the support to shielded groups via the Community Hubs (the latter of which is funded in part by the Food and Emergency Supplies Grant. Hospital discharge costs will be funded by the HDP funding, which includes a contribution from ASC's core budget equal to our normal spend meeting the needs of people discharged from hospital, in line with national guidance.

Capital Programme Summary

The ASC Capital programme is £0.314m for 2020/21. £0.144m slippage is expected in Greenacres as some of the budget will be held for future modifications.

Performance exceptions (See How to read this report for definition)								
Performance measure	Outturn 19/20	Target 20/21	20/21 RAG				Q2 2019/20 outturn	Note ref
			Q1	Q2	Q3	Q4		
Priority – Helping people to help themselves								
Number of carers supported through short-term crisis intervention	921	390	G	A			TBC	i
Number of new service user interventions started through One You East Sussex as part of the Integrated Lifestyle Service	6,432	7,000	G	A			1,021 (Q1)	ii
The number of health and social care staff and voluntary sector organisations trained to deliver brief interventions and advice to promote, encourage and help people make healthier choices as part of the Making Every Contact Count (MECC) initiative	689	600	G	A			25 (Q1)	iii
Cumulative percentage of the eligible population who have received an NHS health check since 2015/16 (five year period)	49.3%	50%	G	R			38.6% (Q1)	iv

Savings exceptions						
Service description	2020/21 (£'000) – Q2 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	-	-	

Savings exceptions						
Service description	2020/21 (£'000) – Q2 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	
Total Savings	248	854	854	0	0	
			-	-	-	
			-	-	-	
Subtotal Permanent Changes ¹			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 ²	Part of reported variance ³	Total	Note Ref
	-	-	-	
	-	-	-	
	-	-	-	
Total	0	0	0	

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

² 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).

³ 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)			Q2 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	113,258	(39,770)	73,488	7,197	(3,821)	3,376	
IS - Learning Disability Support	63,737	(4,878)	58,859	67,830	(5,355)	62,475	(4,093)	477	(3,616)	
IS - Mental Health Support	7,822	(1,805)	6,017	11,224	(3,877)	7,347	(3,402)	2,072	(1,330)	
Subtotal	192,014	(50,274)	141,740	192,312	(49,002)	143,310	(298)	(1,272)	(1,570)	
COVID-19 related										
IS - Hospital Discharges	-	-	-	18,925	(18,557)	368	(18,925)	18,557	(368)	
IS - Loss of Income	-	-	-	377	-	377	(377)	-	(377)	
IS - Provider Relief Payments	-	-	-	9,508	-	9,508	(9,508)	-	(9,508)	
IS - Infection Control Fund	-	-	-	10,737	(10,737)	-	(10,737)	10,737	-	
Subtotal	0	0	0	39,547	(29,294)	10,253	(39,547)	29,294	(10,253)	
Directly Provided Services and Assessment and Care Management										
Physical Support, Sensory Support and Support for Memory & Cognition	15,132	(4,675)	10,457	13,074	(3,320)	9,754	2,058	(1,355)	703	
Learning Disability Support	7,522	(595)	6,927	7,168	(682)	6,486	354	87	441	
Mental Health Support	3,008	(2,985)	23	3,009	(2,885)	124	(1)	(100)	(101)	
Substance Misuse Support	591	(115)	476	591	(115)	476	-	-	-	
Equipment & Assistive Technology	5,599	(3,101)	2,498	5,516	(3,107)	2,409	83	6	89	
Other	1,113	(695)	418	1,282	(694)	588	(169)	(1)	(170)	
Supporting People	6,780	(310)	6,470	6,778	(310)	6,468	2	-	2	
Assessment and Care Management	26,087	(2,735)	23,352	26,024	(2,673)	23,351	63	(62)	1	
Carers	3,188	(2,494)	694	2,925	(2,231)	694	263	(263)	-	
Management and Support	19,470	(29,246)	(9,776)	19,236	(29,337)	(10,101)	234	91	325	
Service Strategy	290	-	290	493	(203)	290	(203)	203	-	
Subtotal	88,780	(46,951)	41,829	86,096	(45,557)	40,539	2,684	(1,394)	1,290	
COVID-19 related										
Loss of Income	-	-	-	399	-	399	(399)	-	(399)	
PPE	-	-	-	2,117	-	2,117	(2,117)	-	(2,117)	
Emergency Meals, Community Hubs and Grants	-	-	-	2,047	(591)	1,456	(2,047)	591	(1,456)	
Staffing	-	-	-	264	-	264	(264)	-	(264)	
Other	-	-	-	67	-	67	(67)	-	(67)	
Subtotal	0	0	0	4,894	(591)	4,303	(4,894)	591	(4,303)	

Revenue Budget										
Divisions	Planned (£000)			Q2 2020/21 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Total Adult Social Care	280,794	(97,225)	183,569	322,849	(124,444)	198,405	(42,055)	27,219	(14,836)	
Planned Budget										
Safer Communities										
Safer Communities	484	(25)	459	1,453	(994)	459	(969)	969	-	
Subtotal	484	(25)	459	1,453	(994)	459	(969)	969	0	
COVID-19 related										
Community Safety - Staffing	-	-	-	24	-	24	(24)	-	(24)	
Subtotal	0	0	0	24	0	24	(24)	0	(24)	
Total Safer Communities	484	(25)	459	1,477	(994)	483	(993)	969	(24)	
Planned Budget										
Public Health										
Core Services										
Mental Health & Best Start	10,308	-	10,308	10,019	-	10,019	289	-	289	
Risky Behaviours and Threats to Health	11,278	-	11,278	11,063	-	11,063	215	-	215	
Health Systems	3,083	-	3,083	2,906	-	2,906	177	-	177	
Communities	743	-	743	887	-	887	(144)	-	(144)	
Central Support	3,670	-	3,670	3,289	-	3,289	381	-	381	
Public Health Grant income	-	(27,702)	(27,702)	-	(27,702)	(27,702)	-	-	-	
Public Health CCG and Reimbursement income	-	(17)	(17)	-	(17)	(17)	-	-	-	
Contribution from General Reserves	-	(1,363)	(1,363)	-	(445)	(445)	-	(918)	(918)	
Subtotal	29,082	(29,082)	0	28,164	(28,164)	0	918	(918)	0	
COVID-19 related										
Test, Track and Contain	1,195	-	1,195	1,195	-	1,195	-	-	-	
Test, Track and Contain Grant	-	(1,195)	(1,195)	-	(1,195)	(1,195)	-	-	-	
Subtotal	1,195	(1,195)	0	1,195	(1,195)	0	0	0	0	
Total Public Health	30,277	(30,277)	0	29,359	(29,359)	0	918	(918)	0	

Capital programme										
Approved project	Total project – all years (£000)		2020/21 (£000)							Note ref
			In year monitor Q2 (£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	54	120	144	-	144	-	
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	54	170	144	0	144	0	

Business Services – Q2 2020/21

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

Summary of successes and achievements – Q2 has seen a continuation of services supporting key areas during the COVID-19 pandemic and reacting to ongoing pressures and changes as a result. Business As Usual activities that were paused at the start of the pandemic have started to be picked up, meaning we have been able to commence debt recovery, the rollout of Windows 10 laptops, and forward plans for the remainder of the year have been revised in both Internal Audit and Procurement. The 'Workstyles' Programme has been launched, which is a cross functional programme working across HROD, IT&D and Property, to look at future ways of working and the impacts this will have on our office spaces and workforce.

In July, the new Hailsham Primary Academy capital project was winner of 'Building Project of the Year under £10m' at the SECBE 2020 Construction Excellences awards. The award recognises the completion of the project 11 weeks ahead of schedule in a total of 44 weeks, meaning pupils could start the new term in a brand-new school rather than the temporary accommodation originally planned. The collaboration and teamwork demonstrated throughout the project, especially between Procurement and Property teams, was a key factor in delivering this award-winning result. The project saved 145 tonnes of CO2 and reduced waste by around 39% by using site-specific schemes.

The Council's IT and Digital service won an award at the Real IT Awards 2020 in the category of 'Legacy System Migration' for the project to introduce the MyServiceHub IT service desk management tool. The award is recognition of the hard work involved and emphasises how a technology change can be used to drive culture change and enhance the customer experience.

Apprenticeships – In the summer of 2020, the Government announced several new initiatives aimed at tackling the projected sharp rises in unemployment, particularly among those aged 18 – 24, as a consequence of COVID-19. The Apprentice Incentive Scheme currently runs from August 2020 until January 2021 and offers payments to support new apprentices. To qualify for the incentive payment, the individual must be a new employee; it does not include existing members of staff who are undertaking apprenticeship training. A range of publicity materials have been issued to managers across the Council and we have already seen an increase in new apprenticeship starts.

The Department for Work and Pensions have launched the 'Kickstart' programme which provides funding to create new six month job placements for young people aged 16-24 who are currently on Universal Credit and at risk of long-term unemployment. In order to ensure that these new initiatives are complementary to our existing Apprenticeship programme and arrangements, a working group, drawn from members of the Apprenticeship Steering Group, is being established to take this forward in the Council.

Savings achieved through procurement, contract and supplier management activities – During Q2 the demand on Procurement resource to support COVID-19 related activities started to ease. However, there was a continued need to monitor PPE spend and supplier due diligence. The provision of Food Boxes during the lockdown period was wound down and a procurement was undertaken to establish a medium-term supply of food boxes to be used, should the Council be required to support shielded residents. Supplier relief has, in most cases, ended in line with government guidance, but in some cases was extended through to September where the contracts were largely related to schools.

A significant collaborative procurement concluded in Q2 – the Hard FM (Term and Planned Maintenance) project, which was an 18-month collaboration between Property services in Brighton and Hove and East Sussex Councils and led by the ESCC Procurement team. This has been a significant success for collaborative working, as well as the increased focus on social value and sustainability in these frameworks. Work is also taking place to see if the frameworks can also be used by Eastbourne & Lewes and Adur & Worthing Councils in the coming months.

The Orbis Energy Team and Procurement completed the procurement of the Utilities Ancillary Services which brings a common approach to monitoring meter data and usage across Surrey and East Sussex.

The care and support contract for Greenacres was awarded in Q2, part of East Sussex's response to the national Transforming Care Programme, aimed at ensuring people with learning disabilities or autism can be discharged from NHS hospitals into appropriate community settings.

Social Value (SV) – In Q2, a total of 18 contracts were awarded. Three 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 restrictions in place during the pandemic has made it more difficult for the supply chain to deliver Social Value in traditional ways. Our focus is now on adapting the approaches within procurement to maximise the areas of social value that are deliverable and focus on the priorities highlighted in the East Sussex Economic Recovery Plan.

We are seeing the supply chain react in creative ways to deliver social value, such as using virtual environments for skills and employment initiatives. The 15 in-scope contracts had a total contract value of £23.93m and secured £1,224,995 in Social Value commitment, which equates to an outturn of 5%. The figure reported is below the >10%

target and we will be looking to increase the focus on social value in all our activities, taking into consideration the current climate and challenges.

Procurement is actively supporting Property Services and the Environment Team in the approach to decarbonisation of our buildings and delivering a zero-carbon supply chain. This initially includes procurement of consultancy and contractor support for applications to the Public Sector Decarbonisation Fund and Solar PV installations.

Third Sector support – During Q2 all activity continued to be directed to ensuring that external partners were supported in following Government COVID-19 guidance and identifying adaptations to their services and activities to meet the local impacts of the pandemic. Third Sector support worked across departments and public sector partners to ensure that insight and intelligence from the voluntary, community and social enterprise (VCSE) sector informed responses to local population need. Local VCSE insight and intelligence was provided by 3VA, HVA, RVA, ESCV, in partnership with the VCSE Alliance.

Specific activities included establishing Food Security grants administered by Sussex Community Foundation, working with Sussex Health and Care Partnership (SHCP) to better understand the impact of COVID-19 on the VCSE sector, and developing a South East Local Enterprise Partnership (SELEP) Social Enterprise Working Group bid to the Sector Support Fund (SSF).

Internal Audit – During Q2, efforts continued to be focussed 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. Whilst the majority of planned audit work continued to be suspended in order to avoid interfering with priority and frontline service delivery, we were able to begin some planned audit activity across the authority. All Internal Audit staff previously redeployed to support other services returned to the team during Q2. In addition, work was completed to produce a revised Internal Audit Plan for the second half of the year, focussing on priority activities from the original plan and new and emerging risks in response to the pandemic.

Neither of the two high risk agreed actions due to be implemented by the end of Q2 were actioned. These related to the audit of Libraries Asset Management where delays have occurred due to COVID-19. Revised deadlines have been agreed which will be subject to ongoing monitoring by Internal Audit, with further escalation where necessary.

Insurance claims – At Q2, 88% of liability claims were handled to first decision (i.e. initial repudiation or offer of compensation) within the relevant legal time frames. This is compared to 38.1% reported at Q1 but continues to be 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, due to staffing and administration issues reported during Q1. Due to the outstanding back log of claims, the target was missed for July but then exceeded for both August and September. 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 the Council (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. We will continue to monitor this situation and liaise with Costain Jacobs but are now confident that the issue is resolved and that the target will be met for Q3.

Property operations – The core of activities continue to be around COVID-19 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. Work has begun to move this work into the planning phase for the 'new normal'. A Workstyles programme has launched, which is a cross functional team initiative put in place to support the change programme for the Council's services in response to the challenges and opportunities that the pandemic has posed to the organisation.

The data platform that supports the Property service is being replaced. Following the appointment in Q1, work has started on the implementation phase in Q2, with plans to go live in Q4.

Renewal of procurement framework arrangements to support both our Rating and Asset Valuation/Audit requirements has been concluded with new Valuers being formally contracted this month, and for which a whole portfolio revaluation will be commissioned for March 2021. This procurement work has been jointly carried out with West Sussex County Council.

There has been an overall reduction of 23.2% in energy use during Q2 2020/21. This breaks down as 29.5% reduction for schools and 15.5% reduction for non-school energy use. The temporary closure of some buildings for COVID-19 related reasons has caused a reduction in energy use, contributing to carbon reductions significantly in excess of the targets set. As with Q1, the cost saving this has generated has been outweighed by the third-party rental increase for St Mark's House, which was higher than forecasted.

The collapse of a 5m high section of the Lewes Castle wall last Winter has been subject to ongoing project works with adjacent lands now cleared of over 400 tonnes of debris and multiple stakeholder involvement and management. Discussions have been ongoing with Historic England and the next step is to start local consultations, with a formal submission for Scheduled Monument Consent during Q3, although any form of reinstatement works is unlikely to start until at least Spring 2021.

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 districts and boroughs, with activities varying from emergency services colocation to town centre regeneration.

During Q2, many SPACES projects have been under review by lead partners as key priorities change following the impacts from COVID-19. This has meant some projects are having to be put on temporary hold, ranging from between six months to three years. Ongoing discussions continue to ensure that any changes to project situations are monitored and benefits can still be tracked and measured.

Formal announcement of the OPE Phase 8 and Land Release Fund (LRF) Phase 2 funded streams were launched in Q2. SPACES are in the process of collating information for potential projects for bidding in Q3. Focus is around economic recovery following COVID-19, including housing regeneration, local developments, 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 and best practices and exploring new opportunities where revised estate strategies could see synergies between the public sector organisations, especially for office accommodation and delivery of services.

The value of benefits delivered by SPACES (a total across all SPACES partners) at the end of Q2 was over £19m, with another £2.4m identified within planned projects.

Property Strategy – The significant changes in working practices seen during COVID-19 has led to a reassessment of future needs as we approach statutory lease expiry at our St Marys and Ocean House buildings in 2021. 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 – Work has continued to progress on Feasibility and Town Planning, but progress has been sporadic as markets digest COVID-19 impacts (ref i). However, in Q2 we have been able to:

- gain contractual agreement to sell Isabel Blackman Centre to a consortia of local community bodies;
- commence marketing of the Grove site in Hastings;
- complete transfer of Helenswood Upper school site to the Department for Education; and
- continue ongoing negotiations at Hindlands, Polegate seeking to finalise Head of Terms for a new medical centre development.

Some site opportunities are still tied into outcomes of wider corporate and service transformation plan updates. The three-year Capital receipts programme otherwise remains on target and continues to progress. All projects will be subject to a review and prioritisation assessment as part of the post COVID-19 activities.

IT & Digital – Having been paused due to the COVID-19 restrictions, the Device Refresh Project restarted at the beginning of August, with social distancing measures in place and operating at a reduced throughput, meaning IT&D are able to deliver vital updated tools to staff that help them work efficiently in increasingly flexible ways. Having replaced Windows 7 earlier in the year, Windows 8 devices are now being refreshed which will make Windows 10 available to all staff, further increasing agility.

We continue to invest in the underpinning architecture of the organisation by migrating services onto industry leading, hyper-converged Nutanix infrastructure. Over a number of months, IT&D have been migrating systems and data to the enhanced environment - the most significant move in Q2 was Sharepoint. This means greater resilience for our services, high availability and more efficiency with hyper-convergence, meaning more things are stored in less space, thus consuming less power.

COVID-19 support to services has continued with activity focused on supporting department recovery programmes, enabling staff to work from wherever they need to and reshaping the Digital Strategy to reflect changing needs. As part of this, IT & Digital supported 30 Newly Qualified Social Workers joining the organisation in September. With social distancing measures in place, this Digital Induction was successful in providing equipment and immersing a cohort of staff in system training, information security and governance awareness in the most efficient and COVID-19 safe way, enabling them to work on the frontline in the shortest time.

Modernising Systems – The Modernising Back Office Systems (MBOS) Programme was 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. In Q2, the MBOS Programme passed two key milestones: six suppliers have been shortlisted and asked to respond to the tender for the SAP replacement programme by November, with the contract award being targeted for Q4, and the Property Asset Management System contract has been awarded, which will replace the current systems in place.

Attendance Management and Wellbeing – The 2020/21 Q1+2 sickness absence figure for the whole authority (excluding schools) is 3.64 days lost per FTE, a decrease of 2.6% since the previous year.

Mental health continues to be the primary driver of absence, and Q1 saw an increase in days lost due to this. It is, however, positive that there was a reduction in Q2. 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. In response to the COVID-19 situation, a range of measures have been introduced to provide enhanced support:

- Compassionate leadership, remote teams and wellbeing workshops have taken place with more planned.
- Our expanding Mental Health First Aiders network have been providing support in virtual team meetings and 1-1 sessions.
- A Wellbeing Intranet page to support staff during COVID-19 has been developed which hosts a wealth of information and signposts to targeted resources. This is supported by a dedicated wellbeing campaign with daily webinars from our Employee Assistance Program (EAP) provider.
- 'Time to TALK about Stress' campaign was launched on 10 October 2020, with a focus on managing stress in a remote environment, supported by a comprehensive toolkit.
- Further targeted support is planned in the wake of continued home working; including an enhanced Display Screen Equipment (DSE) offer with a remote working focus and dedicated EAP support sessions for all staff.

Business Operations – During Q2, the Accounts Receivable Service have resumed debt recovery after the pause at the outset of COVID-19 which led to aged debt rising by £2.6m. Work has begun to improve the process for raising debt through a more automated invoice request form, as well as a push on encouraging customers to pay by direct debit. The debt recovery team have also been working collaboratively with ASC and Legal Services to commence an end to end recovery review to ensure systems and processes are as efficient as they can be.

Q2 has seen Peer-to-Peer (P2P) prompt payment levels stabilise at 96%, exceeding our target of 93%. This has been enabled by ongoing work with suppliers to increase the take up of e-invoicing which now stands at 42%, the introduction of new functionality "Cognitive Invoicing" in our e-invoicing solution, and the creation of self-servicing P2P information. We are also exploring and piloting ways to automate the Goods Receipting and PO Change process.

Aided by the adoption of the electronic forms that were introduced in Q1, Employee Services and Payroll are now consolidated as a fully virtual service.

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 £1.668m (**ref viii**). £0.756m of this (**ref vii**), 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 this year due to COVID-19 (**ref vi**).

The non-COVID-19 element of the overspend equals £0.912m (**ref v**) and mainly consists of £0.406m of budgeted savings, originally planned to be delivered through Orbis efficiencies, but no longer attainable due to the disaggregation of some BSD services from the Orbis partnership. Furthermore, the impact of COVID-19 has limited the ability to mitigate these savings elsewhere in BSD due to the current circumstances (**ref ii**). In the revenue budget table below, these savings are included within Finance (included in **ref iii** alongside £0.019m of other variances). Additionally, there are some overspends within Property. This is due to delays in implementing the proposed property restructure, as well as an increase in rent following a rent review (**ref iv**).

Service areas within the joint Orbis budgets are categorised as either "Fully integrated", "Partially integrated" or "Centres of Expertise". This is therefore reflected within the Orbis 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 £0.769m (**ref x**). This is mainly attributable to Business Operations, where a £0.750m overspend is being reported (**ref ix**). This relates to a £0.750m savings target that is now not seen as likely to be achieved. There are also overspends within Finance, HR&OD and the Insurance CoE. However, these are being partially mitigated by underspends elsewhere. The ESCC contribution to the net Orbis overspend is currently forecast as £0.207m (**ref xi**).

Capital Programme Summary – The 2020/21 capital budget is £34.372m and includes the £13.308m Schools Basic Need Programme and the £11.064m Building Improvements programme. The full year estimated variance includes slippage of £7.796m, spend in advance of £3.353m and overspends of £1.210m (**ref xiii**). 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 £3.446m and spend in advance of £3.340m (**ref xii**). 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 Capital Buildings Improvement programme and the IT Capital Programme.

Performance Exceptions (See How to read this report for definition)								
Performance measure	Outturn 19/20	Target 20/21	20/21 RAG				Q2 2020/21 outturn	Note Ref
			Q1	Q2	Q3	Q4		
Priority – Making best use of resources								
Deliver the Property Asset Investment Strategy	Feasibility studies in development for 7 key projects	Outline business cases brought forward against at least 2 priority projects	G	A			Business cases have several dependencies on outcomes of wider corporate / service transformation plan updates	i

Savings exceptions						
Service description	2020/21 (£'000) – Q2 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 ¹			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 ²	Part of reported variance ³	Total	Note Ref
Delayed savings	-	591	591	
	-	-	-	
	-	-	-	
Total	0	591	591	

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

² 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).

³ 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)			Q2 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	1,749	(1,255)	494	2,849	(1,930)	919	(1,100)	675	(425)	(iii)
HR & OD	394	(394)	0	324	(309)	15	70	(85)	(15)	
IT & Digital	5,982	(2,414)	3,568	5,934	(2,386)	3,548	48	(28)	20	
Procurement	977	(510)	467	986	(487)	499	(9)	(23)	(32)	
Property	27,694	(19,854)	7,840	27,966	(19,752)	8,214	(272)	(102)	(374)	(iv)
Contribution to Orbis Partnership	16,014	(4,369)	11,645	16,086	(4,355)	11,731	(72)	(14)	(86)	
Subtotal	52,823	(28,809)	24,014	54,158	(29,232)	24,926	(1,335)	423	(912)	(v)
COVID-19 related										
HR&OD – COVID-19	-	-	-	(96)	220	124	96	(220)	(124)	
IT&D – COVID-19	-	-	-	164	-	164	(164)	-	(164)	
Property – COVID-19	-	-	-	217	64	281	(217)	(64)	(281)	
Contribution to Orbis Partnership – COVID -19	-	-	-	187	-	187	(187)	-	(187)	(vi)
Subtotal	0	0	0	472	284	756	(472)	(284)	(756)	(vii)
Total BSD	52,823	(28,809)	24,014	54,630	(28,948)	25,682	(1,807)	139	(1,668)	(viii)

Revenue Budget											
Divisions		Planned (£000)			Q2 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	13,436	(7,592)	5,844	(750)	-	(750)	(ix)
	IT & Digital	22,892	(3,120)	19,772	23,023	(3,251)	19,772	(131)	131	-	
	Management	402	-	402	492	(58)	434	(90)	58	(32)	
	Procurement	4,658	(200)	4,458	4,600	(142)	4,458	58	(58)	-	
Partially Integrated	Finance	4,505	(1,249)	3,256	4,675	(1,394)	3,281	(170)	145	(25)	
	HR & OD	4,766	(1,539)	3,227	4,780	(1,480)	3,300	(14)	(59)	(73)	
	Management	103	-	103	76	-	76	27	-	27	
Centres of Expertise	Financial Accounting Systems	583	-	583	491	(43)	448	92	43	135	
	Insurance	601	(266)	335	698	(172)	526	(97)	(94)	(191)	
	Treasury & Tax	346	(22)	324	335	(52)	283	11	30	41	
	Orbis Finance Team	360	-	360	311	-	311	49	-	49	
	Orbis Internal Audit	1,836	(444)	1,392	1,713	(371)	1,342	123	(73)	50	
Total Orbis		53,738	(14,432)	39,306	54,630	(14,555)	40,075	(892)	123	(769)	(x)
ESCC Contribution				11,645			11,852			(207)	(xi)

Capital programme										
Approved project	Total project – all years (£000)		2020/21 (£000)							Note ref
			In year monitor Q2 (£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	288	440	-	-	-	-	
Property Agile Works	9,713	9,713	374	171	374	-	-	-	-	
Capital Building Improvements	82,902	82,902	11,064	3,300	8,564	2,500	-	2,500	-	
IT & Digital Strategy Implementation	31,543	31,325	4,634	1,202	3,852	782	(218)	1,000	-	
Schools Basic Need	135,524	135,524	13,308	7,122	13,444	(136)	(242)	3,446	(3,340)	(xii)
Special Provision in Secondary School	3,140	3,140	1,653	1,369	2,066	(413)	(400)	-	(13)	
14 Westfield Lane	1,200	1,200	1,200	10	350	850	-	850	-	
Disabled Children's Homes	242	242	242	-	242	-	-	-	-	
Lansdowne Unit (CSD)	8,013	8,013	1,457	1,226	1,807	(350)	(350)	-	-	
Total BSD Gross	275,867	275,649	34,372	14,688	31,139	3,233	(1,210)	7,796	(3,353)	(xiii)

Children's Services – Q2 2020/21

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

Summary of successes and achievements

Return to school – The Standards and Learning Effectiveness Services (SLES) worked closely with schools to implement Government guidance on the full reopening of schools and settings from September 2020. Extensive local guidance has been provided to support schools should the local authority move to a different tier of restrictions; model risk assessments and contingency plans have been widely shared and are regularly updated; there has been increased support for vulnerable pupils, including virtual safeguarding procedures, addressing learning loss and supporting attendance; and we have worked closely with early years settings to provide financial support where the level of funding is lower than expected.

Attendance and high-quality provision – An Exclusions and Attendance change group, made up of representatives of SLES and Inclusion, Special Educational Needs and Disability (ISEND), has provided a more forensic approach to improving attendance and reducing exclusions in Q2, with a focus on vulnerable pupils. This group has started to review the impact of the “We are Ready!” campaign and is working with ISEND colleagues to look at the schools’ responses to attendance data. This includes some funded Education Support, Behaviour and Attendance Service support for schools where pupils have not returned.

Emotional wellbeing support to schools – Children's Services, in collaboration with partners in Health, have provided a high level of emotional wellbeing support to schools as pupils return to full time education including:

- Department for Education (DfE) funded ‘Wellbeing for Return’ training and support for the Mental Health Leads in all school, settings and colleges. The Council was awarded £67k to adapt national training materials and deliver three hours of training that is then embedded with additional support from services between September 2020 and March 2021.
- The schools Mental Health and Emotional Wellbeing (MHEW) Adviser has provided strategic and operational support to all educational settings, including: an annual wellbeing conference delivered in 10 webinars to 650 participants; training for schools devised in response to a survey of needs, including managing anxiety, the impact of trauma on behaviour, embedding a wellbeing culture, Governors monitoring workload and supporting the wellbeing of the senior leadership team; group supervision for Mental Health leads; and co-ordination of a resource on MHEW for schools to access on Czone.
- The Educational Psychology Service has created new offers of MHEW support, including: a telephone helpline for parents/carers; Compassionate Leadership webinars for Headteachers/Senior Leaders; booklets for parents including managing the emotional wellbeing of their children as they return to school; virtual training on bereavement and loss; and wellbeing support for all ISEND staff.
- A MHEW Strategic Group has been created to take a strategic lead on all MHEW initiatives and to provide advice and guidance in response to need in schools, settings and colleges.

Mental Health Support Teams (MHSTs) working in schools and colleges – There are three MHSTs in East Sussex covering approximately 24,000 pupils in 44 schools. The MHST team have a new management structure in place and now have a clinical manager in post, as well as a whole school approach manager. Although the programme experienced delays due to COVID-19 school closures, some interventions for children and young people were delivered online, and most interventions are now taking place on a face to face basis. The management team are visiting the 41 mainstream schools this term to strengthen partnership working and make sure that the schools are making best use of the teams. This has proved very successful to date in significantly increasing referrals. Special schools and specialist SEND facilities have planned meetings in November and December.

East Sussex Teaching Schools Network (ESTSN) – The East Sussex teaching schools continue to work in partnership with the Council and are becoming aligned to the Primary and Secondary Boards in devising a systematic approach to delivering School to School support and needs-driven Continuing Professional Development (CPD). Despite the challenges of virtual meetings, the ESTSN has maintained its developing relationship with teaching schools across Brighton and Hove, and West Sussex, including the research school, with plans for further collaboration. The ESTSN website has been developed, populated and promoted in several forums. The website aims to be a ‘one stop shop’ for schools, Education Improvement Partnerships and the Boards to access CPD and School to School support and goes live in early November.

Youth Cabinet – In response to the pandemic, the East Sussex Youth Cabinet developed a social media campaign called **Stay** that aims to support young people **Stay** informed, **Stay** well, **Stay** sunny and **Stay** safe. Content was posted on their social media accounts to inform and uplift young people. Members held weekly discussions on what was working well and what the concerns were for themselves, their friends and family, and identified key messages that informed schools and Council partners. They highlighted concerns such support for vulnerable pupils with difficult home lives and how this could affect attendance at virtual lessons.

The Youth Cabinet partnered with Healthwatch to survey over 2,000 young people on their health and wellbeing experiences, to support Healthwatch shape their future plans and inform its partners.

The Youth Cabinet also raised a concern about the return to school anxiety pupils were facing. This prompted Youth Cabinet to organise and host a webinar attended by school leaders (the three Chairs of the School Networks), Councillor Standley, Director of Public Health Darrell Gale, and the Standards and Learning Effectiveness Service. Discussion focussed on safely travelling to school and when in school, different approaches schools were taking to teaching and school organisation, exams, catching up and support for vulnerable pupils. The webinar will be shared with schools to disseminate to students and parent/carers, the Youth Service, the Youth Voice Practitioners Network and voluntary sector partners.

Encouraging positive activities for Care Leavers – During the first weeks of Lockdown the Through Care Team wanted to both stay in touch with Care Leavers and encourage positive activities, giving them an opportunity to express how they were feeling and reducing isolation by creating a sense of shared experience and community. Contact was by either phone, videocall or online. 28 Care Leavers joined the project, sending in their photos to showcase their creativity.

My Voice Matters – We have been working with the Children in Care Council to develop how we conduct our statutory reviews of our looked after children with a view to promote greater participation. The model is called My Voice Matters and gives greater control to the child on how the review is conducted. A significant shift is that instead of an outcome report completed by the Independent Reviewing Officer (IRO), a letter is now written by the IRO to the child giving a summary of what was discussed in the review and what decisions were made, using more accessible language. This has been well embedded during lockdown and has had positive feedback from children and professionals.

Participation in education, training or employment with training academic age 16 and 17 – A focus on skills and opportunities for young people is a high priority for the East Sussex Economy Recovery Plan. Some of our key actions in Q2 include: increased capacity and data sharing systems at Youth Employability Service to provide more support to young people; developing online resources and virtual encounters with employers to support home learning; delivering a virtual Post 16 options evening; developing a virtual Open Doors and Work Experience offer; and launching an employability passport to evidence young people's skills. We have also promoted local Kickstart schemes and secured European Social Fund Apprenticeship project funding for January 2021.

Children subject to Child Protection (CP) plans and Looked after Children (LAC) – The numbers of children subject to CP plans (**ref i**) has continued to rise from a rate of 55.3 per 10,000 (588 children) at Q1 to a rate of 59.9 (637 children) at Q2. This is in part due to CP plans not ceasing as it was difficult to end plans safely if children were not being seen regularly at school and some contact by social work staff was happening virtually. Targeted work is now underway to focus on a safe reduction in the number of plans now that more face to face visiting is taking place and more children are in school.

Higher CP rates are not feeding through to increases in LAC where numbers have stayed broadly stable (**ref ii**). The rate of LAC per 10,000 has increased from 56.4 (599 children) at Q1 to 57.0 (606 children), this is slightly above our target rate of 56.5 per 10,000 (601 children). As reported at Q1 some families have felt unable to retain care of their challenging teenagers and we have seen higher numbers of children involved in criminal exploitation. Placements for challenging teenagers are usually within residential accommodation which is the most expensive option.

Revenue Budget Summary – The net budget of £88.873m is forecast to be overspent by £10.888m by the year end (**ref x**). Within this, £10.243m relates directly to COVID-19 pressures (**ref ix**) and £0.645m to non COVID-19 pressures (**ref vi**).

The **COVID-19 related pressures** have increased by £2.288m since Q1 and are primarily in Central Resources (£1.116m) (**ref vii**) comprising payments to early years providers and within Early Help and Social Care (£7.810m) (**ref viii**).

LAC budgets have been directly and significantly impacted by COVID-19, with the financial pressures continuing to be reflected in the increase in new placements during the period to date. A mixture of new residential and foster placements and semi-independent accommodation placements have continued, where weekly fees have also increased. In addition, there have also been continued 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 by the need to match the Universal Credit uplift. Lansdowne Secure Unit has also experienced build delays and a resulting loss of income.

The Home To School Transport budget (within Communication, Planning and Performance) has also been impacted by COVID-19 and the assumption is that the DfE grant income will fully fund this COVID-19 related pressure (£1.327m). Alongside the COVID pressures in this area, we have also seen an increased numbers of pupils requiring transport and also increases in the unit costs following the September return to school, and the department is working with CET to understand the changes and consider any mitigations to reduce pressures.

Of the **non COVID-19 related pressures**, there is a small decrease of £0.035m from the Q1 forecast of an overspend of £0.680m. Within this, £1.203m of the forecast overspend relates to Early Help and Social Care (**ref v**). Of this, Locality pressures (£0.589m) continue 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 continue to increase their availability since the initial lockdown ended.

Overall, any small increases in non COVID-19 overspends since Q1 have been mitigated by further efficiencies, increasing the forecast underspend in Central Resources to £0.850m (**ref iv**).

Within the above forecast outturn position, £1.794m (**ref iii**) of the £2.028m savings planned for 2020/21 continue to be forecast to be achieved this year, with £0.234m to be achieved in future years. Of this, £0.188m is 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**). The House Adaptations for Disabled Children's Carers budget is forecast to slip £0.054m into 2021/22. This is due to various factors including COVID-19 impacting on access to properties and family disputes.

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

Performance measure	Outturn 19/20	Target 20/21	20/21 RAG				Q2 2020/21 outturn	Note Ref
			Q1	Q2	Q3	Q4		
Rate of children with a Child Protection Plan (per 10,000 children)	50.9 (542 children)	55.9 (596 children)	G	A			59.9 (637 children)	i
Rate of Looked After Children (per 10,000 children)	56.5 (601 children)	56.5 (601 children)	G	A			57.0 (606 children)	ii

Savings exceptions

Savings exceptions						
Service description	2020/21 (£'000) – Q2 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	iii
			-	-	-	
			-	-	-	
			-	-	-	
Subtotal Permanent Changes ¹			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 ²	Part of reported variance ³	Total	Note Ref	
I-SEND: EHCP Assessment Services	188	-	188		
Early Help	-	46	46		
Total	188	46	234		

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

² 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).

³ 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)			Q2 2020/21 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Planned Budget										
Central Resources	2,949	(1,452)	1,497	2,009	(1,362)	647	940	(90)	850	iv
Early Help and Social Care	69,258	(12,062)	57,196	71,463	(13,064)	58,399	(2,205)	1,002	(1,203)	v
Education and ISEND	89,275	(6,555)	82,720	89,863	(6,804)	83,059	(588)	249	(339)	
Communication, Planning and Performance	19,156	(1,722)	17,434	19,754	(2,367)	17,387	(598)	645	47	
DSG non Schools	-	(69,974)	(69,974)	-	(69,974)	(69,974)	-	-	-	
Schools	159,995	(159,995)	-	159,995	(159,995)	-	-	-	-	
Subtotal	340,633	(251,760)	88,873	343,084	(253,566)	89,518	(2,451)	1,806	(645)	vi
COVID-19 related										
Central Resources	-	-	-	1,116	-	1,116	(1,116)	-	(1,116)	vii
Early Help and Social Care	-	-	-	6,975	835	7,810	(6,975)	(835)	(7,810)	viii
Education and ISEND	-	-	-	234	612	846	(234)	(612)	(846)	
Communication, Planning and Performance	-	-	-	437	34	471	(437)	(34)	(471)	
Subtotal	0	0	0	8,762	1,481	10,243	(8,762)	(1,481)	(10,243)	ix
Total Children's Services	340,633	(251,760)	88,873	351,846	(252,085)	99,761	(11,213)	325	(10,888)	x

Capital programme										
Approved project	Total project – all years (£000)		2020/21							Note ref
			In year monitor Q2 (£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	50	54	-	54	-	
Schools Delegated Capital	23,697	23,697	791	237	791	-	-	-	-	
Conquest Centre redevelopment	356	356	83	13	83	-	-	-	-	
Total CSD Gross	25,110	25,110	978	257	924	54	0	54	0	xi

Communities, Economy & Transport – Q2 2020/21

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

Summary of successes and achievements – Construction of the Newhaven Port Access Road continued in Q2, with social distancing rules in place, the road is expected to be substantially complete later this year. 27 carriageway asset improvement schemes were completed in Q2, to maintain and improve the condition of the county's roads. Eight Road Safety schemes have been completed by the end of Q2. The East Sussex Recovery plan, known as East Sussex Reset, was developed through Team East Sussex, providing the tools and interventions to support East Sussex businesses. Funding was secured through the Government's Getting Building Fund for the Riding Sunbeam Solar Railway, the Observer Building in Hastings, the Winter Gardens in Eastbourne, and the access road for Charleston. A further 1,380 premises had access to improved broadband speeds at the end of Q1, reported a quarter in arrears, with overall take-up amongst properties that have been connected at 72%. A limited number of additional grants of between £1,000 and £3,000 will be offered through the South East Business Grant recovery programme to help businesses in the visitor economy adapt to COVID-19. The Home to School Transport team successfully managed the return of pupils to school in a COVID-19 secure way. Uckfield and Hampden Park libraries were refurbished and reopened to the public, along with other libraries, on 19 October. Due to the reintroduction of national restrictions from 5 November all libraries have had to close again, however we continue to offer a click and collect service, our eLibrary service and essential computer access. Parking enforcement commenced across Rother District on 29 September, with warning notices issued to vehicles in contravention of the rules for the first 14 days. Parking Charge Notices started to be issued from 13 October. Registration services restarted during Q2, including work to reduce the backlog in birth registrations brought about by the first national lockdown. Trading Standards provided support to businesses in Q2 to ensure their premises are COVID-19 secure and with additional advice on reopening.

Queensway Gateway Road – Work has started on a temporary traffic solution which will allow access from the new road to the A21. We continue to work with Sea Change Sussex to progress the remaining land acquisitions to enable the delivery of a permanent solution.

Employability and Skills – Skills East Sussex met in Q2 to finalise the Economy Recovery Plan, and the subgroups have also met and agreed to collaborate on the Government's Plan for Jobs incentives, and the South East Local Enterprise Partnership's £2m funding pot for skills and employment. The Health, Creative and Digital, Visitor Economy, and Construction task groups all met in Q2. Schools were supported by the Careers Hub in Q2 to achieve an average of 5.2 of the Gatsby benchmarks. The Careers Hub website now hosts a number of resources, including a digital careers programme, and the Hub's Youtube channel hosted several training sessions and 'virtual employer encounters' with local businesses in Q2. The Employability Passport was launched to all schools in September 2020.

Business Support and job creation – Businesses were supported by business support programmes to create a further 16 jobs in East Sussex in Q2, taking the total for Q1 and Q2 to 37.5 jobs. COVID-19 has had a significant effect on business turnover and staffing levels, leaving little opportunities for growth and new jobs (**ref i**). Locate East Sussex helped 11 businesses to remain within, or relocate to, the county in Q2.

Road Safety – The results of the Anniversary Trial have been analysed and showed that 8% of the participants were less likely to reoffend after engagement with the trial. The results of two further trials are currently being analysed. Eight road safety schemes have been completed at the end of Q2, with one further scheme nearing completion. The planned engagement campaign with young drivers and their passengers in schools can't be implemented in 2020/21, due to COVID-19 (**ref ii**).

Trading Standards – The Team continue to update agreed pan Sussex protocols with the Police and Environmental Health teams to ensure responses to COVID-19 are clear and co-ordinated. In Q2 this involved new enforcement responsibilities concerning social distancing, contact tracing details and powers to issue directions to close premises, public areas or stop events. Close liaison continues with Public Health and Legal colleagues to ensure appropriate governance and processes are in place for any future action by Trading Standards. 17 delegates received online business training activities in Q2, while 27 businesses were provided with advice regarding COVID-19 closures. A total of 92 COVID-19 related enquiries were dealt with in Q2. There were 72 positive interventions to protect vulnerable people, including remote contact with victims of rogue trading or financial abuse.

Revenue Budget Summary – The revenue budget is forecast to overspend by £5.967m. The non-Covid overspend of £401k is mainly due to a review of reserves; taking a One Council approach, CET has been able to support activities and expenditure in a number of services that would normally have been funded through reserve drawdowns. This means that the Council's reserves will not be expended to the level previously scheduled and this makes funding available for future years. The occurrence of underspends that will support the expected reserves income are not aligned with the services that were to receive this funding, therefore some service areas may appear to be in an overspend position.

£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 iii**). There is a pressure of £5.566m relating to additional

costs and reduced income resulting from COVID-19 (**ref v**). The most significant COVID-19 pressures are in Transport and Operations where car parking income is down £2.442m (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 £758k in the Waste service (**ref iv**). The overspend in Communities is mostly due to lost income from marriages and other ceremonies (£580k) along with reduced Road Safety training income. The Council's share of the pan Sussex cost of excess deaths as a result of COVID-19 is expected to be £555k. Income is also down across other services.

Capital Programme Summary – The CET capital programme has a gross budget of £63.604m and slippage of £15.349m, spend in advance of £1.947m, overspend of £1.212m and an underspend of £153k. Of the net slippage £12.101m 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, xii**). 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 vi**). The Newhaven Port Access Road will be substantially complete later this year, with landscaping work remaining and some after construction costs due when the Port complete their part of the works (**ref vii**). Low take up from parish councils means the Community Match Fund has slipped (**ref xiii**). The Exceat Bridge planning application has slipped to April 2021 and construction on site Feb 2022, due to extended consultations with stakeholders (**ref xiv**). Planning delays will mean that construction on the Queensway Depot will slip to 2021/22 (**ref xv**). The overspend on the Highways Structural Maintenance programme is due to the cost of ensuring social distancing although good project management has allowed £1.026m of works to be brought forward (**ref xvi**).

Performance exceptions (See How to read this report for definition)								
Performance measure	Outturn 19/20	Target 20/21	20/21 RAG				Q2 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	R			16 jobs created 37.5 jobs created year to date	i
Priority – Helping people help themselves								
Road Safety: The percentage of young drivers and their passengers who report positive attitudinal and behavioural change in response to the engagement campaign designed to reduce risk of collisions/KSIs immediately after intervention and over time	Over 24%	Target amendment requested from: 20% (Subject to the intervention going ahead as planned due to COVID-19) To: Campaign cannot be implemented in 2020/21 due to COVID-19	G	AD			Campaign cannot be implemented in 2020/21 due to COVID-19	ii

Savings exceptions						
Service description	2020/21 (£'000) – Q2 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	iii
			-	-	-	
			-	-	-	
			-	-	-	
Subtotal Permanent Changes ¹			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 ²	Part of reported variance ³	Total	Note Ref
Archives and Records Service	14	-	14-	
Parking: Civil Parking Enforcement	-	2,000	2000-	
Environmental Advice Services	-	25	25-	
Total	14	2,025	2,039	

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

² 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).

³ 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)			Q2 2020/21 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Planned Budget										
Management and Support	4,690	(2,712)	1,978	4,687	(2,712)	1,975	3	0	3	
Customer and Library Services	6,991	(2,033)	4,958	6,868	(2,012)	4,856	123	(21)	102	
Communities	4,583	(2,898)	1,685	4,658	(2,716)	1,942	(75)	(182)	(257)	
Transport & Operational Services	83,847	(47,346)	36,501	82,763	(46,391)	36,372	1,084	(955)	129	
Highways	15,042	(2,382)	12,660	15,042	(2,382)	12,660	0	0	0	
Economy	3,217	(2,033)	1,184	3,220	(1,935)	1,285	(3)	(98)	(101)	
Planning and Environment	2,889	(1,990)	899	3,247	(2,071)	1,176	(358)	81	(277)	
Subtotal	121,259	(61,394)	59,865	120,485	(60,219)	60,266	774	(1,175)	(401)	
COVID-19 related										
Management and Support	-	-	-	712	-	712	(712)	-	(712)	
Customer and Library Services	-	-	-	-	254	254	-	(254)	(254)	
Communities	-	-	-	-	619	619	-	(619)	(619)	
Transport & Operational Services	-	-	-	716	2,544	3,260	(716)	(2,544)	(3,260)	iv
Highways	-	-	-	265	35	300	(265)	(35)	(300)	
Economy	-	-	-	19	254	273	(19)	(254)	(273)	
Planning and Environment	-	-	-	-	148	148	-	(148)	(148)	
Subtotal	0	0	0	1,712	3,854	5,566	(1,712)	(3,854)	(5,566)	v
Total CET	121,259	(61,394)	59,865	122,197	(56,365)	65,832	(938)	(5,029)	(5,967)	

Capital Programme Summary (£000)										
Approved Programme	Total project – all years (£'000)		2020/21 (£'000)							Note Ref
			In year monitor Q2				Analysis of variation			
	Budget	Projected	Revised 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	331	670	-	-	-	-	
Broadband	33,800	33,800	4,279	424	4,279	-	-	-	-	
Bexhill and Hastings Link Road	126,247	126,247	1,652	158	1,652	-	-	-	-	
BHLR Complementary Measures	1,800	1,800	219	34	219	-	-	-	-	
Economic Intervention Fund	12,033	12,033	542	125	392	150	-	150	-	
Economic Intervention Fund - Loans	3,000	3,000	500	472	650	(150)	-	-	(150)	
Stalled Sites Fund	916	916	152	20	102	50	-	50	-	
EDS Upgrading Empty Commercial Properties	500	500	7	-	-	7	-	7	-	
Queensway Gateway Road	10,000	10,000	504	134	504	-	-	-	-	
Bexhill Enterprise Park North	1,940	1,940	1,940	-	1,540	400	-	400	-	

Capital Programme Summary (£000)										
Approved Programme	Total project – all years (£'000)		2020/21 (£'000)							Note Ref
			In year monitor Q2				Analysis of variation			
	Budget	Projected	Revised Budget	Actual to date	Projected 2020/21	Variation (over) / under budget	(Over) / under spend	Slippage to future year	Spend in advance	
Skills for Rural Businesses - Post Brexit	2,918	2,918	2,189	-	1,189	1,000	-	1,000	-	vi
Sidney Little Road Business Incubator Hub	500	500	435	37	335	100	-	100	-	
Bexhill Creative Workspace	960	960	946	(14)	946	-	-	-	-	
Newhaven Port Access Road	23,271	23,271	4,054	2,229	3,486	568	-	568	-	vii
Real Time Passenger Information	2,963	2,963	284	16	184	100	-	100	-	
Parking Ticket Machine Renewal	1,479	1,326	291	-	138	153	153			
Hastings and Bexhill Movement & Access Package	9,057	9,057	6,169	232	1,631	4,538	-	4,538	-	viii
Eastbourne/South Wealden Walking & Cycling Package	7,017	7,017	2,988	322	818	2,170	-	2,170	-	ix
Hailsham/Polegate/Eastbourne Movement & Access Corridor	2,350	2,350	1,203	40	340	863	-	863	-	x
Terminus Road Improvements	9,182	9,182	-	92	-	-	-	-	-	
Eastbourne Town Centre Movement & Access Package	3,486	3,486	3,014	105	390	2,624	-	2,624	-	xi
Other Integrated Transport Schemes	56,119	56,119	3,235	388	2,859	376	-	376	-	xii
Community Match Fund	1,500	1,500	769	5	85	684	-	684	-	xiii
Emergency Active Travel Fund	535	535	535	122	535	-		-		
Exceat Bridge	4,133	4,133	1,500	234	734	766	-	766	-	xiv
Queensway Depot Development	1,956	1,956	1,153	34	300	853	-	853	-	xv
Hailsham HWRS	97	97	97	-	97	-	-	-	-	
Eastbourne Fisherman's Quayside & Infrastructure Development Project	1,080	1,080	720	-	720	-	-	-	-	
Core Programme - Highways Structural Maintenance	379,207	380,227	18,404	13,729	20,450	(2,046)	(1,020)	-	(1,026)	xvi
Highways Structural Maintenance Additional £1m	1,000	1,000	1,000	802	1,000	-	-	-	-	
Core Programme - Bridge Assessment Strengthening	25,770	25,869	1,267	907	1,439	(172)	(99)	-	(73)	
Core Programme - Street Lighting	24,759	24,852	1,331	925	1,424	(93)	(93)	-	-	
Core Programme - Street Lighting - SALIX scheme	2,804	2,804	935	22	935	-	-	-	-	
Core Programme - Rights of Way Bridge Replacement	8,748	8,748	596	226	496	100	-	100	-	
Total CET	767,358	768,417	63,604	22,151	50,563	13,041	(1,059)	15,349	(1,249)	

Governance – Q2 2020/21

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

Reconciling Policy, Performance and Resources (RPPR) – The Annual Report, which highlights the Council's progress against our priorities in 2019/20, including some of the initial work undertaken to support our communities through COVID-19, was published on our website in October. The draft Portfolio Plan for 2021/22 – 2023/24 will be reviewed by Scrutiny Committee RPPR Board in December, before publication in March.

Transport for the South East (TfSE) – TfSE submitted the final transport strategy to Government in July 2020. This was accompanied by the proposal for statutory status, which sets out the powers and responsibilities required to deliver the thirty-year vision set out in the strategy. A response has now been received from the Department for Transport (DfT) which has rejected the proposal to grant TfSE statutory status. However, the Secretary of State did acknowledge the good working relationship between TfSE and Government and the desire for this to continue.

A £1.225m grant allocation was confirmed by the DfT in August 2020; which the Secretary of State confirmed to be an endorsement of TfSE's work; the funding will be used to support the delivery of the technical programme. TfSE made a submission to the Treasury in September 2020 setting out the asks of Government as part of the forthcoming spending round. The bid includes funding to progress the technical programme and to contribute towards core costs, which are currently covered through local authority contributions.

Work has commenced on the Outer Orbital Area Study, with two further studies (Inner Orbital and South Central) due to start by December 2020. Engagement work with a wide range of stakeholders is currently underway, including sessions with regional MPs. The future mobility strategy continues to progress and is due to be published by the end of December 2020.

Corporate Lobbying – In Q2, the Leader, with other South East 7 (SE7) Leaders, wrote to the Chancellor and Secretary of State for Housing, Communities and Local Government to set out the vital role SE7 councils had played in the COVID-19 response. The letter also stressed that in order for councils to continue this in the autumn and support the long-term recovery of our local communities, Government needed to address the financial cost of the coronavirus pandemic, provide clarity and an adequate funding settlement for next financial year, and provide a long-term sustainable financial settlement for local government in the Comprehensive Spending Review. The Leader and Chief Officers also helped Government Departments evidence local government spending needs in support of their submissions to the Comprehensive Spending Review. At the end of Q2, the Leader briefed MPs on our initial budget plans for 2021/22, and the need to continue to work together to ensure we received appropriate funding in future to maintain the East Sussex Core Offer.

Supporting democracy – During Q2, in light of ongoing COVID-19 restrictions, Council meetings continued to take place remotely using video conferencing technology, enabling Council business to continue in a transparent and open way. During Q2 we supported 32 virtual meetings including: one County Council meeting; one Cabinet meeting; seven Lead Member meetings; 11 Scrutiny Committees and Review Boards; and 12 other committees and panels. We also published agendas for a further 15 meetings and supported two Whole Council Forums.

Training was provided to Members to support the ongoing development of our approach to virtual meetings – this included support with the transition from Skype to Microsoft Teams and in relation to chairing virtual meetings. The Member guide to remote meetings was updated to reflect learning from our experience and the transition to Teams. The broader Member development programme was restarted in Q2 with online sessions provided in relation to unconscious bias, and modern slavery awareness (delivered in partnership with the Safer Communities Team and Sussex Police). The Member ICT and Development Reference Group met regularly to provide oversight of the arrangements for meetings, IT support for Members and the development programme.

The Council's Scrutiny Committees restarted formal meetings in September, having temporarily suspended meetings earlier in the year to enable frontline services to focus on the emergency COVID-19 response. Scrutiny Committees undertook a review and reset of their work programmes to ensure a focus on priority areas. Scrutiny review work has continued where feasible, taking a virtual approach to evidence gathering. The Health Overview and Scrutiny Committee has considered a report on the local NHS response to COVID-19 and the wider impact of the pandemic on NHS services.

Q2 saw significant work undertaken by the East Sussex School Appeals Service to complete the main round of school appeals through remote hearings developed in line with temporary national regulations, with significant support provided to independent volunteer panel members, parents and admission authorities to participate fully. The vast majority of appeals were heard by the end of the summer term as originally planned, despite the delayed start due to COVID-19 restrictions, and feedback has been positive. We received 73 new appeals during Q2 and delivered 20 separate appeal hearings, some of which took place over multiple 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 continued to provide significant benefits in the context of remote working.

Legal Services – During Q2, we assisted Trading Standards in the prosecution of a farmer pursuant to the Animal Welfare Act 2006, resulting in a fine and costs totalling £1,180. We also carried out a successful prosecution in relation to possession for supply of counterfeit tobacco, resulting in a fine and costs totalling £732.

We carried out 98 cases involving adults with needs for care and support (compared to 68 in Q1) and 32 Deprivation of Liberty Applications in the Court of Protection (compared to 31 in Q1). We also successfully defended two Adult Social Care (ASC) judicial reviews. In addition, we have continued to provide advice and support to ASC and Public Health in relation to the Coronavirus Act 2020 and related legislation and guidance.

In Q2, we continued to advise and assist Children's Services in pre-proceedings and court applications for care proceedings, with the priority always to seek ways to keep children within their family when it is safe to do so and for applications to court to be a proportionate response to achieve the best outcome for the child. In Q2 we applied for care proceedings in respect of 31 families (up from 19 in Q1) and at the end of Q2 we had a total of 68 live care proceedings (up from 57 in Q2). We also provided advice and assistance in relation to a wide range of other matters, such as private law applications, secure accommodation, deprivation of liberty, adoption, wardship and judicial review, including some matters with an international aspect. We have successfully adapted to the new ways of working as a result of COVID-19 and most court hearings are being held remotely. Remote directions hearings have proved to be particularly effective and have benefits in terms of cost and time savings. However, in cases where parents need to give evidence, have learning difficulties, or require an interpreter, hybrid hearings are being held with some parties attending a court building. There have been, and will continue to be, some delays in care proceedings concluding because of a backlog resulting from problems with court listing and a shortage of judiciary.

During Q2 we also helped negotiate planning agreements, which helped to secure financial contributions to the Council of £510,000. We also finalised a further substantial highways agreement, enabling highway improvement works to proceed in connection with a significant housing and commercial development site in Uckfield. In addition, eleven planning and highways agreements were negotiated during Q2, which will unlock significant development and highway improvement projects across the county. We also worked with officers on contractual issues, enabling the successful launch of ASC's "Approved List" for Supported Living Services. In addition, we advised on 24 new contract and procurement matters and 29 new property transactions. We have also continued to provide advice and support to all areas of commercial and environmental work throughout the Council as needed in relation to the COVID-19 issues.

Coroner Services – On average 163 deaths per month were reported to the Coroner in Q2. This is lower than the Q1 figure of 193. Of those deaths reported to the Coroner, 73 went to inquest in Q2 compared to 43 in Q1. The increase is due to the fact that non-paper inquests were delayed until August 2020 due to COVID-19. Save for jury inquests, non-paper inquests are now being heard on a hybrid basis with some family and witnesses attending court, whilst others are attending remotely. In terms of jury inquests, where the jury have to attend in person, more detailed COVID-19 safe arrangements are being put in place to enable these to proceed. 96 inquests were closed in Q2 compared to one in Q1. The Service continues to successfully manage the challenges of COVID-19.

Regulation of Investigatory Powers Act (RIPA) – One application was made for Directed Surveillance under RIPA in August by Trading Standards. This relates to the organised supply of illegal tobacco in the East Sussex area. It will be reviewed at the end of the three-month duration.

Thirteen applications were made under the Investigatory Powers Act (IPA) 2016 during Q2, via the National Anti Fraud Network (NAFN). All the applications relate to telecommunications data and investigations, which include illegal tobacco and to a suspected fraudulent trader targeting a vulnerable elderly person.

Local Government Ombudsman complaints – 17 decisions were issued in Q2. Eight were closed before a full Ombudsman investigation, for a variety of reasons including, insufficient evidence of fault, complaints being out of the Ombudsman's jurisdiction and because the complaint had not been through our internal complaint processes. Of the nine fully investigated, five cases related to ASC, one to Communities, Economy & Transport (CET) and three to Children's Services (CS). Three were closed with no fault found and six were closed with the complaint partly or fully upheld as follows:

ASC – The Ombudsman found fault that the Council tried to provide information in relation to the client's cost of care via a neighbour and failed to provide timely and appropriate information about the way her temporary placement would be funded. The LGO considered that the care home should not have contacted the client to obtain payments for her temporary stay at the home. The Council has agreed to waive the client's temporary care home fees and pay a financial remedy of £500 for any distress to her and her family.

ASC – The Ombudsman found the Council did not handle the removal of a source of support to the client as sensitively as it should. The Council has agreed to write to her and apologise for any distress this caused.

ASC – The Ombudsman found fault with the way in which the Council carried out some of its mental capacity assessments for a client, who complained of being inappropriately placed in a care home. The Council has agreed to review this and share the lessons learned with its staff in adult social care.

CS – The Council refused transport assistance for the complainant's child. The Ombudsman found fault with the Council's post 16 transport policy and with the way the Council considered the complainant's appeal. The Council has agreed to reconsider the application for transport assistance.

CS – The Ombudsman found fault with the way the Council considered the complainant's transport application and with its post 16 SEND travel assistance policy. The Council has agreed to reconsider the application and decide whether it is necessary to provide transport assistance. If, after considering the application, the Council decides we should have provided transport assistance earlier, we will reimburse the complainant for any travel costs she incurred which she should not have.

CS – The Ombudsman found fault that the Council failed to ensure the complainant's son, received appropriate education for a period of approximately one month. The Ombudsman also found fault with the Council for not ensuring that the school held an Annual Review of the child's Education, Health and Care Plan (EHCP) at the correct interval. The Council has agreed to make a payment of £300 for the complainant's time and trouble and for the education missed; and refund the costs for a tutor from 26 June 2019 until the school holidays commenced. The Council has also agreed to consider whether its procedures are robust enough to enable it to take prompt action, when it has a duty to. We will also consider whether we need to remind schools when Annual Reviews are due and whether we could periodically check EHCP provision by schools.

Effective publicity and campaigns – We helped run the Back to School campaign which encouraged parents to have confidence to send their children back to classrooms at the start of the school year. The campaign used radio advertising, bus advertising, social media and integrated web campaign to reach parents.

Media work – There were 456 media stories about the Council in Q2, of which 148 were positive and 168 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 116 stories. 160 media enquiries were handled.

The vast majority of enquiries related to Covid-restrictions and cases, testing and the reopening of schools. There was also coverage of proposed tranche 1 Emergency Active Travel schemes and subsequent decisions not to proceed with a number of measures.

Web activity – Our support and information pages on COVID-19 have been viewed more than 187,000 times since they were published. In Q2 there were over 82,000 views. The whole Council website had almost 2.2 million page views in Q2 from more than 685,000 sessions.

South East 7 (SE7) – SE7 Leaders and Chief Executives met at the end of Q2 to consider the latest position for budgets and the COVID-19 response in the region. They also considered national policy developments over the summer and leaders agreed to make joint representations to Government on a range of issues. Leaders have also agreed to move to a more regular pattern of meeting every other month, given the fast-moving policy context presenting frequent opportunities for joint working.

Partnership with West Sussex County Council (WSCC) – To build on the ongoing success of the partnership, both councils have agreed that Adult Social Care and Health (ASCH) is a key area where closer working will be beneficial. To help facilitate this it has been proposed that an Executive Director of Adult Social Care and Health is appointed to work across both WSCC and ESCC. The appointment of an Executive Director will promote stronger joint working and learning across the Public Health teams in both councils; stronger joint working with the NHS, especially as national health organisations look to work at a Sussex level; a stronger lobbying voice within Government; stronger management of care markets; and stronger joint working on safeguarding. The proposal is for the current Director of ASCH in East Sussex to be seconded to the Executive Director role. To ensure ASCH services in ESCC are maintained at a high level a new Director of ASCH will be appointed on a temporary basis until at least July 2021.

Health and Wellbeing Board (HWB) – The Board met on 17 September and received an update on the joint health and social care plan, which is being developed following suspension during the initial response to the COVID-19 pandemic. The joint plan will also now include programmes on Children and Mental Health. The Board also considered the revised East Sussex Outbreak Control Plan, which reflects new Government guidance and learning from managing the COVID-19 pandemic. Reports were also received on the support being provided to care homes and impact of COVID-19 on black, Asian and minority ethnic people and communities, Adults safeguarding and East Sussex Winter Plan.

Revenue budget summary – There is an underspend of £48k at Q2, mainly due to the shared cost of the Chief Executive's salary, delays in recruitment and reduced use of Coroner related services. Part of the underspend will be used to fund CSD legal fees. It is expected that £26k of costs will be incurred as a result of COVID-19 but that this will be mitigated from the underspend 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 ¹			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 ²	Part of reported variance ³	Total	Note Ref
	-	-	-	
Total	0	0	0	

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

² 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).

³ 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)			Q2 2020/21 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Planned Budget										
Corporate Governance	4,344	(228)	4,116	3,889	(179)	3,710	455	(49)	406	
Corporate Support	3,146	(280)	2,866	3,845	(621)	3,224	(699)	341	(358)	
Subtotal	7,490	(508)	6,982	7,734	(800)	6,934	(244)	292	48	
COVID Related										
Corporate Governance	0	0	0	0	0	0	0	0	0	
Corporate Support	0	0	0	26	0	26	(26)	0	(26)	
Subtotal	0	0	0	26	0	26	(26)	0	(26)	
Total Governance	7,490	(508)	6,982	7,760	(800)	6,960	(270)	292	22	

Capital programme										
Approved project	Total project – all years (£000)		2020/21 (£000)							Note ref
			In year monitor Q2 (£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 – Q2 2020/21

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score
16	<p>COVID-19</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 alongside other winter pressures. 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. Members of staff that can work remotely are doing so and risk assessments have been undertaken for all staff working in buildings or with service users, with appropriate protective measures in place.</p> <p>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. The medium and long-term impact of COVID-19 is being factored into our RPPR finance and business planning.</p> <p>We have 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 in the context of other potential winter pressures (including from adverse weather, the end of the Brexit transition period and in health and social care) has taken 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>CYBER ATTACK</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</p>	<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&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&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</p>

Strategic Risk Register – Q2 2020/21

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score
	<p>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"> • Financial fraud related to phishing of executives and finance staff; • Loss of Personally Identifiable Information and subsequent fines from Information Commissioner's Office (4% of global revenue under the new General Data Protection Regulations); • Total loss of access to systems that could lead to threat to life. <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. Our external technology stack is dependent on vendors ensuring that their products are up to date against the methods employed by internet-based threats. 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>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 environment certified to these standards:</p> <ul style="list-style-type: none"> • ISO 27001 - IT Governance and Information Security Management • ISO 9001 - Quality Standard in Customer Service, Customer Processes, Product Process and Service, Efficiency and Continuous Improvement • ISO 14001 - Environmental Management and Best Practices for Corporate Environmental Responsibility. <p>Disaster Recovery services are similarly relocated in a Tier 3 Data Centre environment (Orbis Secondary Data Centre in Guildford).</p>

Strategic Risk Register – Q2 2020/21

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	
4	<p>HEALTH</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>As a system in East Sussex we have revised and updated our integration programme for the remainder of 2020/21, in light of the learning, new models and ways of working brought on by the ongoing delivery of the COVID-19 emergency response. This will ensure our shared integration priorities still make sense for the remainder of 2020/21, and the momentum and pace of delivery is manageable as we continue to work during the pandemic. All agreed programme projects have been sense-checked to ensure full contribution to:</p> <ul style="list-style-type: none"> •Increased integrated care and personalisation, prevention and early intervention •Patient flow and reduced length of stay in our hospitals – critical during the winter months and the additional requirements placed on our system •Supporting core business delivery for example restoration and recovery of services, including full alignment across the community and mental health integration programmes with the ASC&H Recovery Programme <p>The revised programme targets, KPIs and financial metrics are currently being finalised, with reporting resuming in October. Our system governance meetings have now been stood back up in full to progress the above programmes and further adapted to ensure a clear focus for the new responsibilities and pressures emerging from the pandemic, which require grip and coordination across our system: Outbreak Control Plan; care home and market resilience plans, restoration and recovery of NHS services for our population and an increased emphasis on winter planning for both health and social care this year in light of potential surges, including DHSC published expectations for Social Care in the winter and Guidance for hospital discharge services.</p> <p>As the broader Sussex Integrated Care System (ICS) governance matures and embeds, further work is also underway to understand how plans can be best developed and delivered in different footprints within the ICS and ensure appropriate alignment. This has taken into consideration the previous agreements about how accountability will work across the Sussex ICS, and the role Councils have as sovereign organisations in the partnership. For the East Sussex system, the next steps in the Autumn involve:</p> <ul style="list-style-type: none"> •Using specific projects within our revised integration programme to further model the collaborative approach between commissioners and providers that we saw accelerated during the first phase of the pandemic, including between NHS commissioners and providers, and with voluntary and independent sector providers. •Revisiting and refreshing our previous (pre-pandemic) plans for how we can further develop our ICP and integrated delivery of services in East Sussex, to make best use of our collective resources and improve our population's health and outcomes. This will include work to agree where our integrated working can have the most significant impacts for our population, and what we will need to deliver to strengthen our ICP by 2022. 	R

Strategic Risk Register – Q2 2020/21		
Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score
5	<p>RECONCILING POLICY, PERFORMANCE & RESOURCE</p> <p>Ongoing uncertainty in relation to future funding levels and the longer term local government funding regime creates a risk of insufficient resources being available to sustain service delivery at the agreed Core Offer level to meet the changing needs of the local community.</p>	<p>We employ a robust Reconciling Policy, Performance and Resources (RPPR) process for business planning, which ensures a strategic corporate response to resource reductions, demographic change and regional economic challenges; and directs resources to priority areas. 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, making best use of our collective resources.</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> <p>We lobby, individually and in conjunction with our networks and partners, for a sustainable funding regime for local government in general and adult social care specifically 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.</p>
15	<p>CLIMATE</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 60% between 2008-9 and 2019-20.</p> <p>In response to our climate emergency declaration, our annual emissions target has been increased from 3% to 13% per year and a 5-year carbon budget has been set. This is in line with our commitment to achieve net zero carbon emissions from the County Council's own activities as soon as possible, and by 2050 at the latest. The senior officer Climate Emergency Board held its first meetings on the 3rd July and the 5th October.</p> <p>Our new Climate Emergency Officer started on the 1st July and is working with teams across East Sussex to deliver the corporate emergency plan covering 2020-22, with an initial focus on building and travel related emissions.</p>

Strategic Risk Register – Q2 2020/21		
Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score
14	<p>NO TRADE DEAL BREXIT</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"> •At Newhaven Port and on the surrounding road network due to new port checks; •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; •The COVID-19 pandemic response and local outbreak management e.g. through disrupting international supply chains for PPE; and •delivery of Council Services. <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 – Q2 2020/21			
Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	
1	<p>ROADS</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
7	<p>SCHOOLS</p> <p>Impact of weak leadership in schools on outcomes for children and young people</p> <p>Failure to secure adequate leadership within East Sussex Schools, leading to:</p> <ul style="list-style-type: none"> • reduced outcomes for children • poor Ofsted reports and reputational damage <p>Failure to accelerate progress and improve attainment for all key groups of pupils</p> <ul style="list-style-type: none"> • poor Ofsted reports • reputational damage <p>Resulting in:</p> <ul style="list-style-type: none"> • negative impacts on employability • undermining capacity for economic growth • increased pressures on services provided by social care and health. 	<p>Continuing to secure high quality leadership and governance across all our schools, colleges and settings is a high priority for the SLES performance improvement plan. We will:</p> <ul style="list-style-type: none"> • Work with partnership networks to provide support and challenge for the recruitment, development and performance of high quality school leaders. • Work with the existing Academy Chains within East Sussex, to ensure appropriate solutions for schools in East Sussex. • Continue to support the East Sussex recruitment and retention strategy with a focus on leadership. • 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. • Work with Teaching Schools Alliances and Education Improvement Partnerships to support the development of outstanding leaders. • Work with the primary and secondary board to implement the schools causing concern guidance. • Work with the primary board, secondary board and teaching schools to raise standards of provision, curriculum design and quality of teaching and learning in Key Stage 2 and improve outcomes in Key Stage 4. <p>These mitigations don't take account of COVID impacts/measures.</p>	A

Strategic Risk Register – Q2 2020/21

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	
8	<p>CAPITAL PROGRAMME</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 oversees the process for bidding for CIL and 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 a 10-year capital programme, this factor has not been extended to future years. CSAB will continue to monitor slippage and recommend any change should it become necessary.</p> <p>COVID-19 is impacting on the delivery of projects and programmes of work and any slippage and/or under/overspend will be reported as part of the capital monitoring process overseen by the CSAB and the capital programme reset as part of the normal RPPR process. The pressures and issues that COVID-19 has presented are unprecedented and has thrown many of the current planning assumptions off course. There are a number of overspends relating to COVID-19 being reported; officers will seek to minimise the adverse impact of overspends through mitigations, seeking additional funding where available and closely monitoring the impact of any additional borrowing if required.</p>	A

Strategic Risk Register – Q2 2020/21		
Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score
9	<p>WORKFORCE</p> <p>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>	<p>The 2020/21 Q1+2 sickness absence figure for the whole authority (excluding schools) is 3.64 days lost per FTE, a decrease of 2.6% since last year.</p> <p>Stress/mental health remains the primary reason for absence, increasing by 40.2% compared to 2019/20 Q1+2. 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"> •Almost 100 Mental Health First Aiders have been trained across the organisation and 84 interventions have taken place since November 2019 •Employee and Managers Mental Health Guides have been produced alongside a supporting toolkit, campaign video and dedicated resource intranet page •A dedicated Yammer wellbeing campaign to support staff during COVID-19 was launched in March 2020 and continues to run to support staff •1,399 unique views of the dedicated 'Supporting employee wellbeing and Coronavirus' intranet pages •Compassionate leadership, remote teams and wellbeing workshops have taken place with more planned •Stress Awareness Campaign, with supporting resources will be launched for World Mental Health Day •Enhanced DSE offer to be launched shortly with a remote working focus •Further comprehensive support is planned to support continued home working
10	<p>RECRUITMENT</p> <p>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>	<p>Whilst it is too early to assess the full impact of COVID-19, some effects are already being felt. In the context of attraction and recruitment, the move to remote working and the opportunity for this to continue as we consider future new ways of working, has resulted in a much wider geographical pool of applicants being available to the Council. Two workstreams are currently underway: 'attracting and recruiting the future workforce' and 'leading the workforce'. The learning from COVID-19 is currently being incorporated into this work, which will be reported to CMT in Q4.</p>

Strategic Risk Register – Q2 2020/21		
Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score
6	<p>LOCAL ECONOMIC GROWTH</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 £129m, 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 had withheld a third of all LEPs LGF allocations for 2020/21, which in SELEP equated to £25m. This was finally released in August and enables the Eastbourne Fisherman project £1.08m to proceed. Government issued a funding call in mid-June through the Getting Building Fund programme for pipeline projects to create jobs and deliver over next 18 months, with East Sussex securing £11.2m on 8 projects in late July. Furthermore, there are several recent funds including Future High Streets, Stronger Towns Fund, European Social Fund and SELEP COVID-19 Skills and Business Support funds that we have been actively working with partners in developing projects and submitting proposals and then await the outcomes.</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 termed 'East Sussex Reset', and this is identifying deliverable actions in the short term, alongside more aspirational asks. The initial action plan was endorsed by Team East Sussex on 30 July, with the official launch with a business-friendly brochure in early September. The plan will become an important bidding document.</p>

G

Report to: Cabinet

Date of meeting: 8 December 2020

By: Director of Communities, Economy and Transport

Title: East Sussex Economy Recovery Plan

Purpose: To note the East Sussex Economy Recovery Plan – ‘East Sussex Reset’

RECOMMENDATIONS: The Cabinet is recommended to:

- (1) note the contents of the East Sussex Economy Recovery Plan – East Sussex Reset, and the detailed action plan produced by Team East Sussex;**
 - (2) note the funding secured and realigned by partners to support the economic recovery; and**
 - (3) note that an update report on the progress in delivering East Sussex Reset will be presented to Cabinet in December 2021.**
-

1 Background Information

1.1 In March 2020, the advance of Covid-19 (CV19) and the imposition of a national lockdown led Government into rapidly deploying a range of funding support packages (including grants, loans, furlough, self-employment support) with the intention to mitigate the impact on the economy.

1.2 East Sussex was no different in this respect, and whilst there are clearly ongoing challenges, many businesses across all sectors managed to resume trading, with employers and employees having found new ways of working virtually, improving productivity while balancing work and family life commitments. We are experiencing a second wave of CV19, causing the Government to initiate a second national lockdown across all of England, lasting four weeks from 5 November 2020 to 2 December 2020. Whilst a number of financial support measures will be continued/ reintroduced, more unwanted impacts will undoubtedly emerge as those support measures end. It is clear that there will be various forms of restrictions throughout the winter months and into the early part of next year.

1.3 In April 2020 the County Council agreed to coordinate the development of an Economy Recovery Plan with partners to provide a clear focus for the economy recovery effort once the initial Government schemes came to an end. The proposal was presented to Team East Sussex (TES), the county’s de-facto growth board, who were unanimous in their support for the plan. It is important to note that this is not a plan for the County Council, this is a plan for TES and partners to take forward. The plan intends to be complementary and supportive of other activities being progressed at a local level, including climate change and health and wellbeing initiatives.

1.4 The Economy Recovery Plan is an evolutionary document and is relatively short term, with the intention being to identify and deliver intervention over the next 12-18 months that will draw upon the various partners’ own recovery plans and pull everything into one place so that partners, businesses, residents and visitors can see the collective contributions being made towards resetting the economy of East Sussex.

1.5 The development of the plan has involved consultation with key partners across the county, with the process guided by a cross departmental working group leading to the plan being endorsed by TES on 30 July 2020, with the official launch of the plan titled ‘East Sussex Reset’ on 9 September 2020.

1.6 For the County Council, ‘East Sussex Reset’ demonstrates our commitment to meeting the County Council’s overarching core priority outcomes of ‘driving sustainable economic growth’, alongside ‘making best use of resources’ by working as one council, working in partnerships to ensure all available resources are used to deliver maximum benefit to residents and that we maximise the funding available to support activities.

2 Supporting Information

2.1 In developing East Sussex Reset with TES, the work was broken down into three distinct but interlinked phases. The first phase involved producing a context report of the CV19 pandemic and the challenges, impact on sectors/employment and the opportunities arising in the East Sussex economy. The second phase included undertaking a detailed 'consultation with stakeholders' which saw an engagement exercise with over 50 representative organisations, alongside key internal council departments to identify the common issues, opportunities, themes and priorities that would make a difference locally. The third phase involved an 'initial detailed action plan' to cover the next 12-18 months, with an accompanying summary document. All of the documents, including the context report, consultation stakeholder report, summary report and detailed action plan, can be found at www.eastsussex.gov.uk/business/eastsussex/selep/tes/eserp. The detailed action plan is attached at Appendix A.

2.2 As the plan was developed we also worked with the established and extended TES family of partners, which included engaging with the regular forums that meet – Business East Sussex (BES), Culture East Sussex (CES), Developers East Sussex (DES), Environment East Sussex (EES), Locate East Sussex (LES) and Skills East Sussex (SES). In addition to these forums, consultation and engagement was held specifically with our County, Borough and District Council's economic development, planning and procurement colleagues, wider business and voluntary and community sector representatives, SELEP and Government representatives.

2.3 The outcomes of the above led to the East Sussex Economy Recovery Plan having an agreed aim – *“to build sustainable prosperity for our businesses, voluntary, community and social enterprise sector and support residents to access new opportunities that drive economic recovery and resilience within a post Covid-19 landscape”*.

2.4 The plan identifies six 'missions' as set out below, which have revised the priority outcomes under the County Council's Plan on its core priorities for Driving Sustainable Economic Growth to reflect the circumstances and impact of CV19:

- Mission 1: Thinking local, acting local
- Mission 2: Building skills and creating jobs
- Mission 3: Fast forwarding business
- Mission 4: Better places, fuller lives
- Mission 5: Cleaner energy, greener transport
- Mission 6: The future is digital

2.5 Each mission has a series of detailed actions and identifies who is best placed to support this delivery, the timescales and resources involved and the key outputs. The full detail of all missions and actions is provided in the East Sussex Reset detailed action plan document. The plan will evolve and cover the next 12-18 months leading us into the future East Sussex Growth & Recovery Strategy. The plan will need to take into consideration any impact of a second wave (and any further waves) and UK's exit from the EU in January 2021.

2.6 In light of our financial pressures, we have been careful not to create any additional pressures on the County Council, and in the main the plan reflects what resources we are able to draw upon, albeit there is a small pressure identified to meet the requirements to oversee the coordination, monitoring, reporting, implementation and delivery by the County Council and partners of the agreed plan.

2.7 One of the principal benefits of the plan is that it identifies interventions that will be used to secure external funding from other sources, mainly Central Government and SELEP, as a result of programmes being released very quickly requiring short turnarounds with bids to be submitted by the County Council and partners. For example, SELEP has recently approved two CV19 recovery funds, namely the allocation of £2.4m to Business Support and £2m to Skills with a series of packages included within them, along with £1m towards Sector Support initiatives. We expect Central Government will continue to seek business cases and funding bids requiring very short turnaround times, as was the case with the recent Getting Building Fund where in just under four weeks East Sussex secured £11.2m. Moreover, partners have themselves made financial commitments, most noticeably East Sussex College Group with £1m being applied from their Adult Education Budget this year as a direct response to support skills and employment opportunities.

2.8 Cabinet should also note the recovery work that the Sussex Resilience Forum is undertaking, with two subgroups on Skills and Culture/Tourism. This work looks at areas for joint collaboration and sharing of good practice, with the latter subgroup looking at the potential of a pan-Sussex tourism approach.

2.9 TES agreed to produce a business-friendly brochure funded by resources from the County Council to get across the key messages to businesses and other stakeholders about what the plan will deliver. The East Sussex Reset business brochure is attached at Appendix B. The business brochure has been widely circulated and picked up in local media and on social media channels. Further articles and distribution has been achieved with our business representative organisations (Federation of Small Business, Sussex Chamber of Commerce, Alliance of Chambers in East Sussex) and throughout the TES family of partners so as to maximise its reach to ensure businesses are clear about the missions and specific actions in the plan.

2.10 The need for an effective economy recovery plan has never been greater. As the plan was being launched in September, the headline statistics showed:

- 68% of businesses in East Sussex were furloughing staff, and 30% had accessed loans, grants and or business rates relief.
- A sharp increase in people claiming Jobseekers Allowance and Universal Credit (and searching for work) in July 2020 at over 47,000 people. The number of people on Government support schemes (furlough and Self-employment support) was 99,500 people in July 2020, which is 31% of the working age population.
- In terms of the total number of job losses, experts were predicting that this would not become apparent until the current Government schemes cease (initially from the end of October but now continuing) and more probably into the New Year.

2.11 From the above it is clear that the role of the County Council in supporting the recovery and resetting of the economy is not just an immediate priority, but one that is ongoing for the foreseeable future.

2.12 An update report on the progress in delivering East Sussex Reset Plan will be presented to Cabinet in December 2021, providing the opportunity to reflect on the progress and achievements, and on what has not worked so well. This will enable the foundations to be laid by the East Sussex Reset plan and allow us to look ahead to developing an East Sussex Recovery & Growth Strategy 2022+.

3 Conclusion and Reasons for Recommendations

3.1 The County Council working with Team East Sussex, the county's de-facto growth board, has in response to the CV19 pandemic developed with partners an economy recovery plan termed 'East Sussex Reset'. The plan was launched in September 2020 and looks to identify interventions that will support businesses recover and reset, while supporting those unemployed to gain new skills and employment.

3.2 Cabinet is asked to note the contents of the East Sussex Economy Recovery Plan – 'East Sussex Reset' and that this is an evolving document with the intention to coordinate activity amongst partners over the next 12-18 months and aid in both securing external funding mainly from Government and SELEP, while unlocking local partners' resources and funding. Already significant initial investment of over £45m has been secured to deliver the plan.

3.3 Cabinet is also asked to note that an update report on the progress and achievements in delivering East Sussex Reset will be presented to Cabinet in December 2021.

RUPERT CLUBB

Director of Communities, Economy and Transport

Contact Officer: Richard Dawson, Head of Service Economic Development, Skills & Infrastructure
Tel. No. 01273 482305

Email: Richard.dawson@eastsussex.gov.uk

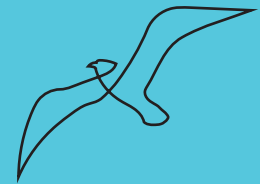
LOCAL MEMBERS

All Members.

BACKGROUND DOCUMENTS

<https://www.eastsussex.gov.uk/business/eastsussex/selep/tes/eserp/>

This page is intentionally left blank



Economy Recovery Plan Action Plan

1 September 2020



1. Introduction

- 1.1 The Team East Sussex Economy Recovery Plan Action Plan has been developed following extensive interviews held with 73 people from 50 key stakeholder organisations. It has been further developed by additional conversations with the chairs of BES, SES and TES and other partners. It is anticipated that the action plan will be a live document from 1st August 2020.
- 1.2 The Team East Sussex Economy Recovery Plan has a primary focus on business, skills and employment priorities. It acknowledges that there are wider economic dependencies and that other plans are being developed which respond to challenges more locally or to a specific area.
- 1.3 We also recognise that challenges to the local economy have a direct impact on the health and wellbeing of the county and its positioning as an attractive, vibrant and inviting place to live invest and develop business. These aspects are intertwined and each element needs to operate effectively. This plan will work alongside other initiatives to support economic changes within a wider agenda of issues.
- 1.4 In reading the Action Plan, the following points should be noted
 - The actions will be delivered over three timescales: 0-4 months (August to November 2020), 5-12 months (December 2020 to November 2021) and 12+ months (December 2021 onwards). Many actions to support the recovery are already underway and these are also highlighted in the Action Plan.
 - The numbering of the missions and actions does not indicate prioritisation.
 - The actions will identify the resources required for successful implementation. At the current time, no additional resources have been made available or confirmed. Future implementation may be dependent on securing new resources, subject to availability
 - Appropriate delivery mechanisms will need review to take account of national and international constraints that may apply.
 - Many unknowns still remain as to how and when the easing of lockdown measures will change further and ultimately be removed. There are huge macro-economic considerations in play and support from central Government will remain essential to assisting with business recovery.
 - There are many inter-linkages amongst these six missions and we must ensure that actions taken to progress each of them impacts positively with and in recognition of the other missions.
 - As highlighted above, the Action Plan is a live document and will be developed and updated with time.
 - Some local area recovery plans are also in place and where there are complementary areas of interest these are included in this Team East Sussex Economy Recovery Action Plan.
 - The Action Plan has clean growth at its heart, promoting missions and activities to reduce carbon emissions while supporting a thriving green economy.
 - It is also important to highlight that this Team East Sussex Economy Recovery Plan is being developed in direct response to the Covid-19 crisis. It is not a Growth Strategy for the county which has a much wider remit and covers a much longer timeframe.

- It should also be noted that there are numerous unknowns that will impact on the Action Plan delivery. These include the changing nature of social distancing regulations, potential second waves, or localised ‘spikes’ of Covid-19. Other critical considerations include trading arrangements with Europe following the end of the Brexit transition period and uncertainties around the UK’s economic relationship with China.

1.5 Clearly, there are a number of issues to consider in the development and delivery of the Team East Sussex Economy Recovery Action Plan and TES will have a lead role in this respect. The roles identified for TES, in relation to the Action Plan and pandemic, include:

- Overseeing the development of the East Sussex Economy Recovery Plan and co-ordinating inputs from TES family partners
- Providing clear leadership to develop and coordinate the response to the crisis
- Lobbying central government, SELEP and others for actions to support the local economy through this crisis and lead its future recovery
- Leading on the co-ordination and development of business cases for future funding bids to articulate the needs and requirements across our business sectors and people to support the delivery of the Economy Recovery Plan
- Managing the Action Plan which will remain a live and dynamic plan
- Monitoring the delivery and impacts of the East Sussex Economy Recovery Plan
- Considering and developing responses to new economic opportunities and challenges in East Sussex as a result of the pandemic

1.6 Additionally, there will be other investment taking place in East Sussex to help the economic recovery from the Covid-19 crisis. This will include investment from the £85 million SELEP has secured from the new Getting Building Fund announced by Government, which sought 'shovel-ready' schemes that would provide much-needed jobs, growth and the groundwork for further investment at this critical time and deliver over the next 18 months.

1.7 We have structured the Action Plan under the following ‘Mission’ headings:

- 1) Thinking local, acting local ([page 4](#))
- 2) Building skills, creating jobs ([page 13](#))
- 3) Fast-forwarding business ([page 25](#))
- 4) Better places, fuller lives ([page 33](#))
- 5) Cleaner energy, greener transport ([page 40](#))
- 6) The future is digital ([page 51](#))

Team East Sussex Economy Recovery Plan Mission 1: Thinking local, acting local

Objectives:

- Create and safeguard jobs in the county
- Ensure local businesses have the necessary support and finance to enable them to adapt, recover and grow
- Increase local public and private sector spend within the East Sussex economy and reduce leakage
- Capitalise on the home grown and inward investment potential created by the Covid-19 crisis

Ongoing actions to support economy recovery:

- Business East Sussex Growth Hub providing first point of contact for Covid-19 enquiries, via increased frontline capacity and in collaboration with wider SELEP Growth Hub support framework and increasing accessibility through provision of information in 12 community languages.
- Ensuring resources provided through the SEBB programme (grants, specialist support and start-up support) are adapted and targeted to supporting businesses survive, reopen, thrive and take new opportunities created by the Covid-19 crisis.
- Repayment holidays of 6 months+ granted (where requested) to East Sussex Invest loan recipients.
- Newly launched 'Business Hothouse' programme will provide support to budding entrepreneurs looking to start a business during the Covid-19 crisis, including a specialised support programme for 18-30 year olds.
- Online food directories and other resources supporting residents to shop locally created by district and borough councils.

	Headline actions to deliver the mission	Responsible delivery partner	Timescales	Activities	Resources	Target outputs	Monitoring and evaluation
1	Work with partners to provide resources to support businesses to commence trading whilst complying with the new	Better Business for All partnership	0-4 months	Use and promote government guidance for business on reopening. Scope and identify where there are particular needs (by business type or sector) that pose particular difficulty/cost for reopening.	Within existing BBfA and partner resources (SCoC, ACES, FSB, BES	Updated and refreshed reopening 'toolkit'	BBfA partnership board, BES Steering Group

	health and safety requirements around social distancing, etc.		5-12 months	Review impacts of reopening on businesses – where have any particular issues been and how have these been addressed? What are the priorities for business for remainder of year?	GH, D&Bs) and LDBG		
			12 months+	TBC			
2	The Growth Hub and Business East Sussex partners to develop a cross-sectoral 'buy local' supply chain programme, including building on existing local e-market initiatives and the county-wide SELEP 'Good Food Growth Campaign'	BES Growth Hub	0-4 months	Research how we can further support and develop more local supply chains via the Growth Hub and partners, including assessing the potential to build on existing local e-market initiatives. Also, investigate potential to help develop a 'circular' economy (reduce waste, support innovation, create jobs, unlock private investment in efficient product design and sustainable waste infrastructure etc.)	Natural partnerships CIC, Locate East Sussex		BES Steering Group
			5-12 months	TBC			
			12 months+	TBC			
3	Continue to lobby Government to provide financial support to those businesses who do not meet current eligibility criteria and to amend current eligibility restrictions.	BES	0-4 months	Formalise and agree process and channel for co-ordinated lobbying to Government, amongst BES and other business support stakeholders. Review sources of information and engage with business representation bodies to identify gaps and make representations to Government. Use information to support development of Action Plan priorities.	Within existing SELEP/BES/TES resources	Responsive support programmes in line with identified East Sussex needs.	BES Steering Group meetings

	Specific areas of need to be identified as set out in 3a and 3b below.		5-12 months	On-going process as highlighted above – responding to changes in Government support and business needs			
			12 months+	On-going process as highlighted above – responding to changes in Government support and business needs			
3a	Investigate need for and viability of a programme to address funding gaps for business recovery and growth (potentially involving the ESCC East Sussex Invest Fund, other established vehicles or central Government schemes).	East Sussex Invest board BES Steering Group, LDBG and ESCC	0-4 months	<p>Scope uptake and impact of CBILS and BBLS locally.</p> <p>Identify what, if any, gaps in current govt provision of finance are for local SMEs and what the impact of these gaps are.</p> <p>In light of above, identify what impact there would be of a localised financing scheme on growth and sustainability of local businesses.</p>	<p>ESCC and D&B EDO teams, LDBG, Growth Hub, LES</p> <p>Bus Rep Orgs (SCoC, ACES, FSB) and LDBG</p> <p>Local finance providers and trade associations (Responsible Finance, Banks, LDBG)</p>	<p>Options appraisal for potential scheme</p> <p>New scheme up and running with targets re job retention, business survival etc.</p>	TES via BES Steering Group
			5-12 months Plan	If scoping work identifies a need, and there is resource available to meet it, a localised scheme to be developed and run alongside existing local loan funds (i.e. East Sussex Invest).	Would require as yet unidentified additional funding		
			12 months+	TBC			
3b	Business East Sussex partners to identify and articulate business support needs in the County and to	BES SG BES Chair	0-4 months	Desktop analysis of existing business support (both Covid-19 and non-Covid-19) to identify where there are gaps in provision.	ESCC and D&B ED teams/SELEP GH steering group	Mapping and gap analysis of current support.	BES Steering Group

	feed this intelligence into the evidence base for future funds (including but not limited to) the recently approved SELEP business support fund and any other emerging non-restricted funds.			<p>In light of likely increased unemployment, review provision of pre-start business advice and whether there are gaps in the current provision where high quality, competitively run programmes may be needed to support those thinking of setting up a business.</p> <p>Provide feedback via TES to SELEP to support development of criteria of Business Support Fund.</p>	ESCC, LDBG and D&B ED teams	Feedback provided.	
			5-12 months Plan	Respond to development of new programmes/ideas in response to the Business Support fund [NB – as governance for this fund is yet tbc, precise format for interaction cannot be defined at this stage].			
			12 months+	Continue to review and refine needs analysis of local businesses and potential funds and how to respond to these.			
4	<p>Develop a revised strategy for attracting investment from neighbouring regions (i.e. London, Home counties) realising the potential created by the Covid-19 crisis, in particular trends towards increased homeworking, less commuting and businesses wanting to re-locate to more rural, attractive areas.</p> <p><i>This action links to and will support the delivery of actions 2 and 3 in Mission 4.</i></p>	LES Sponsors Board / Locate East Sussex/TES	<p>0-4 months</p> <p>5-12 months</p>	<p>Identification of target sectors/markets (e.g. Food & Drink, Creative, Manufacturing, Hotels/Entertainment, etc.)</p> <p>Development of revised Investment Strategy</p> <p>LES marketing and branding specialists to develop revised promotional approach for East Sussex.</p> <p>Completion of revised SWOT analysis post Covid-19</p> <p>Develop the Town Investment Plan and produce a town prospectus to highlight capital and business establishment / development opportunities in the area.</p> <p>Strategy implementation commences</p>	<p>Access to LES Marketing and research budget of £50k/year.</p> <p>Additional resources may be required to expand communication activities (e.g. attend international EXPOs, brand development, etc.)</p> <p>Town Fund</p>	Targets TBA	Quarterly Sponsors Board meetings and email updates monthly

	<i>This action also links with actions 2 and 3 in Mission 4.</i>		12 months+	Adopt local plan refreshes to assist in attracting inward investment Strategy review			
5	Work with SELEP to ensure the BES Growth Hub remains in line with best practice nationally to provide the best and most robust service possible, as the first stop for businesses seeking support. Work with partners locally and regionally to ensure widespread communication and take-up of the support available and simplification of the offer to businesses.	BES Growth Hub and BES Steering Group SELEP Growth Hub Working Group	0-4 months	Growth Hub /ESCC ED Team to work with SELEP on review of GH provision. BES Members to support communication of key Growth Hub messages via joint messaging and supporting of online presence. Growth Hub to look at realigning resources to allow for increased marketing support within the team.	Growth Hub, LDBG and BES partners. Within existing resources. Would require as yet unidentified additional funding	Options appraisal for GHs across SELEP with strong representation from East Sussex Increased online following for BES Growth Hub by 10% Increased mailing list signup TBC	SELEP Growth Hub Working Group BES Steering Group
			5-12 months	If additional resources are identified, a specific marketing campaign could be run promoting business support in general and the Growth Hub as the route in to business support. If no additional resource identified, Growth Hub to work with BES Partners to maximise reach of combined platforms/messages.			
			12 months+	TBC			
6	Engage in SELEP conversations with ERDF programme leads. Work within restrictions of ERDF criteria to ensure these programmes are well aligned with recovery	SELEP Business Support Working Group	0-4 months	Participate in discussions convened by SELEP for ERDF leads to scope potential flexibilities and cooperation between schemes. Continue discussion with MHCLG regarding repurposing Chart Programme	Within existing ERDF resources	Better aligned programmes more responsive to business needs from ERDF.	SELEP Business Support Working Group

	activity and each other, to support business resilience and recovery.	Local ERDF leads for SEBB, LoCase, Locate	5-12 months	Review impact of ERDF programmes as move to next phase of recovery and assess any emerging needs and opportunities.			
			12 months+	Identify any potential emerging areas of needs/gaps in provision post ERDF and feed in to lobbying role identified in action 1 above.			
7	<p>Working to ensure that the recovery from Covid-19 is equally accessible to all parts of the East Sussex economy.</p> <p>Hardest hit sectors will include retail, tourism, leisure, arts, rural, language schools, care homes as well as supply chains to these sectors.</p> <p>There is also increasing evidence that impacts of Covid-19 do not fall equally across the population, with BAME communities and women particularly affected.</p>	BES SG	0-4 months	<p>Use intelligence from partners to monitor effects on different sectors of the economy. Use this intelligence to inform BES responses to 3a and 3b above.</p> <p>Work with partners to scope impacts on BAME communities and women in East Sussex, and on businesses run by women and BAME entrepreneurs.</p>	<p>BES SG meetings</p> <p>Would require additional resource to undertake scoping.</p> <p>SEBB service already resourced and commissioned.</p>	<p>Localised intelligence on impacted sectors.</p> <p>Research on impact of Covid-19 on these sectors including discrete work with women and BAME entrepreneurs</p> <p>Increased engagement with target sectors/entrepreneurs through SEBB</p>	BES Steering Group
			5-12 months Plan	Review impacts of SEBB programme and identify any further areas of need.			
			12 months+	TBC			

This action links with much of the activity set out in Mission 3.

8	<p>Maximise the impact of business to business and public sector procurement activity in East Sussex, to facilitate increased levels of contracting and subcontracting with local contractors, suppliers and service providers and to ensure that social value measures within public procurement practices support employment and training opportunities.</p> <div> <p><i>This action links with the procurement activities of action 4 in Mission 2</i></p> </div>	ESCC in partnership with Ds & Bs, NHS, Universities, FE providers, Chambers, FSB	0-4 months	<p>Business representative organisations (e.g. Chambers of Commerce, FSB, IoD, etc.) to develop and lead an initiative to change procurement processes that will quicken up local B2B procurement and enable goods/services to be assessed and delivered sooner</p> <p>Establish a public sector procurement group (NHS, education, local authorities, etc.) to compare approaches to procurement policy vis a vis contracting with local employers, including local employers in the supply chain, using social value to leverage economic recovery measures</p> <p>Identify key shared service areas where East Sussex has a number of specialist suppliers and explore potential to increase local recruitment of staff to maximise local economic benefit - scoping work by CLES</p> <p>Identify a common approach, wherever this is feasible, to enable local companies to apply for contracts more easily and to ensure that social value supports economic recovery. Test the approach with local businesses via chambers and sector task groups to ensure that approach works for businesses at a local level. Implement. Considerations could include a review of:</p> <ul style="list-style-type: none"> - Contract packaging to provide the potential for lotting of requirements which will provide greater opportunities for SMEs - Due diligence requirements i.e. credit assessments and minimum turnover thresholds. 	<p>ESCC Procurement team to lead</p> <p>Initial contribution of £20k from Lewes DC. Likely to require additional officer & financial resource from partners to deliver</p>	<p>TBC e.g. undertake annual review of % of local employment and % local higher earners to calculate economic uplift</p> <p>(add ESCC KPIs possibly)</p> <p>TBC – subject to existing local employment, but realistic to expect 10% increase in locally employed staff within 2-3 years</p>	BES Steering Group
---	--	--	------------	--	--	---	--------------------

		LDC, working with D&B's & ESCC		<ul style="list-style-type: none"> - Current and new contracts to ensure they deliver COVID related Social Value measures <p>ESCC to agree a process for monitoring the value of procured contract funding reaching local businesses (e.g. the number of local businesses receiving contracts, value of contracts, including social value, etc.).</p> <p>ESCC to monitor the delivery of its current KPIs for social value</p> <p>Assess the effectiveness of awareness raising of local, regional and national contracts to East Sussex businesses and the level of their engagement in bidding for these contracts (business membership bodies, public sector, voluntary sector, Growth Hub, etc.).</p> <p>Update website and media to encourage local businesses to access Procurement Hub, work with FSB to promote and improve access to local authority contract opportunities, utilise information and knowledge gained of local businesses, while delivering the COVID-19 support grants programme.</p>			
			5-12 months	<p>Monitor the Lewes/Eastbourne pilot research work (CLES) into how public sector assets - investments, spending on goods and services, recruitment (e.g. prioritising public sector recruitment from unemployed UC/Apprenticeships from NEET groups and social value measures through recruitment) and land and property (e.g. re use of property for community benefit) can be used to help the</p>			

				recovery. Consider how this initiative could become county-wide. Discussions with D&B/ESCC to identify scope of shared service areas where East Sussex has a number of specialist suppliers			
			12 months+	TBC			

Team East Sussex Economy Recovery Plan Mission 2: Building skills, creating jobs

Objectives:

- Help develop the employment and skills base of the East Sussex workforce
- Expand the skills base of East Sussex employers and their workforce
- Increase the employment opportunities with East Sussex employers
- Increase digital inclusion and digital skills in East Sussex

Ongoing actions to support economy recovery:

- Monitor and track LMI (including salary information) to inform local employment and training providers, to aid delivery. (ESCC – data team, SELEP data team, ESCC E&S team. SCTP to support dissemination to training providers).
- Offer National Careers Service Careers Advice to the unemployed and make referrals to appropriate support, training and employment opportunities taking advantage of additional government funding for delivery of personalised advice and guidance to Priority Groups including:
 - 18-24 NEET's
 - Adults with SEND
 - Single parents with one dependent at home
 - Adults without level 2 qualification
 - Those unemployed for over 12months
 - Adults 50+ unemployed or at risk of unemployment
- Deliver the Positive Directions programme, supporting NEET and pre-NEET school leavers aged 15 and over as well as those aged 16-24 to develop an individual programme of relevant skills and vocational training to enable progression into further education, employment, traineeships or apprenticeships. (Skills Training UK) until 2023
- Deliver Skills Support for the Unemployed (SSU) offering upskilling and support to the economically inactive via online and direct delivery (Twin UK) until 2023, Skills Support for Redundancy (SSR) programme offering Blended learning to fit redundancy needs locally and Skills Support for the Workforce (SSW) – deliver a range of online and direct training in line with employer needs to support SME growth and development until 2023.
- Deliver the Street learning programme of short courses to those living in Wealden and Eastbourne aged 19+ to support upskilling (Wealden DC, ESCG, ACRES, East Sussex Library Service, SCDA)
- Deliver a range of pre-employment provision (SCTP including Pre-Employment Group Members)
- Promote and support the engagement of NEET young people to develop their digital skills (YES)
- Ensure that the digital skills offer and free training offered by the National Careers Service is promoted and embed into all pathway routes providing accessibility to all relevant customers. (CXK)

<ul style="list-style-type: none"> Careers Hub to support development of young people's employability skills and understanding of the labour market and priority sectors by supporting schools and colleges to meet the 8 Gatsby Benchmarks, including virtual employer encounters or workplace experiences, and parental engagement Deliver the Troubled Families programmes via partnership between ESCC and the DWP, with Job Centre Work Coaches being co-located in East Sussex Children's Services to provide progress to work and financial inclusion support (ESCC & East Sussex Job Centres) 							
Headline actions to deliver the mission		Responsible delivery partner	Timescales	Activities	Resources	Target outputs	Monitoring and evaluation
1	Support recovery by lobbying Government about the local commissioning, and more flexible operational use, of existing and new skills and employment funding and on any policy issues that can support our training institutions and enhance local delivery options for moving people into employment.	ESCG/Plumpton College/SCTP	0-4 months	Approach DfE about more flexible use of Adult Education Budget (AEB) to support recovery	Core funding/staffing	Influencing shape of funding and policy to support East Sussex residents, employers and providers.	SES
		Apprenticeships East Sussex members and SCTP network via SELEP & AoC & AELP, Sussex Chamber		Lobby government about withdrawal of key Apprenticeship Frameworks including key Level 2 programmes, about ensuring the correct funding bands for priority sectors to ensure apps. in these areas are viable and for incentives to encourage apprenticeships			AES
		SES and ESCC via SELEP		Influence shape of National Retraining Scheme. Offer pilot initiatives.			SES
		Culture East Sussex and TES via SELEP, Sussex Chamber		Lobby government re ongoing support/programmes to address those recently self-employed and for ongoing support for creative sector jobs			TES & Culture East Sussex
		Via SELEP		Lobby ESFA for a locally led response plan to any providers that are at risk of closure, ensuring that providers are able to work collectively to support learners/apprentices' transition			AES
		CXK		Continue to inform and support Government on the flexibility, innovation and adaptations required on National initiatives such as National Careers Service and ASK to ensure the needs of the South East are reflected in current and future delivery models and KPI's			CXK
		SES		Influence the shape of the £2m SELEP Skills Covid-19 and £2.4m SME Business Support funds.			SES

			5-12 months				
			12 months+				
2	FE, HE and independent training providers to adapt training offers, adopt best practice from other regions and build on and expand online learning offers/platforms	Sussex University, University of Brighton, East Sussex College Group and Plumpton College, Bexhill College, SCTP	0-4 months	Adapting training offers to ensure that blended online/digitally enhanced provision and campus training-centre based learning can be delivered from September (where required). Plumpton College – all learners will receive a blended learning programme moving forward mixing in college learning with live virtual teaching	MS Teams, Plumpton Canvas, Panopto	Blended programmes developed	Governing Boards
		Bexhill College, Plumpton College, ESCG		<p>Deliver transition support for current year 11 pupils to aid transition to post 16 learning via online programmes</p> <p>Bexhill College: Moodle Transition Pages developed for September 2020 cohort (online via Moodle platform) Activities developed to bridge knowledge and skills gaps as well as introduce and prepare students for online learning Students Services and Support with IT access and use sections developed as part (pages will be accessible and updated between July and September 2020)</p> <p>Plumpton Transition week planned for targeted EHCP learners in August Enrolment taking place virtually for all students followed by a blended induction programme, with face to face activity being prioritised for lower level groups and new students Summer Challenge 2020 launched for all new entrant students in June to engage in a range of activities</p>	Core budgets	Year 11 students receive support	Governing Boards

				relevant to chosen courses and help prepare for start of the academic year			
		Sussex University, University of Brighton,		Develop virtual internships for 20/21– to enable undergraduates and graduates to work remotely for placement providers		Commercial online learning and platforms created	Governing Boards
		Sussex University, University of Brighton, East Sussex College Group and Plumpton College, Bexhill College, SCTP (as conduit to members).	5-12 months	Explore ways of generating new income from online learning platforms in the immediate term, (*although the long-term preference and mission is to offer campus-based face to face provision).			
			12 months+				
3.	Using LMI, develop tailored advice support & training programmes to move the unemployed into roles in sectors with ongoing vacancies using current and new funding. These may be bitesize modular programmes to enable fast redeployment of labour, accredited volunteering/employment skills initiatives or longer programmes to meet projected future workforce needs and opportunities.	ESCC with Careers East Sussex partnership	0-4 months	Develop the Careers East Sussex website to provide up to date LMI and key job search information to those who are unemployed (long-term, newly unemployed, NEET) to help inform choices and to enable them to access relevant learning and support.	ESCC	Careers East Sussex website pages live	SES
		DWP JCP		Undertake analysis of needs of new unemployed client groups via work coaches and develop appropriate support and pathways		New tailored support pathways developed	
		HEE		Develop programmes to move people into health and social care work where there are opportunities to do so via the creation of a Community Asset Hub that brings together a range of key referral agencies. Going forward HEE will work with the Hub to promote the sector & co-design an approach to careers promotion & recruitment.			
		Careers Hub		Support transition of young people at key points in Years 11 and 13. Work with partners such as YES, SLN and ASK		Resources created to	ESCC and report to SES

<div> <p><i>This action links with action 9 in Mission 3.</i></p> </div>			to facilitate information and access to support for schools and young people		support transition	
	Youth Employability Service (YES)		Ensure NEET young people's needs and concerns are shared and reflected in the design, delivery and accessibility of training initiatives and programmes. And provide additional 1:1 support to enable them to access and sustain EET opportunities		Youth offer developed	ESCC
	Training providers/ FE/HE and YES programme		Improve the communication and signposting of young people leaving FE/HE institutions and training providers into supportive NEET engagement programmes			ESCC
	DWP		Develop a DWP Youth Offer centred around a "hub" concept for those aged 18-24			SES to report
	SES partners (16+ provision) and Growth Hub		Explore options for delivering traineeships up to Level 3, and for promoting employer £1000 incentive in East Sussex in line with government recovery package announcements.			SES
	SES		Develop a partnership approach to the introduction of the new Kickstart initiative (six-month work placements for those aged 16-24 who are on Universal Credit and are at risk of long-term unemployment) once Government advice is announced.	Kickstart funding TBC	Kickstart programme developed	SES to report
	Plumpton College		AEB to be used to deliver skills focused and employability focused programmes to support employment opportunities (progression into employment and apprenticeships)	AEB		Governing Body
	Public Health, DWP, ASC ESCC		Develop a programme to coordinate employment and training support to those in supported accommodation or temporary housing.		Programme developed then trialled over 12 months	ESCC
	HMP Lewes, CXK, SES partners.		Work with SES partners to identify possible pathways for those with criminal records that could support the reducing reoffending agenda through training and/or employment such as self-employment or employment courses /. Identify opportunities for volunteering or		Initially referral pathways determined	CXK

				employment those being released from HMP Lewes to East Sussex.			
		ESCG CXK		CXK and ESCG partnership established and pilot rolled out to support students and unemployed individuals access careers advice and AEB funded training programmes			ESCG CXK
		Plumpton College		New blended learning provision offering a 'License to Practice' fast track route for career changers/newly unemployed/furloughed for Land based sector.		Learning developed and delivery commences	Governing Board
		Sector Task Groups to identify upskilling/retention measures		Deliver training/upskilling support to those who have transferred to new employment sectors (e.g. leisure to care) to retain staff in highly needed roles when economy and other sectors start to recover.			SES
		Skills East Sussex		Identify appropriate programmes of support for those aged over 50 and for women as two target groups likely to be affected significantly by the pandemic.			SES
		FE/HE partners		Identify how and which provision should be promoted and offered as part of the government funded commitment for all 18-19-year-olds to have the opportunity to study targeted high-value Level 2 and 3 courses in high-demand sectors including engineering, construction, and social care, when there are no other employment opportunities available to them.			SES
		Health Education England (HEE) South East - Kent, Surrey and Sussex and Skills for Care (SfC).		Sussex safe and timely on-boarding social care workforce project to fast track people into employment across social care services, supporting services affected by workforce shortages because of COVID-19.			Health and Social Care task group
		CXK		Utilise the data and analysis of individuals accessing the National Careers Service to offer and promote targeted support to tackle specific challenges related to skills development, furloughed employees, redundancies etc		A range of targeted support offers in place	CXK

		ESCC with input from Careers East Sussex partners & SCTP		Create a needs analysis and search engine tool to help job seekers make choices and to help careers advisers with signposting to support by end September 2020	ESCC	Tool designed and trialled by end September 2020	SES Board
		Careers East Sussex in partnership with Sector Task Groups	5-12 months	Create and pool existing resources to help job seekers – such as career infographics, videos and CES partnership online careers events.		CES website to be developed to include links to useful resources.	SES Careers Campaign Group
		Voluntary Actions in partnership with programme delivery groups		Develop and deliver East Sussex volunteering programmes to support the unemployed with work skills and pathways into employment.			Careers Campaign Group
		University of Sussex, University of Brighton		Online Careers Fairs and range of other online employer events delivered for Graduates			SES
		University of Brighton and University of Sussex		Entrepreneurship training for students and graduates through the University of Brighton's Beepurple service and the University of Sussex's newly expanded entrepreneurship provision			Governing Boards reported to Careers Campaign group
		University of Brighton		Investigating the introduction of short courses and micro-credentialing to support reskilling of local workforce and improve the employability of new graduates			Governing Boards
		ESCG		AEB to be used to deliver basic skills (maths English digital) and other appropriate training to long term unemployed and marginalised groups for c.75 participants	AEB	c.75 people supported	Governing Board
							SES

		Universities of Brighton and Sussex		STEP-UP: a new ESF funded project, which will bridge the gap between the supply of graduates with high-level skills, and the demand for workforce-ready employees required by small and medium-sized enterprises (SMEs).	ESF		ESFA
		ESCG		Deliver a range of pre-apprenticeship programmes as part of the wider package of Sector Based Work Academies support to approximately 100 applicants		Approximately 100 applicants supported	Governing Board
		Careers Hub		Develop and pilot an Employability Passport for young people through Careers East Sussex	C&EC funding	Passport created and trialled	ESCC
		ESCG		Use AEB to offer short courses to newly unemployed to move them into new vocations for c. 300 participants using £200k of £1m AEB pledge	£200k of £1m AEB pledge	c. 300 participants	SES
		Princes Trust and DWP		Deliver the Get Started Campaign as a digital programme, offering employability preparation, speed interviews and mentoring to young people moving into the care sector	DWP funded		HEE
		ESCG		Sector Based Work Academies developed to link unemployed young people and adults with employment for c.500 participants using c£300k of £1m AEB pledge.	£300k of £1m AEB pledge	500 participants	Governing Board
		SCDA	5-12 months	SCDA Employment Programmes – all participants must be unemployed/economically inactive. All SCDA programmes offer bespoke employment, volunteering, education and training support to unemployed and EI participants both 1:1 and virtually. Work and Health Programme (DWP/ESF funded) self-referrals and referrals via JCP's. Self-declared health or disability Let's Get Working (ESF/Big Lottery Building Better Opportunities, BBO) self-referrals and social prescribing referral routes. Self-declared health or disability Aspirations (ESF/Big Lottery BBO), self-referrals, self-declared mental health	DWP/ ESF/Big lottery		SCDA, ESFA, DWP, Lottery

				Local Learning Perspectives (ESF/Big Lottery BBO) self-referrals, Lewes District only, Any barriers to finding work Working Together for Work (ESF/Big Lottery BBO) self-referrals, Lewes District only, Any barriers to finding work who have dependants. Get Socially Active/Recycle (ESF/Big Lottery BBO) self-referrals, Lewes District only			
		Active Hastings Fellowship of St Nicholas, Education Futures Trust (EFT), Hastings Furniture Service (HFS), Little Gate Farm, Chapel Park Groundwork South Optivo Housing SCDA		Deliver a range of CHART funded employment, business and community support activities in targeted neighbourhoods of Hastings and Bexhill. Active Hastings Academy 108 inactive/unemployed supported Working to capacity for 40 unemployed people Greener Futures 210 unemployed and economically inactive Worksmart 240 unemployed and economically inactive tenants Bexhill and Sidley working together. 300 unemployed and economically inactive people from target wards	ESF CHART Monies	890 unemployed people supported	CHART BOARD
4		FE, HE and independent providers	0-4 months	Adapt the delivery of Apprenticeship programmes for example by front loading taught elements, enabling online placements or learning where possible.	FE/HE budgets		AES
		ESCG, Plumpton College, ITPs/SCTP Members		Deliver pre-employment/apprenticeship programmes for young people via blended learning in key sectors			AES
		Growth Hub, AES, SCTP, ESCC, Sussex Chambers,		Promote Apprenticeships and the £2000 employer incentive to support apprenticeship recovery through a coordinated communications campaign utilising networks such as the Growth Hub, BES, FSB & Chambers.			AES/BES

	In key sectors, sustain vocational training pathways such as Apprenticeships (including Higher level Apprenticeships) for young people and adults and incentivise employers to continue to offer these opportunities. <i>This action links with action 9 in Mission 3.</i> <i>The procurement activities in this action link with action 8 of mission 1.</i>	YES, FE, HE and independent providers		Youth Employability Service to track young people on apprenticeships to identify risk of redundancy and support move to other employers with support from training providers			AES
		CXK		Ensure new initiatives and revised KPI's for the south east ASK programme are closely aligned to all apprenticeship initiatives across the region.			CXK
		AES partnerships	5-12 months	Seek funding (YFF, SELEP Skills) to address training needs of apprentices who are made redundant			ESCC; AES
		ESCC with other procurement partners		Use procurement and social value as a tool to leverage Apprenticeship placement offers		Agree some common social value Skills and Employment TOMs within commissioning processes to support recovery.	SES
		Levy payers		Use Apprenticeship Levy underspend as a device for encouraging Apprenticeship employment in key sectors	Apprenticeship Levy	Allocate up to 25% of Levy (from unspent levy) to local SMEs to support Apprenticeship Training.	ESCC and other Levy payers
			12 months+				
5	Increase digital inclusion, alongside an increased range and higher level of digital skills training offered across education and in business to facilitate online working and to increase the capabilities of	ESCC libraries	0-4 months	Identify local opportunities to enable those most marginalised to access ICT kit and wifi		Create signposting resource to local digital opportunities	SES
		Youth Employability		Monitor digital connectivity requirements of young people and apprentices to facilitate targeted digital access support	ESCC SLES in partnership		SES

	our businesses in the immediate and long-term.	Service, FE and HE providers			with FE/HE providers		
	<i>This action links to the digital inclusion action 4 in Mission 6</i>	SELEP DSP working groups (including Digital inclusion group led by ESCC libraries)	5-12 months	Working with the SELEP Digital Skills Partnership, deliver projects that promote digital inclusion such as the 'futuredotnow' and the 'Good Things Foundation initiative to provide kit / connectivity to disadvantaged areas. Participate in the Digital skills working groups (support to SMEs, support to educators and students, ensuring alignment between education and industry and the development of a digital skills prospectus).			SELEP DSP
	<i>This action links with action 9 in Mission 3.</i>	ESCG		Deliver digital skills training to those employed in businesses and other organisations in east Sussex using AEB for c.200 participants using £200k of £1m AEB pledge			SES
		ESCG		Deliver digital skills training to those who are unemployed in East Sussex using AEB for c. 200 participants using £200k of £1m AEB pledge	£200k of £1m AEB pledge	200 people supported	SES
		University of Brighton and University of Sussex		Digitally Enhanced Learning builds the digital skills of students in 2020/21, ensuring they are equipped with the skills they need for future employability			Governing Board
			12 months+				
6	Work with new and existing business and the self-employed to build on new skills developed during the pandemic, to identify further training needs that will help them operate within new Covid-19 related regulations, recover quickly and move towards a more productive	ESCG, Sussex Chamber, Assess how ITPs can support/ and enhance this offer through AEB & other available funding streams/SCTP	0-4 months	Work with SES Sector Task groups, the Growth Hub and chambers to identify training needs of local businesses and use resources including AEB to develop new courses and deliver current learning packages that are appropriate to support recovery for c.100 participants using £50k of £1m AEB pledge. Initial suggestions include: Sector specific provision such as content creation for the tech sector, Post-Covid-19 readiness/use of PPE/Covid-19 risk assessment training and digital skills training for the visitor economy sector, financial and project management for the construction sector, B2B and B2consumer marketing for the land-based and food	£50k of £1m AEB pledge	c.100 individuals supported	SES

	and secure future.			production sectors, and managing remote working teams (across sectors)			
		Eastbourne Chambers		Deliver Edeal Programme ERDF funded for Lewes District area			SES
		Sussex Chamber – programmes constantly being updated and placed online		Deliver a range of online training to local businesses to support their needs (Leadership and Management, Customer Service). New courses constantly being adapted and added online and implemented: Resilience – virtual training, running effective virtual meetings, assertiveness, etc. https://www.sussexchamberofcommerce.co.uk/training There is also fully funded training through Ixion Holdings for East Sussex area: https://www.sussexchamberofcommerce.co.uk/Premier-Members/Ixion-Holdings			Chambers
		CXK		Develop focused IAG support and bespoke group and or individual sessions for employers across the region to support furloughed, redundant or employed staff cohorts			CXK
		HBC/CHART	5-12 months	Development of Churchfields business centre with classroom training facilities and delivery of the CHART funded business support project.			
			12 months+				

Team East Sussex Economy Recovery Plan Mission 3: Fast-forwarding business

Objectives:

- Provide support to East Sussex businesses in these sectors to help safeguard local jobs
- Support the health and wellbeing of the population to enable people to get back to work and education
- Support skills development in these sectors

Ongoing actions to support economy recovery:

- Destination Management Organisations have been communicating a sensitive balance of positive messaging within government guidelines
- Lobbying of DCMS and Arts Council England for issues on emergency grant funding and income support for freelance economy
- Lobbying of Visit Britain on the visitor economy and the need for a Kite Mark and guidance for re-opening
- ESCC External Funding team and Cultural Strategy Manager: assimilating advice and guidance from a range of sources (visitor economy, heritage, arts, creative industries) and circulating weekly email to cultural organisations, artists networks and East Sussex Arts Partnership
- South East Creatives business support re-focused to help businesses to adapt
- South East Creatives Grants – reduction in required outputs to secure funding
- Re-designed Creative Open Workspace masterplan commission to respond to the new trend in home/local working
- Pan-SELEP Tourism recovery programme developed

Headline actions to deliver the mission		Responsible delivery partners	Timescales	Activities	Resources	Target outputs	Monitoring and evaluation
1	Develop cultural programmes which support the county's health and wellbeing in order to support people to be fit to	Culture East Sussex East Sussex Arts Partnership	0-4 months	Support cultural organisations to re-start delivery (see support for freelance sector) Embed cultural consultants in NPOs for closer collaboration	ACE Project Grants NPO resources ESAP grants	TBC	CES quarterly reporting, TES annual reporting, HRAEN steering group

	get back to work and education	Public Health HRAEN Culture East Sussex and East Sussex Arts Partnership D&B's, 3VA, Voluntary Sector, East Sussex College Group and wider partners		Work with the voluntary sector who have been instrumental in providing support to communities, to develop cultural content for our most isolated residents.			
			5-12 months Plan	Commission creatives to capture the impact of Covid-19 on the community to support recovery and encourage people to return to employment and education Commission cultural interventions to support and encourage people to return to GP surgeries in order to support the future health and wellbeing of the workforce			
			12 months+	TBC			
2	Expedite the re-use of redundant shop, offices and industrial units for shared creative workspace <i>This action links to and will support the delivery of action 4 in Mission 1 and action 3 in Mission 4.</i>	Culture East Sussex East Sussex Arts Partnership South East Creative Economy Network (SECEN)	0-4 months	Appoint consultants to deliver SECEN Open Workspace programme Support through SEC	ACE, SELEP SSF, ESCC, ECC, KCC, Creative Estuary (secured)	Series of 7 outputs identified in work programme	SECEN Open Workspace Steering Group, SECEN, SELEP, TES, CES
			5-12 months	Planning policy, toolkit, access to finance, engagement with creative sector for co-learning RDC Beeching Road Observer Building and others as result of Getting Building Fund scheme submissions			

		South East Creatives (SEC)	12 months+	New workspaces emerge from SECEN programme			
3	<p>Create a pan-Sussex visitor economy group to re-start the leisure, hospitality, culture, retail and tourism economy that enhances existing marketing vehicles, such as Visit 1066, Visit Eastbourne and Sussex Modern.</p> <p>Ensure that recovery plans and adaptations to enable social distancing adhere to Equalities legislation, Public Health guidelines and Environmental strategy.</p> <div> <p><i>This action links to and will support the delivery of action 4 in Mission 1.</i></p> </div>	<p>Pan-Sussex Visitor Economy (PSVE) steering group to include but not be limited to:</p> <ul style="list-style-type: none"> - 1066 Country - Visit Eastbourne - Sussex Modern - ESCC, LDC, EBC, WDC, RDC, HBC - Experience West Sussex - Brighton and Hove City Council 	<p>0-4 months</p> <p>5-12 months</p>	<p>Create a pan-Sussex group</p> <p>Develop a coordinated pan-Sussex promotional, PR and social media campaign using existing and newly generated content</p> <p>Promote: Protect, Respect, Enjoy campaign</p> <p>Promote We're Good to Go campaign</p> <p>Promote Know before you Go campaign</p> <p>Grow, enhance and develop the 1066 walk, following on from current initiatives, as a means of attracting tourists into rural areas and supporting rural businesses</p> <p>Deliver effective marketing campaigns for domestic and overseas markets</p> <p>Roll out phased media campaigns to respond to international recovery of travel trade</p> <p>Work with Language Schools to encourage foreign students</p> <p>Local authorities to consider what actions they can take to help alleviate financial pressures for tenants in</p>	<p>Council officer time</p> <p>SELEP Sector Support Fund bid (pending)</p>	<p>Promotion of #Sussex whilst areas also promoting their own distinctiveness</p> <p>Increased traffic to individual destination digital platforms</p> <p>Higher spend in visitor economy</p> <p>Further targets to be agreed once action plan is developed</p>	<p>12 months review by PSVE to evaluate achievements against targets reported to CES, TES, West Sussex CC, B&H CC</p>

				buildings they own that are rented by tourism and cultural businesses and organisations. Respond to government funding opportunities			
			12 months+	TBC			
4	Prepare a pipeline programme of both revenue and capital projects to support leisure, hospitality and tourism business recovery; secure funding for its delivery	Pan-Sussex Visitor Economy steering group SELEP, ESCC and D&Bs private businesses and partners such as SDNP	0-4 months	Set up pan-Sussex steering group Develop action plan Buy Local, Stay Local campaign: a regional website and portal to signpost customers to local food and drink businesses Use and develop existing portals such as South Downs food portal. Identify funding/support coming from government	ESCC officer time, PSVE membership, D&B officer time Sector Support Fund bid (secured for Buy Local campaign)	To be agreed once action plan is developed	12 months review by PSVE to evaluate achievements against targets reported to CES, TES, SELEP, West Sussex CC, B&H CC
			5-12 months Plan	Identify any adaptations required to commercial facilities, including a focus on those owned by local authorities Support re-start of events and festivals			
			12 months+	Develop business cases for pipeline of medium and long-term projects and secure resources towards some of these.			
5	Create a cultural investment framework for mid to long term recovery planning	Culture East Sussex	0-4 months	Commission external review	ESCC to fund initial review	Review approved by CES	CES quarterly meetings

		ESCC, partners including D&B's, Public Health, Culture and creative businesses, education and skills partnerships	5-12 months	Develop Cultural Investment Framework for mid to long term planning which will reflect ERP targets		Framework protocols agreed and initial population of projects	TES annual report
			12 months+	Seek funding to expedite Framework projects		Project funding secured and delivery on at least one project commences	
6	Ensure support for those organisations that support the most vulnerable people in the county, promote wellbeing through coherent and strategic investment in communications, the environment, art and culture.	Culture East Sussex and public health Project Art Works and others TBC. Also D&B's, 3VA, Voluntary Sector, East Sussex College Group and wider partners	0-4 months	Establish steering group of organisations delivering specialist provisions Develop action plan	Commitment would need to be sought to support developing health and wellbeing through cultural programmes.	TBC	TBC
			5-12 months	Deliver actions			
			12 months+	TBC			
7	Reconfigure county wide cultural education offer to support collaborative recovery programme/ curriculum for education sector	Children's Services Culture East Sussex/ Skills East Sussex/ HARAEN/	0-4 months	Set up pan-Sussex steering group. Membership to include education, East Sussex Teaching School Alliances/Hastings Opportunity Area/ Eastbourne Schools Partnership, Fulcrum Learning.	Existing Sector resource/ Talent Accelerator/ Artwork DFE Leadership Programme - Portion of £95K regional fund	Action plan produced Action plan targets	Steering group review Reporting to funders: DFE, Artwork, SES, CES, ACE, SELEP
			5-12 months	Develop action plan Explore the mutual benefits of the use of cultural spaces to help alleviate the			

				<p>pressures on space in the school environment</p> <p>Working with schools to fill gaps in online cultural learning.</p>			
			12 months+	Ensure creative pathways are built into cultural projects to allow local young people access to cultural careers.			
8	Support recovery of creative freelance sector	<p>Culture East Sussex</p> <p>East Sussex Arts Partnership</p> <p>Sussex University</p> <p>South East Creative</p>	0-4 months	<p>Commission robust research on the effect of Covid-19 on our freelance economy – 12 months + study.</p> <p>Create a commissioning budget to stimulate the creative freelance sector</p> <p>Commission cultural engagement activity out of doors to help to support the creative freelance economy</p>	ACE, SELEP, South East Creatives	TBC	<p>CES quarterly reporting, TES annual reporting, ESAP quarterly reporting</p> <p>SECEN two-monthly reporting</p>

		Economy Network	5-12 months Plan	<p>Support and encourage the development of localised cultural networks to support the creative freelance economy Commission research</p> <p>Secure baseline research from Sussex University</p> <p>Webinar programme supporting fundraising, business planning and network development</p> <p>Develop the legacy programme for South East Creatives with gathered intelligence to ensure that business support is tailored to the needs of the sector in a Covid-19 context</p>			
			12 months+	TBC			
9	Re-focus Talent Accelerator to support young people into work post-Covid-19. TA is a new framework through which education settings and creative/cultural industry employers can co-design new learning and real-world skills programmes.	De La War Pavillion for Culture East Sussex, in collaboration with Skills East Sussex (Creative and Digital Task group) & East Sussex College Group	0-4 months	TBC	£196,500 approved in principle from Artsworks' Better Lives Through Culture Investment Fund TBC - £196,500 matched investment from Careers & Enterprise	TBC, but could include new Project grant scheme/Online learning portal/ Digital badge micro credentials / Open Door Industry Placements/ Enterprise Advisers/	Culture East Sussex/ Artswork/ACE/ SES
			5-12 months	TBC, but could include new Project grant scheme/Online learning portal/ Digital badge micro credentials / Open Door Industry Placements/ Enterprise Advisers/ Employer engagement events/ Apprenticeships/ Arts Award and Artsmark registrations			

	<div> <p><i>This action links with actions 3, 4 and 5 in Mission 2.</i></p> </div>		12 months+	TBC	Company / East Sussex Careers Hub / East Sussex County Council / Skills East Sussex / DLWP/ East Sussex College group	Employer engagement events/ Apprenticeships/ Arts Award and Artsmark registrations	
--	--	--	------------	-----	---	--	--

Team East Sussex Economy Recovery Plan Mission 4: Better places, fuller lives

Objectives:

- Support the revival and adaptation of town centres
- Support the provision of Covid-19 compliant spaces
- Enable broader economic recovery away from the high street
- Ensure the involvement of local people and businesses to support social inclusion and diversity within their own place

Ongoing actions to support economy recovery:

- The impact of Covid-19 is being collated into evidence work on emerging Local Plans.
- Local planning authorities have reduced processes for determining change of use planning applications.
- East Sussex Highways have issued temporary licences and are implementing road closures to enable opportunities for outside trading by cafés/restaurants being able to put tables and chairs on the highway for provision of social distancing
- Locate East Sussex has published first report on the impact of the Coronavirus crisis on East Sussex commercial property.
- Response has been made to the Government's Towns Fund opportunity for town centre regeneration

Headline actions to deliver the mission		Responsible delivery partner	Timescale	Activities	Resources	Target outputs	Monitoring and evaluation
1	Undertake rapid delivery of outside trading permits and licences, where appropriate <i>Note: Government changes (e.g. introduction of pavement licenses act) will support this action with boroughs/districts granting permission with 5-day consultation</i>	All Local Authority teams - Hastings - Lewes & Eastbourne - Rother - Wealden	0-4 months	Actively respond to requests for change of location for market stalls and/or new outside trading permits Issue new permits as quickly as possible with paperwork following after change has been tested Review best practice in other areas	Local Authority teams (licensing) Town Councils, where appropriate Involvement of local businesses	More outside trading spaces in places	TBC

		- South Downs National Park Authority ESCC Highways	5-12 months 12 months+	Identify specific places that could become outside trading hubs and support their development Review use of outside trading permits Incorporate best practice into longer term public space management protocols Develop guidelines for future non-enforcement practices to support economic recovery Identify and support spaces that could be viable for long term outside trading			
2	Support empty retail sites and empty spaces to be repurposed as business/creative/community and residential places (retrofit these properties with energy efficiency and low carbon measures where possible) alongside instigating town centre and village improvement schemes which encourage and incentivise pop-ups and 'meanwhile use.' <div style="border: 1px solid black; padding: 5px; margin: 10px auto; width: fit-content;"> <i>This action will support the delivery of the inward investment action in Mission 1.</i> </div>	Town Centre Managers Business Improvement Districts All Local Authority Planning teams - Hastings - Lewes & Eastbourne - Rother - Wealden - South Downs National Park Authority	0-4 months	Review stock of empty sites and identify space availability Assess premises demand of businesses. Work with business membership organisations (Chambers, FSB, IOD) to identify demand and types of 'meanwhile use' being requested Work with community groups and others to encourage ideas and options for use of empty spaces Widen use of Article 4 Directives Publicise Permitted Development Rights along with expectations of minimum standards	Local Authority Planning teams Access to Locate East Sussex monthly property reports Town Centre Managers & Business Improvement District Community organisations, independent businesses (in particular identifying	Reduced empty retail properties in town centres Reduced vacant spaces Greater utilisation of town centres Increased footfall	AMR

				<p>Utilise Local Development Orders to reduce the planning burden</p> <p>Implement government new General Permitted Development guidelines</p>	creative designers, thinkers and performance people)	Town Fund	Developed projects proposals to RIBA Stage 3 and 4	
			5-12 months	<p>Develop options for vacant spaces and work with local planning authorities to ensure planning permissions are granted</p> <p>Work with property owners to agree opportunities</p> <p>Review emerging evidence from Local Plan and Inward Investment activities to identify needs</p> <p>Develop a formalised plan based on intelligence including funding need</p> <p>Establish and maintain a detailed list / portfolio of premises, sites, public spaces, locations and buildings for meanwhile use and public and private investment.</p> <p>Develop key project proposals for future funding and investment bids and prioritise projects for development (funding required to shovel ready status).</p>				
			12 months+	Implement appropriate and flexible policies in local plans to either take				

				<p>properties out of retail boundaries or allow for flexibility of uses</p> <p>Implementation of plan including funding for conversions</p> <p>Review number of pop-ups and ‘meanwhile uses’ and consider long term future uses</p>			
3	<p>East Sussex planning authorities to prepare/revise development plan policies that allow for a greater variety and flexibility of uses within East Sussex town centres alongside addressing the property needs of home-grown expanding businesses and externally investing businesses</p> <p><i>Notes: need to ensure that the supply of B1 a/b/c premises will not be reduced recognising there is a severe shortage of industrial premises. Also recognise the need to improve industrial / commercial spaces and the supporting infrastructure. Additionally, standards to protect and safeguard are required alongside flexibility.</i></p>	<p>All Local Authority Planning teams</p> <p>- Hastings - Lewes & Eastbourne - Rother - Wealden - South Downs National Park Authority</p>	<p>0-4 months</p> <p>Identify which local authorities are completing full plans vs partial updates</p> <p>Engagement across authority areas as part of Duty to Cooperate (DtC) to ensure uses within town centres support and complement each other</p> <p>Scoping, evidence gathering, early engagement including commercial property market</p>	<p>Local Authority planning teams</p> <p>Funding for evidence studies</p> <p>Locate East Sussex</p>	<p>Adopted Local Plans</p> <p>No decrease in level of commercial and industrial space availability</p>	<p>Annual Monitoring Reports (AMRs)</p> <p>LES Sponsors Board</p> <p>DES</p>	
			<p>5-12 months</p> <p>Evidence gathering</p> <p>Draft policies in Local Plans which support appropriate flexibility of uses within individual town centre</p> <p>Support the development of the Local Plan and the Housing and Employment Needs Assessment. Detail all capital investment in the pipeline or in process – what, who, how and when (public and private)</p>	<p>Planning Policy Town Fund</p>			

	<i>This action will support the delivery of the inward investment action in Mission 1 and the Mission 3 action of expediting the re-use of redundant shop, offices and industrial units for shared creative workspace</i>			Identify prospective assets that could be funded through the Town Deal, as well as considering opportunities for other uses as projects are submitted to the Town Deal board.			
			12 months+	Consultation, examination, adoption Adopted policies for town centres which support variety and flexibility of uses to enable town centres to adapt and to support the ongoing recovery			
4	Meet the anticipated increased need for local work and home-education space by encouraging flexible mixed use of spaces for residential, leisure and work activities. <i>Note. all sites will require appropriate broadband capacity. This links with the deliverables in Mission 5 Capitalise on digital connectivity.</i>	All Local Authority Planning teams - Hastings - Lewes & Eastbourne - Rother - Wealden - South Downs National Park Authority	0-4 months	Review space availability. Consider libraries, community facilities, vacant offices and empty retail spaces Consider existing spaces for adaptation Review demand for spaces	Local Authority planning teams SPACES (Strategic Property Assets Collaboration East Sussex), property owners, etc.	TBC	TBC
			5-12 months	Promote potential opportunities for flexible working space hubs. Opportunities and needs for working spaces to be fed into emerging Local Plan evidence and policies			
			12 months+	Flexible policies in Local Plans to meet workforce and individual needs Ongoing provision of mixed-use places covering both residential, leisure and work spaces			
5	Develop a plan to ensure that the 'asks' from Government, in terms of short, medium and longer-term planning reforms and changes are	Developers East Sussex (DES)	0-4 months	Utilise existing forums for collation of asks Ensure partners are aware of lobbying channels	DES lead Input from Local Plan Managers	Responses from Government in line with requests	DES feedback

				business cases for delivery of the Town Deal Investment Plan			
7	Develop and implement approaches that put local communities at heart of shaping places, recognising the diversity that exists across East Sussex.	VCSE sector working with Developers East Sussex and all local authority planning teams (DES)	0-4 months	Review of existing methods of engagement Consultation with VCSE sector on best approaches Develop protocols for sustainable community involvement	VCSE sector working with Developers East Sussex (DES) Involvement of communities	Greater community involvement	
			5-12 months	Implement plan as part of Local Plan Reviews			
			12 months+	Review of what is working and what is not. Make changes where required.			

Team East Sussex Economy Recovery Plan Mission 5: Cleaner energy, greener transport

Objectives:

- Increase the number of people walking, cycling and using public transport in East Sussex
- Improve air quality and reduce carbon emissions in the county

Ongoing actions to support economy recovery:

- Development of tranche 1 package of temporary transport measures to support the local economy as the COVID-19 pandemic restrictions have been eased particularly in our town centres and development of tranche 2 package of interventions in accordance with DfT guidance.
- Delivery of the transport 1 temporary transport measures including 'Keep Apart' safe social distancing signage across the county and at 200 key bus stops; development of designs for other measures which include pop up cycle lanes, road closures and widening space for pedestrians on our high streets to encourage walking and cycling and safe social distancing.
- Delivery of the capital programme of local transport improvements that includes schemes which help to increase the number of people walking, cycling and using public transport. The programme is funded from a range of sources including East Sussex County Council, development contributions and Local Growth Fund monies secured through the South East Local Enterprise Partnership (SELEP). This will see a total of £9.4m LGF planned for spend this year and next. In addition, the current Active Access for Growth programme, now in the final year of its four-year programme, has delivered new ways working with our partners, schools and businesses to encourage people to travel to work, education and training through active travel and public transport.
- Consultation on the draft Local Walking and Cycling Investment Plan (LCWIP) between April and July 2020 ahead of wider public consultation in Autumn 2020 and adoption in 2021.
- Sussex Air programme with schools to increase walking and cycling to/from school and implement temporary road closures around a sample of schools.
- LoCASE programme for SMEs with free energy audits and grants for energy efficiency and renewable schemes.
- East Sussex Energy Partnership Winter Home Energy Service to support those in fuel poverty.
- Warmer Sussex programme to assist householders to retrofit domestic energy efficiency measures

Headline actions to deliver the mission		Responsible delivery partners	Timescales	Activities	Resources	Target outputs	Monitoring and evaluation
1a)	Deliver emergency active travel measures in town centres and promote active travel initiatives to support East Sussex economy and support social distancing as restrictions are eased	ESCC	0-4 months	<p>Deliver tranche 1 package of temporary transport measures which encourage active travel and support local economy, subject to local consultation and advertisement of TROs</p> <p>Develop tranche 2 package of permanent active travel measures to embed walking and cycling habits for submission to Government.</p> <p>Subject to approval, commence development of tranche 2 package of measures for delivery within funding timescales</p>	SEI team (client) East Sussex Highways (design services and contractor)	TBC	TBC
			5-12 months	<p>Monitor impacts of tranche 1 temporary transport measures</p> <p>Continue development and commence delivery of tranche 2 package of active travel measures</p>			
			12 months+	Dependent on the tranche 2 timescales, continue to deliver the tranche 2 package of active travel measures			

1b)	Implement active travel initiatives through our Active Access for Growth programme which promote increased walking and cycling	ESCC	0-4 months	Continue delivery of the Active Access for Growth (AAfG) programme of initiatives, led by Sustrans to encourage people to walk and cycle to access work, education and training.	SEI team, ESCC Sustrans Living Streets Other AAfG partners	TBC	TBC
			5-12 months	Continue delivery of the Active Access for Growth programme up to March 2021 (end of programme) and identify legacy projects that can continue beyond end of funding period. Lobby Government for long term funding for continuation of elements of the programme beyond March 2021			
			12 months+	TBC			
2a)	Deliver Local Growth Fund (LGF) walking and cycling infrastructure packages in growth corridor areas and aim to secure funding from the £2bn Government funding for walking and cycling infrastructure	ESCC	0-4 months	Through the County Council's 2020/21 capital programme for local transport improvements, continue the design and delivery of LGF funded walking and cycling packages for: <ul style="list-style-type: none"> • Eastbourne and South Wealden • Hastings and Bexhill • Eastbourne town centre phase2 	Strategic Economic Infrastructure (SEI) team, ESCC – Transport Planning (client) East Sussex Highways (design services and contractor)	Delivery of programme of LGF schemes Full LGF spend against three packages	SELEP LGF reporting

			5-12 months	Through the County Council's 2020/21 and emerging 2021/22 capital programme for local transport improvements, continue the design and delivery of LGF funded walking and cycling packages for: <ul style="list-style-type: none"> • Eastbourne and South Wealden • Hastings and Bexhill • Eastbourne town centre phase 2 			
			12 months+	Through the County Council's emerging 2021/22 capital programme for local transport improvements (to be approved March 2021), continue the delivery of LGF funded walking and cycling packages for: <ul style="list-style-type: none"> • Eastbourne and South Wealden • Hastings and Bexhill • Eastbourne town centre phase 2 			
2b)	Develop proposals identified in the Local Cycling and Walking Investment Plan (LCWIP) in response to the £2bn Government funding for walking and cycling infrastructure	ESCC	0-4 months	Consult with key stakeholders (Borough/District Councils, Walking and cycling groups) on the draft LCWIP document	SEI team, ESCC – Transport Policy	Adopted LCWIP Successful funding bid to Government	ESCC internal monitoring
			5-12 months	Undertake public consultation on the LCWIP and adopt LCWIP Identify priority LCWIP projects for further			

				development and commission design			
				Develop business case for funding bid (dependent on when Government funding call announced)			
			12 months+	Complete design and subject to successful funding bid, undertake consultation and commence construction of priority LCWIP projects.			
3a)	Develop proposals with bus and rail industries to encourage and incentivise the use of public transport in East Sussex	ESCC, bus and rail operators	0-4 months	Establish working group with bus and rail operators to develop strategy for encouraging / incentivising use of safe integrated public transport	SEI team and Passenger Transport teams, ESCC Bus operators Train Operating Companies SCRP	Trajectory of bus and rail patronage numbers increasing towards pre-lockdown levels	Bus and train loading figures (from operators)
			5-12 months	Develop and implement strategy initiatives (dependent on safe social distance measures) Draft and submit DESTI-SMART (Delivering Efficient Sustainable Tourism with low-carbon transport Innovations: Sustainable Mobility, Accessibility and Responsible Travel) action plan to the project lead for approval	DESTI-SMART Seafront project approximate cost £400k		
			12 months+	Continue implementation of strategy initiatives			

3b)	Develop bus infrastructure proposals to also help increase public transport usage	ESCC	0-4 months	Continue design work Phase 1 of the Hailsham – Polegate – Eastbourne bus corridor improvements (including Eastbourne Road bus lane) Link emerging strategy to LCWIP, particularly walking measures on key corridors of movement.	SEI team and Passenger Transport teams, ESCC Bus operators Train Operating Companies SCRP	Trajectory of bus and rail patronage numbers increasing towards pre-lockdown levels	Bus and train loading figures (from operators)
			5-12 months	Through the development of LTP4, identify bus operators' priorities for bus infrastructure in East Sussex Review of remaining phases of Hailsham – Polegate – Eastbourne bus corridor improvements, in particular the Kings Drive/DGH section			
			12 months+	Through development of LTP4, identify package of deliverable bus infrastructure for development within first Implementation Plan (Imp). Commence development of bus infrastructure proposals identified in the first Imp. Implementation of first phase of the Hailsham – Polegate – Eastbourne bus corridor improvements (including Eastbourne Road bus lane)			

4	Prepare a plan for delivery of electric vehicle charging infrastructure throughout East Sussex	ESCC	0-4 months	Agree action plan with key partners & discuss provision with UKPN and the market	£40K required for dedicated staff resource to lead.	To be agreed in the action plan & contract. Will cover: - type, location and approx. number of locations. - estimated take up (of EVs and usage of charge points).	To be agreed in the action plan & contract.
			5-12 months	Establish legal agreement with key partners and procurement of private sector provider. Implement 'Ecargo' bike pilot in Hastings	This will deliver measurable carbon reduction and develop the local supply chain. Potential £1million accelerated towns fund		
			12 months+	Begin roll-out of electric vehicle charge point installations.			
5	Develop a programme to work with low carbon businesses and the energy sectors to support the development/delivery of clean energy technologies and the decarbonisation of the economy, linking with the current LoCase initiative.	Green Growth Platform, University of Brighton	0-4 months	Provide grants and/or support in delivering the programme.	<u>0-4</u> (LoCASE 1.75): fully funded.	6 grants or 12-hour assists. 79 grants or 12-hour assists. 14 SMEs with new products. 11 new SMEs supported.	Via Green growth Platform Board and funders and via LoCASE Steering Group
			5-12 months	Provide grants and/or support in delivering the programme.	<u>5 months – 3 years</u> (LoCASE 2 & 3): pending decision by MHCLG. Fully funded if agreed.		
			12 months+	Provide grants and/or support in delivering the programme.			
6	Develop proposals and secure resources to expand existing programmes that improve domestic and commercial	6a) ESCC / East Sussex Energy Partnership	0-4 months	Current domestic fuel poverty programme: home energy assessment, advice and provision of small energy efficiency measures.	Home energy assessment, advice and provision of small energy efficiency measures are funded in 2020-21 & 2021-22.		Current monitoring arrangement is set in existing

	energy retrofit. This will support the local supply chain, cut costs and reduce emissions		5-12 months	Maximise the value of the existing home energy assessment & advice by promoting and supporting the take up by householders of the new national £2bn Green Homes Grant scheme in East Sussex, which is due to start in September, to improve the energy efficiency of low-income homes.	Additional resources required to install energy efficiency & renewable measures: £750K (i.e. 50 homes @ an average cost of £15K/home). This will deliver measurable carbon reduction and support the local supply chain.		contract with provider. Increased: will replicate robust Public Health M&E from previous contracts for capital measures.
			12 months+	2021-22: maximise the value of the home energy assessment & advice by improving the energy efficiency of 50 low income homes to at least EPC Band C (@ £15k/home).	Grants of up to £10K per household will be available from September. South East Economic Coastal Prospectus - SELEP funding for retrofitting of domestic housing stock BEIS / SELEP		
		6b) Retrofit Works	0-4 months	Current 'Warmer Sussex' programme: To March 2021: deliver energy efficiency retrofit to 70 'able-to-pay' domestic properties.	Current programme is fully funded by BEIS & promoted by Local Authorities.	Current targets are: start energy efficiency retrofit of c.	Current: set in contract with BEIS. Increased: to be agreed via

			5-12 months	<p>Generate new leads with owners.</p> <p>Maximise the value of the existing Warmer Sussex programme by promoting and supporting the take up by householders of the new national £2bn Green Homes Grant scheme in East Sussex, which is due to start in September, to improve the energy efficiency of able to pay households.</p>	<p>£90K is required for additional staff & budget to drive demand (i.e. Open House weekends, pop-up shops in key locations, supply chain training & recruitment events, marketing campaigns). All retrofit costs paid by householders.</p> <p>This will deliver measurable carbon reduction, support the local supply chain, and enable the delivery model to become financially self-sustaining, once the right level of demand has been reached and maintained.</p>	<p>70 domestic properties.</p> <p>With additional resources:</p> <ul style="list-style-type: none"> - generate 100 leads/month. - Retrofit 25 properties/month. - support 5 new/existing business. - Mentor local colleges to offer quality retrofit skills training. 	contract with Retrofit Works.
			12 months+	As above			
		6c) ESCC	0-4 months	<p>LoCASE energy efficiency support for SMEs:</p> <p>Grants provided to SMEs.</p>	<p>LoCASE 1.75: fully funded.</p> <p>LoCASE 2 & 3: pending decision by MHCLG. Fully funded if agreed.</p>	<p>LoCASE 1.75: 15 grants.</p> <p>LoCASE 2 & 3: 120 grants</p>	Quarterly monitoring & annual evaluation.
				5-12 months Plan	<p>Grants provided to SMEs.</p> <p>An additional £35K would increase the take up of grants by SMEs through LoCASE 2 & 3 from 120 to 200</p>	<p>With additional resources: a further 80 grants.</p>	

			12 months+	Grants provided to SMEs.	(average grants of £5K). This will lever in 60% private sector match, deliver measurable carbon savings, reduce business operating costs and support the local supply chain.		
7	Develop and implement additional energy efficiency & renewable energy schemes in public sector buildings	Local Authorities	0-4 months	Develop additional schemes	Existing LA staff & government funding for capital works	TBC, as the fund details have not yet been announced, but likely to include: carbon reduction, jobs safeguarded or new jobs created.	TBC, as the fund details have not yet been announced
			5-12 months	Apply for funding from the government's new £1bn green building fund			
			12 months+	Begin to implement schemes			
8	Prepare a nature-based carbon mitigation programme (e.g. tree planting, habitat creation), which also provides employment opportunities and helps make East Sussex an attractive place to live and work.	Sussex LNP	0-4 months	Establish an agreed brokerage and QA process between landowners / farmers and organisations that need to plant trees (e.g. the water companies, Woodland Trust etc).	All costs for implementing the nature-based carbon mitigation work (e.g. tree planting etc) would come from the private sector and environmental sector. 1) £25K additional resources required for specialist support to develop an agreed process (i.e. To address	Target: contracts for £50K of tree planting agreed in year 1 from pilot projects, with measured area of restored or new habitat delivered & carbon saved, subject to the	Quarterly monitoring & annual evaluation. Details to be agreed in contracts for the work outlined in the 'resources' column.
			5-12 months	Map local supply and demand of tree planting & habitat creation, and funding mechanisms (e.g. water companies, ELMS).			

			12 months+	<p>Pilot local tree planting & habitat creation process, measure job retention & creation, carbon and natural capital benefits.</p> <p>Scope larger and longer-term carbon mitigation programme with identified skills, jobs, carbon saving and co-benefit opportunities.</p>	<p>the legal and financial barriers and to optimise the co-benefits from mitigation measures).</p> <p>2) £25K additional resources required to:</p> <ul style="list-style-type: none"> - lead the independent brokerage between supply and demand (i.e. Land owners and organisations such as the water companies that have tree planting targets). - support the local supply chain (e.g. Nurseries & landscape businesses). - facilitate setting up local pilots (e.g. procurement etc). 	availability of the additional resources identified.	
--	--	--	------------	---	---	--	--

Team East Sussex Economy Recovery Plan Mission 6: The future is digital

Objectives:

- Increase in ultrafast broadband coverage
- Improved mobile phone and data coverage
- Increase digital inclusion
- Promote best practice in home working

Ongoing actions to support economy recovery:

- Commercial Investment – CityFibre in Eastbourne and Openreach in Hailsham, Upper and Lower Dicker, Horsebridge and Forest Row
- East Sussex County Council's e-Sussex project Contract 3 delivery
- Continue to collaborate and investigate new ways of operating with all providers (ongoing)
- Promotion of existing and new external funding opportunities available directly to communities through BDUK (vouchers)
- Working with telecoms providers to facilitate the quicker delivery of increased ultrafast coverage
- Working to shape and deliver BDUK's developing "Outside In" programme to reach the final 20% by sharing/improving data and championing local priorities
- Developing innovative uses, including potential community match projects, of any remaining ESCC broadband capital funding

Headline actions to deliver the mission		Responsible delivery partner	Timescales	Activities	Resources	Target outputs	Monitoring and evaluation
1	Increase ultrafast broadband coverage across East Sussex	TES	0-4 months	TES to lobby for funding to deliver increased broadband coverage	TES Board		TES
		Hastings Borough Council	5-12 months	Develop digital infrastructure improvement proposals for the Hastings Town Fund. Focus on improving connectivity to our Town Centres; industrial and commercial employment			

				spaces; education, cultural and community facilities and venues.			
			12 months+		HBC Town Fund Team		
1a	Explore other methods and other ways of funding premises not already superfast	Not currently identified	0-4 months	Explore a “work hotels” concept model (e.g. in a communal building within a village close to an FTTC enabled cabinet) in which Covid-19 secure temporary work space could be set up and rented. This workspace would provide a clean video conferencing background and an internet connected desk with an easy to wipe down chair.	None currently identified		
			5-12 months				
			12 months+				
2	End mobile “not spots” for people whether they are at home, at work or on the move	TES	0-4 months	TES to lobby for funding to deliver much improved mobile voice and data coverage	TES Board		TES
			5-12 months				
			12 months+				

3	Work out steps needed to enable the rapid adoption of 5G technology	Not currently identified	0-4 months	Work with the University of Sussex to explore how to expedite this mission, making the most of the University's 5G expertise, including exploring joint funding bids.	None currently identified		
			5-12months				
			12 months+				
4	<p>Develop proposals to increase digital inclusion (connectivity, training, hardware) particularly for young, disadvantaged people in areas of deprivation and areas of poor connectivity.</p> <div> <p><i>This action links to the digital inclusion action 5 in Mission 2</i></p> </div>	<p>Not currently identified</p> <p>ESCC</p> <p>ESCC</p> <p>TechResort</p> <p>Hastings Borough Council</p>	0-4 months	<p>Investigate ways to draw in larger employers to help support digital inclusion</p> <p>Undertake project to track down IT devices and if possible, routers for post 16 learners who can't access these for their learning</p> <p>Undertake project to identify means of providing IT devices with data and appropriate support s for disadvantaged service users, many of whom have been doing courses at libraries</p> <p>TechResort filed three bids to offer digital literacy sessions in Eastbourne (expanding existing laptop lending scheme, exploring affordability of kit and connectivity, testing socially distanced learning models)</p> <p>Open call for CHART Funding (ERDF and ESF) focussed on digital inclusion</p>	<p>SELEP Digital Skills Partnership (e.g. "Devices DotNow" "Good Things Foundation")</p> <p>Staff time</p> <p>Staff time</p> <p>TechResort</p>		

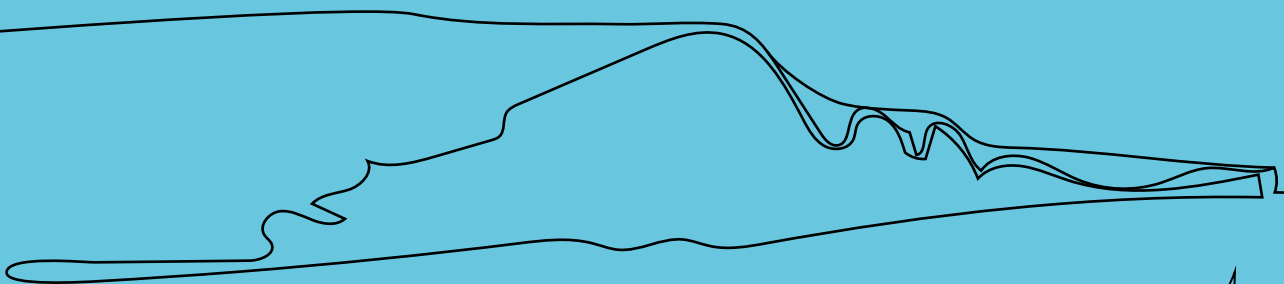
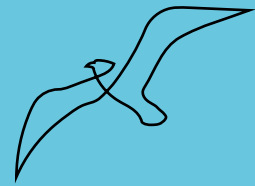
					Use Town Deal to lay groundwork to leverage in revenue funding to support enhancement of capital programme		
			5-12 months				
		Hastings Borough Council	12 months+	Consider Community Fibre Partnerships	TBC		
5	Develop proposals to promote best practice in home working to ensure the needs of businesses (e.g. in terms of productivity etc.) and employees (e.g. appropriate support, avoiding social isolation etc.) are met	Not currently identified	0-4 months	Work with the University of Sussex to share the university's management expertise on the impact of digitisation on the future of work	UoS staff and expertise	tbc	TES
		Hastings Borough Council	5-12 months	Work with local partners, HVA, HOA, SCC, SECEN, SECCADS etc. to identify need and training providers Develop a digital access action plan	Use Town Deal and other funding routes to deliver training for all age groups		
			12 months+				
6	Develop bite size tutorials to help businesses make	Skills East Sussex	0-4 months		East Sussex College Group AEB funding?	TBC	TBC

	the most of technology and aid troubleshooting			<p>TechResort is launching “Digital do tank” virtual workshops and online materials for SMEs</p> <p>Blog post series on techresorteb.com sharing UoS and other expertise, as available. Call for tech questions from East Sussex businesses</p>	TechResort		
			5-12 months				
			12 months+				
7	Develop proposals to grow the tech sector to make East Sussex the most exciting and innovative place to live and work	None identified	0-4 months	Chalk Eastbourne/ TechResort partnership to re-confirm tech sector needs (previous research found lack of skills locally to hire, no angel or VC funding, poor choice of premises	TechResort/ Chalk Eastbourne	TBC	TBC
			5-12 months	TechResort to explore setting up a community co-working space for people to acclimatise to remote working, and acquire tech skills. Not in competition with Co-hub and The Works			
			5-12 months				

This page is intentionally left blank

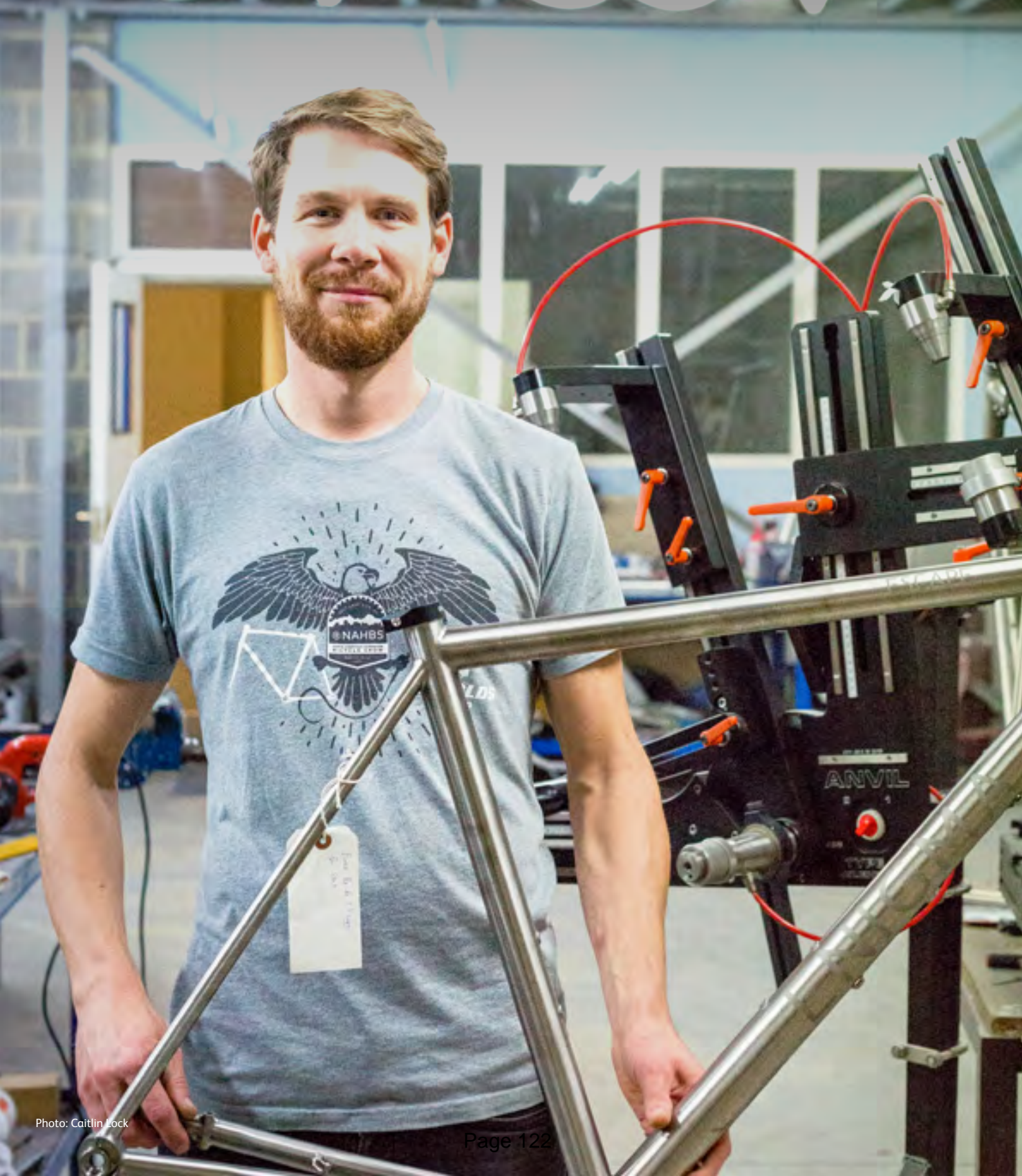
East Sussex Reset

Six missions:
Recovery as opportunity



Enigma Bikes, Hailsham

Founded in 2008, Enigma is the UK's leading manufacturer of custom titanium bicycles. Dedicated to maintaining traditional craft skills, Enigma is investing in the future with its training and apprenticeship programme.



We are at a pivotal moment in the lives of businesses in East Sussex. We need to reset, to adapt and build resilience for the future.

We must seize the opportunities for long-term change now, so that we can build a stronger, more inclusive and more sustainable future for the East Sussex economy. Ours is a beautiful, agile county awake to the challenges, poised for growth and ready to move forward with confidence.

This Team East Sussex guide summarises the issues that we have to address, the changes we should make and the resources we can access. Our plans are organic, they will continue to respond to the demands of the rapidly changing world in which we live.

We invite all businesses in the county to contribute to, and benefit from, the initiatives we are seeking to put in place.

Forward not back	2
Six missions	6
Mission 1 Thinking local, acting local	8
Mission 2 Building skills, creating jobs	12
Mission 3 Fast-forwarding business	16
Mission 4 Better places, fuller lives	20
Mission 5 Cleaner energy, greener transport	24
Mission 6 The future is digital	28
What's next?	32

Introduction

Forward not back

The Covid-19 pandemic has had, and continues to have, a significant impact on the lives of those who live and work in the county. As elsewhere in the world, it also disrupts business, employment and economic growth.

In response, Team East Sussex has produced a comprehensive strategic action plan which is summarised here. The plan is the result of an intensive dialogue with over 50 partner organisations, from council members and educational institutions to industry leaders and small businesses.



Facing the future

Looking forward we believe we can create real change and opportunity, not just recover. The delivery programme shows how. It focuses on business, skills, employment and place while acknowledging the wider impact of the pandemic on society and the many interdependent initiatives already underway.

It aims to achieve the resilience and renewal necessary for the county's future economic activity.

Leading the initiative is Team East Sussex, the local federated board for the South East Local Enterprise Partnership. We are coordinating the programme, lobbying government for supportive action and developing the case for future funding.

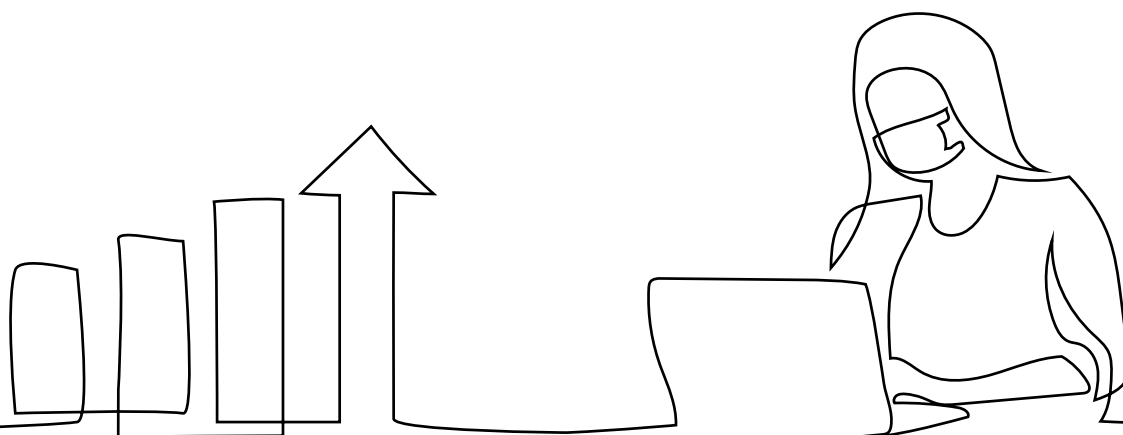
Our membership is made up of business, local authority, social enterprise and education representatives from across the county. These strong partnerships are at the core of the programme.

A dynamic plan

We will manage and constantly monitor the action plan to make sure it is working positively, taking advantage of all opportunities in responding to the pandemic. We encourage all businesses, organisations and enterprises to be actively involved in our developing plan, so please get in touch and give us your support.

Graham Peters

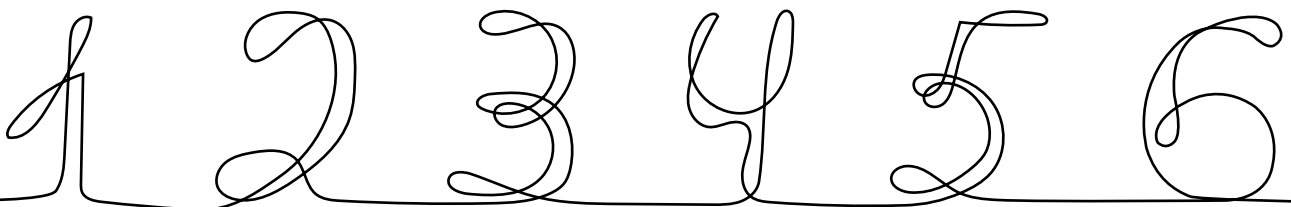
Chairman, Team East Sussex

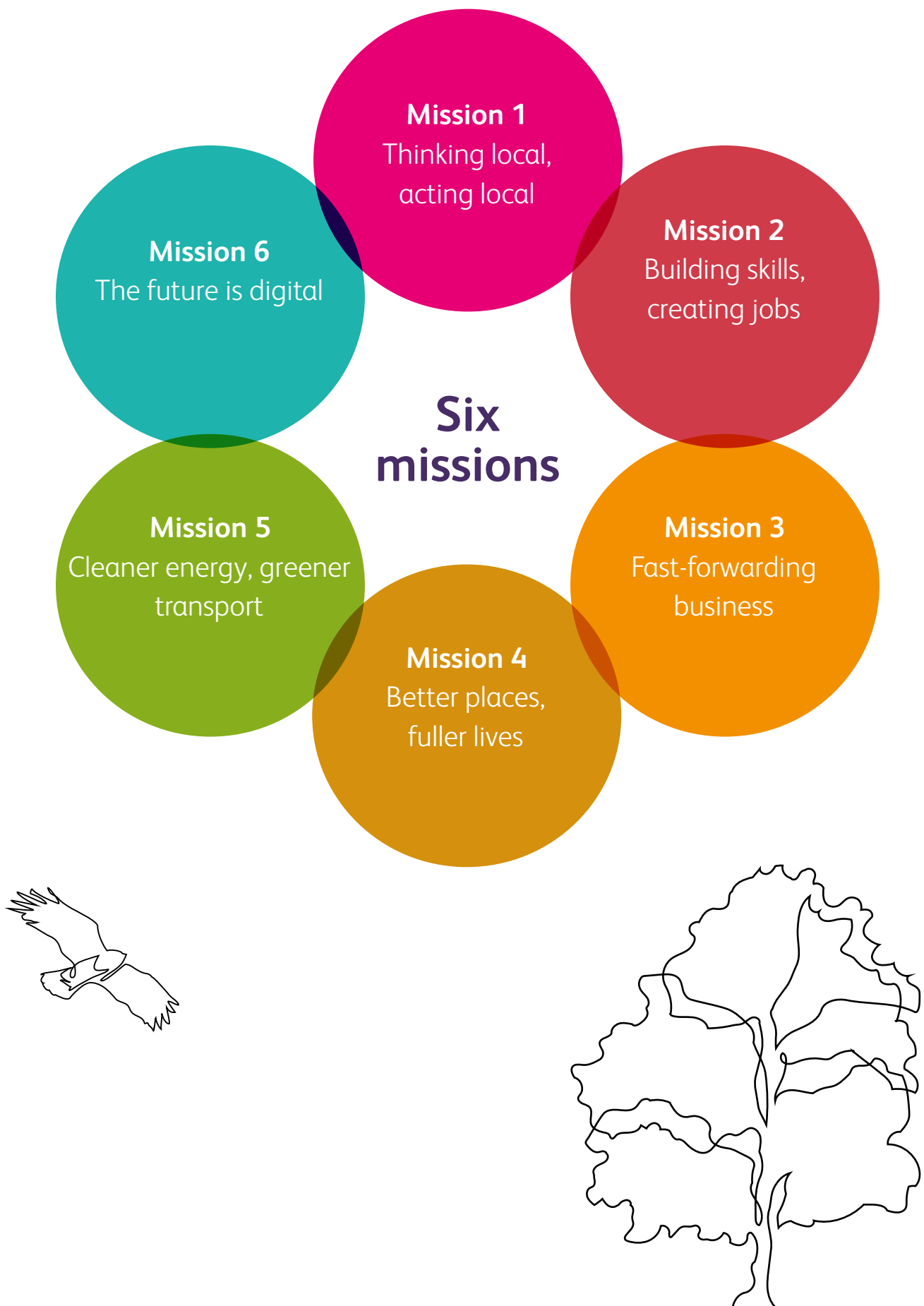


East Sussex Reset

Six missions

We have identified six missions to support the East Sussex economy and livelihoods. Each one aims to go beyond just recovery to reset the opportunities for businesses, employers and employees while improving the local infrastructure and environment.





Flimwell Park, Flimwell

Set amongst 46 acres of broadleaved, coppiced Sussex woodland, Flimwell Park is a pioneering new working and living development. Innovative design is being used to create an original mixed-use community.

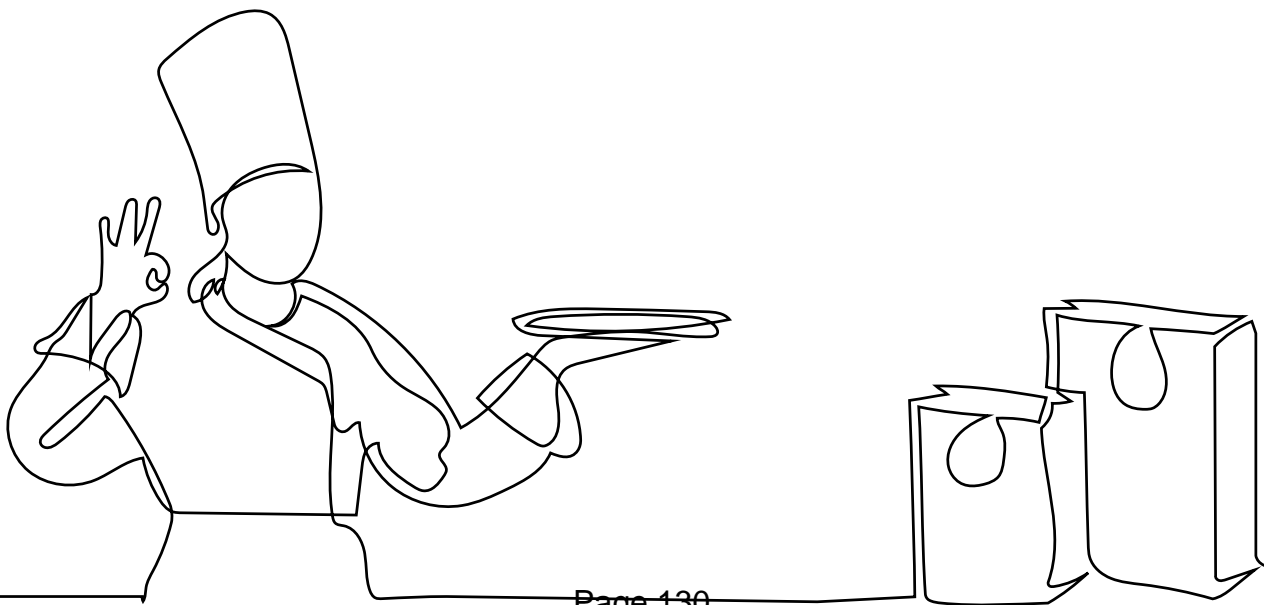




Mission 1

Thinking local, acting local

We believe it is important to rethink how we can benefit by being locally minded. This gives businesses an opportunity to turn recovery into growth and build investment in the local economy.



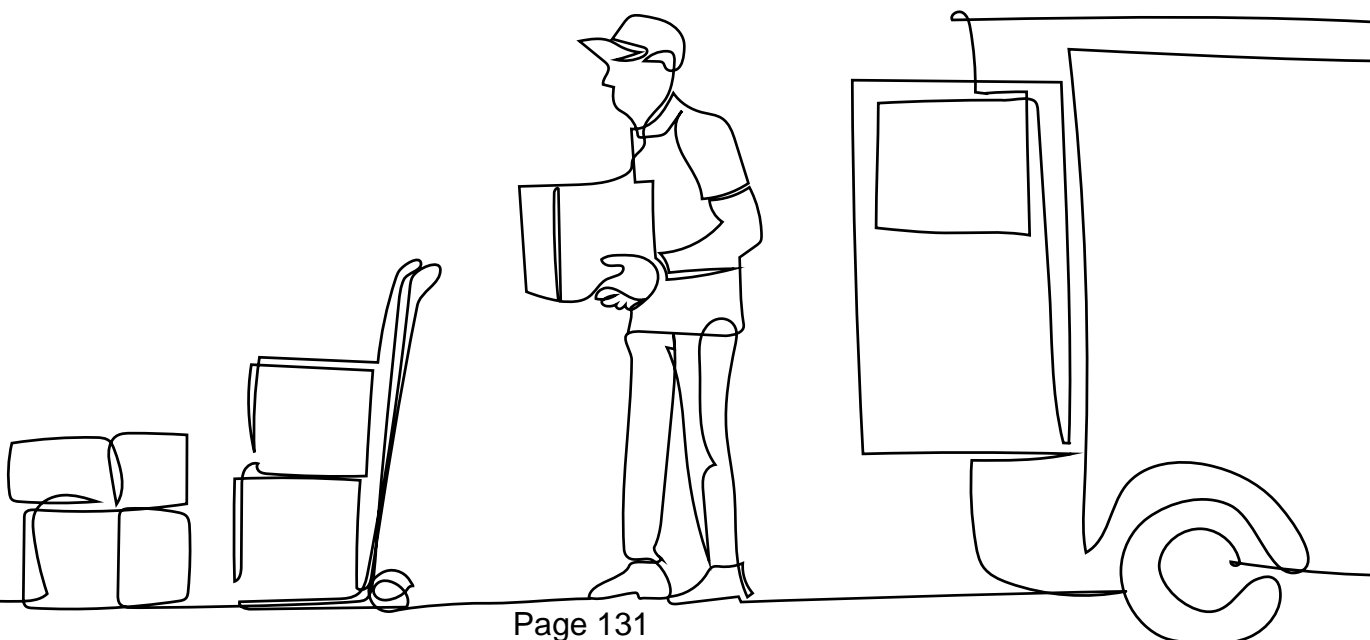
We are initiating a Buy Local supply chain programme across all business sectors to stimulate local enterprise and a countywide Good Food growth campaign.

An inward investment strategy aimed at London and Home Counties is underway to take advantage of any shift towards home and local working, to reduce commuting and to encourage businesses of all kinds to consider relocating to East Sussex.

The Business East Sussex Growth Hub will be the first point of contact for business to access business advice, relevant grants, loans and funds from Government and other sources to help them adapt, recover and grow.

It makes sense for businesses and public sector organisations to focus their procurement on local contractors, suppliers and providers. This helps to support local employment and training too.

A newly launched Business Hothouse programme will provide support to embryonic entrepreneurs currently looking to start a business.



Hello Flamingo, Newhaven

An award-winning creative design and manufacturing company, Hello Flamingo produces immersive displays and props for leading retail and fashion brands such as Harvey Nichols, Selfridges, Barbour and Ted Baker.

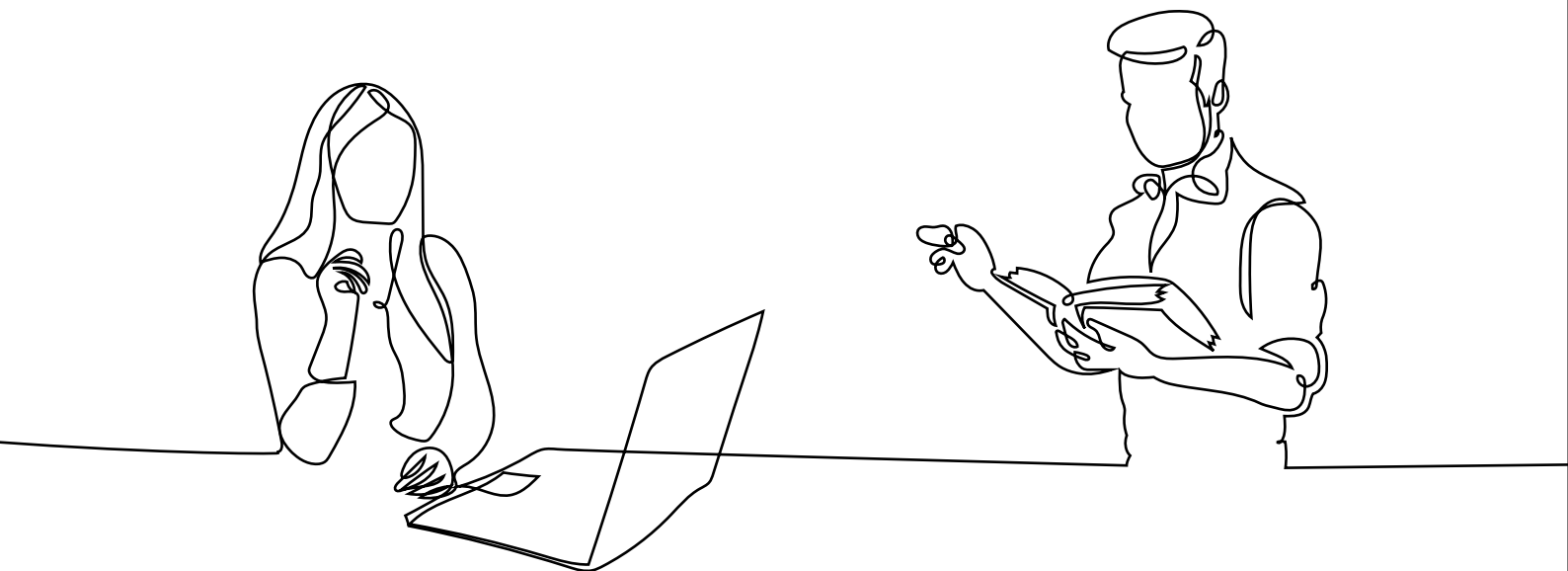




Mission 2

Building skills, creating jobs

Recognising the likely impact on the economy of high unemployment, particularly amongst young people, we urgently need to retain our local skills, support employment and grow an agile workforce with greater skills levels.



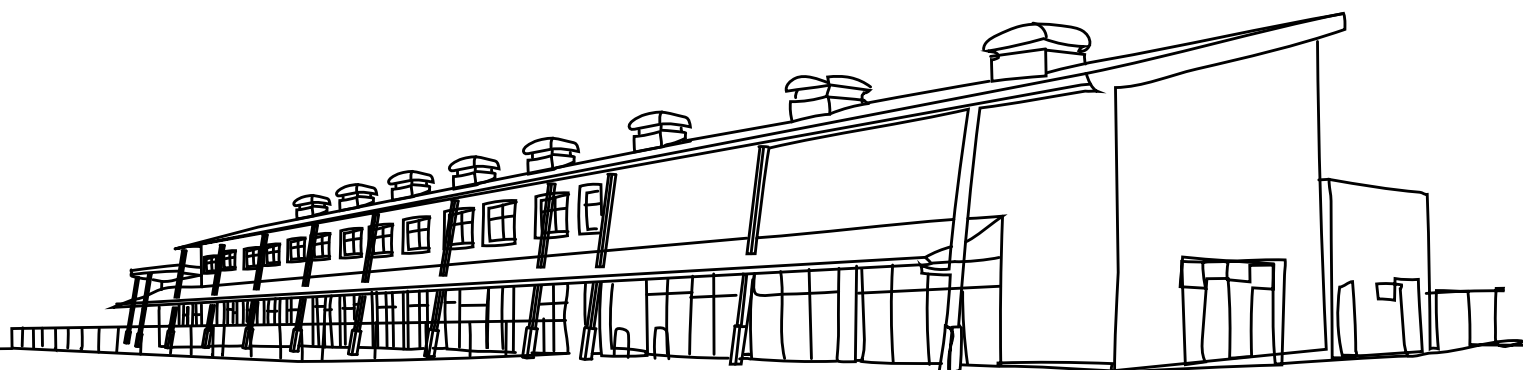
We will offer targeted support for the development of sector specific skills, and for furloughed and redundant employees, in conjunction with employers and skills providers.

Acknowledging the likelihood of high unemployment among young people, we will actively promote job placements, apprenticeships and traineeships through employer incentive schemes and local networks.

We are working with education to deliver training, including basic skills, short courses and digital skills programmes for tomorrow's workforce. Plans include work academies to help young people into employment, and new courses and learning packages for businesses to aid their recovery and growth.

A Careers Hub has been established to support the development of young people's employability skills, including virtual employer encounters or workplace experiences, and parental engagement.

An East Sussex website providing up-to-date information on jobs available, career choices and learning opportunities for adults and young people seeking employment has been created.







Surrey NanoSystems, Newhaven

Creators of the world's blackest black – Vantablack – a coating with ultra-low reflectance, Surrey NanoSystems operates at the cutting edge of advanced materials research, engineering design and manufacturing.

Opera House, Glyndebourne

East Sussex has a significant creative and cultural sector. With theatre in Eastbourne and opera at Glyndebourne, cultural organisations like these support performers, back stage teams and ancillary staff, as well as those that are suppliers and contractors to the sector.



Mission 3

Fast-forwarding business

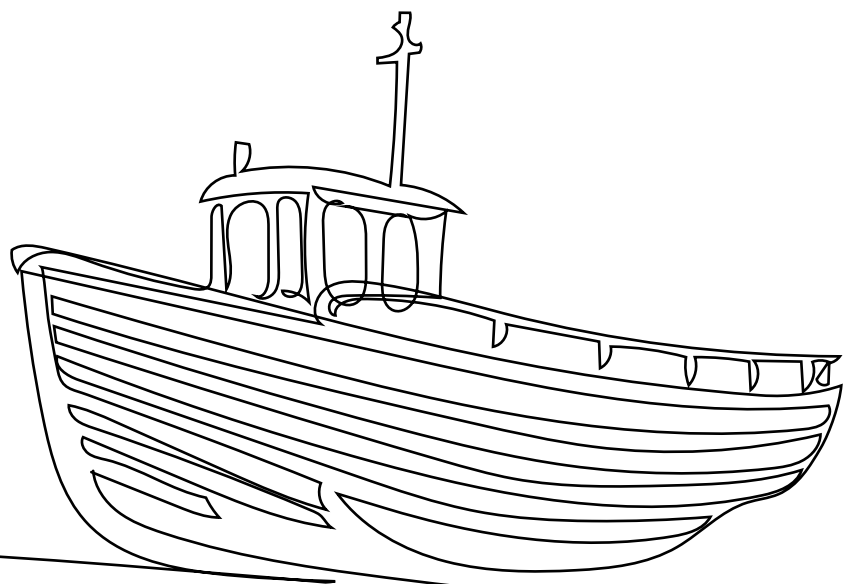
The service and retail economy is vital to East Sussex, particularly the creative and cultural sector, as well as the leisure, hospitality and tourism industries. Our aim is to get these businesses back on their feet and people back into work.



A programme to assist the tourism sector is now underway across the South East. We will develop a coordinated media campaign across Sussex with relevant and up-to-date content. This includes a Buy Local, Stay Local website to promote local food and drink businesses, and the promotion of Sussex Modern, 1066 Country and Visit Eastbourne.

South East Creatives and other complementary programmes will help businesses and freelancers adapt to the changing environment. We are re-designing the Creative Open Workspace programme to respond to the shift towards home working and local working.

We continue to work with the voluntary sector in our communities and develop activities for residents, acknowledging the significant effects on wellbeing caused by the pandemic.

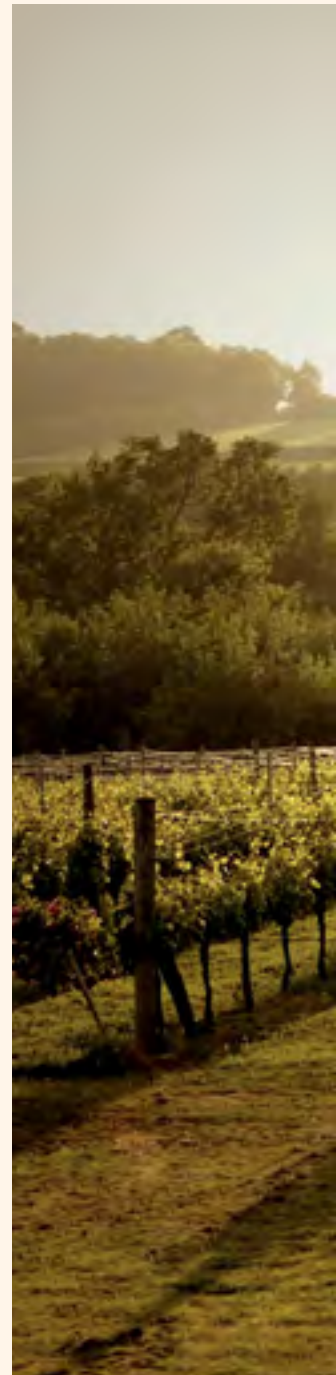


Sussex Modern

This recently launched initiative combines art galleries and houses with vineyards and natural locations to re-frame Sussex in a new light. Taking its inspiration from the artists, writers and thinkers who made Sussex their home in the early part of the last century, Sussex Modern celebrates the very best of contemporary culture.



<https://vimeo.com/405365712>





Charleston, the Bloomsbury Home of Art and Ideas, Firle

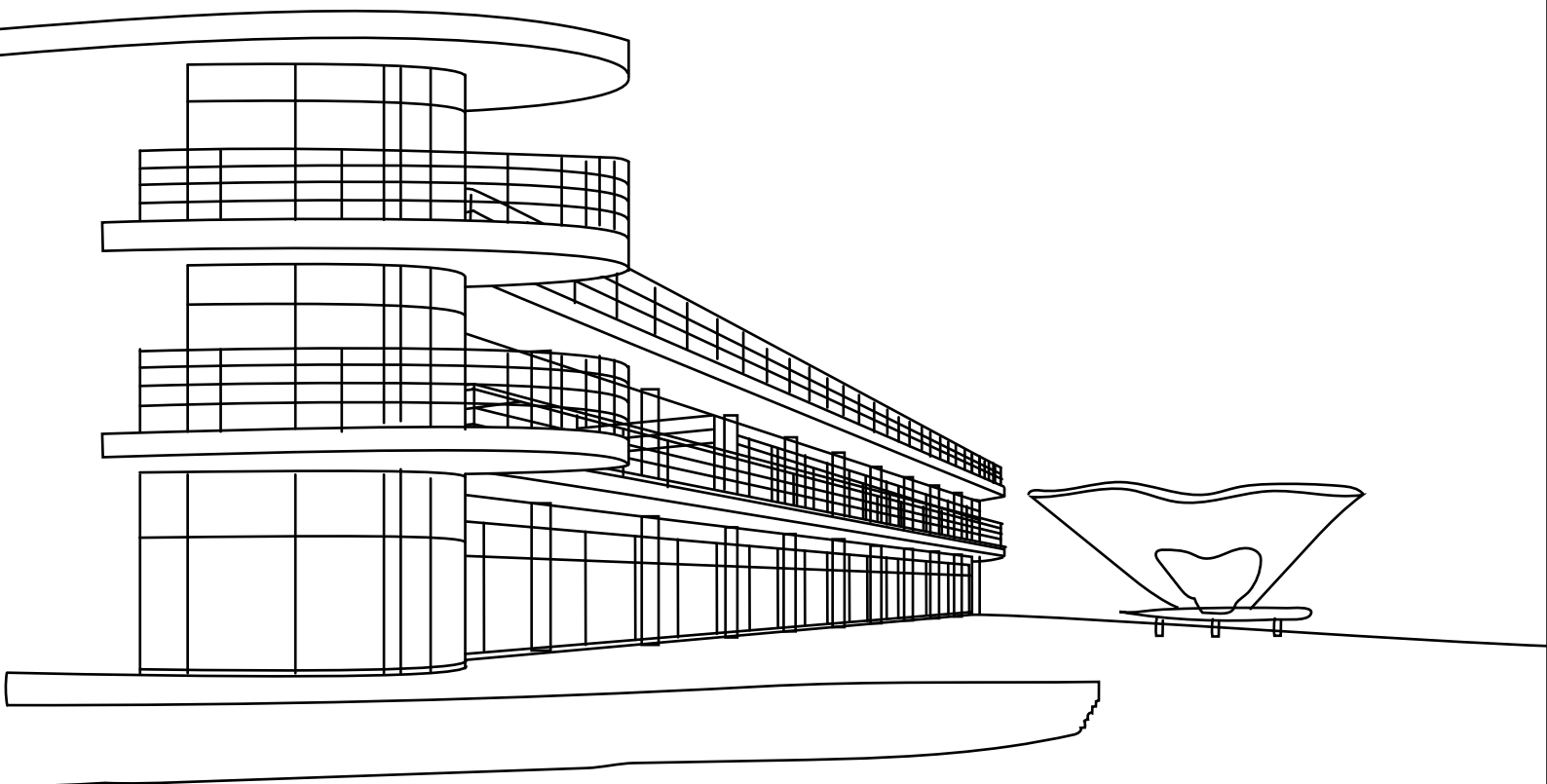


Bluebell Vineyard Estates, Furner's Green

Mission 4

Better places, fuller lives

We can improve lives and places by taking steps to encourage local engagement and diversity. We need to shape our County for a sustainable, inclusive and resilient future.



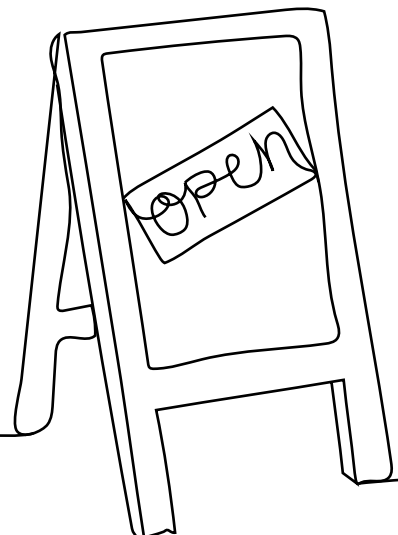
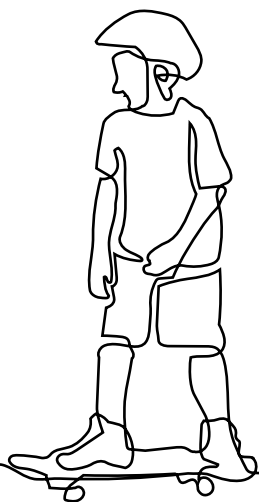
As the recovery develops, people will use space in different ways. We will support the revival and adaptation of town centres, including Covid-19 secure spaces.

We have a strategy to empower local communities to help shape places and reflect the county's diversity. Our District and Borough Councils are streamlining processes for change of use.

We will support adapting empty retail sites and spaces in ways that improve local facilities and we are investigating what kinds of property businesses really need in order to grow. We also want to encourage open-air trading and business activity.

We have already secured substantial amounts of money through the Local Growth, Getting Building and Growing Places Funds, all of which will help provide jobs and growth across the county.

We will support and promote applications to future and current funding streams such as the Future High Streets, Stronger Towns, Sector Support and Emergency Active Travel Funds. We will maximize the county's opportunities to participate in the Shared Prosperity Fund when it is announced in the autumn.



Hastings Contemporary

Formerly Jerwood Gallery, this independent beachfront gallery in historic Hastings Old Town, celebrates the best in modern and contemporary art with a changing programme of exhibitions.

Seafood and Wine Festival, Hastings

East Sussex hosts a number of outdoor events and festivals, including the popular Seafood and Wine Festival in Hastings. They provide opportunities to promote local produce and to foster community engagement.



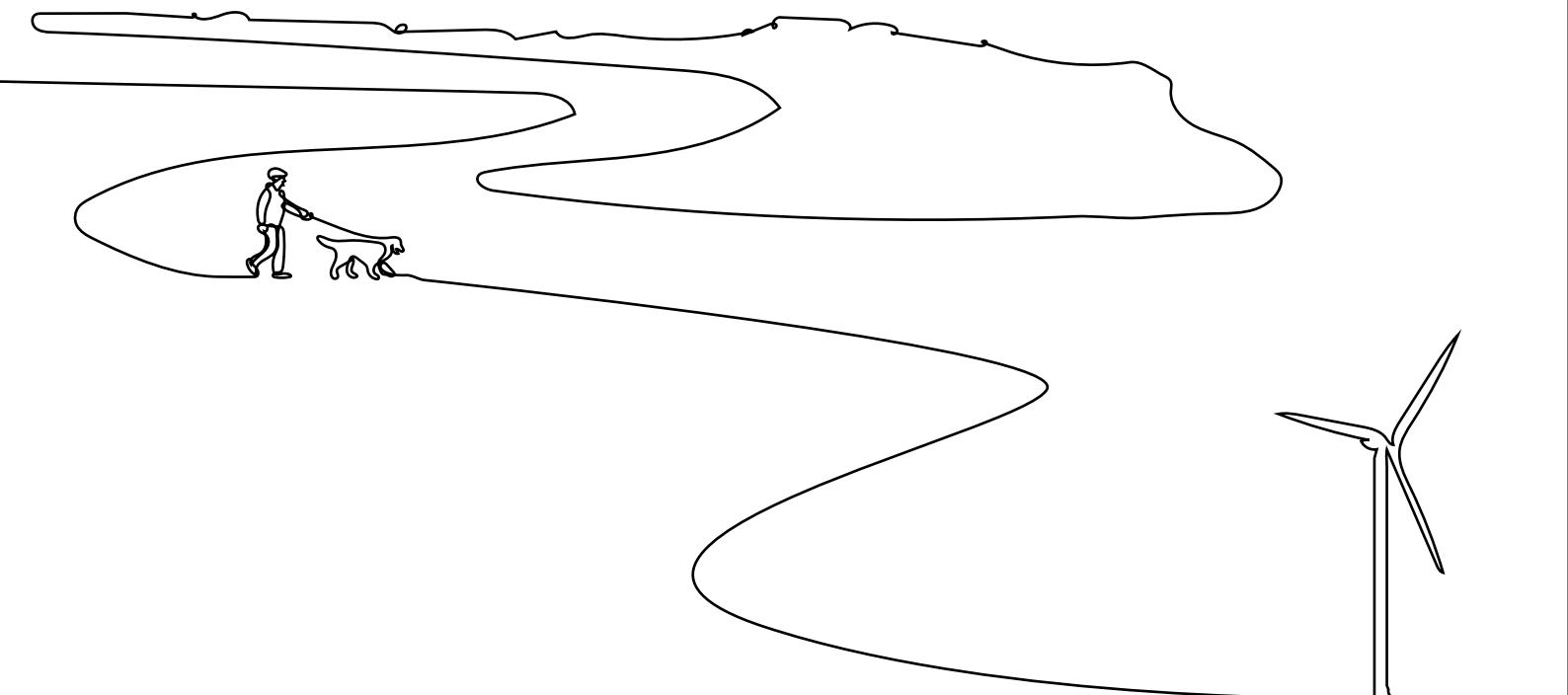


**HASTINGS
CONTEMPORARY**

Mission 5

Cleaner energy, greener transport

We want to make sure our Reset takes account of the drive towards a low-carbon, circular economy.



We are planning ways in which clean energy technologies and de-carbonisation projects can be accelerated.

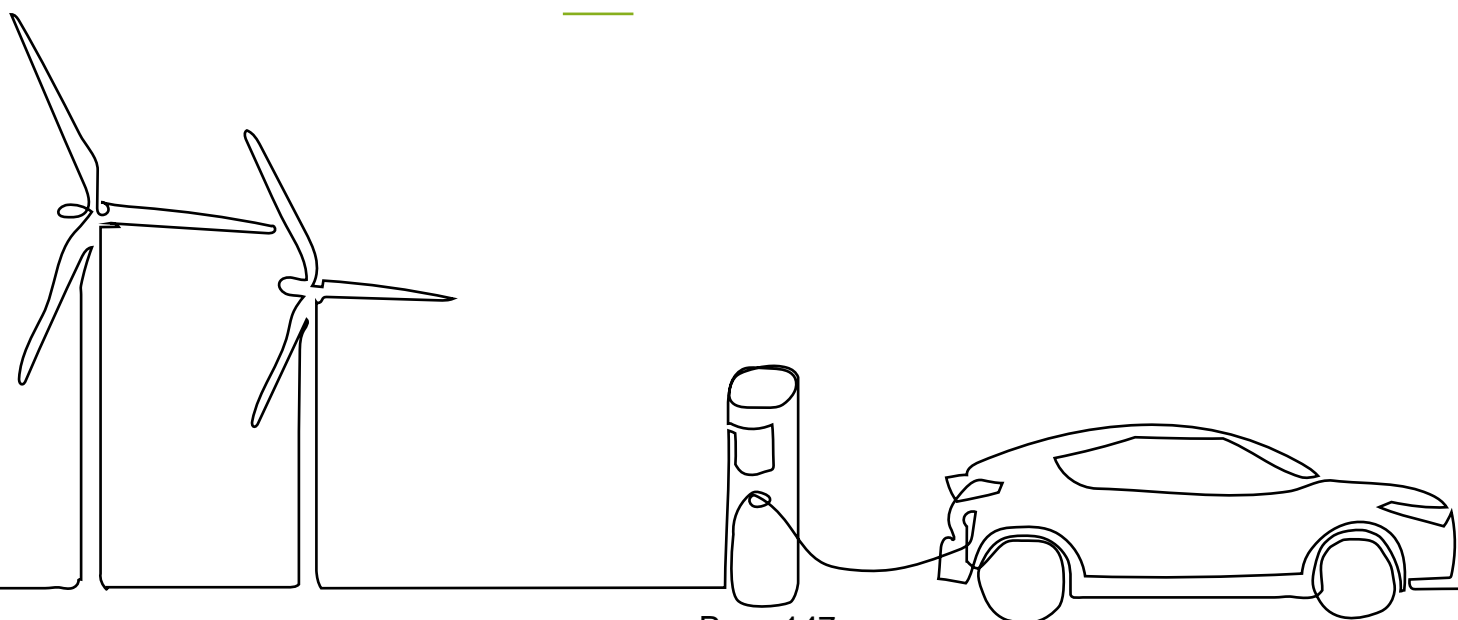
We have created an energy retrofit programme for local suppliers to help them reduce their costs and emissions.

We will actively promote the take-up of walking and cycling that benefits both the environment and people's health, and deploy new Government funding for greener transport infrastructure.

Partners are developing approaches to support the increasing uptake of electric vehicles across the county.

Our low carbon programme is underway and provides SMEs with free energy audits as well as grants for energy efficiency and renewable schemes.

East Sussex Energy Partnership's Winter Home Energy Service supports those in fuel poverty and our Warmer Sussex programme helps householders to retrofit domestic energy efficiency measures.





Hastings Cargo Co, Hastings

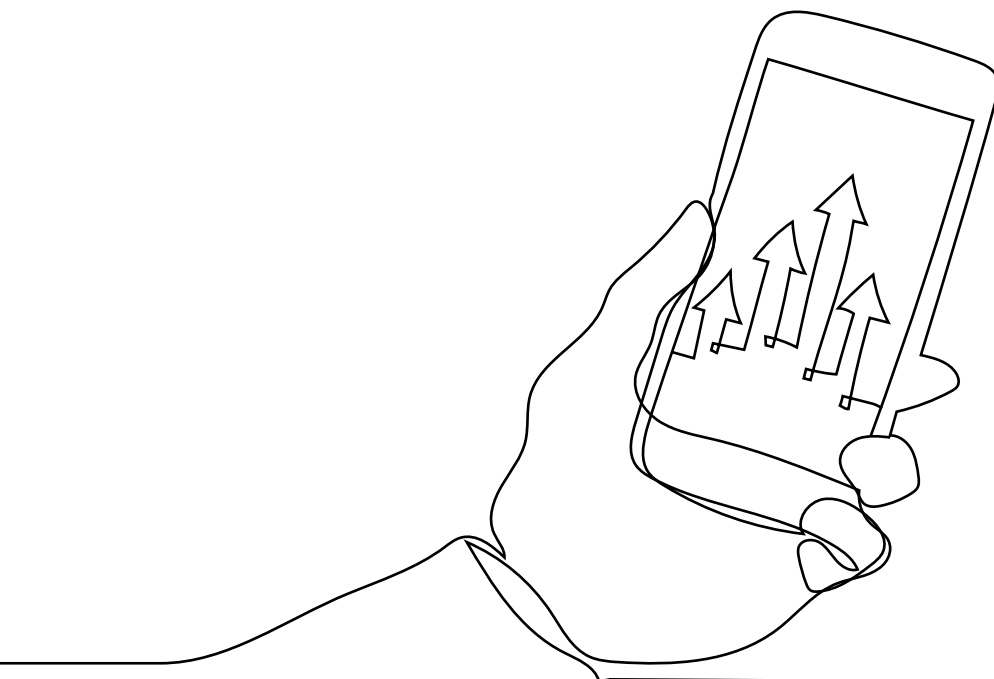
This social enterprise start-up offers a pollution-free delivery service in Hastings and St Leonards. It collaborates with local businesses to deliver directly to customers by electric cargo bike.



Mission 6

The future is digital

We believe that now is the time to capitalise and grow digital connectivity to support the transformation of business and the local economy.



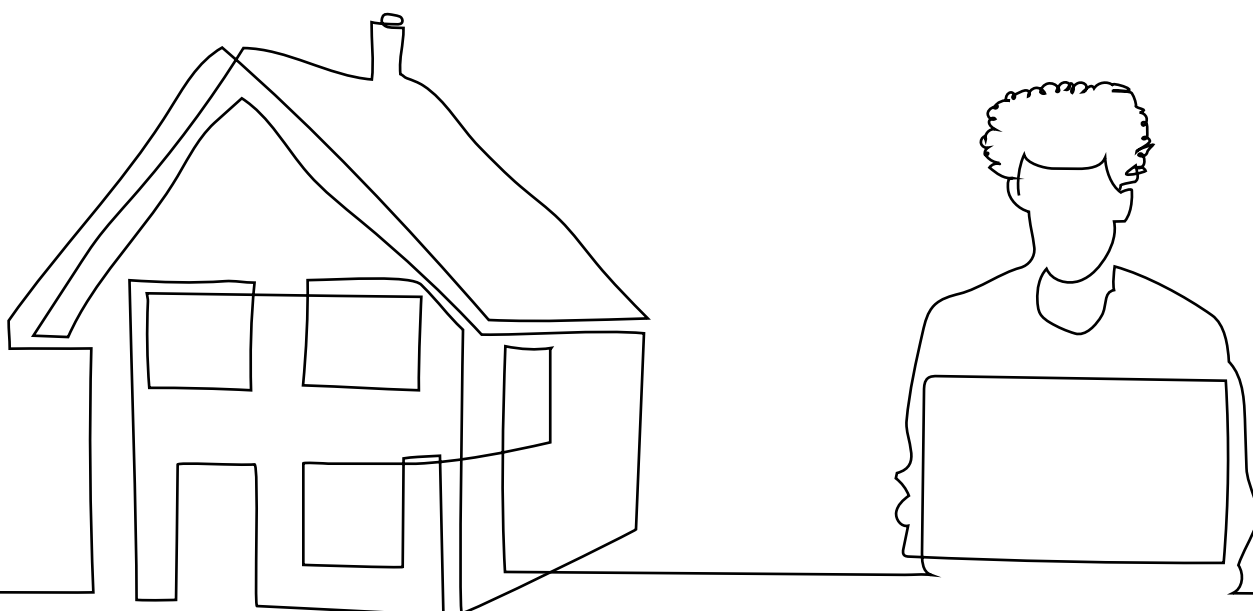
We will continue to invest in fast broadband for businesses and homes throughout East Sussex.

We recognise the need to increase digital access, resources and skills for deprived areas and communities.

While promoting the rapid adoption of 5G technology we will continue to lobby for funding to deliver faster broadband speeds and greater coverage for mobile, voice and data.

We are developing proposals for those working from home to help reduce energy and unnecessary commuting, and to keep our communities more lively during the working week.

We are planning to deliver tutorials to help businesses and homeworkers make the most of smart technology and aid troubleshooting.



Spithurst Hub, Barcombe

The Hub is a vibrant business centre set in beautiful countryside to the north of Lewes. It provides a creative, inclusive and digitally equipped co-working environment for professionals.





East Sussex Reset

What's next?

East Sussex is a county with many faces. Remarkable for its cultural and environmental richness, it enjoys a lifestyle that is special even amongst England's South East counties.

Readily accessible from the capital and with international connections at Gatwick and the Channel ports, East Sussex claims an innovative and agile edge. As business increasingly looks at different ways of working, this Reset can enable East Sussex to move forward with optimism as an enviable place to live, work and visit.

This can only be done in partnership with those in a position to effect change. The initiatives we highlight are positive and relevant to every business, organisation and enterprise. By collaborating closely, we will build a resilient future for all those who live and work in the county.





Beautiful, sustainable countryside
for the future: Tillingham Valley

Team East Sussex acknowledges the vital support of East Sussex County Council and the participation of all partners and contributors.

We hope you feel that the initiatives highlighted in this report are positive and relevant to your business, organisation or enterprise.

If you have ideas of your own to seize opportunities arising as a result of the pandemic, we'd love to hear them, by emailing us [here](#).

Periodic updates on the progress we are making will feature in the Business East Sussex newsletter which you can receive by signing up [here](#).

Your email address will not be shared beyond Team East Sussex and will not be used for marketing purposes.

If you would like details on national and local support available to help your business, visit the [Business East Sussex Growth Hub](#) or call the team on 01273 33587.

This guide is a summary of our Economy Recovery Plan for East Sussex. A copy of the full report is available [online](#).



›TEAM
EAST SUSSEX



Report to:	Cabinet
Date of meeting:	8 December 2020
Report by:	Director of Children's Services
Title:	Annual Progress Report of the Looked After Children's Service 1 April 2019 – 31 March 2020
Purpose:	To outline the performance of the Looked After Children's Service between 1 April 2019 - 31 March 2020

RECOMMENDATION: Cabinet is recommended to note the contents of the report

1. Background

The Annual Report is attached as Appendix 1.

2. Budget Implications

The services for Looked After Children are supported via core funding from the CSA budget, by a small proportion of the Dedicated Schools Grant and by the Pupil Premium for additional education support for children.

3. Recommendations and Reasons for them

The Corporate Parenting Panel reviewed and agreed the contents of the report on 30 October 2020.

Stuart Gallimore
Director of Children's Services

Contact Officers:
Teresa Lavelle-Hill, Head of Looked After Children's Services 01323 747197
Sally Carnie, Head of Looked After Children's Services 01323 747197

Local Members: All

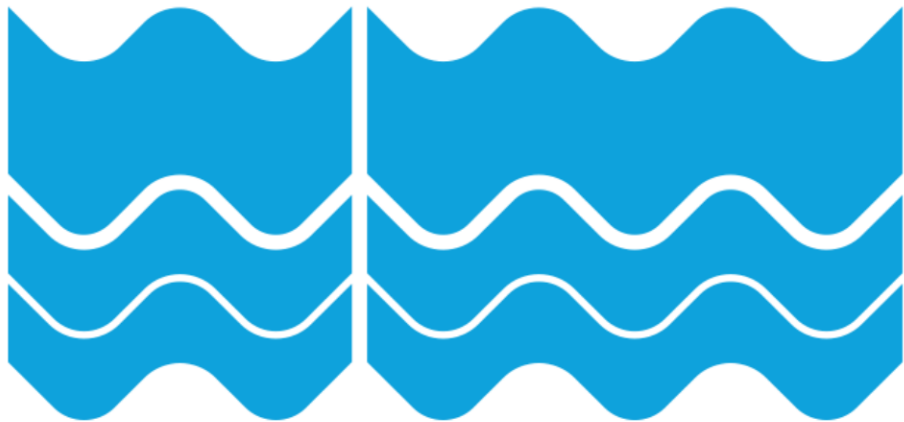
BACKGROUND DOCUMENTS: None

List of Appendices

Appendix 1 - LAC Annual Report 2019 – 2020

This page is intentionally left blank

East Sussex County Council



East Sussex Looked After Children Services Annual Progress Report 2019/20

Sally Carnie, Head of Service

Who did we look after?

- The data below is a snapshot as of 31st March 2020.

Statistics	2018-2019	2019-2020
Looked After Children (LAC)	600	592
Children coming in to care	195	179
0-5 year olds admitted to care	87	75
6-12 year olds admitted to care	38	38
13+ year olds admitted to care	70	66
Children leaving care	197	177
0-12 year olds leaving care	72	64
13+ year olds leaving care	107	105

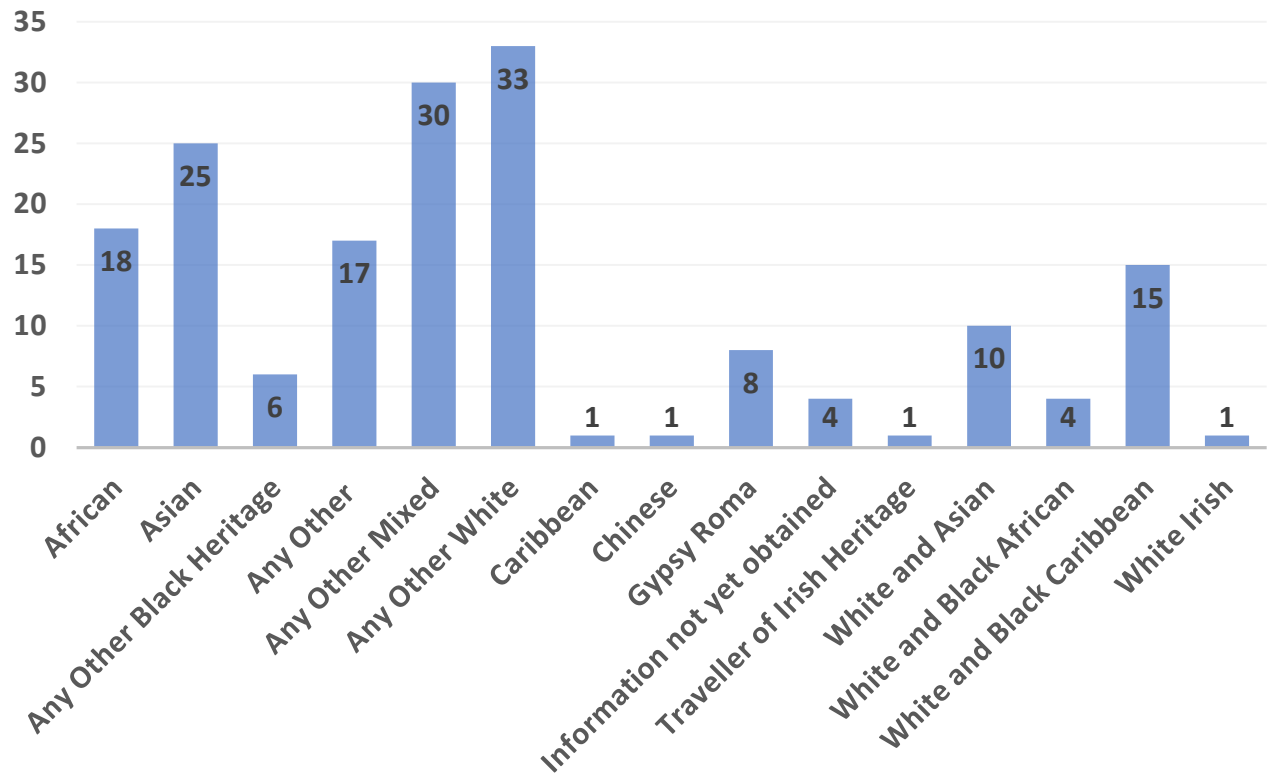


- We looked after 311 boys and 281 girls.
- Overall there were fewer children in care during this period
- This figure is made up of fewer admissions to care but also fewer discharges from care
- In addition the 'churn' figure, which is made up of the number of children moving in and out of care during the annual cycle, when added to the year end figure shows a reduction by **20** overall. In total there were **760** children in care allocated to Social Workers and worked with during the year 19/20

23% of LAC in ESCC identify as being minority ethnic or mixed heritage.

Who did we look after?

Page 161



* Numbers of BAME children within the LAC population across 2019/20

Unaccompanied Asylum Seeking Children (UASC)

- ESCC was caring for 32 UASC under 18 during 19/20 (plus 48 care leavers).
- Our UASC cohort were mainly male and over 16 years old, although 25% of this group were under 16 years and our youngest child was only 12 years old and female.
- In the last year, 2 children have come via The Vulnerable Children’s Resettlement Scheme and the remainder have been spontaneous arrivals, found either by the Police or at Newhaven Port or transferred via the National Transfer Scheme mostly from arrivals at Dover.
- The majority of these children came from Vietnam and Iran followed by Sudan, Iraq, Albania and Afghanistan with one child each from Ethiopia, Mali, Kuwait and Kurdistan.

This data is a snapshot as of 31st March 2020.

Statistics	2018-2019	2019-2020
UASC in care	40	32



Children with Disabilities

- The number of our LAC with disabilities remains similar to previous years.
- At 31 March 2020 there were **27** LAC with disabilities, with similar age distribution to previous year (**19** aged 15 or less and **8** aged between 16 and 19)
- **8** of these children were placed with ESCC foster carers and **2** with independent agency foster carers. **6** were placed in ESCC Childrens Homes and **5** in independent Childrens Homes. **4** children were placed in residential schools to meet their medical needs, joint funded with health and **2** were placed in residential schools due to behavioral needs arising from their ASD diagnosis.
- The disability homes have managed a variety of young people with differing needs from behaviours that challenge, to vulnerable young people with complex medical needs.
- Going forward there are plans to create more capacity and flexibility into the structure of the homes to safely manage the needs of any disabled child requiring respite or accommodation

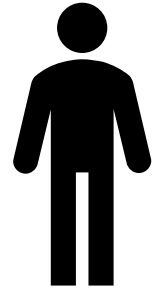
Where our children are living

The data below is a snapshot as of 31st March 2020.

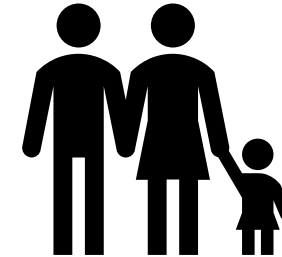
Placement Type	2018-2019	2019-2020
With foster carer	473	447
Of these; in house carers	327	293
Kinship carers	49	62
Agency carers	97	92
Placed for Adoption	21	30
In Supported Lodgings	33	30
ESCC children's homes	18	19
Agency children's homes	27	38
Agency special schools	1	0
Placed with parents	23	20
Independent living	0	3
Youth custody/secure unit	2	4
Hospital/NHS establishment	2	1
Absconded	0	0



Increase in
Kinship
placements



Increase in
children
placed for
Adoption



Increase in
Independent
living

Increase in
children living
in agency
children's
homes



Decrease in
children living
in ESCC Foster
placements &
Supported
Lodgings

How well did we do in 19/20?

- Overall performance in relation to our LAC indicators remained strong and stable with very small % variations in most areas. The impact of Covid 19 on performance will need careful review going forward.
- The rate of LAC per 10,000 population under 18 years **reduced** from **56.6%** (18/19) to **55.7%** (19/20) against a national England rate of 65%
- More challenging has been timely placements for children with a plan for adoption (adoption scorecard), children with 3 or more placement moves (N162), children in permanent placements (N163) and children placed outside ESCC boundaries. Whilst the performance in these areas remains comparatively high, our local dip in performance reflects the wider national picture in terms of sufficiency of placements across all areas of placement planning
- Latterly some of our health indicators have been adversely affected by Covid such as access to dentistry and timely review health assessments
- The emotional and behavioural health of children in care (SDQ) has dipped slightly by 0.1% but this is consistent with the pattern over previous years
- There has been a real improvement in the accommodation options for LAC and Care Leavers under 18. However, Care Leavers aged 19-21 years in suitable accommodation has fallen by 1.1% from 18/19, and 6.2% against the national average
- Care Leavers 19-21 years in education employment and training has shown a real improvement this year and is above the national average

Adoption Recruitment

Adoption South East(ASE) Developments:

ASE went live on 1 April 2020. Managers and staff were actively involved in the recruitment work stream, developing common practice, shared resources, and in the final quarter of the year processed all recruitment enquiries for Brighton and Hove.

Despite high levels of recruitment activity, the number of adopters approved continued to fall compared with previous years. This reflects the national position on adopter sufficiency.

Recruitment	2016- 2017	2017- 2018	2018- 2019	2019- 2020
Total No. of adopters approved	30	25	33	22
No of 2 nd time Adopters	0	0	4	3

Family Finding and Linking

- Those children approved for adoption have complex backgrounds and needs
- Large sibling groups may have a different plan for individual children e.g. a mixture of long term fostering and adoption and may need to be separated, as it is difficult to place them altogether
- Children of mixed heritage tend to be placed out of county in areas reflecting greater ethnic diversity
- Complex health and genetic conditions, together with protracted care proceedings, contribute to delay in family finding and placement
- Early permanence meetings continue with locality teams to promote timely planning and family finding.
- There has been an increase in the number of children placed for Fostering to Adopt and this continues to be keenly promoted, especially for young children.

Family finding and linking	2019-2020
No. of children adopted (AO's)	32
Number of children approved for adoption	29
No. of relinquished children	2
Total No. of children matched	31
No. of 2 sibling groups matched	7
No. of 3 sibling groups matched	0
No. of 4 or more siblings groups matched	0
No. of children matched (outside of ASE)	7
No. of children matched within ASE	4
No. of children placed for Fostering to Adopt	6

Adoption - Support

Within Adoption Support we have a range of services which include:

Adoption Support
Fund applications

Adopted Families Group

Throughcare pathway for
Adopted adolescents

Letterbox & Direct Contact
Service

ADCAMHS

Services to Adopted
Adults

Page 168

ADOPTION SUPPORT 2019/20	
	2019-2020
Post Adoption Support Assessments carried out; statutory responsibility to assess and provide coordinated package of support or sign post	56
No. of open cases, including therapeutic interventions, parent consultations, respite, education & virtual school advice and family social work	152

Fostering: Recruitment and Retention

- There were 22 foster households approved during 2019/20 – this means that ESCC has held steady in the context of a national shortage of foster carers.
- The conversion rates from enquiry to approval have continued to increase annually.
- The fostering service's recruitment strategy and advertising has been successful in targeting potential foster carers.
- The fostering service experienced a small increase in enquiries compared to 2018-19.
- At the close of 2019/20, the fostering service had 254 approved foster homes and 451 approved foster carers with all households having a supervising social worker who provides intensive support.

Retention	Households		
	2017-2018	2018-2019	2019-2020
Approvals ending Retirement	22	10	8
Approvals ending Change in circumstances	9	3	9
Approvals ending Terminated at panel	1	4	3

Recruitment	Households		
	2017-2018	2018-2019	2019-2020
Enquiries	346	266	268
Screening calls	157	118	114
Initial visits	86	70	71
Skills to foster training (STF)	43	29	21
Applications for assessment	31	35	35
Closed	5	3	7
Withdrew	7	11	6
Total allocated but did not progress	12	14	13
Approvals	19	21	22
Placements	37	36	39
Conversion rate Enquiry to approval	5.5%	7.9%	8.2%
Conversion rate Screening call to approval	12%	17.8%	19.2%
Conversion rate Initial visit to approval	22%	30%	31%

Supported Lodgings:

Supported Lodgings: Approvals

- There were **11** supported lodgings households approved during 19/20 offering **14** placements.
- **NET gain of +3 Supported Lodgings households.**

Placements

- **61** young people were placed with supported lodgings providers during 19/20.

Young people placed:

- **57** Looked After Children (LAC) **93.44%**
- **1** Homeless **1.64%**
- **3** Unaccompanied Asylum Seeking Children (UASC) **4.91%**

Placement Support Service

The placement support service delivered 143 packages of individual support during 2019/20.

PSS support includes:

- Foster carers - 75 child support packages
- Children In Care Council (CICC) - 10 child support packages
- Special Placement Scheme (SPS) - 6 child support packages
- Through Care Team - 50 young person's support packages
- Attachment Project (SWIFT) - 1 family supported
- Foster Care Agency - 1 child support package

Evaluations of PSS support packages are undertaken annually:

25% of all support packages “I would not have continued this placement without Placement Support”

95% of carers noted that the placement support service resulted in a positive impact on the placement.

60% of carers would prefer more hours of placement support.

Our Children's Homes

Brodrick House in Eastbourne

- Continuing good work with challenging group of young people.
- Outreach embedded for those that move on.
- New bathrooms at last.
- Continuing 'Outstanding' judgement by Ofsted.
- Manager & deputy resign & are replaced .

Lansdowne Secure Children's Home

- Re-designed to improve the existing accommodation and increase capacity from 7-12 beds.
- The new fully furnished home will be complete in early 2021.
- Ofsted inspection (February 2020) judged as 'good' in all areas (inspection included education and CQC for health services within the home).
- Lansdowne has continued to work creatively with all residents during this period of change.

Homefield Cottage in Seaford:

- Settled group of young people.
- Re-modelling of study and decoration throughout.
- Young people enjoy a holiday in Dorset.
- Thrive model of care embedded in the home as staff trained.
- Judged as "good" by Ofsted.

Acorns in Bexhill:

- Continued to provide regular respite care for some of the highest need disabled children aged 7 - 19.
- A full time emergency placement was made for a few months until the beginning of 2020, and another young person's respite became a full time placement whilst awaiting a residential school place.
- Acorns received an Ofsted judgement of 'Good' in October 2019

Hazel Lodge in Hastings:

- Move on of long-term resident to Supported Lodgings.
- New residents achieving positive outcomes.
- Judged as "Outstanding" by Ofsted June 2019.

The Bungalow in Eastbourne:

- Registered for 7 children aged 7-19 and has provided full-time accommodation to some of our disabled children who are unable to live in a family setting.
- All children attended local schools and all maintained contact with their families, facilitated on site.
- The Bungalow received an Ofsted judgement of 'Good' in January 2020

Initial Health Assessment

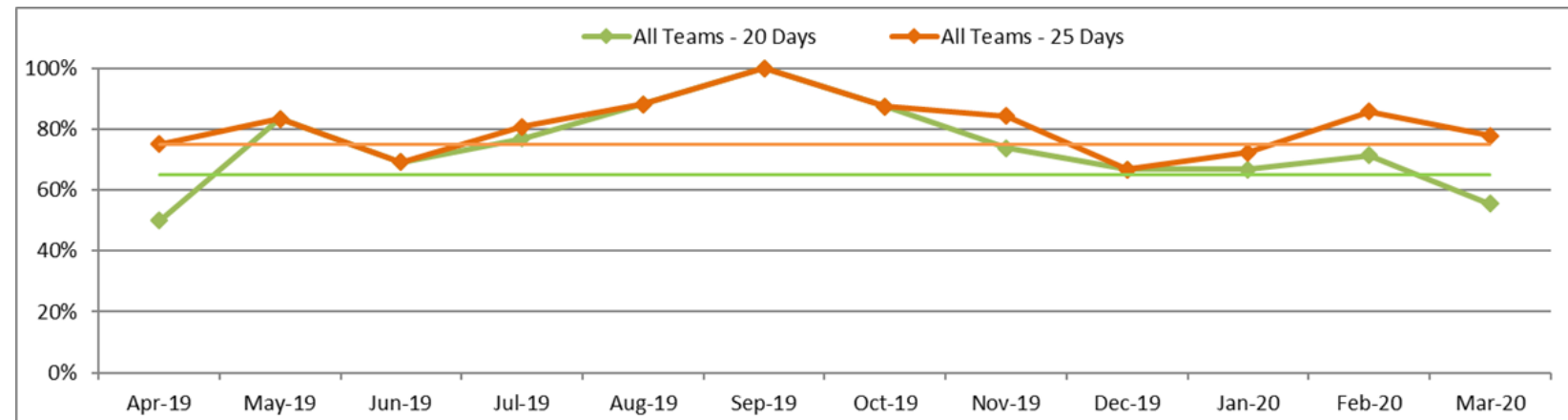
Steps taken to improve performance in Initial Health Assessments (IHA)

- Robust IHA tracking system now embedded.
- Partnership with East Sussex Health Care Trust colleagues has led to improved communication between social care and health staff at both the operational and strategic levels.
- Significant improvement in performance, routinely monitored by ESHT and ESCC together.
- **75%** of IHAs were completed within 20 days against a target of **65%**, and **81%** within 25 days against a target of **75%** in 2019-20.

Successes in 2019/20

- Exceeded target for IHAs within statutory timescales
- Improved timeliness and reporting of RHAs
- Improved quality of health passports for care leavers
- Improved pathways into mental health services for LAC and Care Leavers

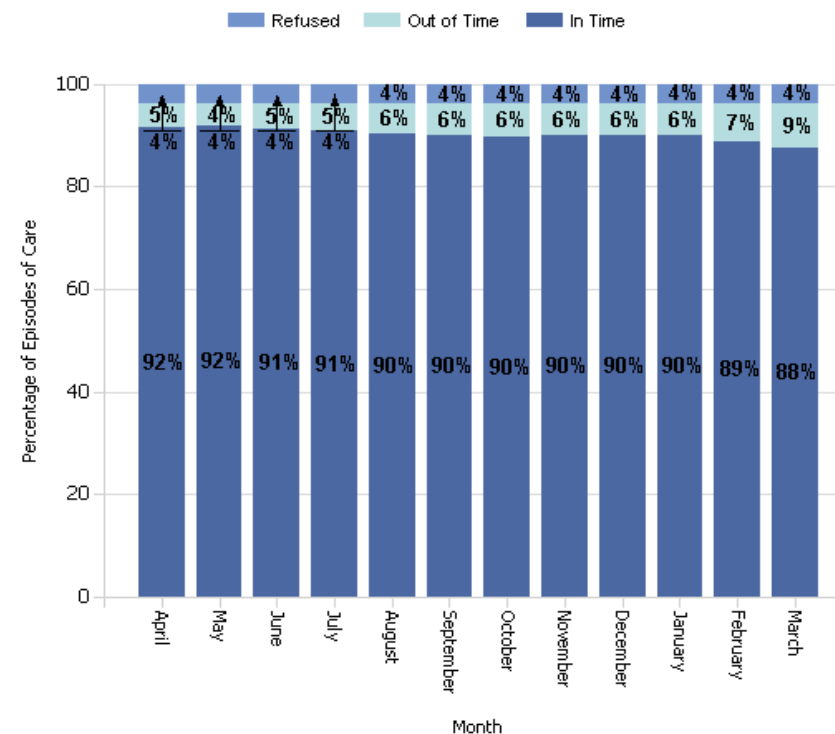
Initial Health Assessment (IHA) Monthly Performance Summary 2019-20



Review Health Assessments

- Performance has remained largely stable and good throughout the year except for February and March.
- These months were impacted by the combination of a systems error and Covid. This has been rectified for 2020/21.

Percentage of Health Assessments Completed On Time For Children Looked After for more than 12 months if over 5 and Looked After for more than 6 months if under 5



Mental Health and Emotional Wellbeing of our LAC

- JTAI Ofsted multi-agency inspection in February 2020 focussed on the mental health of Children and Young People in East Sussex
- A Sussex wide review of emotional wellbeing services was completed and taken through governance structures over the summer of 2020.
- East Sussex Health and Social Care plan has identified that mental health services for LAC should be prioritised in that:
 - looked after children's needs are prioritised across health, social care and education to enable the best outcomes
 - and mental health services are commissioned to optimise the emotional wellbeing of looked after children and previously looked after children
- ADCAMHS and LACAMHS continue to work exclusively with LAC and children who were previously LAC. ADCAMHS have worked with 60 families and LACCAMHS have worked with 143 children plus running Therapeutic Parenting Groups for carers and residential teams.

Education of Looked After Children

- The Department for Education (DfE) announced on the 8th April that school or college performance data based on summer 2020 tests, assessments and exams at any phase would not be published. Schools and colleges should not be held to account by Ofsted or the DfE through the publication of performance tables on the basis of exams and assessment data from summer 2020.
- The National LAC dataset for 2020 will not be published by the DfE or issued to NCER to populate the Local Authority reporting tool for Virtual Schools.
- While there is no ESCC or national data available we can see that individual pupils have performed in line with or above expectations.

Education for Looked After Children- What we have achieved in 2019/20

- All year 13 students who applied to University have been accepted. This is 11% of the year 13 students who are eligible for University.
- Improvement in the quality of teaching and learning and development of on line teaching
- In total, 77 CYP received one to one tuition in March and 24 took part in group interventions.
- The 2019/20 national attendance data will not be reported due to COVID and regional comparisons will be difficult.

Education for Looked After Children – Future Developments

- Development of teaching and learning including an online offer and focus on Key Stage 2 phonics
- Delivery of training on attachment and trauma as part of a wider ESCC offer
- Development of joint working with Adoption Support services across the region
- Promotion of the work of the Virtual School and share information and resources with Schools, Carers and Social Workers on line

The Through Care Team (TCT): What we have achieved in 19/20

- The Published Local Offer is now available in leaflet form designed by our young people
- Our most isolated young people accessed weekly groups in Eastbourne and Hastings, these groups provided opportunities for social interaction with their peers.
- Young people not in education or training attended weekly sessions with our Participation Worker, Virtual School Case Worker and the Youth Employability Service representative.
- Care Leavers who are parents had access to a parent and baby group which encouraged positive parenting strategies alongside social engagement.
- Social activities took place throughout the year, including a trip to London to see the sights, a Halloween party planned by the young people, a summer picnic and sports event and the annual Christmas party.

The Through Care Team (TCT): What we have achieved in 19/20 (continued)

Page 180

- Our care Leavers were involved in providing their views in a number of forums including National Leaving Care Benchmarking Forum events, a Care Leaders film regarding fostering and a CYPT partnership day.
- Tenancy support remained a high priority with Placement Support Workers providing individual support to those struggling to maintain their placements or homes.
- We used the newly commissioned highly intensive support placements for our most vulnerable young people.
- The Team continued to support young people with highly complex behaviors from the age of 14 to 25. A flexible approach to working with these young people including joint working between Social Workers, Personal Advisors and Placement Support Workers ensured a high level of support and engagement using relationship-based practice. A significant number of these young people were struggling with trauma related mental health issues, others had been exposed to exploitation including county lines.
- The Through Care / Adult Social Care Panel made plans for young people who required support from Adult Social Care post 18, ensuring the relevant support was identified to enable a smooth transition at 18.

The Through Care Team – Future Developments

Work with local businesses and other agencies to improve our Local Offer to young people to include:

- Cheap / free access to leisure activities including local gyms.
- Subsidised travel on public transport.
- Work with CAMHS and Adult Mental Health Services to provide therapeutic intervention to our older teenagers, particularly those who are experiencing the impact of trauma, require tier 4 services and our young people who entered care late.
- Establish our Care Leavers council, a pilot is underway.
- Establish a Peer mentoring scheme, with a particular focus on our young people who are now parents.
- Put on an Art Exhibition to show case the work of our Care Leavers.
- Develop an opportunity to provide a care experienced young person with an Apprenticeship in the Through Care Service.
- Create a specific Placement Support Case Worker role with a focus on homelessness and the hardest to reach young people, funded by DfE grant.

Unaccompanied Asylum Seeking Children (UASC)

What we have achieved in 19/20

- Improved education offer to UASC including access to English Lessons on electronic devices.
- The recruitment of a social worker to increase the UASC Team.
- Successful UASC social drop in (monthly) with representatives from health, Sussex Police and The Refugee Council regularly attending.
- Specialist UASC training provided to foster carers and social workers
- Training delivered to young people to support them to understand and adjust to life in the UK.
- Continued improvement in relationship with specialist accommodation providers to better respond to the needs of young people.

Future Developments

Mentoring for UASC by young people who are already looked after

Keyword tools for accommodation providers to better support UASC to understand life in the UK

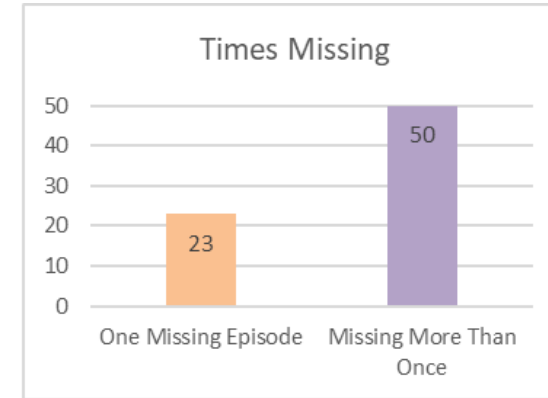
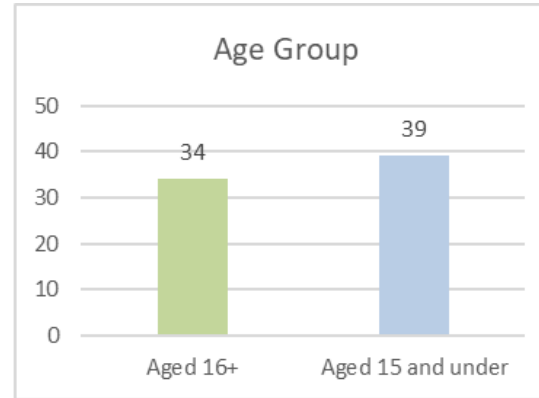
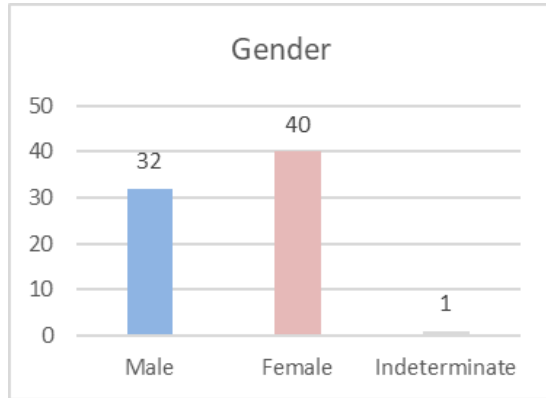
Vocational courses for UASC in addition to traditional classroom based learning.

Service provision to better respond to the specific mental health needs of UASC.

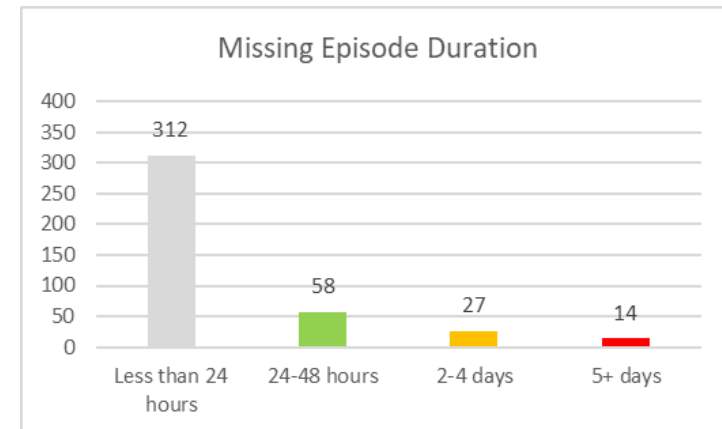
Improved accommodation offers for UASC including step down accommodation to enable our care leavers to develop independent living skills

Service provision to better respond to the specific mental health needs of UASC.

Our children who went missing



- In **2019/20**, **73** LAC went missing, of these, **32** were males, **40** were females and **1** was indeterminate.
- **34** of the **73** missing LAC were aged 16 and over, while the other **39** were aged 15 and under.
- **50** of the **73** missing LAC were missing more than once.
- In 2019-20 there were **411** missing episodes, of these, **312** episodes of children being missing for less than 24 hours, **58** episodes when they were missing between 24-48 hours, **27** episodes when they were missing between 2-4 days and **14** episodes when they were missing for 5 days or more. All these children were actively tracked by Sussex Police and by Children Services staff. Risk assessments were regularly reviewed on high profile children who went missing and, where necessary, formal multi agency strategy discussions were held in line with Safeguarding Procedures.



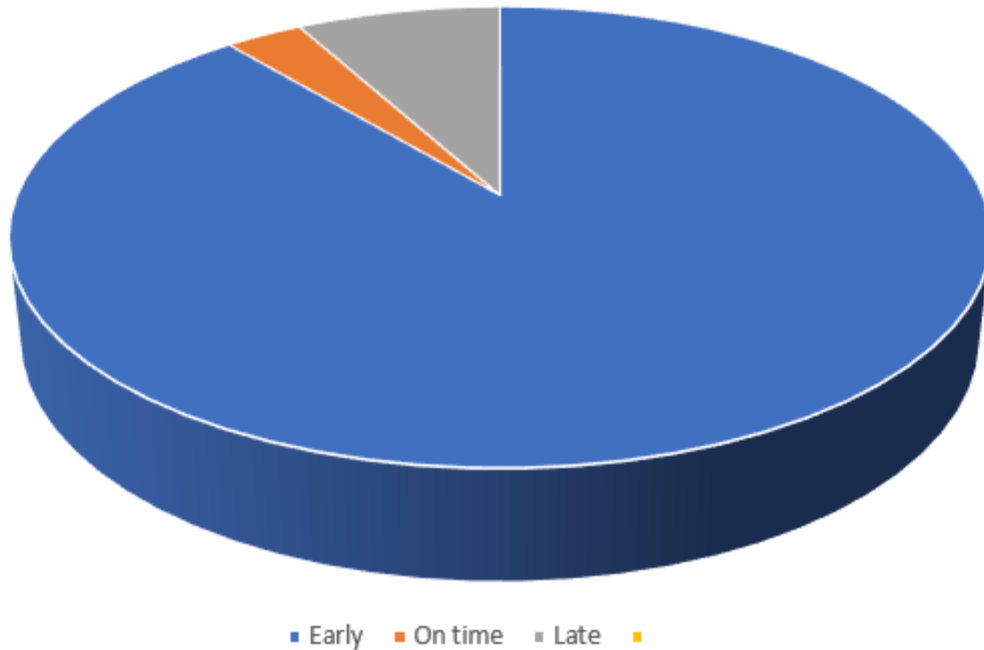
Our Children who are at risk of Criminal Exploitation

- The MACE Operational Group continued to meet monthly each side of the county to consider the referrals of all exploited children identified in East Sussex who were deemed to be at highest risk. Referrals to the group were screened through a multi-agency screening hub with processes tightened in line with feedback from the JTAI.
- As of March 2020 there were **25** children subject to East Sussex MACE Bronze panel oversight and therefore categorised as being at high risk of exploitation. **5** of these children were East Sussex LAC (**2** male and **3** female). One of these young people was deemed to be at risk of criminal exploitation, two of sexual exploitation and two deemed to be at risk of both criminal and sexual exploitation.
- The MACE strategic group met bi-monthly to consider the issues raised in relation to safeguarding this group of children. The criminal exploitation of children connected to 'County Lines' activity remained a significant issue in East Sussex, with changes during Covid to criminal exploitation in the Hastings area. In response the YOT led on a contextual peer group assessment in Hastings/St Leonards. This was one of a number of contextual safeguarding responses that East Sussex delivered over the past 18 months. This approach was supported by a growing body of research and evidence in effective multi agency safeguarding practice, particularly focusing on older children and place-based interventions

Looked After Young People Who Offend

- The YOT worked with **26** looked after children in 2019/20.
- **11** of those were subject to care orders, **13** were s.20.
- **2** young people became LAC as a result of being securely remanded.
- A snapshot of the Looked After status of open cases showed that the YOT were working with **5** Looked After Children on March 31st 2020 which equates to **5%** of the YOT caseload. Looked After Children aged 10-17 represent less than 1% of the total population of this age group across the county therefore they are over-represented within the YOT cohort. There is an agreed protocol in place which focuses on decriminalizing LAC where appropriate.

Timeliness – LAC Reviews

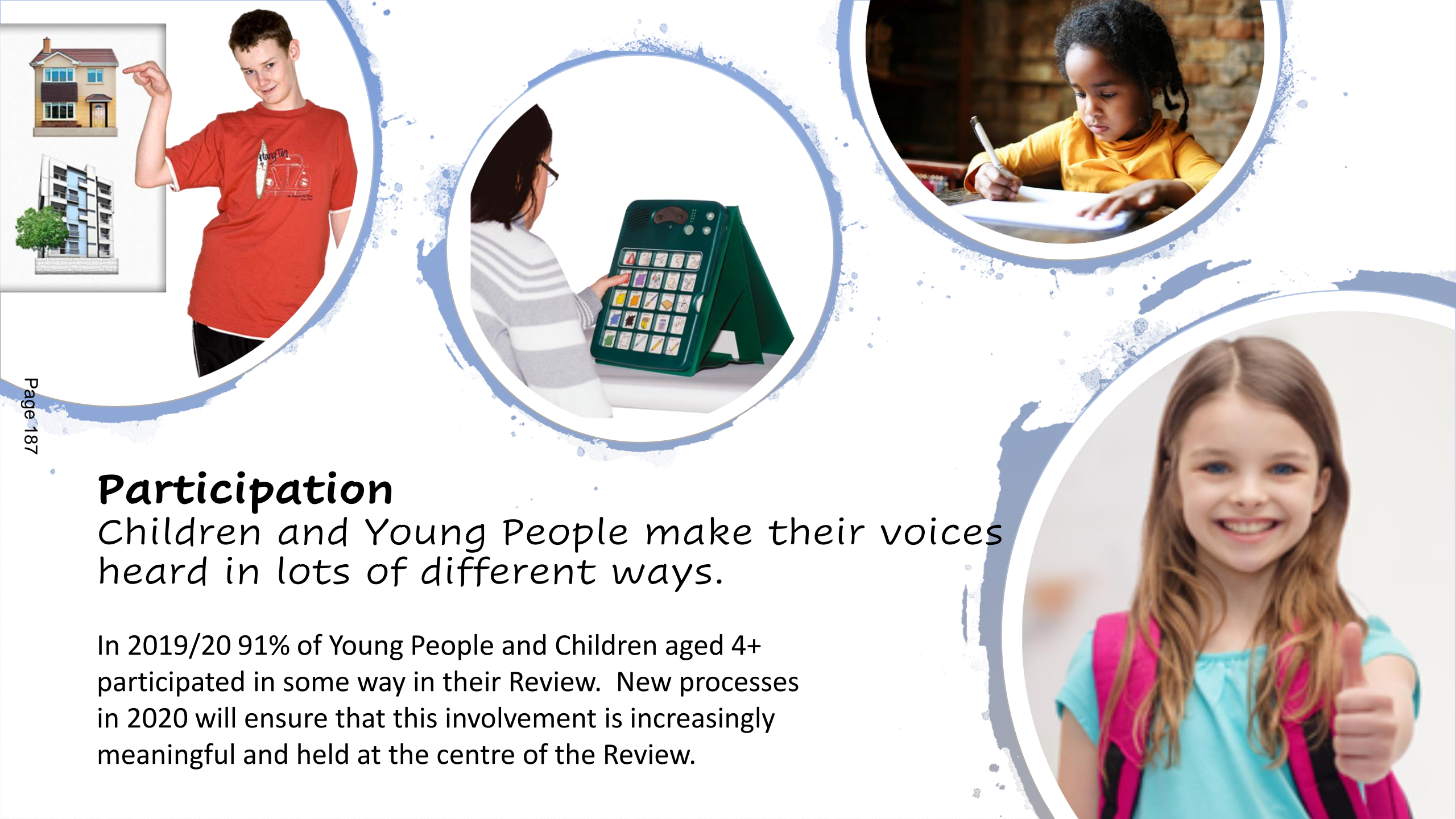


92% of all LAC Reviews were held early or on time in 2019/20.

The majority of late reviews were delayed in the child's best interests or because an essential party was unable to attend.

Capacity issues and unexpected long term absence in the Safeguarding Unit during Quarters 3 and 4 resulted in a decision to prioritise Safeguarding. Some LAC Reviews were pushed back to make way for ICPCs and others postponed to preserve the existing IRO relationship. These Reviews were only postponed where the child was settled and in discussion with their social worker.

Meetings continue to be scheduled well in advance which contributes to a high level of compliance.



Participation

Children and Young People make their voices heard in lots of different ways.

In 2019/20 91% of Young People and Children aged 4+ participated in some way in their Review. New processes in 2020 will ensure that this involvement is increasingly meaningful and held at the centre of the Review.

The role of our elected members

The Corporate Parenting Panel met quarterly during 2019/20 to scrutinize the performance of all services in relation to LAC and Care Leavers, paying particular attention to outcomes. It also received presentations from the Children in Care Council and from the East Sussex Foster Care Association. The reports set out below were presented and considered:

April 2019

- Ofsted Inspection report for the Bungalow, Sorrell Drive
- Bright Spots Survey highlights
- LAC Statistics
- Children's Home Regulations 2015, Regulation 44: Inspection reports for January 2019 to March 2019 for the following children's homes: Acorns at Dorset Road, Brodrick Road , Hazel Lodge, Homefield Cottage, Lansdowne Secure Unit, The Bungalow, Sorrel Drive

July 2019

- Annual progress report of the East Sussex Fostering Service
- Annual progress report of the East Sussex Adoption and Permanence Service
- Independent Reviewing Officer Annual Report 2018/19
- LAC Statistics
- Children's Home Regulations 2015, Regulation 44: Inspection reports for April 2019 June 2019 for the following children's homes:- Acorns at Dorset Road, Brodrick Road , Hazel Lodge, Homefield Cottage, Lansdowne Secure Unit, The Bungalow, Sorrel Drive

October 2019

- LAC Annual Report
- LAC Statistics
- Virtual School Annual Report
- Coram Voice Bright Spots Survey of Care Leavers
- Unaccompanied Asylum Seeking Children Update
- Ofsted Inspection reports for Brodrick House, Hazel Lodge, and Homefield Cottage
- Children's Home Regulations, Regulation 44: Inspection reports for July 2019 - September 2019 for the following children's homes: Acorns at Dorset Road, Brodrick Road , Hazel Lodge, Homefield Cottage, Lansdowne Secure Unit, The Bungalow, Sorrel Drive

January 2020

- East Sussex Foster Care Association (ESFCA) Annual Report
- Health of LAC Annual Report
- LAC Statistics
- Children's Home Regulations 2015, Regulation 44: Inspection reports for October 2019 to December 2019 the following children's homes:- Acorns at Dorset Road, Brodrick Road , Hazel Lodge, Homefield Cottage, Lansdowne Secure Unit, The Bungalow, Sorrel Drive

Priorities for 2020/21

Continue to improve the
timeliness of return home
interviews for LAC and Care
Leavers

Improve the mental
health pathways for our
LAC and Care Leavers

Complete the extension of
Lansdowne Secure
Children's Home

Learn from Serious
Case Reviews and
consider development
of our Corporate
Grandparenting Role

Continue to focus on
equality data informing
practice with a particular
focus on the MACE cohort

Explore and develop
No Wrong Door
strategy

Improve sufficiency of
placements through
Fostering, Adoption and
Residential provision

This page is intentionally left blank

Report to: **Cabinet**

Date: **8 December 2020**

By: **Chief Operating Officer**

Title of report: **Treasury Management – Stewardship Report 2019/20**

Purpose of report: **To present a review of the Council's performance on treasury management for the year 2019/20 and Mid Year review for 2020/21.**

RECOMMENDATION: The Cabinet is recommended to note the Treasury Management performance in 2019/20 incorporating the Mid Year review for the first half of 2020/21.

1. Background

1.1 The annual stewardship report presents the Council's treasury management performance for 2019/20 and Mid Year performance for 2020/21 as required by the Code of Practice for Treasury Management.

2. Supporting Information

2.1 The Council's treasury management activities are regulated by a variety of professional codes, statutes and guidance. The Council has adopted the CIPFA Code of Practice for Treasury Management in the Public Sector and operates the treasury management function in compliance with this Code. These require that the prime objective of the treasury management activity is the effective management of risk, and that its borrowing activities are undertaken in a prudent, affordable and sustainable basis and treasury management practices demonstrate a low risk approach. The Code requires the regular reporting of treasury management activities to:

- Forecast the likely activity for the forthcoming year (in the Annual Treasury Strategy Report); and
- Review actual activity for the preceding year (this Stewardship Report).
- A mid year performance review (this Stewardship Report).

2.2 This report sets out:

- A summary of the original strategy agreed for 2019/20 and the economic factors affecting this strategy (Appendix A).
- The treasury management activity during the year (Appendix B);
- The treasury management mid year activity for 2020/21 (Appendix C);
- The Prudential Indicators, which relate to the Treasury Management function, Minimum Revenue Policy (MRP) and compliance with limits (Appendix D).

3. The economic conditions compared to our Strategy for 2019/20

3.1 The strategy and the economic conditions prevailing in 2019/20 are set out in Appendix A. 2019/20 remained a challenging environment with concerns over the UK, European and global economies rising especially in the latter part of 2019/20. The global impact of the coronavirus pandemic and the national response and lockdown started to be felt towards the end of 2019/20; it did not have a material impact on the 2019/20 performance.

4. The Treasury activity during the year on short term investments and borrowing

The Treasury Management Strategy

4.1 The strategy for 2019/20, agreed in February 2019, continued the prudent approach and ensured that all investments were only to the highest quality rated institutions with regard to security, liquidity and yield. For banks the maximum investment period was one year and for other local authority lending two years. For the 2019/20 strategy Equity Funds were included to broaden the risk profile by reducing liquidity and to include suitable, alternative investment products. The inclusion of an investment product category in the strategy does not automatically result in investments being placed – investments will only be placed following due diligence and consideration of prevailing market conditions.

Short term lending

4.2 The Bank of England (BoE) Base Rate was reduced from 0.75% to 0.25% on 11 March 2020 and again to 0.10% on 19 March 2020 as a measure to support the economy in the early stages of lockdown due to the COVID 19 pandemic.

4.3 The total amount received in short term interest for 2019/20 was £2.3m at an average rate of 1.08%. This was above the average base rates in the same period (0.72%) and above the average returns achieved with peer authorities from treasury advisors (Link Asset Services) investment benchmarking. The Return for 2019/20 was against a backdrop of ensuring, so far as possible in the current financial climate, the security of principal and the minimisation of risk with a view to broaden options where appropriate.

Longer term lending

4.4 During 2019/20 a number of longer term local authority investments were placed with the aim of locking in certainty of return. These investments will generate £774,000 in interest receivable in the next two years without compromising credit quality.

Long term borrowing

4.5 Details of long term borrowing are included in Appendix B of the report. The important points are:

- No new borrowing was undertaken in 2019/20.
- The average interest rate of all debt at 31 March 2020 (£239m) was 4.73% (4.77% at 31 March 2019).
- Public Works Loan Board (PWLB) Debt maturing during 2019/20 totalled £3.95m and was at an average rate of 8.17%.
- HM Treasury imposed changes of margins over gilt yields for PWLB rates in 2019-20 without any warning. This took place on 9th October 2019, adding an additional 1% margin over gilts to all PWLB period rates.

Minimum Revenue Provision (MRP)

4.6 Full details of the 2019/20 MRP policy are set out in appendix D.

5. Treasury Management Mid Year Review 2020/21

5.1 The Treasury Management and Annual Investment Strategy for 2020/21 were approved by Full Council on 11 February 2020 and was prepared within the context of the financial challenge being faced by the County Council.

5.2 Events moved quickly in the latter part of 2019/20 with the outbreak of the COVID 19 pandemic, a range of measures were taken to adapt working practices within Treasury Management to facilitate working from home with no business disruption to report.

5.3 Ensuring the County Council had significant liquidity to fund cashflow in the early stages of lockdown was a key priority. On the 1 April 2020 a £10m short term Local Authority loan was taken to cover potential cashflow gaps, the loan was paid back on the 15 May 2020. Cashflow continues to be monitored closely as we move into further uncertainty.

5.4 As in 2019/20 a number of Local Authority investments were placed during the period to secure a fixed rate of return. Deposits placed were at rates between 0.95-1.25% and will outperform bank deposits in the current climate without reducing credit quality.

5.5 The total amount received in short term interest for 6 months to 30 September 2020 was £995k at an average rate of 0.84%. This was above the average base rates in the same period (0.10%) and investment benchmarking with peer authorities.

5.6 No additional PWLB borrowing was undertaken in the period and no cost effective opportunities to restructure debt have taken place. During 2020/21 PWLB to mature totals £2.64m, taking total debt down to £236.6m by 31 March 2021; this historic debt is at an average rate of 8.13%.

5.7 HM Treasury released a consultation with local authorities on possibly further amending margins over PWLB gilt yields; this was to end on 4th June, but that date was subsequently put back to 31 July 2020. It is clear HM Treasury will no longer allow local authorities to borrow money from the PWLB to purchase commercial property if the aim is solely to generate an income stream (assets for yield). The final report is due in the coming year.

6. Prudential Indicators which relate to the Treasury function and compliance with limits

6.1 The Council is required by the CIPFA Prudential Code to report the actual prudential indicators after the end of each year. There are eight indicators which relate to treasury management and they are set out in Appendix D, the Council is fully compliant with these indicators.

7. Conclusion and reason for recommendation

7.1 This report updates the Cabinet and fulfils the requirement to submit an annual/half yearly report in the form prescribed in the Treasury Management Code of Practice. Short term lending throughout the 18 month period covered achieved returns between 0.75% and 1.12%. The key principles of security, liquidity and yield are still relevant. Officers are currently investigating further opportunities within the strategy to increase investment income whilst minimising costs and maintaining security, in a period of significant uncertainty.

KEVIN FOSTER

Chief Operating Officer

Contact Officer: Ian Gutsell Tel No. 01273 481399

BACKGROUND DOCUMENTS

Cabinet 22 January 2019 Treasury Management Strategy for 2019/20

28 January 2020 Treasury Management Strategy for 2020/21

CIPFA Prudential Code and Treasury Management in the Public Services- Code of practice

Local Government Act 2003 Local Government Investments guidance.

A summary of the strategy agreed for 2019/20 and the economic factors affecting this strategy

1. Background information

1.1 Full Council approved the annual Treasury Management Strategy report in February 2019, which sets out the proposed strategy for the year ahead. This strategy includes the limits and criteria for organisations to be used for the investment of cash surpluses and has to be approved by the Council.

1.2 This Council has always adopted a prudent approach to its investment strategy and in the last few years, there have been regular changes to the list of the approved organisations used for investment of surpluses. This list is regularly reviewed to ensure that the Council is able to invest in the best available rates consistent with low risk; the organisations are regularly monitored to ensure that their financial strength and low risk has been maintained.

1.3 The original strategy for 2019/20 was prepared within the context the financial challenge being faced by the County Council over the Medium Term Financial Plan, and the resulting Core Offer that the Council is exploring through the Reconciling Policy, Performance and Resources process for 2019/20. The 2019/20 TMSS sought to complement the Council's Core Offer by:

- Utilising long term cash balances as effectively as possible by investing in longer term instruments and/or using to fund borrowing to reduce borrowing costs;
- Ensuring the investment portfolio is working hard to maximise income by exploring alternative appropriate investment opportunities during 2019/20;
- Ensuring effective management of the borrowing portfolio by exploring rescheduling opportunities and identifying and exploiting the most cost effective ways of funding the Council's borrowing requirement.

1.4 At the same time, the Treasury Management Policy Statement was agreed as unchanged for 2019/20.

East Sussex County Council defined its treasury management activities as:

"The management of the organisation's cash flows, its banking, money market and Capital market transactions (other than those of the Pension Fund) the effective management of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

The Council regards the successful identification, monitoring and management of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation.

This authority acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management".

2. Investment

2.1 When the strategy was agreed in January 2019, it emphasised the continued importance of credit quality. The Treasury Management advisors Link Asset Services commented on short term interest rates, the UK economy, inflation, the outlook for long term interest rates and these factors were taken into account when setting the strategy. The key principles of security, liquidity and yield are still relevant. Officers are currently investigating further opportunities within the strategy to minimise costs and increase investment income within the key principles.

2.2 Officers regularly review the investment portfolio, counterparty risk and construction, and use market data, information on government support for banks and the credit ratings of that government

support. Latest market information is arrived at by reading the financial press and through city contacts as well as access to the key brokers involved in the London money markets.

2.3 This Council in addition to other tools uses the creditworthiness service provided by Link Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- credit default swap (CDS) spreads to give early warning of likely changes in credit ratings; and
- sovereign ratings to select counterparties from only the most creditworthy countries.

2.4 The strategy going forward was to continue with the policy of ensuring minimum risk, but was also intended to deliver secure investment income on the Councils cash balances.

2.5 As was clear from the events globally and nationally since 2008, it is impossible in practical terms to eliminate all credit risk.

2.6 The strategy aimed to ensure that in the economic climate it was essential that a prudent approach was maintained. This would be achieved through investing with selected banks and funds which met the Council's rating criteria. The emphasis would continue on security (protection of the capital sum invested) and liquidity (keeping money readily available for expenditure when needed) rather than yield.

2.7 The Council's investment policy has regard to the Ministry of Housing, Communities & Local Government's Guidance on Local Government Investments ("the Guidance") and the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Link Asset Services al Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities will be security first, liquidity second, and then return.

2.8 Investment instruments identified for use in the financial year are listed in section 3.2 and 4.1 under the 'Specified and Non-Specified' Investments categories. Counterparty limits will be as set through the Council's Treasury Management Practices – Schedules.

2.9 The weighted scoring system produces an end product of a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments, i.e., using counterparties within the following durational bands provided they have a minimum AA+ sovereign rating from three rating agencies:

- Yellow 2 years
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 3 months
- No Colour, not to be used

Y	P	B	O	R	G	N/C
Up to 2yrs	Up to 2yrs	Up to 1yr	Up to 1yrs	Up to 6 mths	Up to 100days	No Colour

2.10 The Link Asset Services credit worthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system, does not give undue influence to just one agency's ratings.

2.11 Typically the minimum credit ratings criteria the Authority use, will be a short term rating (Fitch or equivalents) of short term rating F1, long term rating A-, viability rating of A-, and a support rating of 1. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored daily. The Authority is alerted to changes to ratings of all three agencies through its use of the Link Asset Services credit worthiness service.

- if a downgrade results in the counterparty or investment scheme no longer meeting the Authority's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings the Authority will be advised of information in movements in Credit Default Swap against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Authority's lending list.

2.12 The Link Asset Services methodology was revised in October 2015 and determines the maximum investment duration under the credit rating criteria. Key features of Link Asset Services credit rating policy are:

- a mathematical based scoring system is used taking ratings from all three credit rating agencies;
- negative and positive watches and outlooks used by the credit rating agencies form part of the input to determine a counterparty's time band (i.e. 3, 6, 9, 12 months etc.).
- CDS spreads are used in Link Asset Services creditworthiness service as it is accepted that credit rating agencies lag market events and thus do not provide investors with the most instantaneous and "up to date" picture of the credit quality of a particular institution. CDS spreads provide perceived market sentiment regarding the credit quality of an institution.
- After a score is generated from the inputs a maximum time limit (duration) is assigned and this is known as the Link Asset Services colour which is associated with a maximum suggested time boundary.

2.13 All of the investments were classified as Specified (i.e., investment is sterling denominated and has a maximum maturity of 1 year) and non-Specified Investments (i.e., any other type of investment not defined as Specified). These investments were sterling investments for up to two years maturity with institutions deemed to be high credit quality or with the UK Government (Debt Management Account Deposit Facility). These were considered low risk assets where the possibility of loss of principal or investment income was small.

2.14 If investment instruments identified in the financial year under the 'Non-Specified and Specified' Investments categories were used, the Council funds would be invested as follows:

3. Specified Investments

3.1 An investment is a specified investment if all of the following apply:

- the investment is denominated in sterling and any payments or repayments in respect of the investment are payable only in sterling;
- the investment is not a long term investment (i.e. up to 1 year);
- the making of the investment is not defined as Capital expenditure by virtue of regulation 25(1)(d) of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 [SI 3146 as amended];

- the investment is made with a body or in an investment scheme of high credit quality (see below) or with one of the following public-sector bodies:
 - The United Kingdom Government;
 - A local authority in England or Wales (as defined under section 23 of the 2003 Act) or a similar body in Scotland or Northern Ireland; and
 - High credit quality is defined as a minimum credit rating as outlined in section 4.2 of this strategy.

3.2 The use of Specified Investments

Investment instruments identified for use in the financial year are as follows:

- The Table below set out the types of investments that fall into each category, counterparties available to the Council, and the limits placed on each of these. A detailed list of each investment type is available in the Treasury Management Practices guidance notes;
- all investments will be within the UK or AA+ sovereign rated countries.

Criteria for specified Investments:

Counterparty	Country/ Domicile	Instrument	Min. Credit Criteria/LAS colour band	Max. Amount	Max. maturity period
Debt Management and Deposit Facilities (DMADF)	UK	Term Deposits (TDs)	N/A	unlimited	12 Months
Government Treasury bills	UK	TDs	UK Sovereign Rating	unlimited	12 Months
UK Local Authorities	UK	TDs	UK Sovereign Rating	£60m	12 Months
Banks – part nationalised	UK	<ul style="list-style-type: none"> TDs Deposits on Notice Certificates of Deposit (CDs) 	N/A	£60m	12 Months
Banks	UK	<ul style="list-style-type: none"> TDs Deposits on Notice CDs 	Blue	£60m	12 Months
			Orange	£60m	12 Months
			Red	£60m	6 Months
			Green	£60m	100 Days
Building Societies	UK	<ul style="list-style-type: none"> TDs Deposits on Notice CDs 	Blue	£60m	12 Months
			Orange	£60m	12 Months
			Red	£60m	6 Months
			Green	£60m	100 Days
Individual Money Market Funds (MMF) CNAV and LVNAV	UK/Ireland/ EU domiciled	AAA Rated Money Market Fund Rating	N/A	£60m	Liquid
VNAV MMF's and Ultra Short Dated Bond Funds	UK/Ireland/EU domiciled	AAA Rated Bond Fund Fund Rating	N/A	£60m	Liquid

Counterparty	Country/ Domicile	Instrument	Min. Credit Criteria/LAS colour band	Max. Amount	Max. maturity period
Banks – Non-UK	Those with sovereign rating of at least AA+*	<ul style="list-style-type: none"> TDs Deposits on Notice CDs 	Blue	£60m	12 Months
			Orange	£60m	12 Months
			Red	£60m	6 Months
			Green	£60m	100 Days

4. Non Specified Investments

4.1 Non-Specified investments are any other types of investment that are not defined as specified. The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out below.

Counterparty	Minimum credit criteria	Maximum investments	Period
UK Local Authorities	Government Backed	£60m	2 years
Corporate Bond Fund(s)	Investment Grade	£30m	2 - 5 years
Pooled Property Fund(s)	N/A	£30m	5+ years
Mixed Asset Fund(s)	Appropriate rating	£30m	2 - 5 years

4.2 The maximum amount that can be invested will be monitored in relation to the Council surplus monies and the level of reserves. The approved counterparty list will be maintained by referring to an up-to-date credit rating agency reports, and the Council will liaise regularly with brokers for updates. Counterparties may be added to or removed from the list only with the approval of the Chief Finance Officer.

5. The economy in 2019/20 – Commentary from Link Asset Services in April 2020.

5.1 Economic growth in 2019 has been very volatile with quarter 1 unexpectedly strong at 0.5%, quarter 2 dire at -0.2%, quarter 3 bouncing back up to +0.5% and quarter 4 flat at 0.0%, +1.1% y/y. 2020 started with optimistic business surveys pointing to an upswing in growth after the ending of political uncertainty as a result of the decisive result of the general election in December settled the Brexit issue. However, the three monthly GDP statistics in January were disappointing, being stuck at 0.0% growth.

5.2 Since then, the whole world has changed as a result of the coronavirus outbreak. It now looks likely that the closedown of whole sections of the economy will result in a fall in GDP of at least 15% in quarter two. What is uncertain, however, is the extent of the damage that will be done to businesses by the end of the lock down period, when the end of the lock down will occur, whether there could be a second wave of the outbreak, how soon a vaccine will be created and then how quickly it can be administered to the population. This leaves huge uncertainties as to how quickly the economy will recover.

5.3 The Monetary Policy Committee raised Bank Rate from 0.5% to 0.75% in August 2018, Brexit uncertainty caused the MPC to sit on its hands and to do nothing until March 2020; at this point it was abundantly clear that the coronavirus outbreak posed a huge threat to the economy of the UK. Two emergency cuts in Bank Rate from 0.75% occurred in March, first to 0.25% and then to 0.10%. These cuts were accompanied by an increase in quantitative easing (QE), essentially the purchases of gilts (mainly) by the Bank of England of £200bn.

5.4 The Government and the Bank were also very concerned to stop people losing their jobs during this lock down period. Accordingly, the Government introduced various schemes to subsidise both employed and self-employed jobs for three months while the country is locked down. It also put in place a raft of other measures to help businesses access loans from their banks, (with the Government providing guarantees to the banks against losses), to tide them over the lock down period when some firms may have little or no income.

5.5 Inflation has posed little concern for the MPC during the last year, being mainly between 1.5 – 2.0%. It is also not going to be an issue for the near future as the world economy will be heading into a recession which is already causing a glut in the supply of oil which has fallen sharply in price. Other prices will also be under downward pressure while wage inflation has also been on a downward path over the last half year and is likely to continue that trend in the current environment. While inflation could even turn negative in the Eurozone, this is currently not likely in the UK.

5.6 Employment had been growing healthily through the last year but it is obviously heading for a big hit in March – April 2020. The good news over the last year is that wage inflation has been significantly higher than CPI inflation which means that consumer real spending power had been increasing and so will have provided support to GDP growth. However, while people cannot leave their homes to do non-food shopping, retail sales will also take a big hit.

5.7 The main issue in 2019 was the repeated battles in the House of Commons to agree on one way forward for the UK over the issue of Brexit. This resulted in the resignation of Theresa May as the leader of the Conservative minority Government and the election of Boris Johnson as the new leader, on a platform of taking the UK out of the EU on 31 October 2019. The House of Commons duly frustrated that renewed effort and so a general election in December settled the matter once and for all by a decisive victory for the Conservative Party: that then enabled the UK to leave the EU on 31 January 2020. However, this still leaves much uncertainty as to whether there will be a reasonable trade deal achieved by the target deadline of the end of 2020. It is also unclear as to whether the coronavirus outbreak may yet impact on this deadline; however, the second and third rounds of negotiations have already had to be cancelled due to the virus.

The Treasury Management activity during the year 2019/20

1. Investment activity interest rates

1.1 Investments were placed with reference to the core balance and cash flow requirements and the outlook for interest rates. Base interest rate was decreased twice in March 2020 to 0.10% the current record low for UK interest rates. The average rate for the year was 0.72%.

1.2 Following consultation, changes to the strategy were made from 2018/19 to broaden the risk profile by reducing liquidity and to include some suitable, alternative investment products that are held for the medium (2-5 years) to longer term (5 years+). These products can generate better overall returns but there is a higher risk of volatility of performance so a longer term commitment is required.

1.3 The following table below summarises the changes to the 2019/20 strategy from those approved since 2017/18. The inclusion of an investment product category in the strategy does not automatically result in investments being placed.

Investment options	2017/18	2018/19	2019/20
Money Market Funds (Including LVNAV)	✓	✓	✓
Bank Notice Accounts	✓	✓	✓
Fixed Term Bank Deposits	✓	✓	✓
UK Local Authorities	✓	✓	✓
Enhanced Money Market Funds (VNAV)	✓	✓	✓
Building Societies	✗	✓	✓
Pooled Property Funds	✗	✓	✓
Corporate Bond Funds	✗	✓	✓
Multi Asset Funds	✗	✓	✓
Equity Funds	✗	✗	✓

The primary principle governing the Council's investment criteria is the security of its investments, although the return on the investment is also a key consideration. After this main principle, the Council will ensure that:

- It maintains a policy covering both the categories of investment types it will invest in and the criteria for choosing investment counterparties with adequate security, and monitoring their security;
- It has sufficient liquidity in its investments.

1.4 The total amount received in short term interest for 2019/20 was £2.3m at an average rate of 1.08%. This was above the average of base rates in the same period (0.72%) and against a backdrop of ensuring, so far as possible in the financial climate, the security of principal and the minimisation of risk within a broader boundary.

2. Long term borrowing

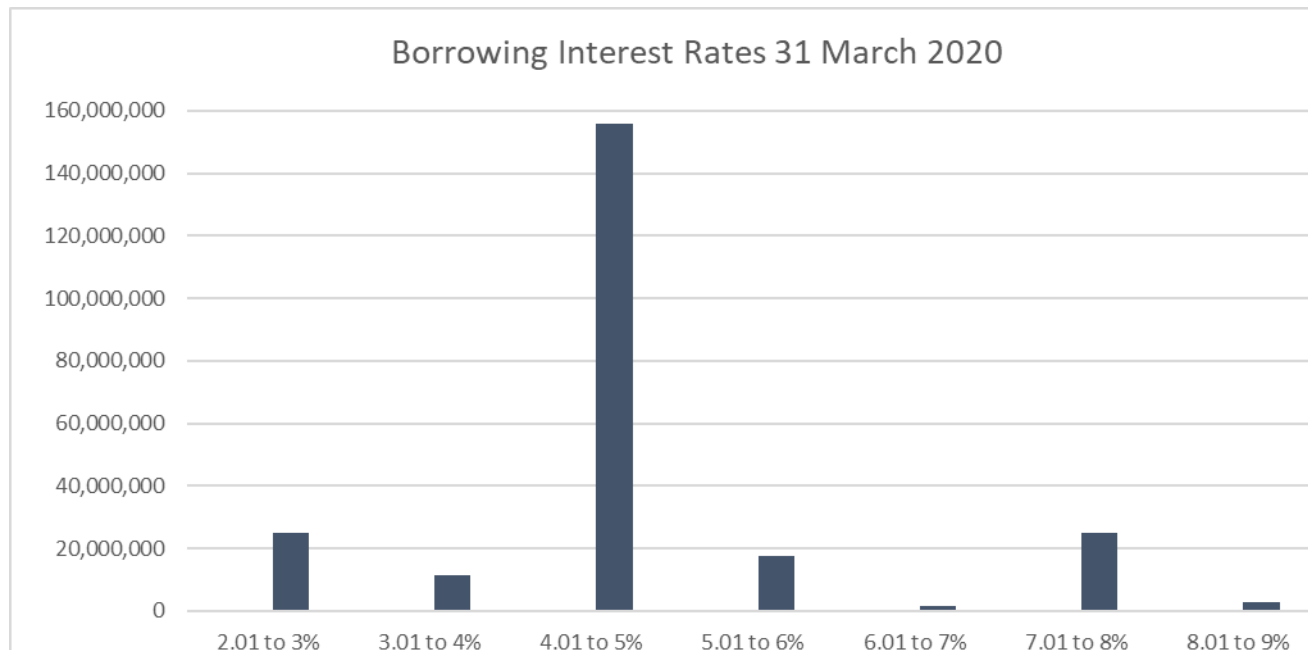
2.1 Officers constantly reviewed the need to borrow taking into consideration the potential movements in borrowing costs, the need to finance new capital expenditure, refinancing maturing debt, and the cost of carry that might incur a revenue loss between borrowing costs and investment returns.

2.2 During 2019/20 £3.95m of PWLB debt matured at a coupon rate of 8.17%. This historic maturing debt was not replaced with additional in year new borrowing.

2.3 The average interest rate of all debt at 31 March 2020 of £239.2m was 4.73%. No beneficial rescheduling of debt has been available, due to a considerable widening of the difference between new borrowing and repayment rates, which has made PWLB debt restructuring much less attractive. Consideration would have to be given to the large premiums (cash payments) which would be

incurred by prematurely repaying existing PWLB loans. It is very unlikely that these could be justified on value for money grounds if using replacement PWLB refinancing.

2.4 The range of interest rates payable in all of the loans is illustrated in the graph below:



3. Short term borrowing

3.1 Overnight borrowing was undertaken on two separate occasions during 2019/20 to cover temporary overdraft situations.

4. Treasury Management Advisers

4.1 The Strategy for 2019/20 explained that the Council uses Link Asset Services as its treasury management consultant on a range of services which include:

- Technical support on treasury matters, Capital finance issues and advice on reporting;
- Economic and interest rate analysis;
- Debt services which includes advice on the timing of borrowing;
- Debt rescheduling advice surrounding the existing portfolio;
- Generic investment advice on interest rates, timing and investment instruments;
- Credit ratings from the three main credit rating agencies and other market information;
- Assistance with training on treasury matters

4.2 Whilst the advisers provide support to the internal treasury function, under current market rules and the CIPFA Code of Practice the final decision on treasury matters remained with the Council. This service remains subject to regular review.

4.3 Link Asset Services is the largest provider of Treasury Management advice services to local authorities in the UK and they claim to be the market leading treasury management service provider to their clients. The advice has been and will continue to be monitored regularly to ensure a continued excellent advisory service.

The Treasury Management Activity Mid-Year Report – 2020/21

1. Background

1.1 The Treasury Management and Annual Investment Strategy for 2020/21 were approved by the Cabinet 22 January 2020. The 2020/21 strategy broadened the approved instruments to improve yield and diversify the investment portfolio. Changes to the strategy are summarised below.

Investment options	2017/18	2018/19	2019/20	2020/21
Money Market Funds (Including LVNAV)	✓	✓	✓	✓
Bank Notice Accounts	✓	✓	✓	✓
Fixed Term Bank Deposits	✓	✓	✓	✓
UK Local Authorities	✓	✓	✓	✓
Enhanced Money Market Funds (VNAV)	✓	✓	✓	✓
Building Societies	✗	✓	✓	✓
Pooled Property Funds	✗	✓	✓	✓
Corporate Bond Funds (Including Short Dated Bond Funds)	✗	✓	✓	✓
Multi Asset Funds	✗	✓	✓	✓
Equity Funds	✗	✗	✓	✓

1.2 This report considers treasury management activity over six months of the financial year.

2. Summary of financial implications

2.1 The Bank of England's Monetary Policy Committee have held interest rates at 0.10% over the period. Our Treasury Advisors Link Asset Services are forecasting a low interest rate environment for the next 2 years and beyond.

2.2 During the first half year investments have been held in money market funds, bank notice accounts, other local authorities and the CCLA Local Authority Property Fund. Counterparty credit quality remains a primary concern for the treasury team, with security, liquidity and yield in that order a priority.

2.3 Measures have been undertaken to ensure that levels of liquidity are available during the last 6 months but also opportunities explored to protect investment returns into the current year and beyond. Several local authority investments were placed up to a 2 year period securing a fixed rate of return between 0.95-1.25% within a low credit risk parameter.

2.4 The average investment balance to September 2020 was £235m and generated investment income of £995k. The forecast for 2020/21 is £1.7m.

2.5 A short term loan was arranged on the 1st April 2020 with another local authority to cover potential gaps in the Council's cashflow, the £10m loan was paid back on maturity 15th May 2020 and was at a rate of 0.15%. Future short-term borrowing in the current year is not forecasted but remains an option to cover temporary cashflow requirements.

2.6 The level of Council long-term debt at 30 September 2020 was £237.9m with a loan totalling £1.3m maturing with the PWLB in the next 6 months to 31st March 2021. The forecast for interest paid on long-term debt in 2020/21 is approximately £11.15m and is within the budgeted provision.

2.7 Opportunities to reduce the cost of carry (interest paid against interest received) are constantly being explored as and when options arise.

3. Treasury Management Strategy

3.1 The Council approved the 2020/21 treasury management strategy at its meeting on 22 January 2020. The Council's stated investment strategy is to prudently manage an investment policy achieving first of all, security (protecting the Capital sum from loss), liquidity (keeping money readily available for expenditure when needed), and to consider what yield can be obtained consistent with those priorities.

3.2 The 2020/21 investment strategy continues with officers seeking new opportunities to invest long-term cash in suitable longer term instruments in order to assist in delivering treasury savings by increasing investment income. Modelling of the Council's use of reserves and planned capital programme has identified £5-10m of balances that could be invested for a longer duration (for approximately 3 years). An options appraisal review was undertaken during 2019/20 to identify investment options which matched the three year time horizon. Short Dated Bond Funds and Multi Asset Funds have been identified as suitable instruments that match the Council's risk appetite and investment time horizon.

3.3 At its meeting of 15 October 2019, Full Council declared a Climate Emergency (Item 37), and discussed the Environmental, Social and Governance (ESG) considerations for the East Sussex Pension Fund (Item 34). Treasury Officers have been exploring ways in which the Council's cash balances can be utilised to support the Council's commitment to tackle climate change. As a result, consideration of ESG factors has been built into the 2020/21 Annual Investment Strategy.

3.4 The Chief Finance Officer is pleased to report that all treasury management activity undertaken from April 2020 to September 2020 period complied with the approved strategy, the CIPFA Code of Practice, and the relevant legislative provisions.

4. Economic Review (provided by Link Asset Services, September 2020)

4.1 The coronavirus outbreak has done huge economic damage to the UK and economies around the world.

4.2 As expected, the Bank of England's Monetary Policy Committee kept Bank Rate unchanged on 6th August (and subsequently 16th September). It also kept unchanged the level of quantitative easing at £745bn. Its forecasts were optimistic in terms of three areas:

- The fall in GDP in the first half of 2020 was revised from 28% to 23% (subsequently revised to -21.8%). This is still one of the largest falls in output of any developed nation. However, it is only to be expected as the UK economy is heavily skewed towards consumer-facing services – an area which was particularly vulnerable to being damaged by lockdown.
- The peak in the unemployment rate was revised down from 9% in Q2 to 7½% by Q4 2020.
- It forecast that there would be excess demand in the economy by Q3 2022 causing CPI inflation to rise above the 2% target in Q3 2022, (based on market interest rate expectations for a further loosening in policy). Nevertheless, even if the Bank were to leave policy unchanged, inflation was still projected to be above 2% in 2023.

4.3 It also squashed any idea of using negative interest rates, at least in the next six months or so. It suggested that while negative rates can work in some circumstances, it would be "less effective as a tool to stimulate the economy" at this time when banks are worried about future loan losses. It also has "other instruments available", including QE and the use of forward guidance.

4.4 The MPC expected the £300bn of quantitative easing purchases announced between its March and June meetings to continue until the "turn of the year". This implies that the pace of purchases will slow further to about £4bn a week, down from £14bn a week at the height of the crisis and £7bn more recently.

4.5 In conclusion, this would indicate that the Bank could now just sit on its hands as the economy was recovering better than expected. However, the MPC acknowledged that the "medium-term

projections were a less informative guide than usual” and the minutes had multiple references to downside risks, which were judged to persist both in the short and medium term. One has only to look at the way in which second waves of the virus are now impacting many countries including Britain, to see the dangers. However, rather than a national lockdown, as in March, any spikes in virus infections are now likely to be dealt with by localised measures and this should limit the amount of economic damage caused. In addition, Brexit uncertainties ahead of the year-end deadline are likely to be a drag on recovery. The wind down of the initial generous furlough scheme through to the end of October is another development that could cause the Bank to review the need for more support for the economy later in the year. Admittedly, the Chancellor announced in late September a second six month package from 1 November of government support for jobs whereby it will pay up to 22% of the costs of retaining an employee working a minimum of one third of their normal hours. There was further help for the self-employed, freelancers and the hospitality industry. However, this is a much less generous scheme than the furlough package and will inevitably mean there will be further job losses from the 11% of the workforce still on furlough in mid September.

4.6 Overall, the pace of recovery is not expected to be in the form of a rapid V shape, but a more elongated and prolonged one after a sharp recovery in June through to August which left the economy 11.7% smaller than in February. The last three months of 2020 are now likely to show no growth as consumers will probably remain cautious in spending and uncertainty over the outcome of the UK/EU trade negotiations concluding at the end of the year will also be a headwind. If the Bank felt it did need to provide further support to recovery, then it is likely that the tool of choice would be more QE

5.0 Link Asset Services interest rate forecasts

5.1 As shown in the forecast table below, no increase in Bank Rate is expected within the forecast horizon ending on 31st March 2023 as economic recovery is expected to be only gradual and, therefore, prolonged.

5.2 Forecasts for average investment earnings beyond December 2021 will be heavily dependent on economic and political developments.

Link Group Interest Rate View 11.8.20											
	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Bank Rate View	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
3 month average earnings	0.05	0.05	0.05	0.05	0.05	0.05	-	-	-	-	-
6 month average earnings	0.10	0.10	0.10	0.10	0.10	0.10	-	-	-	-	-
12 month average earnings	0.15	0.15	0.15	0.15	0.15	0.15	-	-	-	-	-
5yr PWLB Rate	1.90	1.90	2.00	2.00	2.00	2.00	2.00	2.10	2.10	2.10	2.10
10yr PWLB Rate	2.10	2.10	2.10	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.30
25yr PWLB Rate	2.50	2.50	2.50	2.50	2.60	2.60	2.60	2.70	2.70	2.70	2.70
50yr PWLB Rate	2.30	2.30	2.30	2.30	2.40	2.40	2.40	2.50	2.50	2.50	2.50

6. Borrowing advice:

6.1 As the interest forecast table for PWLB certainty rates, (gilts plus 180bps), above shows, there is likely to be little upward movement in PWLB rates over the next two years as it will take economies, including the UK, a prolonged period to recover all the momentum they have lost in the sharp recession caused during the coronavirus shut down period. Inflation is also likely to be very low during this period and could even turn negative in some major western economies during 2020/21.

6.2 Any new borrowing should also take into account the continuing cost of carry, the difference between investment earnings and borrowing rates.

1. Prudential Indicators which relate to the Treasury function and compliance with limits

1.1 The Council is required by the Prudential Code to report the actual prudential indicators after the end of each year. There are eight indicators which relate to treasury management and they are set on an annual basis and monitored, they comprise:-

- Operational and authorised borrowing limits which includes short term borrowing (paragraph 2.1 below)
- Interest rate exposure (paragraph 3.1 below)
- Interest rate on long term borrowing (paragraph 4.1 below)
- Maturity structure of investments (paragraph 5.1 below)
- Compliance with the Treasury Management Code of Practice (paragraph 6.1 below)
- Interest on investments (paragraph 7.1 below)
- Capital Financing Requirement and Minimum Revenue Provision (paragraph 8.1 below)

2. Operational and authorised borrowing limits.

2.1 The tables below set out the estimate and projected Capital financing requirement and long-term borrowing in 2019/20

	Capital Financing Requirement	2019/20 Estimate	2019/20 Actual
		£m	£m
	Capital Financing Requirement at 1 April 2019	335	329
add	Financing of new assets	14	24
add	Long Term Loans	-	-
less	Provision for repayment of debt	(6)	(11)
	Capital Financing Requirement at 31 March 2020	343	342
add	Short Term Borrowing Provision	10	
	Operational Boundary	353	
add	Short Term Borrowing Provision	20	
	Authorised Limit	373	

	Actual Borrowing	2019/20 Actual
		£m
	Long Term Borrowing at 1 April 2019	243
less	Loan redemptions	(4)
add	New Borrowing	-
	Long Term Borrowing at 31 March 2020	239

2.2 The Capital Financing Requirement includes PFI Schemes and Finance Leases totalling £81m, excluding these results in an underlying need to borrow of £261m.

2.3 The Operational Boundary was consistent with the Council's current commitments, existing plans and the proposals for Capital expenditure and financing, and with its approved treasury management policy statement and practices. It was based on the estimate of most likely, prudent but not worst case scenario. Risk analysis and risk management strategies were taken into account as were plans for Capital expenditure, estimates of the Capital financing requirement and estimates of cash flow requirements for all purposes. The Operational boundary represents a key management tool for in year monitoring and long term borrowing control.

2.4 The Authorised Limit for borrowing was based on the same estimates as the Operational Boundary but includes additional headroom for a short term borrowing to allow, for example, for unusual cash movements or late receipt of income.

2.5 The Authorised limit is the “Affordable Borrowing Limit” required by S3 of the Local Government Act 2003 and must not be breached. The Long Term borrowing at 31st March 2020 of £239m is under the Operational boundary and Authorised limit set for 2019/20. The Operational boundary and Authorised limit have not been exceeded during the year.

3. Interest rate exposure

3.1 The Council continued the practice of seeking to secure competitive fixed interest rate exposure for 2019/20. There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs or improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments;
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates;
- Maturity structure of borrowing. These gross limits are set to reduce the council’s exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

	2019/20	2020/21	2021/20
Interest rate exposure	Upper	Upper	Upper
Limits on fixed interest rates based on net debt	100%	100%	100%
Limits on variable interest rates based on net debt	15%	15%	15%
Maturity structure of fixed interest rate borrowing 2019/20			
	Lower	Upper	Actual 2019/20
Under 12 months	0%	25%	1%
12 months and within 24 months	0%	40%	2%
24 months and within 5 years	0%	60%	6%
5 years and within 10 years	0%	80%	11%
10 years and within 20 years	0%	80%	21%
20 years and within 30 years	0%	80%	24%
30 years and within 40 years	0%	80%	35%
40 years and above	0%	80%	0%

3.2 The Council has not exceeded the limits set in 2019/20. Not more than £20m of debt should mature in any financial year and not more than 15% to mature in any two consecutive financial years. Borrowing has been undertaken giving due consideration to the debt maturity profile, ensuring that an acceptable amount of debt is due to mature in any one financial year. This helps to minimise the authority’s exposure to the risk of having to replace a large amount of debt in any one year or period when interest rates may be unfavourable. The bar chart in the attached Annex 1 shows the maturity profile.

4. Interest rate on long term borrowing

4.1 The rate of interest taken on any new long term borrowing will be defined with the assistance of Link Asset Services. However, due to the increase in PWLB margins over gilt yields in October 2019, and the subsequent consultation on these margins by HM Treasury - which ended on 31 July 2020 - the Council has refrained from undertaking new long-term PWLB borrowing for the present.

5. Maturity structure of investments

5.1 The Investment Guidance issued by the government, allowed local authorities the freedom to invest for more than for one year. All investments over one year were to be classified as Non-Specified Investments. The Council had taken advantage of this freedom and non-Specified Investments are allowed to be held within our overall portfolio of investments and in line with our prudent approach in our strategy.

6. Compliance with the Treasury Management Code of Practice

6.1 East Sussex County Council has adopted the Chartered Institute of Public Finance and Accountancy (CIPFA), Code of Practice for Treasury Management in the Public Services. In December 2018, CIPFA, issued a revised Treasury Management Code and Cross Sectoral Guidance Notes, and a revised Prudential Code.

A particular focus of these revised codes was how to deal with local authority investments which are not treasury type investments e.g. by investing in purchasing property in order to generate income for the Authority at a much higher level than can be attained by treasury investments. The outcome is a new Capital Strategy document which was presented to Cabinet as part of the 2019/20 budget papers.

7. Interest on investments 2019/20

7.1 The table below sets out the average monthly rate received on our investments and compares it to the Bank of England Base rate to reflect both the interest rates available in the market and limitation in the use of counterparties.

Month	Amount £'000	Monthly rate	Margin against Base Rate
April	194	1.08%	0.33%
May	204	1.04%	0.29%
June	199	1.05%	0.30%
July	205	1.07%	0.32%
August	202	1.07%	0.32%
September	188	1.06%	0.31%
October	198	1.06%	0.31%
November	192	1.08%	0.33%
December	189	1.10%	0.35%
January	195	1.12%	0.37%
February	177	1.11%	0.36%
March	186	1.10%	0.75%*
Total for 2019/20	2,329	1.08%	0.36%

*Average base rate in March 2020 0.35% (all other months 0.75%) 0.72% for 2019/20.

7.2 The total amount received in short term interest for the year was £2.3m at an average rate of 1.08%. This was above the average of base rates in the same period (0.72%) but ensuring, so far as possible in the financial climate, the security of principal and the minimisation of risk. This Council has continued to follow a prudent approach with security and liquidity as the main criteria before yield.

8. Capital Financing Requirement and Minimum Revenue Provision (MRP)

8.1 The Council is required to pay off an element of the accumulated General Fund capital spend each year (the Capital Financing Requirement - CFR) through a revenue charge (the minimum revenue provision - MRP). Ministry of Housing, Communities and Local Government (MHCLG) regulations require the full Council to approve an MRP Statement in advance of each year. A variety of options are available to councils, so long as the principle of any option selected ensures a prudent provision to redeem its debt liability over a period which is commensurate with that over which the capital expenditure is estimated to provide benefits (i.e. estimated useful life of the asset being financed).

8.2 The below 2019/20 MRP Policy Statement reflects a change in policy for borrowing incurred both before and after 2008. The Policy (as required by Ministry of Housing, Communities & Local Government Guidance) was approved as part of the Treasury Management Strategy Report for 2019/20 on 22 January 2019.

8.3 The Council was recommended to approve the following MRP Statement for 2019/20 onwards:

For borrowing incurred before 1 April 2008, the MRP policy will be:

- Annuity basis over a maximum of 40 years.

From borrowing incurred after 1 April 2008, the MRP policy will be:

- Asset Life Method (annuity method) – MRP will be based on the estimated life of the assets, in accordance with the proposed regulations. A maximum useful economic life of 50 years for land and 40 years for other assets. This option will also be applied for any expenditure capitalised under a capitalisation directive.

For PFI schemes, finance leases and closed landfill sites that come onto the Balance Sheet, the MRP policy will be:

- Asset Life Method (annuity method) - The MRP will be calculated according to the flow of benefits from the asset, and where the principal repayments increase over the life of the asset. Any related MRP will be equivalent to the “capital repayment element” of the annual charge payable.

There is the option to charge more than the prudent provision of MRP each year through a Voluntary Revenue Provision (VRP).

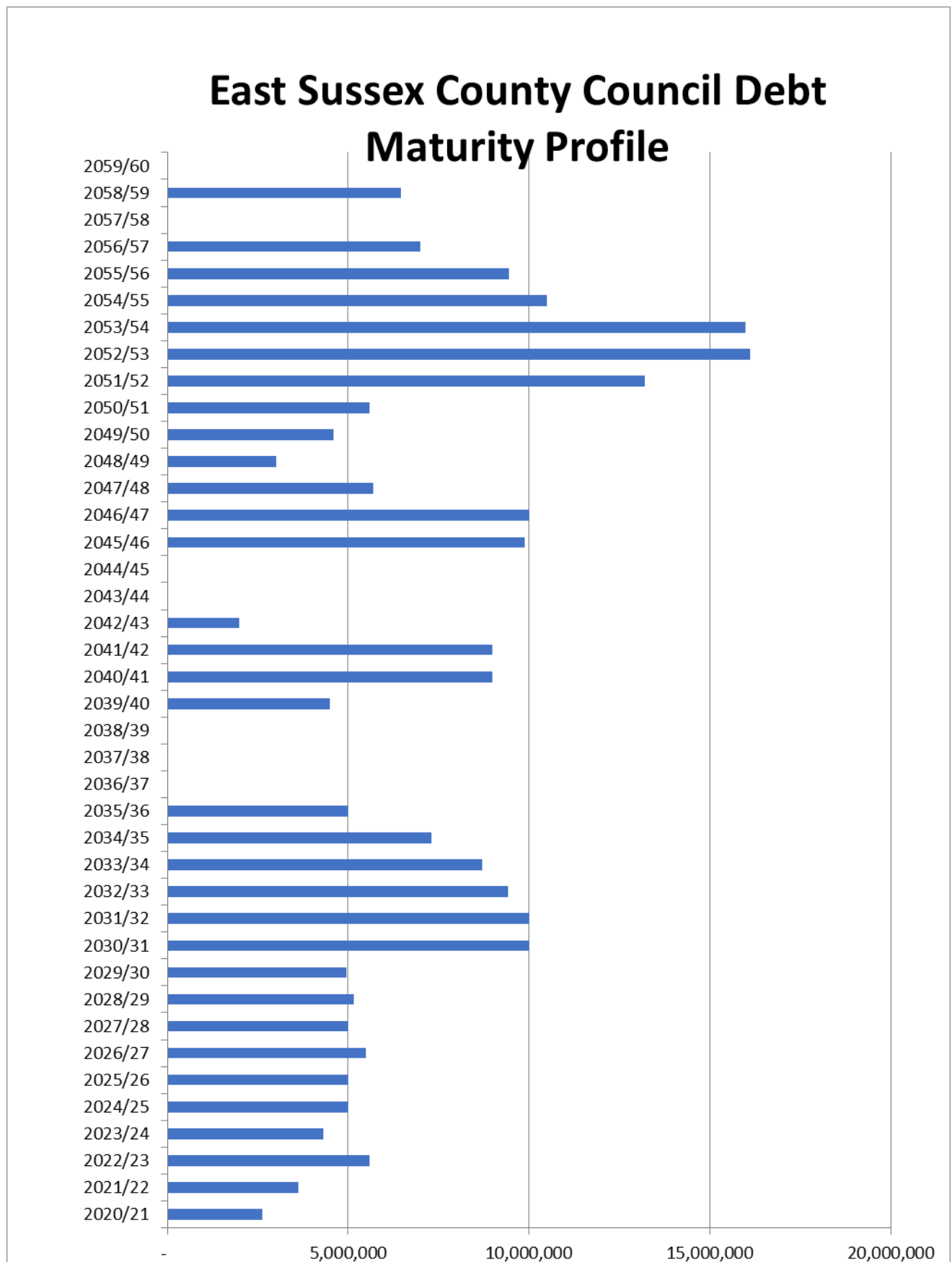
8.4 For loans to third parties that are being used to fund expenditure that is classed as capital in nature, the policy will be to set aside the repayments of principal as capital receipts to finance the initial capital advance in lieu of making an MRP.

8.5 In view of the variety of different types of capital expenditure incurred by the Council, which is not in all cases capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure. This approach also allows the Council to defer the introduction of an MRP charge for new capital projects/land purchases until the year after the new asset becomes operational rather than in the year borrowing is required to finance the capital spending.

8.6 The Council's CFR for the year is shown below, and represents a key prudential indicator. It includes PFI and leasing schemes on the balance sheet, which increase the Council's borrowing need. No borrowing is actually required against these schemes as a borrowing facility is included in the contract.

CFR including appropriate balances and MRP charges for PFI Schemes and Finance Leases.

	2019/20 Actual	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
	£m	£m	£m	£m
Total CFR	342	395	410	421
Movement in CFR	-	53	15	11



This page is intentionally left blank