



CABINET

TUESDAY, 2 MARCH 2021

9.30 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 26 January 2021 (*Pages 3 - 6*)
- 2 Apologies for absence
- 3 Disclosures of interests
Disclosures by all members present of personal interests in matters on the agenda, the nature of any interest and whether the member regards the interest as prejudicial under the terms of the Code of Conduct.
- 4 Urgent items
Notification of items which the Chair considers to be urgent and proposes to take at the appropriate part of the agenda. Any members who wish to raise urgent items are asked, wherever possible, to notify the Chair before the start of the meeting. In so doing, they must state the special circumstances which they consider justify the matter being considered urgent.
- 5 Council Monitoring: Quarter 3 2020/21 (*Pages 7 - 60*)
Report by Chief Executive
- 6 Conservators of Ashdown Forest - Outturn for 2020/21 and interim budget for 2021/22 (*Pages 61 - 76*)
Report by Chief Operating Officer
- 7 Any other items considered urgent by the Chair
- 8 To agree which items are to be reported to the County Council

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22 February 2021

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CABINET

MINUTES of a meeting of the Cabinet held on 26 January 2021 at Council Chamber, 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, 6 and 7 (minutes 37, 38 and 39)
Councillor Beaver	- item 5 (minute 37)
Councillor Belsey	- item 6 (item 38)
Councillor Bennett	- items 5 and 7 (minutes 37 and 39)
Councillor Bowdler	- items 5, 6 and 7 (minutes 37, 38 and 39)
Councillor Martin Clarke	- item 7 (minute 39)
Councillor Godfrey Daniel	- items 5 and 7 (minutes 37 and 39)
Councillor Philip Daniel	- item 5 (minute 37)
Councillor Claire Dowling	- items 6 and 7 (minutes 38 and 39)
Councillor Field	- items 5 and 7 (minutes 37 and 39)
Councillor Fox	- item 6 (minute 38)
Councillor Galley	- item 6 (minute 38)
Councillor Rodohan	- item 7 (minute 39)
Councillor Stephen Shing	- items 5 and 6 (minute 37 and 38)
Councillor Shuttleworth	- item 5 (minute 37)
Councillor Standley	- item 6 (minute 38)
Councillor Stogdon	- item 6 (minute 38)
Councillor Tidy	- item 7 (minute 39)
Councillor Tutt	- items 5 and 6 (minutes 37 and 38)
Councillor Ungar	- items 5 and 6 (minutes 37 and 38)
Councillor Whetstone	- items 6 and 7 (minutes 38 and 39)

36 MINUTES OF THE MEETING HELD ON 8 DECEMBER 2020

36.1 The minutes of the Cabinet meeting held on 8 December 2021 were agreed as a correct record.

37 RECONCILING POLICY, PERFORMANCE AND RESOURCES

37.1 The Cabinet considered a report by the Chief Executive together a summary of the consultation meeting held with Trade Unions which was received after publication of the Cabinet agenda.

37.2 It was RESOLVED to:

1. recommend the County Council to:

- i) Approve in principle the draft Council Plan 2021/22 at Appendix 1 and authorise the Chief Executive to finalise the Plan in consultation with the relevant Lead Members;
- ii) Increase Council Tax by 1.99%;
- iii) Increase the Adult Social Care precept by 1.5% in 2021/22;
- iv) Issue precepts to be paid by Borough and District Councils in accordance with the agreed schedule of instalments at Appendix 6 (Draft);
- v) Approve the net Revenue Budget estimate of £416.7m for 2021/22 set out in Appendix 3 (Medium Term Financial Plan) and Appendix 4 (Budget Summary) and

- authorise the Chief Executive, in consultation with the Chief Finance Officer, Leader and Deputy Leader, to make adjustments to the presentation of the Budget Summary to reflect the final settlement and final budget decisions;
- vi) Approve the Capital Strategy and Programme at Appendix 9;
 - vii) Note progress with the Council Plan and Budget 2020/21 since quarter 2 at Appendix 2;
 - viii) Note the Medium Term Financial Plan forecast for 2021/22 to 2023/24, set out in Appendix 3;
 - ix) Note the comments of the Chief Finance Officer on budget risks and robustness, as set out in Appendix 7;
 - x) Note the comments from engagement exercises set out in Appendix 8; and
 - xi) Note the schedule of fees and charges that have increased above inflation at Appendix 10.

2. agree that Chief Officers consult, where appropriate, on the savings proposals set out in Appendix 5.

Reason

37.3 Prudent planning by the Council, and short-term Government support for the COVID-19 response and social care, means the Council can offer some stability for our residents for the coming year. Whilst the additional funding from Government for social care is welcome, there is continued reliance on raising funding for Adult Social Care through local Council Tax which is unrelated to social care need and unsustainable, particularly given the significant ongoing pressures experienced by our residents as a result of the pandemic. It is essential that proposals for longer term reform of social care funding are brought forward as soon as possible. In the meantime, the proposals in this report will ensure the Council is able to protect services for the most vulnerable for the coming year and spread the contribution to this from Council Tax paid by our residents over two years. Support will continue to be available through local Council Tax Support Schemes for those residents eligible. The budget presented is for one year, with considerable unpredictability about what that year will hold.

37.4 The situation beyond 2021/22 remains highly uncertain and we face a significant gap between the funding we currently expect to have and the cost of providing our services. The short term support provided by Government does not make up for the amount of funding lost over the last 10 years and neither will it be sufficient to prevent the need to consider further savings in future to fund pressures from the rising demand for and cost of social care. Any further savings, beyond those already factored into our planning, would take the Council below its Core Offer.

37.5 Our lobbying endeavours therefore remain as important as ever and we will need to continue to work with our local, regional and national partners to press for fair and sustainable funding that enables us to continue to meet the needs of our residents. Core to this is a need for Government to bring forward reforms for sustainable funding and provision of social care at the earliest possible opportunity, as until this is delivered our medium term financial position will remain very challenging. We will also continue to press for a real terms increase in grant funding for the sector and for delivery of the Fair Funding Review to allocate funding in line with evidenced need.

37.6 Given the scale of the current recession and future economic uncertainty, we will also prioritise work with our partners, including in the South East 7 and County Councils Network, and local Borough and District Councils to ensure that plans for economic recovery factor in the specific skills, employment and infrastructure needs of East Sussex. Lobbying to ensure that our residents and businesses have what they need to be successful in the future will be fundamental to achieving a strong recovery from the economic disruption brought by the pandemic and reducing the need for county council support and services in future.

38 HIGHWAYS SERVICES RE-PROCUREMENT PROJECT

38.1 The Cabinet considered a report by the Director of Communities, Economy and Transport together with comments from the Highways Contract Re-procurement Reference Group of the Place Scrutiny Committee which were received after publication of the Cabinet agenda.

38.2 It was RESOLVED to:

- (1) approve the Outline Business Case contained in appendix 1 of the report; and
- (2) approve the development two options (Option 1, Separate Contractor Contract & Separate Designer Contract and Option 2, Integrated Contractor & Designer Contract) to determine the new service delivery model for future highway services in the Detailed Business Case, which will be reported to Cabinet for approval later in the year.

Reason

38.3 To approve the Outline Business Case and agree the proposal to develop two options in the Detailed Business Case to determine the new highways service delivery model. The Detailed Business Case will be presented to Cabinet for approval later in the year prior to procurement of the new contract

39 SCRUTINY REVIEW OF BECOMING A CARBON NEUTRAL COUNCIL

39.1 The Cabinet considered a report by the Place Scrutiny Committee and a joint report by the Director of Communities, Economy and Transport and Chief Operating Officer with observations on the Scrutiny Committee's report.

39.2 It was RESOLVED to:

- 1) note and welcome the report of the Scrutiny Committee;
- 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 and Chief Operating Officer to the recommendations and their implementation as set out in the action plan attached as Appendix 1 to the Director's report; and
- 3) agree to moving the annual report to full Council on progress in delivering the climate emergency plan from May to October each year.

Reason

39.3 The Scrutiny review has been welcomed as it provides an opportunity to review the climate emergency plan.

40 TREASURY MANAGEMENT STRATEGY 2021/22

40.1 The Cabinet considered a report by the Chief Operating Officer.

40.2 It was RESOLVED to recommend the County Council to:

- 1) approve the Treasury Management Policy and Strategy Statement for 2021/22;
- 2) approve the Annual Investment Strategy for 2021/22;
- 3) approve the Prudential and Treasury Indicators 2021/22 to 2023/24;
- 4) approve the Minimum Revenue Provision (MRP) Policy Statement 2021/22 at Appendix A (Section 3).

Reason

40.3 This policy sets out the acceptable limits on ratings, investment periods, amounts to be invested and the borrowing strategy. The financial position is kept under constant review and if at any time it is felt that any of these limits represent an unacceptable risk appropriate and immediate action will be taken accordingly.

ITEMS TO BE REPORTED TO THE COUNTY COUNCIL

41.1 It was agreed that items 5, 7 and 8 should be reported to the County Council.

[Note: The items being reported to the County Council refer to minute numbers 37, 39 and 40]

Report to: Cabinet
Date: 2 March 2021
Report by: Chief Executive
Title: Council Monitoring Report – Q3 2020/21
Purpose: To report Council monitoring for quarter 3 2020/21

RECOMMENDATIONS

Cabinet is recommended to:

- 1) note the latest monitoring position for the Council
 - 2) to approve the proposed amendments to the performance measures 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 December 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 Seven Adult Social Care & Health performance measures are proposed for amendment:

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

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

- The number of health and social care staff and voluntary sector organisations trained to deliver brief interventions and advice to promote, encourage and help people make healthier choices as part of the Making Every Contact Count (MECC) initiative

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

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

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

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

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

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

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

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

2.3 Given current circumstances, and as per quarter 1 and quarter 2, finance reporting has been split into Planned Budgets/Business as Usual (non-COVID-19) and COVID-19 related items.

Details of non-COVID-19 related over and underspends in each department are set out in the relevant appendices. The total service forecast overspend is £1.7m; this compares to £2.2m at quarter 2.

2.4 The main headlines are:

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

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

- There is currently an estimated £1.4m underspend on TM, reflecting that no additional borrowing has been required to support the delivery of the capital programme and revenue balances remain healthy due to the receipt of COVID-19 funding. The underspend on TM will be used to offset future borrowing requirements in the Targeted Capital Programme as per the Capital Strategy, in order to minimise the revenue impact of borrowing in future years.
- The pension estimates when the budget was set in February 2020 were based on preliminary figures for the outcome of the triannual actuarial review. Now that the outcome

is known, there is an in-year forecast underspend of £1.1m due to a lower secondary pensions contribution required by the actuary. Less other minor variation of £0.2m the net underspend on centrally held budgets of £0.9m.

- With a reduction in Business Rate income of £0.2m. This leaves £0.7m underspend on centrally held budgets, that will in the first instance, be used to offset service pressures. Followed by the general contingency of £3.8m. The remaining balance of the general contingency of £2.8m will, per normal practice, be transferred to reserves for use in future years.

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

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

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

COVID-19 Related Monitoring

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3 Progress against Council Priorities

Driving sustainable economic growth

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

3.2 86 carriageway asset improvement schemes were completed in quarter 3, to maintain and improve the condition of the county's roads (Appendix 5).

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

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

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

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

Keeping vulnerable people safe

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

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

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

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

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

Helping people help themselves

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

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

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

Making best use of resources

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

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

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 – (ASCH)
- Appendix 3 Business Services (Department) – (BSD)
- Appendix 4 Children’s Services (Department) – (CSD)
- Appendix 5 Communities, Economy and Transport – (CET)
- Appendix 6 Governance Services – (GS)
- 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.

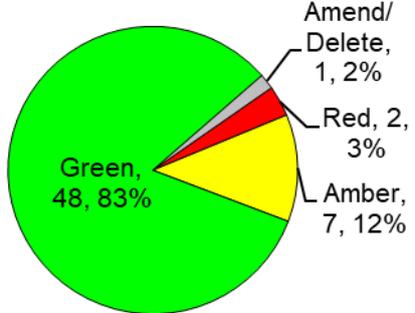
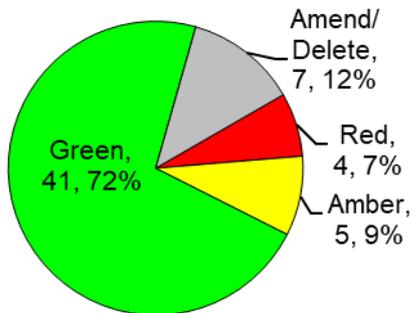
Strategic Risk Register Appendix 7

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

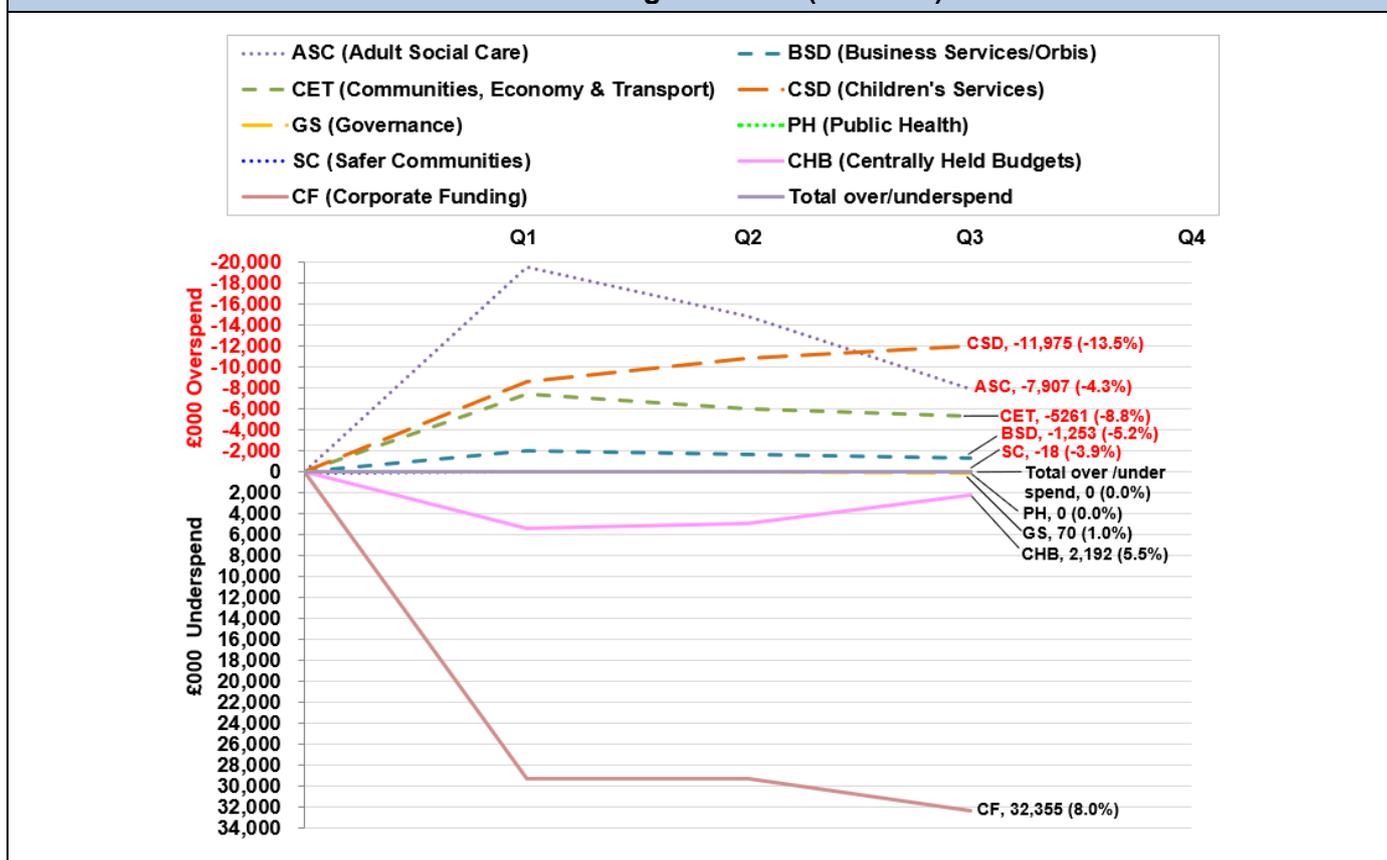
Council Monitoring Corporate Summary – Q3 2020/21

Council Plan performance targets

Priority	Red	Amber	Green	Amend/ Delete
Driving sustainable economic growth	1	2	20	0
Keeping vulnerable people safe	1	3	6	1
Helping people help themselves	2	0	11	6
Making best use of resources	0	0	4	0
Total	4	5	41	7

Q3 2020/21	Q2 2020/21	Q3 2020/21
<p>There are 57 individual measures in the Council Plan.</p> <ul style="list-style-type: none"> Appendix 2 ASC&H – 2 Red, 1 Amber, 7 Amend/Delete Appendix 3 BSD – 1 Amber, Appendix 4 CSD – 2 Amber Appendix 5 CET – 2 Red, 1 Amber 		

Revenue budget overrun (net £000)



Revenue budget summary (£000)									
Divisions	Q3 2020/21								
	Planned			Outturn			(Over) / under spend		
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
Services									
Adult Social Care	280,443	(97,234)	183,209	277,818	(94,168)	183,650	2,625	(3,066)	(441)
Safer Communities	483	(25)	458	1,341	(883)	458	(858)	858	-
Public Health	29,082	(29,082)	-	27,171	(27,171)	-	1,911	(1,911)	-
Business Services / Orbis	52,845	(28,811)	24,034	52,303	(27,719)	24,584	542	(1,092)	(550)
Children's Services	345,013	(256,590)	88,423	348,491	(259,168)	89,323	(3,478)	2,578	(900)
Communities, Economy & Transport	121,263	(61,473)	59,790	121,599	(61,878)	59,721	(336)	405	69
Governance Services	7,457	(509)	6,948	7,692	(840)	6,852	(235)	331	96
Subtotal Planned Budget	836,586	(473,724)	362,862	836,415	(471,827)	364,588	171	(1,897)	(1,726)
COVID-19 related									
Adult Social Care	-	-	-	51,211	(43,745)	7,466	(51,211)	43,745	(7,466)
Safer Communities	-	-	-	18	-	18	(18)	-	(18)
Public Health	6,693	(6,693)	-	6,693	(6,693)	-	-	-	-
Business Services / Orbis	-	-	-	286	417	703	(286)	(417)	(703)
Children's Services	-	-	-	9,037	2,038	11,075	(9,037)	(2,038)	(11,075)
Communities, Economy & Transport	-	-	-	1,884	3,446	5,330	(1,884)	(3,446)	(5,330)
Governance Services	-	-	-	26	-	26	(26)	-	(26)
Subtotal COVID-19 related	6,693	(6,693)	0	69,155	(44,537)	24,618	(62,462)	37,844	(24,618)
Total Services	843,279	(480,417)	362,862	905,570	(516,364)	389,206	(62,291)	35,947	(26,344)
Centrally Held Budgets (CHB)									
Planned Budget									
Treasury Management	19,938	(1,700)	18,238	18,583	(1,746)	16,837	1,355	46	1,401
Capital Programme	3,453	-	3,453	3,453	-	3,453	-	-	-
Unfunded Pensions	10,080	-	10,080	8,986	-	8,986	1,094	-	1,094
General Contingency	3,850	-	3,850	-	-	-	3,850	-	3,850
Contrib to Reserves	2,768	-	2,768	2,768	-	2,768	-	-	-
Apprenticeship Levy	600	-	600	606	-	606	(6)	-	(6)
Levies, Grants and Other	1,022	(156)	866	1,316	(238)	1,078	(294)	82	(212)
Subtotal Planned Budget	41,711	(1,856)	39,855	35,712	(1,984)	33,728	5,999	128	6,127
COVID-19 related									
Treasury Management	-	-	-	-	650	650	-	(650)	(650)
Capital Programme	-	-	-	2,752	-	2,752	(2,752)	-	(2,752)
Levies, Grants and Other	-	-	-	22	511	533	(22)	(511)	(533)
Subtotal COVID-19 related	0	0	0	2,774	1,161	3,935	(2,774)	(1,161)	(3,935)
Total Centrally Held Budgets	41,711	(1,856)	39,855	38,486	(823)	37,663	3,225	(1,033)	2,192

Revenue budget summary (£000)									
Divisions	Q3 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)	-	(81,824)	(81,824)	-	(200)	(200)
Revenue Support Grant	-	(3,548)	(3,548)	-	(3,548)	(3,548)	-	-	-
Council Tax	-	(301,753)	(301,753)	-	(301,753)	(301,753)	-	-	-
Social Care Grant	-	(14,631)	(14,631)	-	(14,631)	(14,631)	-	-	-
New Homes Bonus	-	(761)	(761)	-	(761)	(761)	-	-	-
Subtotal Planned Budget	0	(402,717)	(402,717)	0	(402,517)	(402,517)	0	(200)	(200)
COVID-19 related									
COVID-19 funding	-	-	-	-	(34,335)	(34,335)	-	34,335	34,335
Business Rates	-	-	-	-	555	555	-	(555)	(555)
Council Tax	-	-	-	-	1,225	1,225	-	(1,225)	(1,225)
Subtotal COVID-19 related	0	0	0	0	(32,555)	(32,555)	0	32,555	32,555
Total Corporate Funding	0	(402,717)	(402,717)	0	(435,072)	(435,072)	0	32,355	32,355
Total	884,990	(884,990)	0	944,056	(952,259)	(8,203)	(59,066)	67,269	8,203
Contribution of TM underspend to capital programme borrowing	-	-	-	1,401	-	1,401	(1,401)	-	(1,401)
Balance of general contingency to reserve	-	-	-	2,800	-	2,800	(2,800)	-	(2,800)
Unapplied generic Covid Funding to reserves	-	-	-	4,002	-	4,002	(4,002)	-	(4,002)
Final Total	884,990	(884,990)	0	952,259	(952,259)	0	(67,269)	67,269	0

Revenue Savings Summary 2020/21					
Service description	2020/21 (£'000) – Q3 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	-	-
BSD / Orbis	1,161	1,161	570	591*	-
CS	770	2,028	1,982	46*	-
CET	1,362	2,362	323	2,039*	-
GS	-	-	-	-	-
Total Savings	3,541	6,405	3,729	2,676	0
ASC			-	-	-
BSD / Orbis			-	-	-
CS			-	-	-
CET			-	-	-
GS			-	-	-
Subtotal Permanent Changes ¹			0	0	0
Total Savings & Permanent Changes	3,541	6,405	3,729	2,676	0

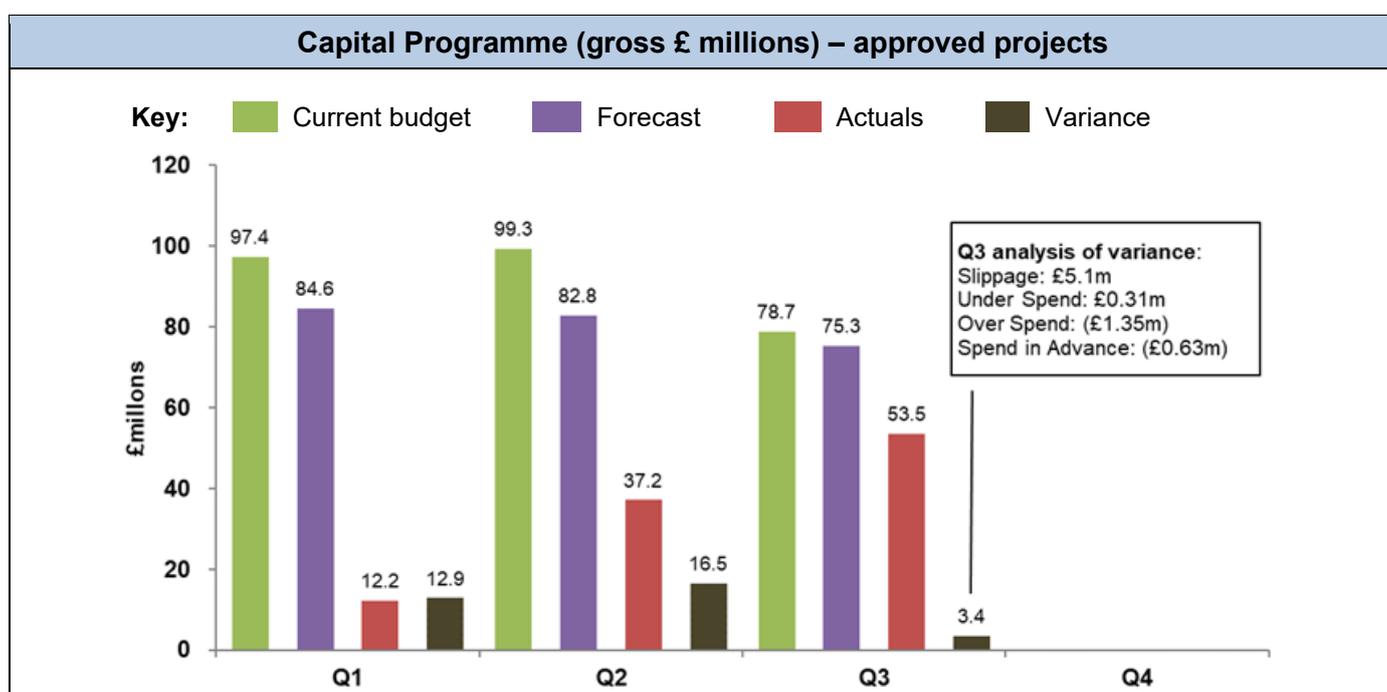
Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding ²	Part of reported variance ³	Total
ASC	-	-	-
BSD / Orbis	-	591	591
CS	-	46	46
CET	14	2,025	2,039
GS	-	-	-
Total	14	2,662	2,676

¹ Where agreed savings are reasonably unable to be achieved other permanent savings are required to be identified and approved via 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 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	170	113	57	50	7	-	-	-	-	-
Business Services	30,508	30,519	(94)	-	532	(626)	83	(1,282)	1,365	-
Children's Services	924	924	-	-	-	-	-	-	-	-
Communities, Economy & Transport	47,133	43,750	3,366	262	3,104	0	17	(70)	87	-
Gross Expenditure	78,735	75,306	3,329	312	3,643	(626)	100	(1,352)	1,452	0
Section 106 and CIL	6,528	6,361	167	-	167	-	0	-	-	-
Other Specific Funding	16,203	13,464	2,389	262	2,127	-	350	-	350	-
Capital Receipts	1,809	1,115	(118)	-	158	(276)	812	-	812	-
Formula Grants	27,774	27,774	0	-	-	-	0	-	-	-
Reserves and revenue set aside	5,919	5,735	97	50	47	-	87	-	87	-
Borrowing	20,502	19,505	794	0	1,144	(350)	203	-	203	-
Covid-19 tbc	0	1,352	0	0	0	0	(1,352)	(1,352)	0	0
Total Funding	78,735	75,306	3,329	312	3,643	(626)	100	(1,352)	1,452	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 3 the Bank of England bank rate remained 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, of up to 2 years, lock in some value for 2020/21 and beyond. The average level of Council funds available for investment purposes during the quarter was £242m.

The total amount received in short term interest for the quarter to 31 December 2020 was £404,000 at an average rate of 0.66%.

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 2020 held with the Public Works Loan Board (PWLB) the loan rate was 8.125%. 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 Q3 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 TM budget is forecast at an underspend of £1.4m, based on the capital programme position 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 the bank rate was cut twice from 0.75% to 0.10%; pre pandemic the forecast for interest rates were to remain at 0.75% for the remainder of 2020/21. Current forecasts are projecting that interest rates will remain at 0.10% (or lower) for the next 36 months. 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.

Reserves and Balances 2020/21 (£000)

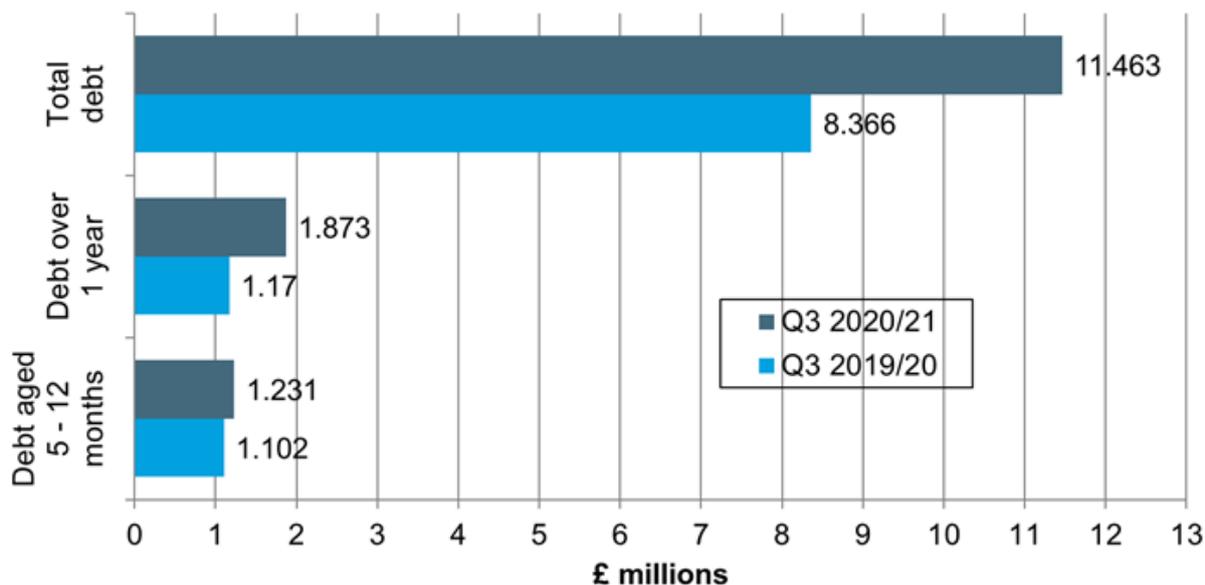
Reserve / Balance	Balance at 1 Apr 2020	Planned net use at Q2	Planned net use at Q3	Movt	Est. balance at 31 Mar 2021
Statutorily ringfenced or held on behalf of others:					
Balances held by schools	15,041	-	-	-	15,041
Public Health	4,026	(444)	(759)	(315)	3,267
Other	5,929	(87)	(193)	(106)	5,736
Subtotal	24,996	(531)	(952)	(421)	24,044
Service Reserves:					
Capital Programme	9,334	(1,168)	(480)	688	8,854
Corporate Waste	14,613	1,000	1,500	500	16,113
Insurance	6,463	-	(518)	(518)	5,945
Subtotal	30,410	(168)	502	670	30,912
Strategic Reserves:					
Priority / Transformation	7,173	(602)	(260)	342	6,913
Financial Management	35,001	(2,846)	2,305	5,151	37,306
Subtotal	42,174	(3,448)	2,045	5,493	44,219
Total Reserves	97,580	(4,147)	1,595	5,742	99,175
General Fund	10,000	-	-	-	10,000
Total Reserves and Balances	107,580	(4,147)	1,595	5,742	109,175

NB: until agreed, currently excludes proposed transfers to reserves for year-end position

Changes to Fees & Charges

Changes to fees and charges during Q3 were reported to County Council on 9 February 2021 as part of the RPPR report.

Outstanding debt analysis (£ millions)



The value of debt aged over 5 months at Quarter 3 has increased by £1.035m to £3.104m, 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 £0.726m due from Adult Social Care (ASC) client contribution and £0.175m due from other local authorities.

When comparing the overall outstanding debt for Q3 2019/20 to Q3 2020/21 there is an increase of £3.097mm which is primarily due to an invoice of £2.770m to the East Sussex Clinical Commissioning Group which was paid on 2 February 2021.

Debt recovery routines have been brought up to date following the suspension earlier in the year. 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 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 and work has been continuing throughout Q3. Priorities for Q4 will 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 – Q3 2020/21

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

Adult Social Care (ASC)

Health and Social Care Integration

During Q3 we have continued to focus on the way we can further integrate our services to support people during the COVID-19 pandemic, including out of hospital support and discharge hubs to ensure timely discharge and appropriate care. Our integrated management arrangements and the community health and social care services Target Operating Model (TOM) have continued to be critical enablers of the pandemic response. Key to this in Q3 has been a specific project to coordinate and improve Medically Ready for Discharge (MRD) pathways and Home First/Discharge to Assess (D2A), and agreement of designated care home settings at Firwood and Bexhill Irvine Unit and thirty-two additional nursing home beds to enable patient flow.

Work has also taken place with NHS partners on the full range of additional responsibilities that have come with COVID-19 that require having the system co-ordination needed to deliver across the roles and contribution of different organisations working in the health and social care system, including care market resilience; shielding and support to Clinically Extremely Vulnerable (CEV) people; testing, outbreak control and the mass vaccinations programme; East Sussex and Sussex-wide health and social care winter planning; supporting restoration and recovery of healthcare services for our local population, and; ensuring assessment and appropriate care to support those people moving on from the initial COVID-19 hospital discharge scheme. Close system working between ASC and the Clinical Commissioning Group (CCG) Continuing Healthcare Team has also been taking place to enable approximately 1,000 patients discharged under the original COVID-19 Hospital Discharge Scheme to be appropriately assessed and reviewed and onto their long term pathways and funding streams, with a target date of 31/03/21, however in East Sussex we expect to deliver that sooner.

At the same time, progress has also been made in key areas of the integration transformation priorities, alongside the ongoing need to manage the pressures on our services due to COVID-19. This has been revised for the remainder of 2020/21 in light of the learning and new models and ways of working brought about by delivering the first phase of the pandemic emergency response. Programme monitoring restarted in October, and a next step will be to update the original priority objectives to ensure the right emphasis for 2021/22. Efforts have been made to ensure that the programme dovetails and continues to complement the pandemic response. Highlights include:

- The positive learning from initiatives put in place to support hospital discharge during the first phase of the pandemic has been used to review the existing community TOM, to ensure we harness best practice going forward and sustainably embed new models and ways of working. This includes the hospital discharge processes and hubs that were developed, taking forward integrated rapid response teams and reviewing the ongoing capacity and system resources required to support Home First Pathways. The rollout of SingleView in community health and social care and linking with other key systems in order to give a summary view for staff across more services has also continued.
- In addition the pandemic has brought about a stronger system approach to supporting care homes and the wider care market through building on the East Sussex Care Homes Resilience Plan, the primary and community clinical support offer and mutual aid support, and the primary care Directed Enhanced Service developments to deliver a cohesive model of support.
- The Community Hubs that were rapidly created by the Council, district and borough councils, Voluntary and Community Sector (VCS) and CCG in response to COVID-19 have also started to support a whole system dialogue about the benefits of integrated working with our communities. A brief update of our population health needs was also undertaken during November. This will inform possible approaches to population health management and outcomes encompassing services that impact on the wider determinants of health, to take into account the wider health and socio-economic impacts of COVID-19.
- East Sussex became an early adopter of the national NHS 111 First programme which commenced at East Sussex Hospitals NHS Trust (ESHT) in October 2020. This aims to deliver safe streaming and direction of non-emergency patients away from acute emergency departments into other services which provide same-day or urgent (within 24 hours) services. These services can accept a referral or a direct booking from NHS 111 & NHS 111 Clinical Assessment Service (CAS) and are able to provide care and support to the patients in response to their urgent care needs e.g. Urgent Treatment Centres, “Hot” Clinics, Ambulatory Care, Improved Primary Care Access, Social Care services, Community Pharmacy, and Crisis Cafes. Early performance measures show a decline in the number of people self-referring to hospital emergency services since the commencement of the scheme, however, the current phase of the pandemic may also be impacting behaviours.

- Work has been taking place to develop and shape a single mental health plan and programme for East Sussex with agreement that work will be taken forward in the following areas:
 - Emotional wellbeing services – developing integrated teams aligned with Primary Care Networks to ensure improved access to a wide range of primary care based mental health services, including Improved Access to Psychological Therapies (IAPT) and Health in Mind.
 - Community Services enhancements – to provide a consistent range of specialist services for adults with personality disorders, eating disorders and rehabilitation in line with the NHS Long Term Plan commitments.
 - Housing and supported accommodation needs and pathways – working with district and borough council partners and other providers, as part of wider work on accommodation related support to ensure a focus on mental health accommodation needs.

Looking towards 2021/22 initial conversations have started on how we can further develop our Integrated Care Partnership (ICP) and integrated commissioning and delivery of services in East Sussex. This includes agreeing what we will need to deliver to strengthen our ICP by April 2022, and focussing on where our integrated working can make best use of our collective resources to have the most significant impact and improve our population's health and outcomes.

Local planning is taking place in the context of the wider Sussex Health and Care Partnership Integrated Care System (ICS) and the recently published 'Integrating Care: Next Steps to building strong and effective integrated care systems' from NHS England and Improvement (NHSE&I). We have also worked with the members of the East Sussex Health and Wellbeing Board to provide a response to NHSE&I about their proposals from the perspective of our East Sussex 'place' system partnership.

Clinically Extremely Vulnerable (CEV) – As at 13 January there are 21,600 CEV people in East Sussex. During the national restrictions in November we proactively contacted a significant number of CEV people via phone calls, letters and emails, with phone calls being made to the highest priority groups. We began contacting people again in December, when East Sussex moved in Tier 4.

National registration and supermarket priority schemes (via the National Shielding Support Service, NSSS), and requests for local authority call back are also in place, which are completed by Health and Social Care Connect.

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). Therefore, we will be unable to report on these measures (**ref i, ii, iii**) for 2020/21 and propose that targets are amended to: 'Cannot be implemented due to COVID'. As a result, these measures have been deleted for 2021/22 and replaced with a new measure – Percentage of older people who are delayed from discharge when they are medically fit.

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 September 2020 88.8% of older people discharged from hospital to reablement / rehabilitation services were at home 91 days after their discharge from hospital.
- Between January and December 2020, no further request was made for on-going support for 87.5% people who received short-term services (**ref v**).

It should also be noted that activity against both these measures is showing a decrease, this is likely to be due to changes in activity and restrictions during lockdown and the 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 for existing clients.

Performance against these measures is unlikely to improve as the scope for rehab has reduced as a result of COVID-19 due to redeploying rehab services to other areas and to support COVID-19 positive patients in the Community.

- Between April and December, 58% of Reablement service users discharged from the Joint Community Rehabilitation Service did not require on-going care.

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 Q3, 8,851 people were receiving TECS.

Adults are able to take control of the support they receive

- There are currently 292 members signed up to Support with Confidence. This is made up of 243 Personal Assistants (PA's) and 49 businesses. In addition to these, there are 71 current applications being processed (66 PA's and 5 businesses).

- At the end of Q3, 34.6% 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.

- 1,344 people were supported through STEPS and Homeworks across East Sussex in Q3 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 between April and September at this stage, when 87% 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 as they have been prioritised to support front line services.

Carers supported through crisis intervention – This target is related to the British Red Cross service (**ref iv**), and is a volunteer delivered service providing one to one support in people's homes. Many volunteers are aged over 70, had to shield, or are carers of CEV people, therefore due to COVID-19 they have been unable to deliver business as usual. Between 1 April and 31 December, 90 carers were supported through short-term crisis intervention.

The proportion of people who use services who say that those services have made them feel safe and secure (Adult Social Care Survey) – As a result of concerns raised by local authorities in relation to the practicalities of undertaking the Adult Social Care Survey (ASCS) during the pandemic, NHS Digital announced that the ASCS for 2020/21 would now be voluntary, not mandatory as originally stated in September. We, alongside the majority of other local authorities, will not be undertaking the voluntary ASCS for 2020-21, and therefore will be unable to report on this measure (**ref ix**).

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

Preventing Vulnerable People being Exploited & Recruited by Serious and Organised Crime – SEST continue to develop and deliver interventions as part of Contextual Safeguarding work with the Multi Agency Child Exploitation Group (MACE) to safeguard children against serious and organised crime. Key work in Q3 has included:

- Delivering Against Exploitation workshops to Uckfield Community College students alongside Sussex Police, aimed at increasing understanding of the consequences of gang membership and County Lines drug-dealing. This work is promoted in our quarterly [Safe in East Sussex bulletin](#), distributed to 3,000+ subscribers.
- Creating and distributing guidance around knives and exploitation to school students and their parents, including support for parents about how to spot signs of exploitative behaviour and how to seek professional support if they suspect their children to be at risk.
- Inviting the Southeast Communities Rail Partnership to support efforts to deliver rail safety sessions for school pupils and how to spot, avoid and report dangerous activity on our railways.
- Giving a Communities Against Exploitation session to the Safeguarding Community Network in December 2020, highlighting the different types of exploitation used by organised crime groups (OCGs).

Modern Slavery and Human Trafficking – During Q3 SEST launched the first quarterly Modern Slavery electronic bulletin in partnership with the Safeguarding Adults Board (SAB) to the East Sussex Single Point of Contact (SPOC) network. This bulletin included updates from Children's Services, Adult Social Care, Project Discovery and information to guide good practice for professionals, like changes to the National Referral Mechanism for modern slavery concerns.

Fraud & Scams – Throughout Q3 we have coordinated with [East Sussex Against Scams Partnership Charter Partners](#) like the Neighbourhood Watch Federation to reach tens of thousands of homes across the county to deliver prevention messages and campaigns like the National Trading Standards Scams Team 'Scamnesty' project.

We have also worked alongside the Council's Communications team and Sussex Police to provide social media content to the public about emerging forms of fraud across the county.

Preventing and Reducing Serious Violent Crime – During Q3 we continued our work within the East Sussex Violence Reduction Partnership (VRP) to create initiatives to reduce serious violent crime by focusing on prevention & early intervention work, especially for people who regularly carry weapons and/or with links to drug use/supply and organised crime.

We are also supporting the growth of a Violence and Exploitation Reduction Unit (VERU) formed by partners in the National Probation Service (NPS). Our work includes supporting the unit to develop plans on how to implement key projects as well as providing information on other services which can support the unit's growth. This unit aims to combine services with other agencies to expand and extend the length of support for identified young at risk adults aged 18 to 25.

These developments come from understanding key concerns impacting services such as the amount of violence committed by young people against other young people, the prevalence of County Lines drug-dealing and the growing and diversifying uses of social media in connection to violent crime.

Also during Q3 we have been:

- Developing a Community Engagement proposal for two serious violence hotspot areas in Castle Ward, Hastings and Devonshire Ward, Eastbourne. This aims to take into account how these communities can actively influence the deliver local responses and community engagement activities and will provide opportunities for local feedback on existing and future work being done to reduce serious violence.
- Supporting Sussex Police alongside the Council's Communications Team, the East Sussex Youth Cabinet and local district & borough councils in the second phase of Operation Sceptre in November 2020. This was a week of action to raise awareness on the dangers of knife crime by publishing targeted online content for young people, parents and carers offering information and signposting across social media and websites.

Reducing Re-Offending – In October 2020 Her Majesty's Prison and Probation Service (HMPPS) awarded Trailblazer status to East Sussex for its work in developing wrap-around support for prison leavers by bringing together partners from the Rough Sleepers Initiative (RSI), probation services and local housing authorities. In Q3 this Trailblazer work has included:

- Introducing a prison Housing Options Officer to enable immediate access to homelessness advice, prevention and support.
- Agreeing a model for supporting homeless prison leavers, which we are using to find funding streams to implement new programs.

Online Safety, Social Media, the Internet and Mobile Phones – As schools reopened in September 2020, we returned to primary schools to deliver our Relation-SHOPs programme; during Q3 we delivered programs in six participating primary schools holding 50 workshops. This included a specific session around Our Relationship with the Digital World, looking at how young people can keep safe online and use the internet responsibly. Key areas of learning cover the sharing of images, cybercrime and the law, protecting personal information and digital footprints.

Substance Misuse and Recovery Services – During Q3 our services have published the results of our public consultation [Continuing the conversation – let's focus on alcohol](#), shared with stakeholders, service users and on the consultation hub. This comes from the work done throughout 2020 to reduce harm caused by excessive drinking as part of a wider consultation on drugs and alcohol and supports our continued development of a new Alcohol Harm Strategy alongside specialists in Public Health.

During Q3 we also began recruitment for data analysis and project delivery roles to support Project Adder – a Home Office supported initiative tackling harm caused by opiate & crack cocaine use in Hastings. We are also supporting recruitment within the commissioned services needed to support the project to March 2023.

Domestic Violence and Abuse, Sexual Violence and Abuse Services – Domestic Abuse (DVA) and Sexual Violence (SVA) services continue to offer remote support to vulnerable people during the latest lockdown in Q3. All of our commissioned providers refreshed their Business Continuity Plans which were reviewed by the Joint Unit to ensure they remained capable of delivering priority services, holding effective supplies of PPE and procedures around testing and isolating staff and service users, maintained open access communication and paid attention to staff wellbeing. This came as referrals to DVA services decreased from an annual seasonal high in Q2 to an average of 50 medium and high-risk referrals per week. During Q3 a new CCG funded Health Independent Domestic Violence Advisor (HIDVA) started work, providing virtual support to Eastbourne DGH and Conquest Hospitals.

An invitation to tender and evaluation of bids to deliver the East Sussex Community Domestic Abuse Services took place in Q3 and contracts were awarded shortly after Christmas. The recommissioning of the accommodation services (refuge) has been delayed until 2021 pending the passing of the Domestic Abuse Bill and its new duties around providing accommodation for all people fleeing domestic abuse.

During Q3 we also supported local district and borough councils in raising awareness of the diverse forms of domestic abuse through promoting targeted messages throughout the '16 Days of Action' campaign in November and December 2020.

Public Health

Public Health are successfully delivering on many new areas of work using national grant funding and continuing to prioritise existing tasks and functions within the limits of delivery mechanisms. Examples of work include:

- Continued communication and promotion with partners and the public to advise on rates of infection and continued reinforcement of Government and local guidance to reduce and contain settings and community transmission.
- ESCC and WSCC Public Health have developed a partnership agreement to commence local COVID-19 tracing partnership to support national test and trace systems. The project went live on 23/11/2020.
- Work across the system to help set up:

- three local testing sites (LTS) in Bexhill, Eastbourne and Hastings;
- numerous locations where we deploy Mobile Testing Units (MTU) for two to three days; and
- the Regional Testing Site (RTS) at Plumpton racecourse (in West Sussex RTS also operate at Tangmere and Gatwick).
- Infection Control work has been boosted with additional posts and bespoke training delivered for RSI and mental health teams.
- Service Level Agreement developed with East Sussex Healthcare Trust (ESHT) for Respiratory Respirator mask fitting for ASCH and Children's services departments.
- Funding to support a model of trauma-based care (psychologically informed environment) to best enable people who had been rough sleepers to engage with a range of services including mental health and substance misuse.

Workplace wellbeing – a support offer to businesses has commenced as a part of the new workplace health programme. The first monthly Wellbeing at Work newsletter was released in October. These newsletters aim to link employers with workplace wellbeing resources, events, training, news, guidance, best practice and campaigns, that will in turn support the business to improve health and wellbeing in their workplace. A new Wellbeing at Work webinar series, launched December, aims to link up with external partners and experts to provide information, support and signposting to businesses on pertinent workplace wellbeing topics. Webinars cover topics such as, how to manage redundancies compassionately and how to gain and maintain resilience during the winter months. In October 2020, a health and wellbeing survey was conducted on the consultation hub to gather feedback on the health and wellbeing challenges businesses and their employees face due to the effects of the coronavirus pandemic, as well as suggestions of support they may find beneficial. The support being provided and planned for businesses is being informed and shaped by the feedback gathered from businesses.

Sexual Health –

- Public Health worked with Sussex NHS partners to review the termination of pregnancy (ToPS) services contract. The service now includes remote consultation, with a face to face consultation and scan only where needed and postal early medical oral treatment. These changes have created a much more accessible service for all.
- Public Health are a project partner of a European 2 Seas project titled SHIFT examining the sexual health needs of those aged over 45. Results from the study so far include raising the profile of sexual health in this age group through national and international media reports, identifying where people would like to gain information and services across the four participating nations, developing information sources for this age group and developing training for a variety of health and social care workforces.
- **Online Emergency Hormonal Contraception (EHC) service** – started in June 2020, this service gives women increased access to EHC through an online assessment rather than having to attend a face to face appointment, which reduces pressure on face to face services, and is more convenient for many women. Uptake in Q3 appears to have replaced the initial Q1 and Q2 drop in face to face service activity bringing us back to the expected level of provision in spite of the challenges of moving from a face to face to an online service.

Making Every Contact Count (MECC) initiative – Reported a quarter in arrears. While activity nearly doubled in Q2, the service continues to struggle to attract uptake of its MECC training programme (**ref vi**), despite it now being available digitally. Feedback from potential recipient organisations suggests that capacity to attend external training may not return to normal for the rest of the year. Due to service disruption it is proposed that the target be reduced from 600 to 150.

Number of new service user interventions started through One You East Sussex as part of the Integrated Lifestyle Service – Despite referrals doubling from 479 in Q1 to 961 in Q2, and the service achieving its highest ever number of people accessing stop smoking support in the months of August and September, activity is still below pre-COVID-19 levels. Due to service disruption it is proposed that the target be reduced from 7,000 to 4,500 (**ref vii**).

NHS health check – The service was suspended by NHS England (NHSE) / Royal College of General Practitioners (RCGP) due to the COVID-19 pandemic and all providers ceased delivering the service until 1 August. Due to service disruption it is proposed that the target be reduced from 50% to 40% (**ref viii**).

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. At the end of Q3, expenditure is £1.911m less than anticipated due to delivery of services being restricted by COVID-19. This results in a projected underspend of £0.548m.

ASC

The net Adult Social Care budget of £183.209m includes growth and demography funding and an inflationary uplift to support the independent sector care market. The budget is currently forecast to overspend by £0.441m excluding the

financial impact of COVID-19 on ASC costs. This comprises an overspend of £0.572m in the Independent Sector, offset by an underspend of £0.131m in Directly Provided Services. The Independent Sector overspend reflects ongoing demand-led pressure on ASC services and the likely future impact of the Hospital Discharge Programme (HDP) as approximately 1,000 clients discharged under Scheme 1 of the HDP transition back to ASC during the second half of the year. The underspends in Directly Provided Services relate mainly to lower demand in Day Services, temporary reductions in social worker training and increased staffing vacancies while recruitment activity remains lower.

ASC is currently forecasting the net financial impact of COVID-19 to be £7.484m in 2020/21. This is split, with £3.692m in the Independent Sector, £3.774m in Directly Provided Services and £0.018m in Community Safety. The main areas of expenditure include relief payments to providers; spend on PPE and the support to shielded groups via the Community Hubs (the latter of which is funded in part by the Food and Emergency Supplies Grant). Hospital discharge costs will be funded by the HDP funding, which includes a contribution from ASC's core budget equal to our normal spend meeting the needs of people discharged from hospital, in line with national guidance. The projected COVID related spend has fallen since Q2 as projected one-off payments to social care providers will be replaced by funding from the Rapid Testing Grant and Tranche 2 of the Infection Control Fund.

Capital Programme Summary

The ASC Capital programme is £0.170m for 2020/21. £0.007m slippage is expected in Greenacres.

Performance exceptions (See How to read this report for definition)								
Performance measure	Outturn 19/20	Target 20/21	20/21 RAG				Q3 2020/21 outturn	Note ref
			Q1	Q2	Q3	Q4		
Priority – Helping people to help themselves								
Number of hospital bed days lost due to delayed transfers from hospital care (Daily average)	47.1	Target amendment requested from: 39.8 To: Cannot be implemented due to COVID	G	G	AD		NHS England paused collection & publication of DToC statistics. Unable to report on this measure for 2020/21	i
Number of hospital bed days lost due to delayed transfers from hospital care due to Council social services (Daily average)	7.7	Target amendment requested from: 11.5 To: Cannot be implemented due to COVID	G	G	AD		NHS England paused collection & publication of DToC statistics. Unable to report on this measure for 2020/21	ii
Number of hospital bed days lost due to delayed transfers from hospital care due to local NHS (Daily average)	38.3	Target amendment requested from: 24.4 To: Cannot be implemented due to COVID	G	G	AD		NHS England paused collection & publication of DToC statistics. Unable to report on this measure for 2020/21	iii

Performance exceptions (See How to read this report for definition)								
Performance measure	Outturn 19/20	Target 20/21	20/21 RAG				Q3 2020/21 outturn	Note ref
			Q1	Q2	Q3	Q4		
Number of carers supported through short-term crisis intervention	921	390	G	A	R		90	iv
The proportion of people who received short-term services during the year, where no further request was made for ongoing support	92.9%	≥90.5%	G	G	R		87.5%	v
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	Target amendment requested from: 600 To: 150	G	A	AD		Q2: 72 (Reported a quarter in arrears) Service disrupted	vi
Number of new service user interventions started through One You East Sussex as part of the Integrated Lifestyle Service	6,432	Target amendment requested from: 7,000 To: 4,500	G	A	AD		Q2: 1,382 (Reported a quarter in arrears) Service disrupted	vii
Cumulative percentage of the eligible population who have received an NHS health check since 2015/16 (five-year period)	49.3%	Target amendment requested from: 50% To: 40%	G	R	AD		Q2 – 38.6% (Reported a quarter in arrears) Service disrupted	viii
Priority – Keeping vulnerable people safe								
The proportion of people who use services who say that those services have made them feel safe and secure (Adult Social Care Survey)	83.6%	Target amendment requested from: ≥83.8% To: Cannot be implemented due to COVID	G	G	AD		Adult Social Care Survey made voluntary for 2020/21 due to COVID-19. Significant practical considerations on feasibility of undertaking large-scale work to carry out survey and likely response rate.	ix

Savings exceptions						
Service description	2020/21 (£'000) – Q3 Forecast					Note ref
	Original Target For 2020/21	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	
Savings						
Working Age Adults: Nursing, Residential and Community Based services	248	371	371	-	-	
Meals in the Community	-	483	483	-	-	
Total Savings	248	854	854	0	0	
			-	-	-	
			-	-	-	
Subtotal Permanent Changes 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 Where agreed savings are reasonably unable to be achieved other permanent savings are required to be identified and approved via 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)			Q3 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	120,426	(43,561)	76,865	114,309	(43,486)	70,823	6,117	(75)	6,042	
IS - Learning Disability Support	63,737	(4,878)	58,859	68,054	(5,249)	62,805	(4,317)	371	(3,946)	
IS - Mental Health Support	7,822	(1,805)	6,017	11,768	(3,083)	8,685	(3,946)	1,278	(2,668)	
Subtotal	191,985	(50,244)	141,741	194,131	(51,818)	142,313	(2,146)	1,574	(572)	
COVID-19 related										
IS - Hospital Discharges	-	-	-	23,786	(23,786)	-	(23,786)	23,786	-	
IS - Loss of Income	-	-	-	-	377	377	-	(377)	(377)	
IS - Provider Relief Payments	-	-	-	3,315	-	3,315	(3,315)	-	(3,315)	
IS - Infection Control Fund	-	-	-	19,054	(19,054)	-	(19,054)	19,054	-	
Subtotal	0	0	0	46,155	(42,463)	3,692	(46,155)	42,463	(3,692)	
Directly Provided Services and Assessment and Care Management										
Physical Support, Sensory Support and Support for Memory & Cognition	15,087	(4,675)	10,412	11,623	(1,318)	10,305	3,464	(3,357)	107	
Learning Disability Support	7,470	(595)	6,875	7,092	(381)	6,711	378	(214)	164	
Mental Health Support	3,008	(2,985)	23	3,008	(2,884)	124	-	(101)	(101)	
Substance Misuse Support	591	(115)	476	591	(115)	476	-	-	-	
Equipment & Assistive Technology	5,599	(3,101)	2,498	5,558	(3,232)	2,326	41	131	172	
Other	1,194	(695)	499	1,349	(694)	655	(155)	(1)	(156)	
Supporting People	6,780	(310)	6,470	6,780	(310)	6,470	-	-	-	
Assessment and Care Management	25,856	(2,735)	23,121	25,921	(2,613)	23,308	(65)	(122)	(187)	
Carers	3,227	(2,533)	694	2,562	(1,868)	694	665	(665)	-	
Management and Support	19,356	(29,246)	(9,890)	18,703	(28,725)	(10,022)	653	(521)	132	
Service Strategy	290	-	290	500	(210)	290	(210)	210	-	
Subtotal	88,458	(46,990)	41,468	83,687	(42,350)	41,337	4,771	(4,640)	131	
COVID-19 related										
Loss of Income	-	-	-	-	-	-	-	-	-	
PPE	-	-	-	2,140	-	2,140	(2,140)	-	(2,140)	
Emergency Meals, Community Hubs and Grants	-	-	-	2,047	(905)	1,142	(2,047)	905	(1,142)	
Staffing	-	-	-	342	-	342	(342)	-	(342)	
Other	-	-	-	150	-	150	(150)	-	(150)	
Subtotal	0	0	0	4,679	(905)	3,774	(4,679)	905	(3,774)	

Revenue Budget										
Divisions	Planned (£000)			Q3 2020/21 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Total Adult Social Care	280,443	(97,234)	183,209	328,652	(137,536)	191,116	(48,209)	40,302	(7,907)	
Planned Budget										
Safer Communities										
Safer Communities	483	(25)	458	1,341	(883)	458	(858)	858	-	
Subtotal	483	(25)	458	1,341	(883)	458	(858)	858	0	
COVID-19 related										
Community Safety - Staffing	-	-	-	18	-	18	(18)	-	(18)	
Subtotal	0	0	0	18	0	18	(18)	0	(18)	
Total Safer Communities	483	(25)	458	1,359	(883)	476	(876)	858	(18)	
Planned Budget										
Public Health										
Core Services										
Mental Health & Best Start	10,308	-	10,308	9,696	-	9,696	612	-	612	
Risky Behaviours and Threats to Health	11,278	-	11,278	10,782	-	10,782	496	-	496	
Health Systems	3,083	-	3,083	2,697	-	2,697	386	-	386	
Communities	743	-	743	798	-	798	(55)	-	(55)	
Central Support	3,670	-	3,670	3,198	-	3,198	472	-	472	
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)	-	548	548	-	(1,911)	(1,911)	
Subtotal	29,082	(29,082)	0	27,171	(27,171)	0	1,911	(1,911)	0	
COVID-19 related										
Test, Track and Contain	2,535	(2,535)	-	2,535	(2,535)	-	-	-	-	
Contain Outbreak Management Fund	4,458	(4,458)	-	4,458	(4,458)	-	-	-	-	
Subtotal	6,993	(6,993)	0	6,993	(6,993)	0	0	0	0	
Total Public Health	36,075	(36,075)	0	34,164	(34,164)	0	1,911	(1,911)	0	

Capital programme										
Approved project	Total project – all years (£000)		2020/21 (£000)							Note ref
			In year monitor Q3 (£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	
Greenacres	2,598	2,598	120	54	113	7	-	7	-	
House Adaptations for People with Disabilities	2,719	2,669	50	-	-	50	50	-	-	
Total ASC Gross	5,317	5,267	170	54	113	57	50	7	0	

Business Services – Q3 2020/21

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

Summary of successes and achievements – During Q3, maintaining COVID-19 secure sites to support the delivery of Council services has continued to be a main focus of activity. Additional measures were undertaken in Q3 at the time of the second lockdown and changes in Government guidance. We are also supporting services to consider their future business needs as part of the Workstyles review. A cross functional team are working together to support services, in response to the challenges and opportunities that the pandemic has posed to the organisation and the way it works.

The Social Value commitments from our suppliers have been more innovative in response to the pandemic and changing priorities of their local community. In Q3, the commitments have included local fundraising, with the proceeds being given to food banks; an environmental champion who will provide training and support to various schools and partners; and a 'Grow Your Own' initiative that will support service users physical and mental health and wellbeing through gardening in a sustainable organic way, learning about nutrition and eating healthy food.

In Q3, two events were held in the Voluntary Community and Social Enterprise (VCSE) sector: These were: '*Valuing the VCSE sector as an equal partner*' hosted by Sussex Health & Care Partnership (SHCP) and Institute Voluntary Action Research (IVAR); and a '*Build and Share Event*' for East Sussex public sector and VCSE sector partners. Both events were opportunities to present, discuss and explore, insight and intelligence gathered by partners over the last six months.

Apprenticeships – Focus has been on supporting the 'Kickstart' programme (which provides funding to create six month job placements for young people aged 16-24 who are currently on Universal Credit and at risk of long-term unemployment) and an internal steering group has been set up to support implementation. Communications on the scheme were sent to all recruiting managers and 20 expressions of interest were received. The scheme not only funds the cost of the placement (up to the National Minimum Wage) but also draws funding down for each young person for set up costs and training. A bespoke training package has been developed with the aim of supporting these young people to progress into a role within the Council or another employer at the end of the placement.

At the end of 2020, the Department for Education published the performance tables for all public sector organisations working toward the target of 2.3% of all staff to be apprentices. The Council was placed sixth nationally for county councils, at 1.2% on a cumulative basis since 2017. There are currently 200 Council staff undertaking apprenticeship training and new enrolments have remained encouraging throughout the pandemic, with 46 staff enrolling in Q3. The outturn for 2020/21 is 1.8% against the 2.3% target.

Savings achieved through procurement, contract and supplier management activities – In Q3, contracts were awarded for the ongoing provision of care and support services at three of the Council's Supported Living schemes for people with mental health conditions and learning disabilities, as well as three contracts being awarded for Supported Accommodation for care leavers and young homeless people in East Sussex.

We also awarded a contract for a Warm Home Check Service, which aims to protect individuals and communities from the effects of living in a cold home. This service forms part of the East Sussex fuel poverty reduction programme and contributes to the improvement of Public Health outcome framework indicators for fuel poverty and excess winter deaths. The Strategic Procurement Team also continued to support the Council and independent sector staff on the supply and distribution of Personal Protective Equipment.

We have a reduced savings pipeline for the remainder of 2020/21, as some projects that had forecasted savings are no longer going ahead. The present challenges relating to the COVID-19 pandemic and economic uncertainty means there is a risk that some of the remaining projects may also not go ahead or may move into 2021/22, which will reduce our opportunity to secure social value benefits. The projects that are completed in Q4 may also not deliver the forecasted savings and benefits. We remain cautiously optimistic that we will meet our targets in Q4, as we continue working closely with suppliers and colleagues across the Council to achieve this outcome.

Social Value (SV) – In Q3, a total of 14 contracts were awarded of which six contracts were out of scope, as we accessed existing pre-approved lists of suppliers with predefined contractual terms, so the Social Value Measurement Charter could not be applied. The eight in-scope contracts had a total contract value of £9.15m and secured £1.02m in Social Value commitment, which equates to an outturn of 11%. As noted above in the Savings paragraph, there has been a reduction in projects taking place due to COVID-19, which has reduced our capacity to achieve social value from these projects and made it difficult to achieve the social value target this year (**ref i**).

In Q3, a Social Value Lead was appointed to provide a dedicated resource to drive a number of social value activities forward during this time of recession and to support the delivery of the Economic Recovery Plan (ERP). Among other activities, the role will lead on the development and delivery of a new East Sussex Social Value Policy; engage with other public, private, third party and industry organisations across the county to design a county wide approach to Social Value; and promote awareness / increase participation on the Social Value Marketplace.

Third Sector support – During Q3 all activity remained focused on ensuring external partners were supported in following Government COVID-19 guidance and identifying adaptations to their services and activities to meet the continuing local impacts of the pandemic.

Third Sector support worked with Adults Social Care and Health and Children's Services leads to establish criteria and processes for Department Work and Pensions (DWP) funding to be made available to VCSE organisations to support families, children and young people during the winter months. Grants have been made directly to VCSE organisations, with a portion of the DWP funding being passported to Sussex Community Foundation (SCF) to create the Covid Winter Support Fund; the fund also has a contribution from West Sussex County Council (WSCC). The Third Sector support team worked with WSCC colleagues to agree criteria and process, enabling WSCC to formally work with SCF for the first time.

Internal Audit – During Q3, a revised seven-month audit plan was endorsed by the Audit Committee, recognising the impacts of COVID-19 response activity on delivery in the first part of the year, as well as new and emerging risks and priorities for the remainder of the year in response to COVID-19. Whilst this work is continuing, delivery has been further impacted by the latest lockdown with resources now focussing on providing assurance over the highest priority areas; in particular, key financial systems. Wherever necessary, Internal Audit are continuing to provide proactive advice and support on risk, governance and internal control matters to services as they themselves adapt in response to the impacts of COVID-19.

Insurance claims – In Q3, 98.2% of liability claims were handled to first decision (i.e. initial repudiation or offer of compensation) within the relevant legal time frames. This is in excess of the 95% target and shows a marked improvement from Q1 and Q2. A majority of claims are highways related and these are traditionally impacted by periods of severe winter weather. Therefore, claim numbers will continue to be closely monitored for Q4.

Property operations – The Property data platform that supports the Property service is being replaced and a procurement process was undertaken, with a new supplier appointed and delivery programme commenced in Q3.

There has been an overall reduction of 16.8% in energy use during Q3 versus the start of the year. This breaks down as 21.1% reduction for schools and 11.7% 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.

There is an updated and revised cost of occupation of offices for Q1, Q2 and Q3 due to an error identified in the calculation of outturns. This has resulted in the cost of occupancy being reduced as compared to 2019/20 and RAG ratings changed from red as first reported at Q1 (**ref iii**).

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 Q3, many SPACES projects continue to be under review as key priorities for partners are impacted by the pandemic. This has meant some projects are on temporary hold, with delays ranging from between six months to three years. Ongoing discussions continue to help ensure that any changes to project situations are monitored and benefits can still be tracked and measured, whilst new projects that have evolved through the partnership working are being captured.

SPACES partnership completed and submitted a bid for OPE Phase 8 funding, totalling around £875,000 of revenue grant funding. The Programme also submitted a bid for £180,000 to the Land Release Fund (LRF) Phase 2. The projects submitted include public sector colocations; office accommodation utilisation across the public sector; a new medical centre; provision of new training facilities; and new housing, including key worker accommodation. The focus is around recovery following COVID-19, including housing regeneration, local employment opportunities, developments, infrastructure and supporting greener sustainable projects, which also contribute to climate emergency agendas.

The value of benefits delivered by SPACES (a total across all SPACES partners) at the end of Q3 was over £19m, with another £2.6m identified within planned projects.

Property Strategy – The significant changes in working practices seen due to COVID-19 has led to a reassessment of future needs as we approach the 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. The office leases will be renewed but on flexible terms.

Property Investment – We have continued to work on reviewing our property assets, which has produced several projects (**ref ii**). In Q3 we have been able to:

- Complete marketing of the Grove site in Hastings and offers received;
- Finalise property disposal terms for Adams Farm;
- Priory School capital investment works now completed;

- Consider options for Charter House; and
- Agree revised rental terms for existing offices in Eastbourne and Hastings to enable flexible leases.

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 – The Device Refresh Project has continued, with social distancing measures in place, to update equipment from Windows 8 to Windows 10. Despite reduced throughput due to COVID-19 constraints, the majority of our laptop estate has now been refreshed with only the fixed desks and thin client terminals remaining.

Over a number of months, IT&D have been migrating systems and data to an enhanced infrastructure, the most significant move in Q3 was the Social Care ecosystem. The ecosystem 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. During Q3, IT&D secured the strategic investment that will enable the Council to start Robotic Process Automation (RPA). Introducing robotics and virtual assistants to support the Core Offer aims to ease demand and help embed new ways of working.

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. Q3 saw the programme reach the final stage of procurement. The programme will be evaluating the three bidder responses and recommending the preferred solution in Q4.

Attendance Management and Wellbeing – The Q1-3 sickness absence figure for the whole authority (excluding schools) is 5.67 days lost per FTE, a decrease of 4.8% since the previous year.

Stress continues to be the primary driver of absence. Coronavirus now features as the second highest reason for absence, but this was largely due to a peak in absence for this reason in Q1. In response to COVID-19, a range of measures have been introduced to provide enhanced support:

- The launch of a 'Wellbeing Newsletter' in response to staff feedback.
- Attendance of 80 members of staff at 'Working Through a Pandemic' sessions, hosted by our Employee Assistance Programme (EAP), with more booked.
- Workshops on compassionate leadership, remote teams and wellbeing, with more planned.
- Support in virtual team meetings and 1-1 sessions from our expanding Mental Health First Aiders.
- Development of a Wellbeing Intranet page hosting a wealth of information with signposting to targeted resources. This is supported by a dedicated wellbeing campaign with daily webinars from our EAP provider.
- The launch of the 'Time to TALK about Stress' campaign on 10 October 2020, with a focus on managing stress in a remote environment, supported by a comprehensive toolkit.
- The development of a short film promoting the importance of keeping in touch with colleagues to help prevent feelings of isolation.

Business Operations – Working collaboratively with services, Business Operations has continued to drive the Pay Efficiency Project during Q3, to improve the prompt payment of suppliers which has seen the Purchase to Pay (P2P) prompt payment levels continuously exceeding the target of 93% with performance being maintained at 96% throughout Q3. We have continued to work with suppliers to increase the take up of e-invoicing which now stands at 44%, a further increase of 2% across Q3.

Revenue Budget Summary – The 2020/21 Business Services net revenue budget is £24m, which includes an £11.8m contribution to the Orbis budget. The full year estimated outturn is a net overspend of £1.253m (**ref ix**). £0.703m of this (**ref viii**), is directly related to additional costs, lost revenue or savings not being achieved due to COVID-19. Additional IT expenditure has been incurred to allow for remote working, as well as the loss of income streams with HR&OD and Property due to closure of various premises. There is also a savings target within ESCC's contribution to Orbis, which is now unlikely to be made this year due to COVID-19 (**ref vii**).

The non-COVID-19 element of the overspend equals £0.550m (**ref vi**) and mainly consists of £0.406m of budgeted savings, originally planned to be delivered through Orbis efficiencies. These savings are no longer deemed achievable in-year as some services have been removed from the Orbis partnership, therefore limiting the ability to make savings through shared working arrangements. In the revenue budget table, these savings are included within Finance (included in **ref iv** alongside £0.009m of other variances). 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. This is due to delays in implementing the proposed property restructure, as well as an increase in rent following a rent review (**ref v**). However, there are underspends within IT&D, reducing the overall overspend position.

Service areas within the joint Orbis budgets are categorised as either “Fully integrated”, “Partially integrated” or “Centres of Expertise”. This is reflected within the Orbis financial tables. 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 £0.412m (**ref xii**). This consists of an overspend of £0.750m being reported within Business Operations (**ref x**) which relates to a £0.750m savings target that is now not likely to be achieved, as well as a £0.193m (**ref xi**) overspend within the Insurance Centres of Expertise. However, there are notable underspends across the rest of the Orbis budgets, which have helped reduce the net Orbis overspend. The ESCC contribution to the net Orbis overspend is currently forecast as £0.055m (**ref xiii**).

Capital Programme Summary – The 2020/21 capital budget is £30.508m and includes the £14.082m Schools Basic Need Programme and the £7.340m Building Improvements programme (**ref xiv**). The full year estimated variance includes slippage of £1.897m, spend in advance of £0.626m and overspends of £1.282m (**ref xvii**). The overspends are predominantly forecasted additional expenditure due to the impact of COVID-19. The most significant other movements are slippages associated with IT & Digital Strategy Implementation (**ref xv**) and 14 Westfield Lane (**ref xvi**).

Performance Exceptions (See How to read this report for definition)								
Performance measure	Outturn 19/20	Target 20/21	20/21 RAG				Q3 2020/21 outturn	Note Ref
			Q1	Q2	Q3	Q4		
Priority – Driving sustainable economic growth								
Economic, social and environmental value committed through contracts, as a percentage of our spend with suppliers	10.5%	>10%	G	G	A		Q3: 11% Year to date: 6.7%	i
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	G		Year to date: 7 outline business cases brought forward	ii
Cost of occupancy of corporate buildings per sq. metre	£161.98	2% reduction on 2019/20 revised cost base	G	G	G		Q3: £139.10 Error identified in calculation of outturns for Q1 & Q2. RAGs for Q1 & Q2 amended from Red to Green to reflect revised outturns.	iii

Savings exceptions

Service description	2020/21 (£'000) – Q3 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	-	-
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 Where agreed savings are reasonably unable to be achieved other permanent savings are required to be identified and approved via 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)			Q3 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	1,750	(1,255)	495	2,822	(1,930)	892	(1,072)	675	(397)	iv
HR & OD	390	(390)	-	390	(375)	15	-	(15)	(15)	
IT & Digital	5,905	(2,414)	3,491	5,758	(2,397)	3,361	147	(17)	130	
Procurement	977	(510)	467	986	(487)	499	(9)	(23)	(32)	
Property	27,682	(19,854)	7,828	26,301	(18,105)	8,196	1,381	(1,749)	(368)	v
Contribution to Orbis Partnership	16,128	(4,375)	11,753	16,033	(4,412)	11,621	95	37	132	
Subtotal	52,845	(28,811)	24,034	52,303	(27,719)	24,584	542	(1,092)	(550)	vi
COVID-19 related										
HR&OD – COVID-19	-	-	-	(119)	219	100	119	(219)	(100)	
IT&D – COVID-19	-	-	-	23	-	23	(23)	-	(23)	
Property – COVID-19	-	-	-	195	198	393	(195)	(198)	(393)	
Contribution to Orbis Partnership – COVID -19	-	-	-	187	-	187	(187)	-	(187)	vii
Subtotal	0	0	0	286	417	703	(286)	(417)	(703)	viii
Total BSD	52,845	(28,811)	24,034	52,589	(27,302)	25,287	256	(1,509)	(1,253)	ix

Revenue Budget											
Divisions	Planned (£000)			Q3 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	12,750	(7,592)	5,158	13,500	(7,592)	5,908	(750)	-	(750)	x
	IT & Digital Management	23,249	(3,120)	20,129	23,335	(3,276)	20,059	(86)	156	70	
	Procurement	403	-	403	418	(58)	360	(15)	58	43	
Partially Integrated	Finance	4,685	(200)	4,485	4,780	(295)	4,485	(95)	95	-	
	HR & OD Management	4,801	(1,367)	3,434	4,700	(1,413)	3,287	101	46	147	
	Management	4,850	(1,509)	3,341	4,825	(1,460)	3,365	25	(49)	(24)	
Centres of Expertise	Financial Accounting Systems	103	-	103	63	-	63	40	-	40	
	Insurance	342	-	342	269	-	269	73	-	73	
	Treasury & Tax	606	(266)	340	701	(168)	533	(95)	(98)	(193)	xi
	Orbis Finance Team	348	(22)	326	336	(57)	279	12	35	47	
	Orbis Internal Audit	363	-	363	349	-	349	14	-	14	
Total Orbis		54,356	(14,520)	39,836	54,940	(14,692)	40,248	(584)	172	(412)	xii
ESCC Contribution				11,753			11,808			(55)	xiii

Capital programme										
Approved project	Total project – all years (£000)		2020/21 (£000)							Note ref
			In year monitor Q3 (£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	276	404	36	-	36	-	
Property Agile Works	9,713	9,713	374	171	171	203	-	203	-	
Capital Building Improvements	82,902	82,902	7,340	4,666	7,340	-	-	-	-	xiv
IT & Digital - Utilising Automation	132	132	70	13	70	-	-	-	-	
IT & Digital Strategy Implementation	87,586	87,586	3,908	1,883	3,504	404	(290)	970	(276)	xv
Schools Basic Need	135,524	135,524	14,082	11,307	14,324	(242)	(242)	-	-	
Special Provision in Secondary School	3,140	3,140	1,666	2,201	2,416	(750)	(400)	-	(350)	
14 Westfield Lane	1,200	1,200	350	10	12	338	-	338	-	xvi
Disabled Children's Homes	242	242	-	-	-	-	-	-	-	
Lansdowne Unit (CSD)	8,013	8,013	2,278	1,607	2,278	-	(350)	350	-	
Total BSD Gross	332,042	332,042	30,508	22,134	30,519	(11)	(1,282)	1,897	(626)	xvii

Children's Services – Q3 2020/21

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

Summary of successes and achievements

Funded places for eligible 2-year olds

Take-up in East Sussex of 84% remains above the national average of 69% and above the South East Region average of 69%.

Participation in education, training or employment with training

In Q3 we have worked with partners on the Government's Plan for Jobs agenda. This has included:

- Shaping bids for local Youth Hubs, which are aimed at getting young people back into employment, and Kickstart employment programmes.
- Submitting a bid to the Youth Foundation Fund for flexible re-engagement programmes for our most vulnerable young people.
- Developing Careers East Sussex as the go to online platform where young people can apply to colleges online via one application form.
- Developing an employability passport on the platform to help young people identify, develop and record their skills.

Caseworkers, the Through Care team and the Youth Employability Service (YES), continue to work with our looked after children to keep their current placements as stable as possible and to signpost and support them into higher education, further education or employment.

Pupils eligible for free school meals

The Council received funding as part of the Covid Winter Grant scheme to provide extra targeted financial support for those in need. The Council agreed to use a significant amount of the funding received to provide food vouchers to free school meal eligible pupils during the Christmas and February half term holidays. Food vouchers were also provided to 16-19 year old pupils eligible for free meals and 2, 3 and 4-year olds attending early years provision who are eligible for pupil premium. By the end of the scheme, we will have provided food vouchers to approximately 16,500 pupils at a total cost of £750,000.

Supporting schools with cases in Q3 and preparing for lockdown

We have reinstated processes and communications used during the first national lockdown. We have used the message board to keep schools up to date. This included all Government advice and support from Public Health. Throughout Q3 we have continued to update the model risk assessment for schools, linked with other services. We have produced model contingency plans for local outbreaks to support schools to return to full opening, when possible. We have updated these documents for early years settings. Our advisers followed up with schools in detail on their plans for re-opening and the recovery curriculum. This included reviewing their contingency plans for further disruption. We also undertook a case study of good practice in remote learning strategies from Council schools and published this for all schools.

Attendance and high-quality provision

The work of the multi-agency Vulnerable Children Risk Assessment Group (VCRAAG) ran throughout lockdown and into the new academic year. There was a strong focus on securing full time attendance as a protective factor. This meant that East Sussex had one of the highest rates of attendance for pupils with an Education Health and Care Plan (EHCP) and pupils open to social care in the South East region. From September 2020, VCRAAG was focused on securing a return to school for all pupils; particularly those in a vulnerable category. This was essential as some pupils had been out of school since March 2020. This was delivered through the Education Support Behaviour and Attendance Service (ESBAS) Attendance Recovery Offer. Every primary, secondary and special school could access free support to encourage pupils back into school. 139 primaries (91%), 15 secondaries (58%) and 11 special schools (100%) engaged with this process. As at 1 December 2020 non-returners had reduced from 865 at the start of September, down to 68, with 10.3% open to social care. Services and schools continue to work together with a focus on strongly encouraging school attendance for vulnerable pupils, in line with Government guidance.

Young person's voice to inform Special Educational Needs and Disability (SEND) policy and practice

93% of children have given their views and or/participated in their EHCP annual review meetings between April and December 2020.

Strengthening engagement with children, young people and their families is at the heart of developing a truly co-productive model of SEND in East Sussex. The SEND Code of Practice (2015) sets out as its core principle that the

views, wishes and feelings of children and young people are what must drive decision making. To enhance the work already underway we have recently established:

- The co-production of a new Instagram page with young people with SEND. The aim is for ongoing input into the page content by children and young people.
- Consultation on a new interactive tool on the Careers East Sussex website. This will support young people and parents with the journey to adulthood.
- Consultation with 49 children and young people with SEND across nine schools on the high level SEND outcomes framework. The framework was developed by the SEND Strategy Governance Group. (Joint strategic leads across health, education and social care with parent carers). The activity provided information on:
 - What the new 5 high level outcomes mean to the children.
 - Material for an animation to promote the outcomes framework to partners in due course.
 - Initial feedback on how children feel outcomes for them are being met. It showed a wide range of experience and gave us an indication of:
 - how they feel in school;
 - the importance of friendships;
 - how they like to learn;
 - the access they have to help and learning resources; and
 - how they like to say what they want in their own words.

We will use this to inform the review of the Special Educational Needs and Disability Strategy in 2021/22.

Referrals and Children in Need

The numbers of contacts with the Single Point of Advice (SPoA) have increased by 39% across the year from 2,246 in Q1 rising to 3,124 in Q3. There has been a significant rise, 100%, in the proportion of referrals for children with emotional wellbeing/mental health difficulties from 299 at Q1 to 600 at Q3.

The rate of referrals to social work teams has remained stable. As numbers of referrals from schools increased in Q3 there were compensatory reductions from other sources. Within that however there are higher numbers of more complicated child protection referrals.

Significant pressure is being held in the social work teams with 1,003 open cases of Children in Need. This is 203 more than the target figure of 800.

Children subject to Child Protection (CP) plans and Looked after Children (LAC)

The numbers of children subject to CP plans has reduced from a rate of 59.9 (637 children) at Q2 to 51.6 (548 children) at Q3. The reduction is a result of targeted work on safe reduction in September to December. During this time, more face to face visiting was taking place and more children were in school. We will keep looking at the impact of the current COVID-19 lockdown on the number of CP plans. We anticipate that we may see a rise in numbers again as we did earlier in the year.

There has been a small increase in the rate of LAC per 10,000 from 57.0 (606 children) to 57.4 (610 children) at Q3. This is slightly above our target rate of 56.5 per 10,000 (601 children). Some families have felt unable to continue to care for their challenging teenagers. We have also seen higher numbers of children involved in criminal exploitation. Placements for challenging teenagers are usually in residential accommodation, the most expensive option.

Revenue Budget Summary – The net budget of £88.423m is forecast to be overspent by £11.975m by the year end (**ref vii**). Within this, £11.075m relates directly to COVID-19 pressures (**ref vi**) and £0.900m to non COVID-19 pressures (**ref iv**).

The **COVID-19 related pressures** have increased by £0.832m since Q2 and continue to be primarily within Early Help and Social Care (£8.804m) (**ref v**). Within this, LAC budgets continue to be impacted by COVID-19, with the increase arising from further placements during Q3, where a mixture of new residential and foster placements and semi-independent accommodation placements continue to be required.

Of the **non COVID-19 related pressures**, there is an increase of £0.255m to £0.900m from the Q2 forecast overspend position. Removal of unrequired travel budgets (£0.468m), as well as ongoing pressures on the Social work staffing budgets in Locality as reported previously (**ref iii**), have increased the forecast spend. Reductions in forecast Home to School Transport costs (in Communications, Planning and Performance) arising from school closures have offset some of the pressures by £0.300m. We are pursuing a range of strategies to reduce these pressures and continuing to record any savings against Central resources (**ref ii**).

Within the above forecast outturn position, £1.982m (ref i) of the £2.028m savings planned for 2020/21 are now forecast to be achieved this year, with £0.046m slipped due to COVID-19.

Capital Programme Summary – The Capital Programme for Children's Services for 2020/21 is £0.924m (ref ix) and the projected spend is in line with this (excess Schools Delegated Capital spend will be covered from school funds (ref viii)).

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

Performance measure	Outturn 19/20	Target 20/21	20/21 RAG				Q3 2020/21 outturn	Note Ref
			Q1	Q2	Q3	Q4		
Priority – Keeping vulnerable people safe								
No exceptions at Q3								

Savings exceptions

Service description	2020/21 (£'000) – Q3 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	1,982	46	0	i
			-	-	-	
			-	-	-	
			-	-	-	
Subtotal Permanent Changes ¹			0	0	0	
Total Savings and Permanent Changes	770	2,028	1,982	46	0	

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding ²	Part of reported variance ³	Total	Note Ref
Early Help	-	46	46	
Total	0	46	46	

¹ Where agreed savings are reasonably unable to be achieved other permanent savings are required to be identified and approved via 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)			Q3 2020/21 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Planned Budget										
Central Resources	2,967	(1,452)	1,515	1,976	(1,452)	524	991	-	991	ii
Early Help and Social Care	68,996	(12,063)	56,933	72,331	(13,817)	58,514	(3,335)	1,754	(1,581)	iii
Education and ISEND	93,820	(6,861)	86,959	94,515	(7,040)	87,475	(695)	179	(516)	
Communication, Planning and Performance	19,241	(1,845)	17,396	19,680	(2,490)	17,190	(439)	645	206	
DSG non Schools	-	(74,380)	(74,380)	-	(74,380)	(74,380)	-	-	-	
Schools	159,989	(159,989)	-	159,989	(159,989)	-	-	-	-	
Subtotal	345,013	(256,590)	88,423	348,491	(259,168)	89,323	(3,478)	2,578	(900)	iv
COVID-19 related										
Central Resources	-	-	-	914	-	914	(914)	-	(914)	
Early Help and Social Care	-	-	-	7,374	1,430	8,804	(7,374)	(1,430)	(8,804)	v
Education and ISEND	-	-	-	312	574	886	(312)	(574)	(886)	
Communication, Planning and Performance	-	-	-	437	34	471	(437)	(34)	(471)	
Subtotal	0	0	0	9,037	2,038	11,075	(9,037)	(2,038)	(11,075)	vi
Total Children's Services	345,013	(256,590)	88,423	357,528	(257,130)	100,398	(12,515)	540	(11,975)	vii

Capital programme										
Approved project	Total project – all years (£000)		2020/21							Note ref
			In year monitor Q3 (£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	50	43	50	-	-	-	-	
Schools Delegated Capital	23,697	23,697	791	1,046	791	-	-	-	-	viii
Conquest Centre redevelopment	356	356	83	35	83	-	-	-	-	
Total CSD Gross	25,110	25,110	924	1,124	924	0	0	0	0	ix

Communities, Economy & Transport – Q3 2020/21

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

Summary of successes and achievements – We completed 86 highway improvement schemes in Q3, to maintain and improve the condition of the county's roads. At the end of Q2, reported a quarter in arrears, 1,940 premises had access to improved broadband speeds, with take up amongst properties that had been connected at 73.2%. A recovery coordinating group has been formed, focusing on the visitor economy and skills; the group will gather tourism data and advise on the next steps to support the visitor economy and improve skills.

Libraries have adapted to continue to offer services, such as essential computer use for services like Universal Credit, during the national lockdown restrictions; during Q3, over 8,000 computer sessions have been provided to the public, with the library the only way many can access online services. There has been a significant growth in Registration demand in Q3, with the focus shifting in late December and early January to focus almost solely on death registrations; despite there being almost three times the average number of deaths needing to be registered in this period every bereaved family has been offered an appointment either on the day of their request or the day after. The Emergency Planning Team continued to play a key role in co-ordinating the Council's response to COVID-19 and EU exit preparations in Q3, including the implementation of COVID-19 testing at Newhaven Port when French Authorities introduced a requirement for lorry drivers to be tested before travel, ensuring over 100 drivers were able to go home for Christmas. Trading Standards have continued to work with Sussex Police and Environmental Health in Q3 to enforce COVID-19 business closures, reducing the spread of the virus and ensuring a consistent message to businesses on how seriously any breaches of the rules will be taken.

The Highways Team adjusted their gritting routes in Q3, to ensure roads and car parks where COVID-19 testing and vaccine centres have been set up were accessible. The Highways Team also helped erect direction signs to the centres and provided traffic management measures where required. Planning approval for a new Highways Maintenance Depot at Queensway in Hastings was granted in Q3. The depot will replace two old facilities, ensuring efficient maintenance work to the road network in the east of the county. The Transport Hub team worked with parents, schools and operators in Q3 to ensure additional COVID-19 secure Home to School Transport was in place, enabling children to get to school safely. In the first three quarters of 2020/21, the Council's statutory planning consultee functions have responded to an increased number of planning applications; with the Transport Development Control team responding to 8% more applications than in the same period in 2019/20 and Flood Risk Management seeing almost a 20% increase. There has also been an increase of 20% in pre-application enquiries to both teams.

Queensway Gateway Road – Sea Change Sussex are seeking approval for their proposed temporary connection to the A21 from Highways England. This will provide access while land acquisition, to allow the permanent connection, is secured. The next phase of the permanent connection was completed in Q3, providing businesses with a frontage on the Queensway Gateway Road access. However, the ongoing discussions with Highways England on the introduction of the temporary connection and the continued negotiations to acquire the necessary land to enable the permanent connection to come forward mean that the construction of the final phase of the road linking the completed section of the Gateway Road to the A21 will not commence this financial year (**ref iii**).

Employability and Skills – Skills East Sussex met in Q3 and agreed how to monitor the Economic Recovery Plan. The task groups and Apprenticeships East Sussex have also met and identified priorities to support sector skills during the pandemic, including work on the Careers East Sussex website. Over 10,000 young people, parents and carers tuned in to watch the virtual Careers Hub event 'What's Next Sussex' during Q3, hearing from employers, post-16 colleges and apprenticeship providers. 15 Industry Champions have signed up to film Open Doors videos, allowing young people to visit their workplaces virtually. Over 20 secondary schools have accessed online training on how to provide students with meaningful virtual encounters with employers.

Business Support and job creation – Businesses were helped by business support programmes to create or safeguard 100 jobs in Q3 (**ref i**). Locate East Sussex helped 13 business to remain within, or relocate to, East Sussex in Q3.

Road Safety – We have received positive results from a number of the behaviour change trials and also the Speed Management Programme. These include the final results from the Notice of Intended Prosecution (NiP) Trial, which have shown that receiving the redesigned NiP and leaflet significantly reduced speeding reoffending by 23% within six months. This would translate to 560 fewer reoffences over the six months if everyone in the trial had received the new leaflet and NIP. The results of the Anniversary Trial have been analysed and showed that 8% of the participants were less likely to reoffend after engagement with the trial, which meant 80 fewer reoffences than business-as-usual. The results of one further trial is currently being analysed. Preliminary results from eight schemes that were part of the Speed Management Programme have indicated over a 50% reduction in the average number of crashes and over a 60% reduction in the average number of casualties per annum. It is expected that both elements of this programme will inform the future work of the Road Safety Team as well as work to address collisions and KSIs across the county

Trading Standards – 13 delegates received online business training activities in Q3, while 304 businesses were advised on COVID-19 business closures. Trading Standards also delivered an EU Exit training session to 46 delegates at the Sussex Chamber of Commerce. There were 41 interventions to protect vulnerable people in Q3. Trading Standards have received fewer referrals of potential vulnerable victims from the National Trading Standards Scams Team during the pandemic, and particularly in Q3, which has reduced the number of interventions we have made. Visits are still taking place where required, although the majority are currently being done remotely to protect vulnerable people from COVID-19 (**ref iv**).

Libraries – 26 people completed online learning courses in libraries in Q3, with a further 33 continuing their courses. No people enrolled on Family Learning programmes in Q3, due to delays in the appointment of new providers. We are planning to offer online services in Q4 which should improve the number of courses offered (**ref ii**).

Waste – Household Waste Recycling Sites (HWRS) and collection services are all operating well with COVID-19 secure procedures and restrictions in place. However reduced parking / unloading spaces at HWRSs will create issues again in the spring and summer and may restrict total visitors and tonnages as seen in summer 2020. Kerbside tonnages remain elevated to the end of Q3 (up approximately 7% when compared to 2019/20) due to increased home working and the effects of furlough, resulting in an overspend in the waste budget as laid out in the Revenue Budget Summary below. HWRS tonnages are up approximately 1% in Q3 compared to 2019/20.

Revenue Budget Summary – The revenue budget is forecast to overspend by £5.261m. The non-COVID-19 underspend of £69k 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 originally 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.

Of the £2.362m saving target, £323k 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 v**). There is a pressure of £5.330m relating to additional costs and reduced income resulting from COVID-19 (**ref vii**). The most significant COVID-19 pressures are in Transport and Operations where car parking income is down £2.265m (this has reduced the planned Parking contribution to Concessionary Fares). Increased collection volumes and the cost of reopening household waste sites with social distancing, have resulted in a COVID-19 related overspend of £1.029m in the Waste service (**ref vi**). The overspend in Customer, Libraries and Registration is mostly due to lost income from marriages and other ceremonies (£617k). The Council's share of the pan Sussex cost of excess deaths as a result of COVID-19 is expected to be £555k although this may rise. Income is also down across other services.

Capital Programme Summary – The CET capital programme has a gross budget of £47.133m and slippage of £3.191m, underspend of £262k, and an overspend of £70k. A number of schemes that had previously been reported with slippage have now had their budgets reprofiled to future years. The £70k overspend is due to COVID-19 costs. The main slippage is on the Broadband scheme where conditions for paying contractor invoices have not been met although delivery is still on target (**ref viii**).

Performance exceptions (See How to read this report for definition)								
Performance measure	Outturn 19/20	Target 20/21	20/21 RAG				Q3 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	G		Q3: 100 jobs created or safeguarded Year to date: 138 jobs created or safeguarded	i
Deliver a range of Family Learning programmes across East Sussex to provide high quality learning opportunities for parents/carers and their children to develop English, maths and language skills and to support a culture of learning in the family (subject to external funding)	N/A	300 enrolments across Family English, maths and Language (FEML) and Wider Family Learning (WFL) programmes	G	G	A		Q3: No courses enrolled in new academic year due to delays in appointment of new providers Year to date: 210 enrolments	ii
Work with Seachange Sussex to deliver major transport infrastructure – Queensway Gateway Road	Second phase of road completed	Commence construction of the final phase of the road	G	G	R		Final phase of road of will not commence in 2020/21	iii
Priority – Keeping vulnerable people safe								
The number of positive interventions for vulnerable people who been the target of rogue trading or financial abuse	127 positive interventions	300	G	G	R		Q3: 41 positive interventions Year to date: 180 positive interventions	iv

Savings exceptions						
Service description	2020/21 (£'000) – Q3 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	v
			-	-	-	-
			-	-	-	-
			-	-	-	-
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 Where agreed savings are reasonably unable to be achieved other permanent savings are required to be identified and approved via 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)			Q3 2020/21 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Planned Budget										
Management and Support	4,686	(2,711)	1,975	4,620	(2,712)	1,908	66	1	67	
Customer and Library Services	7,029	(2,795)	4,234	6,658	(2,446)	4,212	371	(349)	22	
Communities	4,491	(2,136)	2,355	4,789	(2,381)	2,408	(298)	245	(53)	
Transport & Operational Services	83,842	(47,346)	36,496	83,866	(47,968)	35,898	(24)	622	598	
Highways	15,123	(2,462)	12,661	15,142	(2,407)	12,735	(19)	(55)	(74)	
Economy	3,208	(2,033)	1,175	3,179	(1,764)	1,415	29	(269)	(240)	
Planning and Environment	2,884	(1,990)	894	3,345	(2,200)	1,145	(461)	210	(251)	
Subtotal	121,263	(61,473)	59,790	121,599	(61,878)	59,721	(336)	405	69	
COVID-19 related										
Management and Support	-	-	-	712	-	712	(712)	-	(712)	
Customer and Library Services	-	-	-	-	807	807	-	(807)	(807)	
Communities	-	-	-	-	128	128	-	(128)	(128)	
Transport & Operational Services	-	-	-	858	2,332	3,190	(858)	(2,332)	(3,190)	vi
Highways	-	-	-	265	35	300	(265)	(35)	(300)	
Economy	-	-	-	49	92	141	(49)	(92)	(141)	
Planning and Environment	-	-	-	-	52	52	-	(52)	(52)	
Subtotal	0	0	0	1,884	3,446	5,330	(1,884)	(3,446)	(5,330)	vii
Total CET	121,263	(61,473)	59,790	123,483	(58,432)	65,051	(2,220)	(3,041)	(5,261)	

Capital Programme Summary (£000)										
Approved Programme	Total project – all years (£'000)		2020/21 (£'000)							Note Ref
			In year monitor Q3				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	385	439	231	-	231	-	-

Capital Programme Summary (£000)										
Approved Programme	Total project – all years (£'000)		2020/21 (£'000)							Note Ref
			In year monitor Q3				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	
Broadband	33,800	33,800	4,279	964	2,195	2,084	-	2,084	-	viii
Bexhill and Hastings Link Road	126,247	126,247	1,652	221	1,458	194	-	194	-	
BHLR Complementary Measures	1,800	1,800	219	69	100	119	-	119	-	
Economic Intervention Fund	12,033	12,033	392	181	305	87	-	87	-	
Economic Intervention Fund - Loans	3,000	3,000	800	652	800	-	-	-	-	
Stalled Sites Fund	916	916	102	20	55	47	-	47	-	
EDS Upgrading Empty Commercial Properties	500	500	-	-	-	-	-	-	-	
Fast Track Business Solutions	3,500	3,500	250	-	250	-	-	-	-	
Observer Building GBF	1,713	1,713	913	-	913	-	-	-	-	
Restoring Winter Garden GBF	1,600	1,600	600	-	600	-	-	-	-	
Queensway Gateway Road	10,000	10,000	504	134	504	-	-	-	-	
Bexhill Enterprise Park North	1,940	1,940	440	-	440	-	-	-	-	
Skills for Rural Businesses - Post Brexit	2,918	2,918	1,062	-	1,062	-	-	-	-	
Sidney Little Road Business Incubator Hub	500	500	73	37	73	-	-	-	-	
Bexhill Creative Workspace	960	960	554	(14)	554	-	-	-	-	
Eastbourne Fishermen Quayside and Infrastructure	1,080	1,080	-	-	-	-	-	-	-	
Newhaven Port Access Road	23,271	23,271	3,486	2,748	3,464	22	-	22	-	
Real Time Passenger Information	2,963	2,963	184	66	104	80	-	80	-	
Parking Ticket Machine Renewal	1,479	1,479	138	136	138	-	-	-	-	
Hastings and Bexhill Movement & Access Package	9,057	9,057	1,237	468	1,237	-	-	-	-	
Eastbourne/South Wealden Walking & Cycling Package	7,017	7,017	531	432	531	-	-	-	-	
Hailsham/Polegate/Eastbourne Movement & Access Corridor	2,350	2,350	335	56	335	-	-	-	-	
Terminus Road Improvements	9,182	9,182	200	110	160	40	-	40	-	
Eastbourne Town Centre Movement & Access Package	3,486	3,486	467	223	467	-	-	-	-	
Other Integrated Transport Schemes	53,269	53,269	1,381	631	1,381	-	-	-	-	
Community Match Fund	1,500	1,500	55	9	55	-	-	-	-	
Emergency Active Travel Fund	535	273	535	206	273	262	262	-	-	
Exceat Bridge	4,133	4,133	734	461	734	-	-	-	-	
Queensway Depot Development	1,956	1,956	300	48	100	200	-	200	-	

Capital Programme Summary (£000)										
Approved Programme	Total project – all years (£'000)		2020/21 (£'000)							Note Ref
			In year monitor Q3				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	
Hailsham HWRS	97	97	97	-	10	87	-	87	-	
Core Programme - Highways Structural Maintenance	379,207	379,257	19,430	17,580	19,480	(50)	(50)	-	-	
Highways Structural Maintenance Additional £1m	1,000	1,000	1,000	802	1,000	-	-	-	-	
Core Programme - Bridge Assessment Strengthening	25,770	25,790	1,340	1,485	1,360	(20)	(20)	-	-	
Core Programme - Street Lighting	24,759	24,759	1,331	1,453	1,331	-	-	-	-	
Core Programme - Street Lighting - SALIX scheme	2,804	2,804	1,322	280	1,322	-	-	-	-	
Core Programme - Rights of Way Bridge Replacement	8,748	8,748	496	385	496	-	-	-	-	
Total CET	771,321	771,129	47,133	30,228	43,750	3,383	192	3,191	0	

Governance Services – Q3 2020/21

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

Reconciling Policy, Performance and Resources (RPPR) – The Government announced the 2020 Spending Review and Provisional Local Government Finance Settlement in Q3. Council lobbying of Government, with partners across the sector, led to some acknowledgement of the pressures facing councils from COVID-19 and from rising demand and costs for social care. Some welcome additional grant funding was provided for these pressures, but a significant portion of the additional resource for councils announced in the Spending Review is required to be raised through Council Tax and an Adult Social Care Levy. The provisions announced, together with the Council's already published savings for 2021/22, mean there is no need to find more savings next year. The 2020 Spending Review only covers one year, and there continues to be considerable financial uncertainty from 2022/23 onwards. The final settlement is due from Government in February 2021. We ran consultation and engagement events on our budget and business plans for 2021/22 with the Youth Cabinet, wider strategic partners, Trade Unions and business representatives in December and January. We continued to develop the draft Council Plan and Portfolio Plans during Q3. The Council Plan sets out our ambitions; what we aim to achieve; our response to the pandemic; and how we will help East Sussex to recover. Cabinet considered the draft budget and Council Plan for 2021/22 on 26 January and the plans were also considered by County Council on 9 February 2021.

Transport for the South East (TfSE) – Work has commenced on three area studies: Outer Orbital; Inner Orbital; and South Central. It is hoped that two further studies (South West and South East) will start in April 2021, subject to funding from the Department for Transport. Each area study will investigate the issues, challenges and opportunities identified in the TfSE transport strategy in more detail and identify a shortlist of strategic transport interventions that are needed to improve quality of life and boost economic growth. Engagement work with a wide range of stakeholders is currently underway, including sessions with regional MPs.

WSP, Steer and Future City Logistics have been appointed to draw up the Freight, Logistics and Gateways Strategy. The strategy will be published in autumn 2021. An event to launch the future mobility strategy is scheduled for Q4.

Corporate Lobbying – In Q3 the Leader met with a group of East Sussex MPs to discuss a range of local issues, including the need for a sustainable funding settlement for local government in the upcoming Spending Review. Keeping MPs closely updated on our budget position has created opportunities to feed into Parliamentary debates on local government finance, when they arise. Also, in Q3, we contributed to the County Council Network's budget survey to support their national advocacy on the particular pressures facing county councils in advance of the Spending Review; and shared the results with MPs to reinforce our local engagement. Council Group Leaders also wrote jointly to the Secretary of State for Housing, Communities and Local Government to reflect that, while the Council's projected budget position for 2021/22 did not require a need to scope further savings, it should not disguise that without additional resource, the Council would soon not be able to maintain its Core Offer.

As a result of ongoing lobbying such as this, undertaken across the sector, the Spending Review published in November included a number of provisions that assist our financial position in 2021/22, including some additional grant funding for social care. However, much of the announced 4.5% increase in 'core spending power' for councils is required to be raised through Council Tax increases, which is an unsustainable solution to funding ongoing pressures on social care. The Spending Review was also for one year only, so there remains considerable uncertainty about resources for 2022/23 onwards. The Chief Executive continues to raise these concerns strongly with senior civil servants in the Ministry for Housing, Communities and Local Government and the Treasury, as representative for the South East region on a national grouping of local authorities Chief Executives.

Supporting democracy – During Q3, 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 Q3 we supported 50 virtual meetings including: two County Council meetings; three Cabinet meetings; 17 Lead Member meetings; 13 Scrutiny Committees and Review Boards; and 15 other committees and panels. We also published agendas for a further 17 meetings.

The Member development programme continued during Q3 with online sessions provided in relation to mental health awareness and a Member survey undertaken to gather feedback on post-election induction arrangements for new Members joining the Council in 2021. 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 held formal meetings in November and RPPR Boards in December to develop feedback in relation to emerging portfolio plans and budget proposals. Scrutiny Review and Reference Group work has continued, taking a virtual approach to evidence gathering.

The East Sussex School Appeals Service continued to arrange 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 service also successfully undertook its first virtual school exclusion review. We received 38 appeals during Q3 and conducted 10 virtual appeal hearings and one virtual

exclusion review hearing. The secure online digital appeal management system, which was developed in-house, has continued to provide significant benefits in the context of remote working. Recent enhancements to the system, undertaken in conjunction with IT & Digital, have continued to improve its effectiveness for both parents and the service.

Legal Services – During Q3, Legal Services assisted Trading Standards in two prosecutions relating to possession for supply of counterfeit tobacco, which resulted in community orders of 310 hours unpaid work and fines, victim surcharges and costs totalling £2,732. The Service also carried out 19 prosecutions against parents for failing to send their children to school. In addition, the Service secured possession orders against two travellers occupying Council land without consent and represented Highways in a successful application to add a footpath to the Definitive Map. The Service also advised in relation to 84 matters involving adults with needs for care and support (compared to 98 in Q2) and 31 Deprivation of Liberty Applications in the Court of Protection (compared to 32 in Q2). The Service continued to provide advice and support to Adult Social Care and Public Health in relation to the Coronavirus Act 2020 and related legislation and guidance.

Advice and assistance continues to be provided 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 public law applications to be a necessary and proportionate response to achieve the best outcome for the child. In Q3 the Service applied for care proceedings in respect of 11 families (down from 31 in Q2) and at the end of Q2 we had a total of 62 live care proceedings (down from 68 in Q2 but up from 49 at the end of Q3 in 2019/2020). There continues to be significant challenges as a result of COVID-19, however, good cross departmental working and regular communication with the courts, other local authorities and representatives of parties involved has ensured that disruption to the progress of proceedings has been kept to a minimum, whilst ensuring fairness to the families involved. There will, however, continue to be some delays to care proceedings due to the current national lockdown, as well as an ongoing shortage of judiciary.

During Q3, Legal Services helped negotiate planning agreements, to secure financial contributions to the Council of £353,000. We also finalised a complex planning agreement, which enabled planning permission to be granted for a major new Special Educational Needs and Disabilities school development. Further planning agreements were also completed, which will enable a new highways depot to be built to serve the Hastings area and which will unlock funding for the construction of a major affordable housing development in the Rother area. In addition, a further 23 planning and highways agreements were negotiated during Q3, which will pave the way for significant development and highway improvement projects across the county. We also worked with officers on contractual issues, particularly undertaking work to secure substantial sums via grant agreements for South East Local Enterprise Projects. In Q3 we advised on 21 new contract and procurement matters and 34 new property transactions.

Coroner Services – On average 176 deaths per month were reported to the Coroner in Q3. This is higher than the Q2 figure of 163. COVID-19 deaths aren't reported to the Coroner unless another cause of death is suspected, alongside the existence of COVID-19, and the actual cause of death needs to be determined. Of the deaths reported, 80 went to inquest in Q3 compared to 73 in Q2. Inquests (save for jury inquests) continue to be heard on either a paper basis or on a hybrid basis with some family and witnesses attending court, whilst others attend remotely. In terms of jury inquests, where the jury are required to attend in person, these have remained on hold in line with Chief Coroner guidance. In Q3, 91 inquests were closed compared to 96 in Q2. The Service continues to successfully manage the challenges of COVID-19.

Regulation of Investigatory Powers Act (RIPA) – Trading Standards utilised a RIPA Directed Surveillance Authority, which ran for three months from Q2 into Q3. The authority allowed officers to conduct covert surveillance against a group of individuals and premises suspected of involvement in the supply of illegal tobacco in East Sussex. The surveillance consisted of static visual observation and the use of covert visual recording equipment to capture test purchase sales. A small quantity of tobacco was seized as a direct result of the operation. No prosecutions were pursued. The information and intelligence picture have however been significantly enhanced, leading to new lines of investigation concerning the organised supply of illegal tobacco.

Three applications were made under the Investigatory Powers Act (IPA) 2016 during Q3, via the National Anti-Fraud Network (NAFN). These applications are pending and relate to the activities of a rogue trader, who is suspected of overcharging a vulnerable elderly man for building work completed at his home.

Trading Standards facilitated the delivery of RIPA/IPA refresher training during Q3 by an external provider.

Local Government Ombudsman complaints – Nine decisions were issued in Q3. Four 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 five fully investigated, three cases related to Adult Social Care (ASC), one to Communities, Economy & Transport (CET) and one to Children's Services (CS). One was closed with no fault found and four were closed with the complaint partly or fully upheld as follows:

ASC – The client complained that the Council should have applied a discretionary property disregard in relation to her father's one third share of their property. The Ombudsman found fault in the way the Council communicated with the client, with a delay in completing a financial assessment. The Ombudsman also found fault in the way that the Council initially considered the discretionary property disregard. However, the Ombudsman concluded that all relevant facts and arguments were eventually considered by the Council and does not see a reason to ask the Council to further review its decision. The Council has agreed to apologise to the client, remind its staff of the importance of timely and comprehensive information and to revise its discretionary disregard report form.

ASC - The Council failed to meet the client's care needs after a care provider stopped visiting him in 2017, leaving him largely unsupported but also paying for his own care. The Council has agreed to apologise to the client for the failure to meet his needs and to pay him £1,490 for the care he paid for from October 2018 to November 2019, for the time and trouble it has put him to and for the failure to meet all his care needs during this period of time. The Council has also agreed to identify the action it needs to take to ensure that when a care package is not approved, it does not prevent the completion of a care and support plan.

CET – The clients complained about how the Council handled their reports of water coming from a neighbouring property onto the highway and causing damage. No fault was found with the Council's decision not to take enforcement action however, the Ombudsman did find the Council at fault for not telling them about its decision not to take enforcement action against their neighbour. The Council was also at fault for failing to keep the clients updated about its discussions with their neighbour following their further complaints. The Council has agreed to apologise to the clients and pay them £250 to recognise the time and trouble spent pursuing their complaint.

CS – The client complained about the Council's decision to decline the travel assistance application for her son. She said the Council did not properly consider the available information or properly consider the financial cost of paying for a person to drive her son to college. She also complained about delays in considering her appeal. The Ombudsman found fault with the Council for making an assumption about the miles per gallon a wheelchair accessible vehicle could achieve. The Ombudsman considered that the Council has provided a suitable remedy by apologising, reconsidering the application and taking steps to ensure future vehicle economy calculations were made available to its panel to properly reflect the user's car make, model, engine size, and fuel type.

Effective publicity and campaigns – Work to help recruit staff in high priority roles has included campaigns to attract applicants for community care and teaching posts. More than 50 people booked places at an event to find out more about Joint Community Rehabilitation work after a campaign that included targeted emails, social media advertising and publicity to all residents. More than 1,000 people visited our campaign site to find out more about teaching opportunities after an advertising campaign, which began in December.

Media and information work – There were 511 media stories about the Council in Q3, of which 128 were positive and 275 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 33 press releases, generating 99 stories. 187 media enquiries were handled, and nine broadcast interviews arranged.

The vast majority of enquiries continued to relate to COVID-19, with new restrictions, changes to services and increasing rates of infections, particularly in schools, being of greatest interest. There was also good coverage of the cycling and walking infrastructure plan consultation, some successful prosecutions by Trading Standards and the Department for Environment, Food and Rural Affairs decision to allow the transfer of Seven Sisters Country Park.

The communications team has maintained a flow of information about latest COVID-19 developments to residents, members and staff with dedicated regular newsletters for each group, with open rates as high as 67%. Newspaper adverts, printed leaflets, targeted social media, outdoor advertising, radio advertising and direct mail have also all been used to help keep people in East Sussex informed.

Web activity – Our support and information pages on COVID-19 have been viewed more than 645,000 times since they were published at the start of the pandemic. In Q3 there were almost 400,000 views. The whole Council website had more than 2.1 million page views in Q3 from more than 780,000 sessions.

South East 7 (SE7) – SE7 Leaders met in Q3, having previously agreed to increase the frequency of their meetings to ensure we take advantage of all opportunities for shared working arising from fast-moving national policy developments. Leaders agreed a number of areas the partnership should cover in future (including the impact of COVID on the region's economy) and considered the latest in the COVID response and planning for the end of the European Union (EU) exit transition period. It was agreed that, given the Government's policy focus on 'levelling up', a strong and organised case would need to be made for investment in communities in the South East to access post-EU growth funding and to ensure that the region's needs were reflected in national plans for economic recovery. SE7 Leaders agreed next steps for this at their January Leaders' Board meeting, to be taken forward by the SE7 Chief Executives.

Partnership with West Sussex County Council (WSCC) – The proposal to create a new Executive Director of Adult Social Care and Health (ASCH) to work across both WSCC and East Sussex County Council (ESCC) was approved

in Q3. The existing Director of ASCH in East Sussex has been seconded to the new role. Some of the benefits of this new shared approach are:

- Joint working and learning by the two public health teams under the Executive Director's unified management.
- More effective working by the two councils with the NHS and national public health bodies, especially at a time when the NHS is increasingly working on a Sussex-wide footprint.
- A stronger voice to influence the Department of Health and Social Care and others in government on national policy, especially reform and funding of ASCH.
- Improved management of care markets which are increasingly vulnerable from the COVID-19 pandemic and on which all councils' care services depend.

A new interim Director of ASCH has been appointed in ESCC to ensure ASCH services continue to perform at a high level.

Health and Wellbeing Board (HWB) – The HWB met on 8 December 2020 and received an update on the health and social care plan, which was suspended during the initial response to the COVID-19 pandemic, and has been revised to take account of the learning from the first phase of the pandemic response. The plan covers programmes on Children and Young People, Community, Urgent Care, Planned Care and Mental Health, and the HWB received an update on monitoring and planning for the next steps for integration in East Sussex in the context of the Sussex Integrated Care System. The HWB also considered further iterations of the East Sussex Outbreak Control Plan, which reflects the latest Government guidance and learning from managing the COVID-19 pandemic, and the Sussex Health and Care Partnership Winter Plan. Annual Reports were also received on Children's safeguarding, the Joint Strategic Needs Assessment and Assets.

Revenue budget summary – There is an underspend of £70k at Q2, mainly due to the shared cost of the Chief Executive's salary, delays in recruitment and reduced spend across the department. Part of the underspend will be used to fund Children's Services 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.

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	0
Subtotal Permanent Changes ¹			0	0	0	0
Total Savings and Permanent Changes	0	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 Where agreed savings are reasonably unable to be achieved other permanent savings are required to be identified and approved via 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)			Q3 2020/21 (£000)						Note ref
				Projected outturn			(Over) / under spend			
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
Planned Budget										
Corporate Governance	4,315	(229)	4,086	3,924	(228)	3,696	391	(1)	390	
Corporate Support	3,142	(280)	2,862	3,768	(612)	3,156	(626)	332	(294)	
Subtotal	7,457	(509)	6,948	7,692	(840)	6,852	(235)	331	96	
COVID Related										
Corporate Governance	-	-	-	-	-	-	-	-	-	
Corporate Support	-	-	-	26	-	26	(26)	-	(26)	
Subtotal	0	0	0	26	0	26	(26)	0	(26)	
Total Governance	7,457	(509)	6,948	7,718	(840)	6,878	(261)	331	70	

Capital programme										
Approved project	Total project – all years (£000)		2020/21 (£000)							Note ref
			In year monitor Q3 (£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	0

Strategic Risk Register – Q3 2020/21

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
16	<p>COVID-19 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 who 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 who need additional help. We have received additional funding from the Government to undertake a range of new activities and support 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 Reconciling Policy, Performance and Resource (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. We are supporting NHS partners with delivery of the local vaccination programme.</p> <p>The Corporate Management Team meets 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. The Sussex Resilience Forum declared a major incident on 6 January 2021 in response to the unprecedented pressures of the second wave of infections, to put all agencies in Sussex in the best possible position to respond while managing other winter pressures (including from adverse weather, the end of the Brexit transition period and in health and social care).</p> <p>Extensive co-ordination and lobbying are taking place at Member and officer level through SE7, CCN and other arrangements.</p>	Red
12	<p>CYBER ATTACK 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. Cyber attacks are growing more frequent, sophisticated, and damaging when they succeed. The COVID-19 pandemic has increased the need to carry out many additional functions virtually and remotely. Changes in working practice give rise to more requests to relax security controls, with services more likely to take risks on the technology they procure and how they use it.</p>	<p>Most attacks leverage software flaws and gaps in boundary defences. IT&D use modern security tools to assure our security posture: Monitoring network activity and identifying security threats; 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 against them; Ongoing communication with the Security industry to find the most suitable tools and systems to secure our infrastructure. IT&D continues to invest in new tools, which use pre-emptive technology to identify threats and patterns of abnormal behaviour.</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 General Data Protection Regulation (GDPR) training and workshops to cascade vital skills and increase awareness of responsibilities under GDPR legislation.</p> <p>Services hosted in ISO 27001 accredited Orbis Data Centres.</p>	Red

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
4	<p>HEALTH</p> <p>Failure to secure maximum value from partnership working with the National Health Service (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>During Quarter 3, our system working has continued to focus on the way we can further integrate our services to support people during the COVID-19 pandemic, including out of hospital support and acute discharge hubs to ensure timely discharge from hospital and appropriate ongoing care. Our established integrated management arrangements and community services Target Operating Model have been critical enablers of our pandemic response. Key to this has been setting up a specific project to coordinate work to improve Medically Ready for Discharge pathways, including Home First/Discharge to Assess, as well as amending the service model at Milton Grange and Bexhill Irvine Unit to accept patients, who are COVID positive, and procuring 32 additional independent sector nursing home beds to enable patient flow.</p> <p>We have also been working with NHS partners on supporting the wider response to the pandemic including:</p> <ul style="list-style-type: none"> • Care market resilience; • Shielding and support to Clinically Extremely Vulnerable (CEV) people; • Testing, outbreak control and mass vaccinations programme; • East Sussex and Sussex-wide health and social care winter planning including the restoration and recovery of healthcare services for our local population. <p>Close system working between Adult Social Care and the Clinical Commissioning Group Continuing Healthcare Team has also been taking place. This enabled approximately 1000 patients, discharged under the original COVID-19 Hospital Discharge Scheme, to be appropriately assessed and reviewed and onto their long term pathways and funding streams by our target completion date of 31st December; and helped to ensure resilience around the financial risks involved.</p> <p>At the same time work has continued on the in-year transformation programme for the remainder of 2020/21, which has been revised in light of the learning and new models and ways of working brought on by delivering Phase 1 of the pandemic emergency response. Programme monitoring was restarted from October, and a next step will be to update the original priority objectives for 2021/22.</p> <p>Initial conversations have commenced to refresh our plans for 2021/22 to further develop our Integrated Care Provision (ICP) and integrated commissioning and delivery of services in East Sussex, in the context of the NHS England and NHS Improvement (NHSEI) proposed 'Next Steps for Integrated Care Systems in England', ensuring that we 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 over the next twelve months, and what we will need to deliver to strengthen our ICP by April 2022.</p>	Red
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</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>	Red

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
	<p>Core Offer level to meet the changing needs of the local community.</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> <p>In quarter 3:</p> <ol style="list-style-type: none"> 1) The climate emergency plan has undergone Scrutiny Review. The response to Scrutiny's recommendations will go to CMT, Cabinet and full Council by the end of February 2021. 2) Bids have been submitted to the £1bn national public sector decarbonisation fund to support delivery of the climate emergency plan. 3) A communications plan to engage Members and staff will be developed during quarter 4. 	Red
14	<p>POST EUROPEAN UNION (EU) TRANSITION</p> <p>The United Kingdom has left the EU with a negotiated outcome. However, there are likely to be areas of disruption over the coming months. 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 	<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 smooth the impact of Government border policy on the capacity required to support new border enforcement arrangements at Newhaven Port. Planning will also be informed by the Government Protocol and Border Group, of which the Director of Communities, Economy and Transport is a member.</p>	Red

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
	<p>import/export administrative complexities for Small and Medium-sized Enterprises, supply chain disruption, impact of trade tariffs on consumer purchasing power, and workforce supply.</p> <ul style="list-style-type: none"> •The COVID-19 pandemic response and local outbreak management. E.G. through disrupting international supply chains for Personal Protective Equipment, and •delivery of Council Services. <p>The impact of this risk is heightened with the current requirement for hauliers to produce a negative COVID test for entry to France.</p>	<p>The Sussex Resilience Forum has run exercises to support multi-agency emergency planning for the implications of additional border controls.</p> <p>The Chief Executive is a representative for the South East on the Ministry of Housing, Communities and Local Government group of nine regional chief executives, which provides a direct channel of communication into the Ministry, on local and regional issues emerging from the end of the transition period.</p>	
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> <p>Our contractor has adopted the service to ensure the workforce can work in a safe environment and has continued to successfully deliver the service on the ground or from home, with a full reactive service and capital programme delivered this year. Staff absence due to COVID related illness or self-isolation has remained very low and has had no significant impact on the service but clearly, in an ever-changing situation, the risk remains.</p>	Amber
7	<p>SCHOOLS</p> <p>Impact of weak leadership in schools on outcomes for children and young people</p>	<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. 	Amber

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
	<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. 	<ul style="list-style-type: none"> • 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>	
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. In addition, the one-year Spending Review (SR) on 25 November set government department's revenue and capital budgets for 2021/22 only, providing no certainty over future years capital grants. 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>	Amber

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
		<p>COVID-19 is impacting on the delivery of projects and programmes of work. Any slippage and/or under/overspend will be reported as part of the capital monitoring process overseen by the CSAB and 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>	
<p>9</p>	<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>An inability to attract high calibre candidates could lead to limited recruitment choices and therefore lack of the expertise, capacity, leadership and/or innovation required to deliver services and service transformation.</p>	<p>The 2020/21 Q1-3 sickness absence figure for the whole authority (excluding schools) is 5.67 days lost per FTE, a decrease of 4.8% since last year.</p> <p>Stress/mental health remains the primary reason for absence, increasing by 33.4% compared to 2019/20 Q1-3. It is worth noting that Q1 covers the key period of the immediate response to COVID-19 and the lockdown. It is likely, therefore, that the sudden increase since April 2020 is a result of COVID-19. This should become clearer in future reports.</p> <ul style="list-style-type: none"> •80 members of staff have attended 'Working Through a Pandemic' sessions hosted by our EAP with more booked •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 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 •A short film is underway promoting the importance of keeping in touch with colleagues to help prevent reported feelings of isolation •A review is currently taking place on our Wellbeing intranet pages to ensure the support is more visible and accessible •In response to staff feedback, a Wellbeing Newsletter was launched in November, capturing all key updates in one place <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: 'attracting and recruiting the future workforce' and 'leading the workforce' were reported to CMT on 3 February 2021 and the learning so far from COVID-19 has been incorporated into this work.</p>	<p>Amber</p>

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
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 European Funding (EU) funding for complementary economic development programmes supporting businesses to grow, including: South East Business Boost (SEBB); Low Carbon across the South East (LoCASE); TRANSFORM Apprenticeships; South East Creative, Cultural & Digital Support Programme (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 issued a funding call in mid-June through the Getting Building Fund programme for pipeline projects to create jobs and deliver over the next 18 months, with East Sussex securing £11.2m on 8 projects in late July. All 8 projects were approved by SELEP in October/November and we are now confirming their grant agreements to start delivery in December/January.</p> <p>We have been actively working with partners in developing projects and submitting proposals to a number of recent funds, including the Green Homes Fund, Future High Streets, Stronger Towns Fund, the European Social Fund and the SELEP COVID-19 Skills and Business Support Fund.</p> <p>The COVID-19 outbreak in early March 2020 is seemingly changing the funding landscape, and alongside the impacts of Brexit, is having an impact on major funding decisions from Government.</p> <p>We officially launched in September the East Sussex Economy Recovery Plan, called 'East Sussex Reset'. The plan identifies deliverable actions in the short term, alongside more aspirational asks. It will become an important bidding document and influence the emerging SELEP Recovery and Renewal Strategy, scheduled for March 2021. Both documents will look at ways to incorporate the recent Government Spending Review 2020 focus on the green revolution, the Levelling Up Fund and the UK Shared Prosperity Fund. The prospectuses for both are to be launched in the new year and spring respectively, with initial pilot monies available for bids in 2021/22.</p>	Green

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Report to: Cabinet

Date of meeting: 2 March 2021

By: Chief Operating Officer

Title: The Conservators of Ashdown Forest – 2020/21 Outturn position and 2021/22 Interim Budget

Purpose: To present the forecast financial position as at the end of 2020/21 and the Conservators' interim budget for 2021/22

RECOMMENDATIONS

Cabinet is recommended to:

1. note the financial outturn position for the Conservators' Core Budget for 2020/21;
 2. approve the provision of £69,792 as one-off financial support to meet the overall deficit in 2020/21, arising primarily as a consequence of the Covid-19 pandemic;
 3. approve the Conservators' Core interim budget for 2021/22, noting that the Board of Conservators has provided assurance that the balanced budget is deliverable and there is no requirement for the County Council to provide additional funding in 2021/22
 4. approve the annual grant for 2020/21 from the Ashdown Forest Trust Fund
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1 Background

1.1 This report sets out the financial position of the Conservators of the Ashdown Forest (COAF) for 2020/21, against the approved balanced budget agreed by the Board of Conservators at their meeting on 25 November 2019 and presented to Cabinet in January 2020. A challenging year, due to COVID-19 and staffing changes, has led to a projected deficit of £69,792, including lost income of circa £53,000 due to the pandemic. There is a surplus on the Countryside Stewardship Fund of £20,294, which is restricted under the agreement and not offset against the core budget deficit.

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

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

2 Supporting information

Current Financial Year 2020/21

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

2.2 Over the last quarter, it has become clear that Covid-19 has had a detrimental impact on the operation, particularly on the income received, resulting in a forecast deficit of £69,792 in the Core budget for 2020/21 (see Appendix 1).

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

2.4 The COAF Board have provided a briefing note in support of the forecast deficit, Appendix 2, which attributes the unachieved income to factors outside of their control and arising from the impact of Covid-19. The two items of material impact are the loss of £23,000 income from the Ice Cream vendor and £30,000 unachieved income from the planned Memorial wall on the golf course. The briefing note includes reference to the Ashdown Forest Act which stipulates that any deficit is the liability of the Council.

Interim Budget 2021/22

2.5 The Conservators' budget is formed of the Core Budget (General Fund) and the Countryside Stewardship (CS) budget. The Conservators balanced Core Budget for 2021/22 is summarised at Appendix 4, with supporting narrative in a briefing note, Appendix 3. This was approved by the Board of Conservators at their meeting on 1 February 2021.

2.6 The draft Countryside Stewardship (CS) budget is shown at Appendix 6. (The draft CS budget is shown for information only.)

2.7 The Conservators Core Budget receives a grant from the Ashdown Forest Trust for which ESCC is the trustee. The balance of the Trust Fund is estimated to be £161,499 at 1 April 2021. (The Ashdown Forest Trust position is shown at Appendix 5.) The Conservators' draft Core Budget assumes the level of grant from the Trust Fund will continue at £65,100. The lease to the Ashdown Forest Golf Club was reviewed in early 2020 and remains unchanged so this assumption is reasonable.

2.8 The interim balanced budget for 2021/22 has been approved by the Board of Conservators. In doing so, the Board has provided assurance that the balanced budget is deliverable and there is no requirement for the County Council to provide additional funding in 2021/22. The Board has committed to providing quarterly update reports and work to deliver a Medium Term Financial Plan by September 2021, that will support the strategic objectives of the COAF. The 2021/22 interim budget does include an income contribution of £150,000 from the recently formed charitable body, The Ashdown Forest Foundation (TAFF) which will be generated by private donations, fund raising initiatives and the recovery of gift aid. Many of these proposed income streams are new and will have an element of uncertainty, there is risk that they will not be achieved.

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

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

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

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

3. Recommended Funding

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

3.2 Annual income to the Trust Fund, from a long-term lease with the Royal Ashdown Forest Golf Club, amounts to £70,000 with the addition of bank interest. The contribution to the Conservators from the Trust Fund can therefore be maintained at £65,100 in 2021/22.

3.3 Awarding the grant from the Trust Fund at the recommended level would support the Conservators to manage the operation within the proposed balanced budget for 2021/22.

4. Conclusion

4.1 While the County Council has a statutory obligation to meet the shortfall between expenditure and income of the Conservators, it also has the responsibility for approving the level of expenditure. It is recognised that the 2020/21 deficit in the Core budget has arisen as a result of the Covid-19 pandemic and was not foreseeable when the budget was agreed.

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

4.3 Cabinet is recommended to:

- To approve the provision of £69,792 in one-off financial support to meet the overall deficit in 2020/21, arising primarily as a consequence of the Covid-19 pandemic;
- Approve the interim budget as submitted by the Board of Conservators for 2021/22, noting that the Board of Conservators has provided assurance that the balanced budget is deliverable and there is no requirement for the County Council to provide additional funding in 2021/22;
- Approve a £65,100 grant for 2021/22 from the Ashdown Forest Trust Fund.

PHIL HALL

Interim Chief Operating Officer

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Email: jill.fisher@eastsussex.gov.uk

LOCAL MEMBERS

Councillors Galley, Stogdon, Tidy & Whetstone

ESCC MEMBERS ON THE BOARD OF CONSERVATORS

Councillors Barnes, Stephen Shing, Tidy, Whetstone, Elkin and Stogdon

Ashdown Forest Finances to 31 March 2022
Income and Expenditure Forecast and Budget Summary
Core Budget and Countryside Stewardship Budget Combined

INCOME SUMMARY	2020/21 Forecast £	2021/22 Budget £
Licences & Forest Rate	179,027	211,915
Unrestricted funding (WDC, AFT, T/PCs)	128,100	228,100
Income generation and Donations	12,011	10,200
Forest Products incl. Meat and Deer Carcasses	40,115	37,935
Visitors	3,260	11,200
Financial	200	200
Total Core Income	362,713	499,550
Countryside Stewardship Funding from Natural England	486,115	486,115
Other Restricted Funding/Grants (designated for a specific purpose)	12,008	34,250
Total Funding Received for Specific Purposes	498,123	520,365
TOTAL INCOME	860,836	1,019,915

EXPENDITURE SUMMARY	2020/21 £	2021/22 £
Core Forest Staff Costs	369,107	354,600
Operational expenses	111,363	166,915
Administration Overheads	52,791	66,850
Financial	11,260	22,010
Visitors	100	3,300
Capital purchases - Core	2,190	30,000
Governance/Charity set-up		-

	5,250	
Total Core Expenditure	552,061	643,675

Countryside Stewardship Work Programme Project Expenditure	183,798	199,215
Staff Costs (Countryside Stewardship)	162,475	160,972
Expenditure from Ringfenced Funding (primarily education programme)	12,000	12,000
	358,273	372,187

TOTAL EXPENDITURE	910,334	1,015,862
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SURPLUS OF INCOME OVER EXPENDITURE	(49,498)	4,053
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Note: Allocation of surplus

Surplus / (Deficit) attributable to Core Budget	(69,792)	1,939
Surplus / (Deficit) attributable to Countryside Stewardship	20,294	2,114
	(49,498)	4,053

Summary: 2020/21

The core budget 20/21 has a forecast deficit of £70,000. The key factors affecting the budget balance are outlined below; the significant factor is the change in income. The Countryside Stewardship budget 20/21 is forecast to underspend by £20,000, thereby resulting in an aggregate deficit of £50,000.

The COAF have reserved their right to seek any shortfall or deficit for the 2020/21 financial year in accordance with the Act.

Key Factors Affecting Forecast Budget 2020/21**INCOME**

The first recast budget for 2020/21 showed a reduction in income of around 10%. The main reasons for this are reduced income from operating licences, visitors to the Forest Centre, and the Memorial Wall build not progressing.

Covid Impact**Ice Cream Vendor Licence**

In May this year the Conservators' long-term ice cream vendor terminated their operating licence, valued at £23k p.a., due to the impact of Covid. This gave the Conservators the opportunity to revisit the licence and diversify. As a result, two non-competitive suppliers have licences to provide ice cream and hot drinks across several car park sites on the Forest. One has signed a licence to the value of £22k for one year and the other will be contributing 10% of sales, which the Conservators hope to see raise considerably more. This has contributed to a temporary reduction in income, which should now be recovered in 2021/22 under the new licences.

Visitors

Income from visitors was negatively affected by Covid restrictions, despite the substantial increase in footfall on the Forest, with the shop and associated visitor services and events – including the Pop Up Café - being shut down primarily due to the fact that these are run by volunteers.

Covid restrictions impacted on plans to run a sponsored walk on the Forest which would have raised substantial funds.

In-person donations were affected at the Forest Centre, which normally raises c. £2k.

Countryside Stewardship Recharge

The recharge from in-house staff undertaking conservation-funded work is forecast to be underbudget, partly because activity was affected during the first lockdown. However, much of the countryside work is carried out during winter and there may be an opportunity to catch up, thereby increasing the recharge to core by the year end.

Memorial Wall

A substantial amount of work was undertaken with regards to the Commemorative Wall, including architect plans, however the process hit an obstacle with Section 38 (works on Commons) which delayed progress. The memorial wall income was forecast at £45k, with a related build cost of £15k. The net loss to the budget for this year due to the wall build not progressing is £30k.

Conservators Pony Grazing

The Conservators acquired a pony grazing project, which is a commercial activity as the ponies acquired as part of the project are loaned out for grazing. The project brought with it some assets and cash capital. There is an associated expenditure related to the programme; the overall project will break even this year.

Donations and TAFF

Donations for other memorial structures and general donations were diverted to the newly established The

Ashdown Forest Foundation (TAFF) this year to establish TAFF as a fundraising vehicle and in order to reclaim Gift Aid. The 2020/21 budget assumes that £30,000 of unrestricted fund will be provided to COAF from TAFF.

EXPENDITURE

Forecast staff costs are under budget due to staff changes including removal of administration assistant post, a reduction in one role to part time, and the reduction in CEO salary as the post remained vacant for several months.

Operational expenses exceeded budget primarily due to the cost of a HR investigation (£11k) and the introduction of the pony grazing programme (£30k).

Key Factors Affecting Budget 2021/22

Summary: 2021/22

A draft budget for 2021/22 has been developed, which includes operational costs for essential work on the Forest, staff training and increased repair and maintenance contingency. An asset replacement schedule and an operations schedule for key core activities have been developed to support these figures (see appendix 1). It is anticipated that the purchase of assets required will, in the first instance, be sought from grant funding as benefactors prefer to fund tangible items. This has been reflected in the budget income along with a funding target of £150,000 from TAFF

Expenditure for the year has been balanced with income generated from The Ashdown Forest Foundation. A strategy for this will start to be developed at the Board away day on 1st February.

With the appointment of a CEO to the organisation and a staff restructure underway, the Conservators of Ashdown Forest are at a critical turning point. COAF have agreed to provide regular quarterly financial updates and to work with ESCC on the 2022/23 budget from September 2021 along with the development of a Medium Term Financial Plan.

The budget notes detail income and expenditure areas revised to build and balance the 2021/22 budget.

Expenditure reductions are expected to be made through a staff restructuring consultation process, with 10% reduction in salaries budgeted for both Core and CS staff expenditure. A one-off restructuring cost of £55k has been included. A more accurate estimate of the reduction and allocation between Core and CS budgets will only be available after the consultation process has been finalised in Q1 2021.

Core expenditure is budgeted to be £645k. It is proposed that the deficit will be met in the first instance from unrestricted donations via The Ashdown Forest Foundation as a fundraising vehicle (hence there is a requirement to retain sufficient capital within TAFF to advance fund raising initiatives). This is a significant stretch target of c £150,000 and will require significant effort to achieve. It is however possible that this could be augmented by other projects under development, which have not been budgeted for at this time, referred to below under Future Considerations.

Historical and Current Considerations

With the Countryside Stewardship (CS) grant funding to the value of c. £500k being paid at least one year in arrears, this is having a significant impact on the Conservators' cash flow. At the financial year ending 31 March 2020, the Conservators reported £600k owing from the Rural Payment Agency (RPA). Supporting this programme year on year has impacted on the ability of the Conservators to access its Core reserves, reported at the year-end as £360k.

A recent investigation by the RPA raised questions regarding some of the areas that the Conservators have been claiming for under the CS terms. This has resulted in a £36k p.a. reduction in grant funding, which was withheld in 2020 (for the calendar year 2019), with three years' backdated payment to be recouped by the RPA (£108k), the timing of which is currently unknown. This repayment has been modelled in two cash flow forecast scenarios as part of the budget document.

Income opportunities are limited due to restriction in the Ashdown Forest Act. The Ashdown Forest Foundation was registered with the Charity Commission as a fundraising vehicle in June 2019. In one year, with limited activity, £70k has been raised but not all of these funds are considered unrestricted. Restricted funds will only be requested by the COAF when the designated projects the funds have been provided for can be initiated.

Future Considerations

Parking Charges

In 2016 it was estimated that Ashdown Forest received 4,500 visitors per day. Since Covid restrictions were put in place last March, there has been a significant increase in visitors to the Forest with most car parks now regularly full. Over the past two years the Conservators trialled text donations and a membership scheme (for frequent visitors) for parking. This has not been successful and so enforced parking charges will need to be considered and COAF would welcome discussing such an initiative with ESCC in the near term.

CS/HLS Reserves

Discussions will take place with Natural England with regards the recharge of overhead and administrative support to support the Core budgets in order to address any potential cross subsidisation of CS from Core. Historically, the CS programme has underspent by £350k since 2016 (as at 31 March 2020); however, it is likely this full reserve will be required to fulfil the COAF obligations under the CS program in the medium term which will have significant impact on liquidity. The 4 year liquidity profile (below) assumes that the CS reserve is fully utilised over the next 4 years.

Future Licences

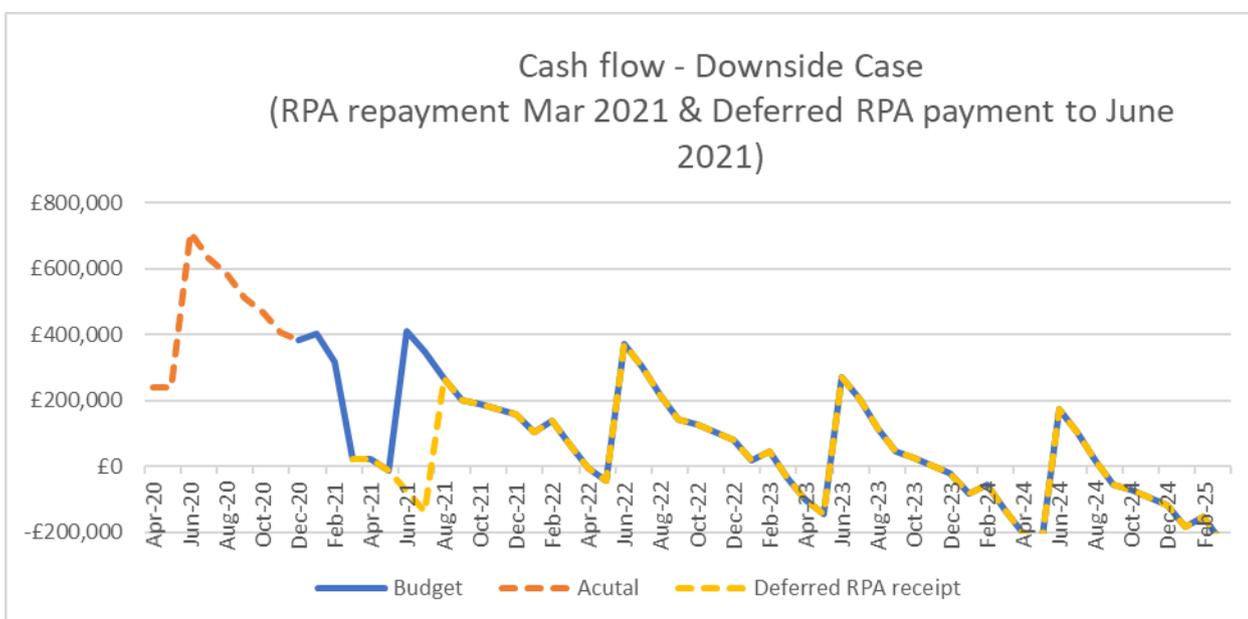
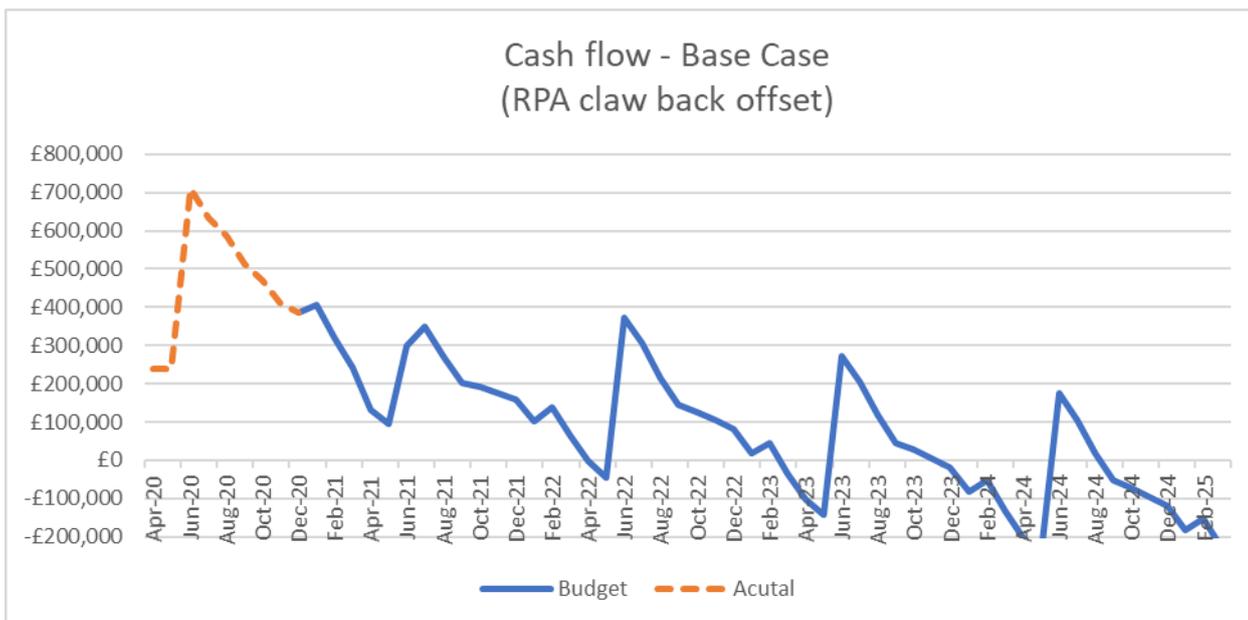
With the success of expanding the licencing for refreshments on the Forest, the Conservators could also grant a licence for Pooh Car Park (owned by ESCC, maintained by COAF) pending further to discussion regarding the terms with ESCC. If an agreement can be reached, it is possible that this initiative could provide c £10-20,000 of additional recurring income.

Liquidity

Given the delayed payment schedule from RPA, the requirement to refund or offset an overpayment by the RPA and the likely requirement to spend the CS reserve to fulfil the obligations under the CS program, the liquidity profile of the COAF will continue to deteriorate over the next 4 years.

This assumes a steady state of operations namely no changes in resources or operational approach. It however does account for c 2% of inflation of costs from 2022/23.

As a base case projection, the COAF will require further funding or bridge finance to meet its operational cash requirements from mid 2023. Under a downside scenario where COAF have to make an upfront refund of the RPA overpayments and the RPA payments are delayed until June 2021, then the shortfall in cash will likely occur sooner in mid 2021.



Proposal and Consideration for ESCC for 2020/21 and 2021/22

The Conservators of Ashdown Forest’s Executive Committee and finance officer have been in discussion with ESCC to support and clarify the 2020/21 forecast and to consult on the 2021/22 formal budget submission by COAF.

These meetings have been extremely collaborative and constructive.; and it has been agreed moving forward, that the COAF will work more closely with the ESCC to ensure that the ESCC Officers are advised and knowledgeable of both the financial position and key operational issues on a quarterly basis.

The clear objective will be to develop a Medium Term Financial Plan in consultation with ESCC so that the COAF can provide a balanced budget (limiting future financial reliance on ESCC).

The 2021/22 Budget assumes that TAFF would be able to achieve a minimum fund raise of £150,000. This will ensure a balanced budget in 2021/22 and create a solid income foundation on which to build in future years. In this financial year to date, with minimal fundraising activity, £70,000 has already been raised. An offsite Board meeting is being held on 1st February to discuss the strategy as it is imperative that TAFF fundraising capabilities are initiated.

ESCC have also been briefed on the liquidity position of COAF. There are two key issues which are likely to impact operational cash flow:

- (i) the impact that any delay in the payment arrangements for CS and /or up front repayment to the RPA will have on operational cash flow; and
- (ii) the likely requirement to draw on the full CS/HLS reserves to achieve the CS objectives over the next 4-5 years

The impact of these issues mean that the liquidity position of the COAF will likely be insufficient to maintain operations, however, the timing is dependent the current discussions with NE and /or the rate at which the CS/HLS reserves are drawn down.

The Conservators will need to consider a bridging loan in order to meet its short-term liabilities; however, discussions are also taking place with the RPA regarding payment timings.

ESCC have indicated that they would willing to continue discussions with the COAF to explore a range of options that would enable the COAF to stabilise its financial position until the CS funding is made whole and /or replacement programs are available for COAF to continue the conservation work post CS. As outlined in the cash flow projections, the COAF liquidity is at risk until the full amount owed under the CS program can be collected.

The Conservators of Ashdown Forest – 2020/21 Outturn Forecast and Proposed 2021/22 Interim Core Budget

INCOME SUMMARY	2020/21 FORECAST £	2020/21 Budget £	2021/22 Budget £
Licences & Forest Rate	179,027	200,255	211,915
Countryside Stewardship Staff Recharge	119,548	137,480	123,814
Unrestricted funding (ESCC, WDC, AFT, PCs)	128,100	92,100	228,100
Income generation and Donations	12,011	74,000	10,200
Forest Products incl. Meat and Deer Carcasses	40,115	26,780	37,935
Visitors	3,260	22,900	11,200
Financial	200	1,700	200
TOTAL UNRESTRICTED CORE INCOME	482,261	555,215	623,364

Restricted Funds (to be spent under terms of funding restrictions only)	12,008	-	34,250
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TOTAL CORE INCOME	494,269	555,215	657,614
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EXPENDITURE SUMMARY	2020/21 FORECAST £	2020/21 Budget £	2021/22 Budget £
Core Forest Staff Costs	369,107	407,732	354,600
Operational expenses	111,363	73,101	166,915
Administration Overheads	52,791	50,192	66,850
Financial	11,260	18,160	22,010
Visitors	100	3,300	3,300
Governance/Charity set up	5,250	5,250	-
TOTAL NON CAPITAL CORE EXPENDITURE	549,871	557,735	613,675

Expenditure from Ringfenced Funding	12,000	-	12,000
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Total Core Capital Expenditure	2,190	1,000	30,000
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TOTAL CORE EXPENDITURE	564,061	558,735	655,675
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CORE 2020/21 YEAR END SUMMARY	FORECAST £	BUDGET 20/21 £	BUDGET 21/22 £
Total Forecast Income	494,269	555,215	657,614
Total Forecast Expenditure	(564,061)	(558,735)	655,675
Surplus/(Deficit)	(69,792)	(3,520)	1,939

FORECAST CORE RESERVES TO YEAR END 2020/21

Reserves b/f YE 2019/20	374,858
Forecast Surplus/(Deficit) year ending 2020/21	<u>(69,792)</u>
Reserves balance Forecast to YE 2020/21	305,066
Forecast Surplus/(Deficit) year ending 2021/22	<u>1,939</u>
Reserves balance Forecast to YE 2021/22	307,005

Ashdown Forest Trust Fund 2021/22 Projected Income and Expenditure

ASHDOWN FOREST TRUST FUND	Forecast 2020/21	Budget 2021/22
Income	£	£
Royal Ashdown Forest Golf Club- Rent	70,000	70,000
Bank Interest	130	20
Total Income	70,130	70,020
Expenditure		
Conservators of Ashdown Forest- Annual Grant	65,100	65,100
Professional & Audit Fees	480	540
Total Expenditure	65,580	65,640
Surplus/(Deficit)	4,550	4,380
Balance Brought Forward	158,303	162,853
Balance Carried Forward	162,853	167,233

Countryside Stewardship Budget 2021/22

Approved by Conservators Board 1 February 2021

RESERVE FORECAST TO YEAR END 2022	£
Surplus brought forward at Year End 31 March 2020	317,539
FORECAST Income/Expenditure Surplus for Year Ending 31 March 2021	20,294
FORECAST surplus/(deficit) forecast to be carried forward at 31 March 2021	337,833
FORECAST Income/Expenditure Surplus for Year Ending 31 March 2022	2,114
Total surplus/deficit forecast to be carried forward at 31 March 2022	339,947

INCOME/EXPENDITURE SUMMARY

	Income Budget 20/21	Expenditure Budget 20/21	Income Budget 21/22	Expenditure Budget 21/22
Heathland Area Projects (LH1)	395,214	449,300	395,214	396,901
Bracken Supplement (SP3)	33,651	33,651	33,651	33,651
Educational Visits (ED1)	7,250	1,000	7,250	7,250
Woodland CS (WD2): Deer Project	45,000	45,000	45,000	41,199
Woodland CS (WD2): Woodland Management	5,000	5,000	5,000	5,000
Other Income				
TOTALS	486,115	533,951	486,115	484,001

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