



CABINET

THURSDAY, 29 SEPTEMBER 2022

10.00 AM COUNCIL CHAMBER, COUNTY HALL, LEWES

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

A G E N D A

1. Minutes of the meeting held on 19 July 2022 *(Pages 3 - 4)*
2. Apologies for absence
3. Disclosures of interests
Disclosures by all members present of personal interests in matters on the agenda, the nature of any interest and whether the member regards the interest as prejudicial under the terms of the Code of Conduct.
4. Urgent items
Notification of items which the Chair considers to be urgent and proposes to take at the appropriate part of the agenda. Any members who wish to raise urgent items are asked, wherever possible, to notify the Chair before the start of the meeting. In so doing, they must state the special circumstances which they consider justify the matter being considered urgent.
5. Council Monitoring Quarter One 2022/23 *(Pages 5 - 70)*
Report by Chief Executive
6. Reconciling Policy, Performance and Resources - update *(Pages 71 - 94)*
Report by Chief Executive
7. Annual Progress Report on East Sussex County Council's Climate Emergency Plan
(Pages 95 - 106)
Report by the Chief Operating Officer and the Director of Communities, Economy and Transport
8. Community Hubs vision and next steps *(Pages 107 - 198)*
Report by Director of Adult Social Care and Health
9. Transport for the South East - Draft Strategic Investment Plan *(Pages 199 - 216)*
Report by the Director of Communities, Economy and Transport
10. Any other non-exempt items considered urgent by the Chair
11. To agree which items are to be reported to the County Council
12. Highways Service Reprourement Project *(Pages 217 - 258)*
Report by Director of Communities, Economy and Transport
13. Exclusion of the Public and Press

To consider excluding the public and press from the meeting for the remaining agenda items on the grounds that if the public and press were present there would be disclosure to them of exempt information as specified in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended), namely information relating to the financial or business affairs of any particular person (including the authority holding that information).

14. Highway Services Reprocurement Project - exempt information (*Pages 259 - 304*)
Report by Director of Communities, Economy and Transport
15. Any other exempt items considered urgent by the Chair

PHILIP BAKER
Assistant Chief Executive
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21 September 2022

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

CABINET

MINUTES of a meeting of the Cabinet held on 19 July 2022 at Council Chamber, County Hall, Lewes

PRESENT Councillors Keith Glazier (Chair)

Councillors Nick Bennett (Vice Chair), Bob Bowdler, Claire Dowling, Carl Maynard and Bob Standley

Members spoke on the items indicated

Councillor Bennett	- items 5 and 6 (minute 11 and 12)
Councillor Swansborough	- item 6 (minute 12)
Councillor Tutt	- item 5 (minute 11)

8. MINUTES OF THE MEETING HELD ON 27 JUNE 2022

8.1 The minutes of the Cabinet meeting held on the 27 June 2022 were agreed as a correct record.

9. APOLOGIES FOR ABSENCE

9.1 An apology was received from Councillor Simmons.

10. REPORTS

10.1 Copies of the reports referred to below are included in the minute book.

11. MODERN SLAVERY STATEMENT

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

11.2 It was RESOLVED to:

- 1) agree the East Sussex County Council's first Modern Slavery Statement;
- 2) authorise the Chief Operating Officer to make, if necessary, minor modifications to the Statement Prior to publication.

Reason:

11.3 Surrey County Council, East Sussex County Council and Brighton & Hove City Council have agreed that the responsibility for implementing approaches to responding to modern slavery in their operations and supply chains will rest with Orbis Procurement - a shared partnership service between the three authorities.

11.4 As this is the Council's first statement, it demonstrates how we have started responding to modern slavery risks in our operations and supply chains and some of our planned actions. Statutory guidance acknowledges that "Organisations will need to build on what they are doing year on year. Their first statements may show how they are starting to act on the issue and their planned actions to investigate or collaborate with others to effect change."

11.5 While the Council's first statement has touched on some of its planned actions, statements are primarily retrospective, focusing on the actions that have already been taken in the last financial year to tackle modern slavery in its organisation and supply chains. It is not a policy or a strategy document, but rather an annual reporting mechanism.

11.6 The aim is to have the statement signed and published by 30 September 2022 as required by Section 54 of the Modern Slavery Act 2015.

12. INTERNAL AUDIT ANNUAL REPORT AND OPINION 2021/22

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

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

Reason

12.3 The report gives an opinion on the adequacy of East Sussex County Council's control environment as a contribution to the proper, economic, efficient and effective use of resources. The report covers the audit work completed in the year from 1 April 2021 to 31 March 2022 in accordance with the Internal Audit Strategy for 2021/22. Substantial assurance can be provided that East Sussex County Council had in place an adequate and effective framework of governance, risk management and internal control for the period 1 April 2021 to 31 March 2022.

13. CONSERVATORS OF ASHDOWN FOREST BUDGET 2021/22

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

13.2 It was RESOLVED to:

1. note the 2021/22 Outturn for the Conservators' Core and Countryside Stewardship budgets.

2. approve the contribution of £19,546 to fund the deficit on the Conservators' Core budget for 2021/22.

Reason

13.3 To note the final accounts for the Ashdown Forest Trust for 2021/22 and a financial contribution from COVID 19 grant funding was agreed to offset the 2021/22 Core budget outturn deficit.

14. ITEMS TO BE REPORTED TO THE COUNTY COUNCIL

14.1 It was agreed that item 7 should be reported to the County Council.

[Note: the item being reported to the County Council refers to minute 13]

Title: Council Monitoring Report – Q1 2022/23
Report to: Cabinet
Date: 29 September 2022
Report by: Chief Executive
Purpose: To report Council monitoring for Q1 2022/23

RECOMMENDATIONS

Cabinet is recommended to:

- 1) note the latest monitoring position for the Council;
- 2) note the addition of the proposed new 'Schools and ISEND' risk to the Strategic Risk register; note the deletion of the previous 'Schools' risk from the register; and
- 3) approve additional capital investment of £0.307m for the development of disabled children's accommodation at Sorrel Drive.

1. Introduction

1.1 This report sets out the Council's position and year-end projections for the Council Plan targets, Revenue Budget, Capital Programme, and Savings Plan, together with Risks at the end of June 2022.

1.2 Broad progress against the Council's four strategic priority outcomes is summarised in paragraph 4 and an overview of finance and performance data is provided in the Corporate Summary at Appendix 1. Strategic risks are reported at Appendix 7.

2. Carry over report for Council Plan 2021/22

2.1 Outturns are now available for the seven Council Plan measures for 2021/22 which were carried over from quarter 4. Measures are carried over when action has been completed but outturn data is not available for reporting at year-end. Outturns for these measures are provided in Appendix 2 Adult Social Care and Health and Appendix 5 Communities, Economy and Transport. Despite a difficult year with the ongoing challenges of COVID-19 and economic pressures we have performed well overall with 80% (43 of the 54 Council Plan measures) of targets met or exceeded. This means we have achieved our aim to meet at least 80% of our targets for the year; this aim reflects the fact that we set ourselves challenging targets as part of our commitment to continuous improvement.

3. Council Plan 2022/23 amendments and variations

3.1 The Council Plan 2022/23 and the Portfolio Plans 2022/23 – 2024/25 have been updated with available 2021/22 outturns and final performance measure targets. All plans are published on the Council's website. The Corporate Summary (Appendix 1) contains a forecast of performance against targets.

3.2 The Strategic Risk Register, Appendix 7, was reviewed and updated to reflect the Council's risk profile. Risk 4 (Health), Risk 6 (Local Economic Growth), Risk 8 (Capital Programme), Risk 9 (Workforce), Risk 14 (Post European Union (EU) Transition), Risk 15 (Climate), Risk 17 (Safeguarding of Children and Young People) and Risk 18 (Data Breach) have updated risk controls. Risk 5 (Reconciling Policy, Performance & Resources) has updated risk definitions and risk controls. Risk 7 (Schools) has been removed from the Strategic Risk Register, and a new risk (Schools and ISEND) has been added.

4 Budget Outturn

4.1 The details of revenue over and underspends in each department are set out in the relevant appendices, and show a total forecast overspend of £5.1m. The main headlines are:

- Children's Services (CSD) is forecast to be overspent by £5.2m. Early Help and Social Care is overspending by £3.4m, comprising the following factors: within Looked After Children (LAC), the Care Leavers budget forecast overspend includes £1.2m as a result of the decision in 2021 to provide improved placement settings for young people, and £0.9m reduced income at Lansdowne Secure Children's home due to a reduction in the number of children that can be looked after; the impact of staff shortages; recruitment difficulties; and unusually challenging behaviour from some children. The £1.0m overspend in Locality is due to continued pressure on social work staffing budgets, £0.4m in Section 17 Inclusion Special Educational Needs and Disabilities due to a high-cost placement and £0.3m from the ongoing need to find countywide placements for families deemed intentionally homeless by the district and borough councils. This forecast is net of some offsets and mitigations, for example £0.4m underspend on Unaccompanied Asylum Seekers due to a higher proportion of children being placed under the National Transfer Scheme where the funding rates are higher.

Home to School Transport is projecting an overspend of £3.2m (net of COVID-19 funding of £0.8m for ongoing related pressures), reflecting pressures being experienced nationally, where costs for transporting Special Educational Needs and Disabilities (SEND) pupils have increased by over 33% in the last four years. The increase for 2022/23 reflects a number of factors: proportionately more solo occupancy than was expected for SEND clients, as well as small increases in the number of SEND pupils requiring transport; and price pressures arising from current market conditions (operators' staff wages, fuel cost increases and the increasing costs of other overheads). Work is ongoing to identify solutions to contain further forecast cost increases (as well as on modelling and forecasting) – these include transport route reviews/re-tendering and a case-by-case review of solo routes.

The total overspend has been mitigated in part by a forecast underspend of £1.6m as a result of efficiencies and staff vacancies across a number of areas in the department which are recorded in Central Resources, many of which are a one-off for 2022/23.

The department is pursuing a range of strategies to reduce the pressures, including a whole service review of the finances as part of the Reconciling Policy, Performance and Resources process, as well as individual actions such as the review of individual placements/support for LAC (where, for example, the top five most expensive placements each cost an average of £15,000 a week (annual equivalent total cost for the five of £3.9m)) and programmes such as Connected Families.

- The projected outturn for Adult Social Care (ASC) is an overspend of £0.5m. This comprises an overspend of £1.5m in the Independent Sector, offset by an underspend of £1.0m in Directly Provided Services, the latter is mainly due to staffing vacancies.
- Communities, Economy & Transport (CET) is forecast to underspend by £0.7m, this figure would have been higher, but it has been offset by the £1.0m Parking savings target that will not be met this year. The Parking savings have been significantly impacted by changes to driving and parking habits following COVID-19. High street activity has not returned to pre-covid levels and as a consequence we have yet to see the level of revenue that the increased parking charges was expected to yield. The largest area of underspend is in Transport and Operational Services, mostly made up of Waste Service underspends due to increased income from recycling, electricity sales, and third parties; £1.0m of this windfall Waste income has been transferred to the Waste Reserve to cover future budget pressures. There is a net overspend of £0.3m on the Highways budget due to inflation-based compensation events and additional tree work due to Ash Die Back.

4.2 Within Treasury Management (TM), centrally held budgets and corporate funding there is an underspend of £8.0m (including the general contingency):

- The General Contingency of £4.3m will be required in full to offset part of the service overspend.

- There is currently an estimated £4.6m underspend on TM, based on an improvement on the current forecasts for our market investment returns and increased cash balances. The slippage on the capital programme, and an increase in our cash balances, also removed the need to borrow externally in 2022/23. £1.7m will be used to cover the remaining overspend on service budgets and corporate funding budgets, and the remaining £2.9m will, in line with normal practice, be available to offset capital borrowing.
- Corporate Funding budgets are overspending by £0.9m, as a result of a £0.6m error by Rother District Council in their precept returns to the Council at budget setting, and a £0.3m reduction in the income from Business Rate Pooling arrangements, which had been based on the latest forecasts provided by the districts and boroughs.

4.3 The Council is still experiencing residual COVID-19 related costs and income losses which are being fully mitigated from general and specific funding. The table below shows the current forecast for use of this funding in 2022/23:

COVID-19 Grants 2022/23 (£m)	Carried forward	Estimated use in-year (including payback*)	Specific set-aside for LAC in future yrs	Estimated balance remaining
COVID-19 General Funding	14.075	(4.235)	(3.074)	6.766
COVID-19 Specific Funding	8.990	(8.990)	-	-
Total funding	23.065	(13.225)	(3.074)	6.766

* to date the Council has repaid £1.9m of unused grant

4.4 Capital Programme expenditure for the year is projected to be £91.3m against a budget of £93.9m, a net variation of £2.6m. Of the net variation position, £1.9m relates to Local Enterprise Partnership (LEP) funded projects being delivered by or in partnership with others, where the timing of expenditure and delivery is largely outside of the Council's control. Main variations include:

- Schools Basic Need Programme – slippage of £2.1m mainly due to new primary school provision at Uckfield subject to the timing of a large housing development and securing associated land from the developer. There is no immediate pressure on school places in the area and the Council is currently able to meet demand for places within the existing school capacity.
- Eastbourne/South Wealden Walking and Cycling Package (LEP funded project) – slippage of £1.4m where ongoing complexities with design, contractor resource shortages and obtaining materials in light of global shortages have deferred construction of some aspects of the project. The package will focus on Willingdon Drove and Eastbourne Town Centre schemes which are both deliverable within the current financial year.
- Hastings Bexhill Movement and Access Programme (LEP funded project) – slippage of £0.5m largely relates to an element of the scheme which has now obtained approval from the LEP to defer spend until Summer 2025, in line with the Hastings Borough Council Towns Deal.
- Bexhill and Hastings Link Road – There has been slippage of budget into 2022/23 of £0.3m. Project costs remain for Part 1 compensation claims and other ongoing costs such as post excavation archaeology, ecological monitoring and landscaping. There is a projected overall overspend on the scheme in the region of £2.3m, of which £1.4m is forecast to materialise during 2022/23. The in-year position will be reviewed as Part 1 claims are settled and paid throughout the year.

4.5 The current capital programme includes £0.242m for creating greater in-house capacity for disability children's accommodation at Sorrel Drive. Originally approved in 2020/21, design work

has identified that an increased scope would deliver additional benefits including future cost avoidance compared to alternative provision. The revised cost of the project is £0.810m, an additional £0.568m. It is proposed that this is funded from £0.261m identified within the Children's Services 2022/23 revenue budgets, and £0.307m from increased capital programme borrowing. This addition to the capital programme is recommended in accordance with the Capital Strategy via business case, demonstrating value for money when considering the cost of alternative provision and its potential ongoing impact on revenue budgets.

5 Progress against Council Priorities

Driving sustainable economic growth

5.1 The Council has spent £284m with 910 local suppliers over the 12 months to June 2022, which equates to 67% of our total spend, above our target for this year of 60%. The Procurement team continues to promote our contract opportunities to local suppliers, as well as building local supply chain opportunities into our tenders where possible (Appendix 3).

5.2 Locate East Sussex helped five businesses to remain within, or relocate to, East Sussex in quarter 1. Businesses were helped by business support programmes to create or safeguard 15.5 full-time equivalent jobs. It is anticipated that additional work later in the year will mean that we may still achieve our target of creating or safeguarding 140 full-time equivalent jobs (Appendix 5).

5.3 Highways works using the one-off investment agreed by Cabinet in November 2021 began in quarter 1. Over £0.5m of additional carriageway patching was completed across 154 sites and three footway schemes were completed. No road marking works were completed in quarter 1 however, the first scheme of works is scheduled to start in quarter 2. £0.5m of signage works are scheduled to be completed in 2022/23 with 866 signs projected to be replaced (Appendix 5).

5.4 The outturns for road condition for 2021/22 have now been published; these are reported a quarter in arrears. The percentage of Principal roads requiring maintenance increased slightly to 5%, when compared to the 2020/21 outturn of 4%; and the percentage of Non-Principal roads requiring maintenance also increased slightly to 6% (compared to a 4% outturn for 2020/21). However, these results are lower than the targets set for 2021/22 of 8% and 9% respectively. The percentage of Unclassified roads requiring maintenance was 13%, an improvement from 14% in 2020/21, and lower than the 2021/22 target of 15%. In February 2022, Cabinet and Full Council approved additional investment over a ten-year period to target road condition at the level of 4%, 4% and 14% respectively and these are the targets for 2022/23. This additional funding started to be used in quarter 1 as part of the annual capital programme. (Appendix 5).

5.5 91.4% of young people at academic age 16 (Year 12) met the duty to participate in education, training or employment with training in June 2022, against a target of 93%. 84.1% of young people at academic age 17 (Year 13) met the duty, against a target of 85%. There has been a significant increase in the number of young people opting to enter employment without training and in other situations that do not meet the Department for Education's criteria for participation, such as opting into part time education and temporary employment (Appendix 4).

5.6 30 members of staff started an apprenticeship with the Council in quarter 1, a number of these were in bespoke professional areas such as management, finance and data analytics. The number of apprentices in Adult Social Care and Health (ASCH) continues to increase, and the Apprenticeship Team are working closely with the new recruitment team in ASCH who are tasked with promoting careers in care to young people. Work with the team has included joint attendance at careers fairs, development of joint communications and supporting placements within care roles (Appendix 3).

5.7 Seven contracts were awarded in quarter 1, of which one was in scope of the Social Value Measurement Charter, which quantifies the economic, social and environmental benefits of Council procurement. The contract had a total value of £234,000 and secured £18,700 in Social Value commitments, which equates to an outturn of 8%. The Social Value commitments secured in quarter 1 included apprenticeships, work experience for local people, employability support being offered to local priority groups and career awareness programmes offered to local schools

and colleges. A refreshed East Sussex Social Value Marketplace was launched in quarter 1. The Marketplace enables the sharing of resources, so we can work collectively to improve the social, economic and environmental wellbeing of our residents and local communities. Contact is being made with our suppliers and charity partners to register and get engaged with the improved site (Appendix 3).

Keeping vulnerable people safe

5.8 The Holiday Activity and Food (HAF) programme provided for more than 1,800 eligible young people in the county during the Easter holidays. 300 young people with additional needs accessed the provision, either through the five Special Educational Needs and Disability (SEND) specific providers, or by accessing mainstream HAF providers with additional support. 50 providers were supported across 76 sites, with 90% of all funded places attended. May half term activities, supported by Contain Outbreak Management Funding, focused on supporting young people with SEND and those with low attendance. 1,440 young people were involved in the scheme, which delivered more than 4,500 sessions. 46 providers were supported, of which 23 were SEND specific (Appendix 4).

5.9 Trading Standards made 65 positive interventions to protect vulnerable people in quarter 1, including installing call blockers and dummy cameras. As part of Scams Awareness Fortnight, Trading Standards spoke to 145 people at local libraries to raise awareness of the types of scams which target vulnerable people (Appendix 5).

5.10 The rate of children on a Child Protection plan at the end of quarter 1 is 53.9 per 10,000 children aged 0-17, above our target of 50.3. There has been a steady increase since the start of 2022/23, in line with the increase in activity across the system. The rate of LAC at the end of quarter 1 is 59.9 per 10,000 children, just above the target of 59.8, this is due in part to ongoing significant delays in the court system (Appendix 4).

5.11 The latest available figures, as of 13 July, show that 1,095 guests have arrived in East Sussex under the Homes for Ukraine (HfU) scheme. The guests are at 473 different properties across the county and more than 317 school places have been allocated to Ukrainian children (Appendix 2).

5.12 During quarter 1 the Third Sector support team has worked with the Voluntary Actions (VA) (3VA, HVA and RVA) and Voluntary, Community and Social Enterprise (VCSE) organisations in East Sussex to develop support for HfU guests and hosts across the county. The VAs and VCSE sector have played a key role in helping the hyper-local networks, community hubs and our district and borough partners to identify and respond to the needs of HfU guests and hosts (Appendix 2).

Helping people help themselves

5.13 Three infrastructure schemes to improve road safety in the county were completed in quarter 1, one was in Forest Row and the other two were in Eastbourne. 106 'Bikeability' courses were delivered to 964 individuals at participating schools and the Cycle Centre at Eastbourne Sports Park in quarter 1. We also delivered 55 'Wheels for All' sessions to 1,122 attendees at the Sports Park (Appendix 5).

5.14 Children's Services held their first face to face Children and Young People's Trust Annual Event since COVID-19 on 3 May 2022. 168 delegates attended, including 42 young people, representing a variety of sectors and youth voice groups. The event focused on the refresh of our Children and Young People's Plan and provided the opportunity to discuss each of the Plan's five priority areas; Best Start in Life; Safeguarding; Education; Physical Health; and Mental Health and Emotional Wellbeing (Appendix 4).

5.15 Quarter 1 saw the launch of 'The Stopping Place', the Council's new one-stop shop website for Gypsy, Roma and Travellers. Co-developed with the Gypsy, Roma, Traveller Community, and national charities, the website has a focus on supporting children and young people and has proved to be a valuable resource for young people, parents/carers and professionals alike. The

website was featured during events in June to mark Gypsy, Roma and Traveller history month (Appendix 4).

5.16 Work to support health and social care integration continued in quarter 1. The NHS Integrated Care Board, titled NHS Sussex, was formally established on 1 July and held its inaugural meeting on 6 July. NHS Sussex is responsible for agreeing the strategic priorities and resource allocation for all NHS organisations in Sussex, taking on the commissioning functions previously carried out by the Clinical Commissioning Groups. Work also continued in quarter 1 on the arrangements for a wider Sussex Health and Care Assembly, which will be established as a statutory joint committee between the NHS and local government (Appendix 2).

Making best use of resources now and for the future

5.17 Lobbying continued in quarter 1, including the Leader meeting with local MPs to discuss the latest priorities for the Council and residents. We also undertook lobbying through the County Councils Network into the first meeting of the national Local Net Zero Forum convened by the Department for Business, Energy and Industrial Strategy to enhance engagement between central and local government on net zero delivery (Appendix 6).

5.18 There was a 7.4% reduction in carbon emissions at the end of 2021/22 compared to the previous year (reported a quarter in arrears); the target for 2021/22 was a 13% reduction. Several energy efficiency projects commenced in quarter 1, including our programme to install LED lighting to 11 properties during 2022/23. We have also commissioned five Solar Photovoltaics projects (Appendix 3).

5.19 The Council has continued to work with a range of partners to develop and deliver carbon reduction and climate change adaptation work in quarter 1. This has included bidding for funding alongside Lewes and Eastbourne councils, West Sussex County Council and the National Park; working with the Sussex Air Partnership to secure funding to retrofit 40 Brighton & Hove Buses to be less polluting; and enabling households across the county to benefit from lower cost solar panels through the Solar Together partnership (Appendix 5).

5.20 The State of the County report, which was considered by Council in July, set out the significant uncertainty which continues to dominate the context within which we are working, including the challenges presented by the national economic environment and the increases in the cost of living, and the significant national reforms to several services, the impacts of which are not yet clear. The financial outlook for the Council remains unclear with Government funding that the Council will receive between 2023/24 – 2025/26 yet to be confirmed and uncertainty about plans for national reform of the local government funding regime. The Council Plan and Portfolio Plans 2022/23 have been refreshed with completed outturns, and there have been some changes to the performance measures and targets based on the outturns now available. The updated plans are available on our website (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 (includes how to read this 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 in the short and long term.

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

Departmental Appendices 2 - 6

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

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

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

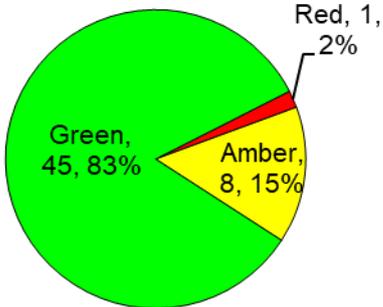
Strategic Risk Register Appendix 7

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

Council Monitoring Corporate Summary – Q1 2022/23

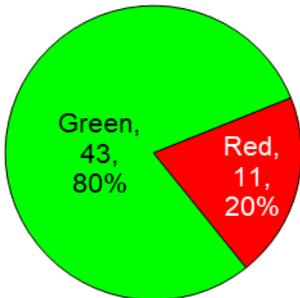
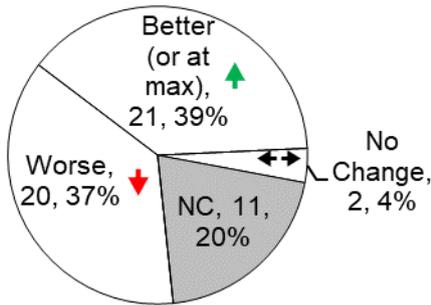
Council Plan performance targets

Priority	Red	Amber	Green
Driving sustainable economic growth	0	4	20
Keeping vulnerable people safe	1	1	7
Helping people help themselves	0	2	14
Making best use of resources now and for the future	0	1	4
Total	1	8	45

Performance overview Q1 2022/23	Measures off target by department
 <p>Green, 45, 83% Amber, 8, 15% Red, 1, 2%</p>	<p>There are 54 measures in the Council Plan. In Q1, four departments had measures that were off target.</p> <p>ASCH – 1 Amber BSD – 1 Amber CSD – 1 Red, 5 Amber CET – 1 Amber</p>

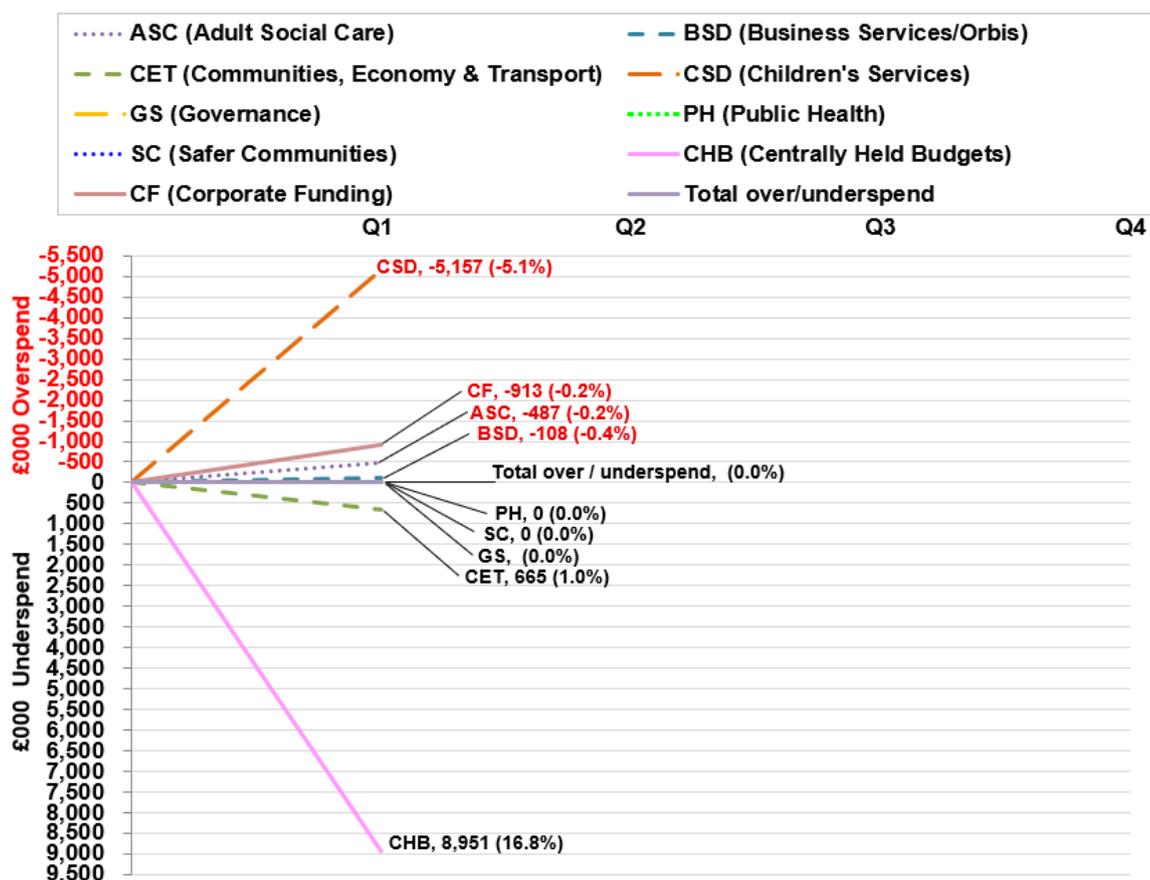
Final Council Plan outturn summary for year ending 2021/22

Seven measures were reported as carry overs at the end of Q4 2021/22. Outturns for these measures are now available and the charts below summarise the final year end position for the 54 council plan targets in 2021/22. Where available, performance improvement relative to 2020/21 is summarised under Direction of travel.

2021/22 – Final	Direction of travel since 2020/21
 <p>Green, 43, 80% Red, 11, 20%</p>	 <p>Better (or at max), 21, 39% ↑ Worse, 20, 37% ↓ No Change, 2, 4% ↔ NC, 11, 20%</p>

Direction of Travel key:

No Change: ↔, Not Comparable: **NC**, Carry Over: **CO**, Worse: ↓, Improved (or at maximum): ↑

Revenue budget outturn (net £000)**Revenue budget summary (£000) 2022/23**

Services:

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net
Adult Social Care	306,352	(105,493)	200,859	306,767	(105,421)	201,346	(415)	(72)	(487)
Safer Communities	1,994	(909)	1,085	1,994	(909)	1,085	-	-	-
Public Health	31,097	(31,097)	-	31,097	(31,097)	-	-	-	-
Business Services / Orbis	58,263	(32,465)	25,798	59,147	(33,241)	25,906	(884)	776	(108)
Children's Services	374,400	(272,921)	101,479	375,970	(269,334)	106,636	(1,570)	(3,587)	(5,157)
Communities, Economy & Transport	134,376	(71,037)	63,339	141,348	(78,674)	62,674	(6,972)	7,637	665
Governance Services	8,052	(643)	7,409	8,030	(621)	7,409	22	(22)	-
Total Services	914,534	(514,565)	399,969	924,353	(519,297)	405,056	(9,819)	4,732	(5,087)

Centrally Held Budgets (CHB):

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net
Treasury Management	21,630	(1,700)	19,930	19,972	(4,625)	15,347	1,658	2,925	4,583
Capital Programme	816	-	816	816	-	816	-	-	-
Unfunded Pensions	8,023	-	8,023	8,062	-	8,062	(39)	-	(39)
General Contingency	4,330	-	4,330	-	-	-	4,330	-	4,330
Contrib. to Reserves	18,545	-	18,545	18,545	-	18,545	-	-	-
Apprenticeship Levy	600	-	600	675	-	675	(75)	-	(75)
Levies, Grants and Other	1,024	(70)	954	935	(134)	801	89	64	153
Total Centrally Held Budgets	54,968	(1,770)	53,198	49,006	(4,759)	44,247	5,962	2,989	8,951

Corporate Funding:

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net
Business Rates	-	(86,641)	(86,641)	-	(86,374)	(86,374)	-	(267)	(267)
Revenue Support Grant	-	(3,687)	(3,687)	-	(3,687)	(3,687)	-	-	-
Service Grant	-	(5,175)	(5,175)	-	(5,175)	(5,175)	-	-	-
Council Tax	-	(333,174)	(333,174)	-	(332,528)	(332,528)	-	(646)	(646)
Social Care Grant	-	(23,674)	(23,674)	-	(23,674)	(23,674)	-	-	-
New Homes Bonus	-	(816)	(816)	-	(816)	(816)	-	-	-
Total Corporate Funding	0	(453,167)	(453,167)	0	(452,254)	(452,254)	0	(913)	(913)

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net
TOTAL	969,502	(969,502)	0	973,358	(976,310)	(2,952)	(3,856)	6,808	2,952
Contribution of TM underspend to capital programme borrowing	-	-	-	2,952	-	2,952	(2,952)	-	(2,952)
FINAL TOTAL	969,502	(969,502)	0	976,310	(976,310)	0	(6,808)	6,808	0

Revenue Savings Summary 2022/23 (£'000)

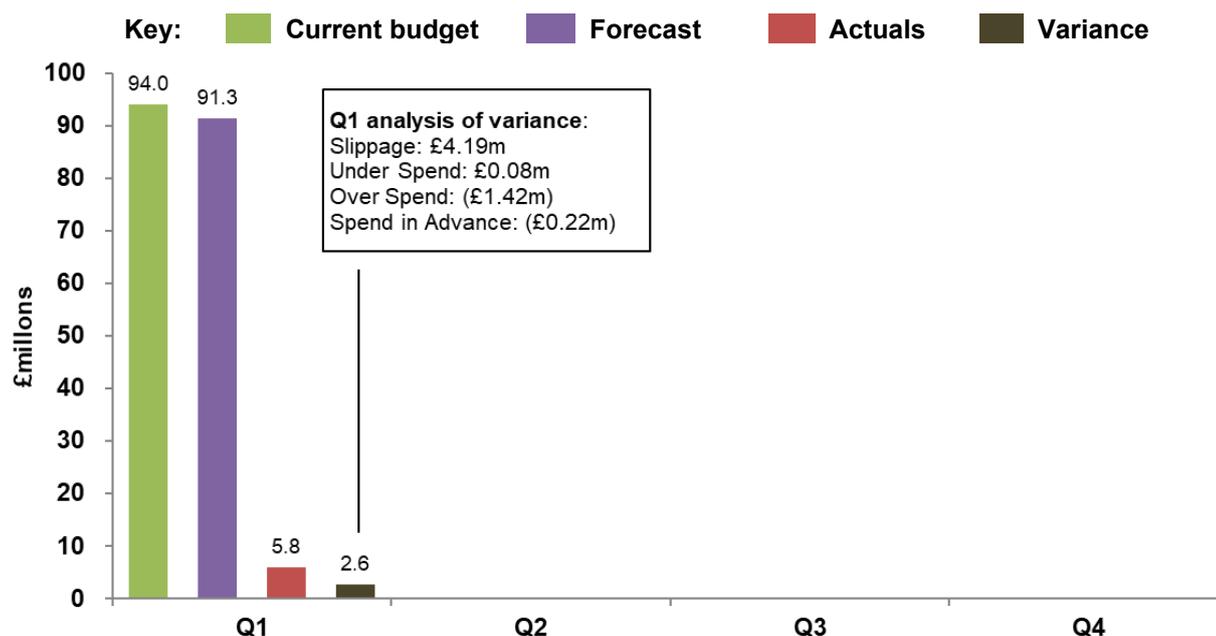
Service description	Original Target for 2022/23	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved
ASC	-	-	-	-	-
BSD/Orbis	-	-	-	-	-
CS	-	-	-	-	-
CET	1,257	1,257	257	1,000	-
GS	-	-	-	-	-
Total Savings	1,257	1,257	257	1,000	0
ASC			-	-	-
BSD / Orbis			-	-	-
CS			-	-	-
CET			-	-	-
GS			-	-	-
Subtotal Permanent Changes ¹			0	0	0
Total Savings & Permanent Changes	1,257	1,257	257	1,000	0

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding ²	Part of reported variance ³	Total
ASC	-	-	0
BSD / Orbis	-	-	0
CS	-	-	0
CET	1,000	-	1,000
GS	-	-	0
Total	1,000	0	1,000

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).

Capital Programme (gross £ millions) – approved projects**Capital Programme Summary 2022/23 (£'000)**

	Budget Q1	Actual to date Q1	Projected 2022/23	Variation (Over) / under Q1 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance
Adult Social Care	394	1	394	-	-	-	-
Business Services	31,879	3,780	29,574	2,305	-	2,305	-
Children's Services	1,450	198	1,450	-	-	-	-
Communities, Economy & Transport	60,244	1,870	59,923	321	(1,348)	1,887	(218)
Gross Expenditure (Planned Programme)	93,967	5,849	91,341	2,626	(1,348)	4,192	(218)
Section 106 and CIL	2,417	-	2,417	-	-	-	-
Other Specific Funding	6,497	-	6,449	48	48	-	-
Capital Receipts	9,591	-	9,591	-	-	-	-
Formula Grants	34,234	-	34,234	-	-	-	-
Reserves and Revenue Set Aside	20,271	-	20,244	27	27	-	-
Borrowing	20,957	-	18,406	2,551	(1,423)	4,192	(218)
Total Funding (Planned Programme)	93,967	0	91,341	2,626	(1,348)	4,192	(218)

Treasury Management

The Treasury Management Strategy (TMS), 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.

The average level of Council funds available for investment purposes during the Q1 was £308m. The total amount received in short term interest for Q1 was £0.648m at an average rate of 0.84%, compared to £0.299m at an average rate of 0.39% for Q4 2021/22. The Bank of England Base Rate was increased twice in Q1 on the 5 May and 16 June to 1.25%, the market investment return outlook has improved slightly, such that where possible a number of Bank deposits at a fixed return for periods up to 1 year were taken. These investments have been 'laddered' and will mature at different intervals in the next 12 months, this will take advantage of a rising bank rate in the next 12 months.

In seeking investment opportunities, as defined by the TMS, an opportunity has been undertaken to reinvest a maturing Bank Deposit that aligns to the United Nations' Sustainable Development Goals (SDGs). In Q1, a £10m maturity was reinvested for a duration of six months, maintaining the £30m placed for investment in this deposit type.

No short-term borrowing was required in Q1. The majority of the Council's external debt, totalling £227.4m at Q1, is held as long-term loans. No long-term borrowing was undertaken in Q1, and no further cost-effective opportunities have arisen during Q1 to restructure the existing Public Works Loan Board (PWLB) or wider debt portfolio.

The Treasury Management budget is currently forecasting to underspend by £4.6m. This is based on the position outlined above with regard to balances held and investment returns and slippage on the capital programme removing the need to borrow externally in 2022/23.

Reserves and Balances 2022/23 (£000)

Reserve / Balance	Balance at 1 Apr 2022	Planned net use at Q1	Forecast net use at Q1	Movt	Estimated balance at 31 Mar 2023
Statutorily ringfenced or held on behalf of others:					
Balances held by schools	21,328	-	-	-	21,328
Public Health	6,857	-	-	-	6,857
Other	6,941	(36)	(36)	-	6,905
Subtotal	35,126	(36)	(36)	0	35,090
Service Reserves:					
Corporate Waste	17,013	-	-	-	17,013
Capital Programme	18,942	(1,998)	(1,998)	-	16,944
Insurance	7,253	(646)	(646)	-	6,607
Adult Social Care	-	-	-	-	-
Subtotal	43,208	(2,644)	(2,644)	0	40,564

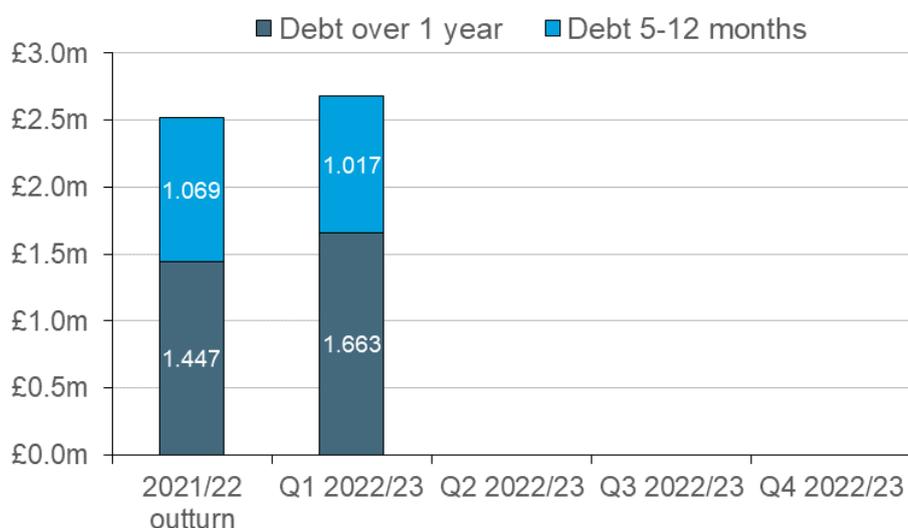
Strategic Reserves:

Priority / Transformation	17,285	(12,192)	(12,192)	-	5,093
Financial Management	47,303	(2,451)	(2,451) ¹	-	44,862
Subtotal	64,588	(14,643)	(14,643)	0	49,945
Total Reserves	142,922	(17,323)	(17,323)	0	125,599
General Fund	10,000	-	-	-	10,000
Total Reserves and Balances	152,922	(17,323)	(17,323)	0	135,599

¹ currently excludes any transfers relating to Q1 variances

Changes to Fees & Charges

There have been no changes during Q1.

Outstanding debt analysis (£ millions)

The value of debt aged over 5 months at Q1 has increased by £0.164m to £2.680m compared to the 2021/22 outturn of £2.516m. This rise in outstanding debt relates to income due from Adult Social Care (ASC) client contributions.

93% of total debt relates to ASC. Regular ASC debt case review meetings ensure that the most appropriate steps are taken to recover debt promptly in consideration of the residents' circumstances and in accordance with the Care Act.

Adult Social Care and Health – Q1 2022/23

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

Adult Social Care (ASC)

Health and social care integration

The new statutory NHS Integrated Care Board (ICB) known as NHS Sussex was formally established on 1 July, and held its inaugural meeting on 6 July. NHS Sussex is responsible for agreeing the strategic priorities and resource allocation for all NHS organisations in Sussex, taking on the commissioning functions previously carried out by the Clinical Commissioning Groups (CCGs). The Council's Director of Adult Social Care and Health represents ASC across Sussex as a partner member alongside the West Sussex County Council Director of Public Health and the Brighton & Hove City Council Director of Children's Services who fulfil similar professional roles on the Board. Partner organisations remain individually responsible for their own strategies, services and budgets.

Work continued in Q1 on the arrangements for a wider Sussex Health and Care Assembly to be established as a statutory joint committee between the NHS and local government, to come together to develop a strategy and formally agree the strategic direction for the Sussex system to meet the broader health, public health and social care needs of the population in the Integrated Care System (ICS) footprint. Both the NHS Sussex ICB and the Assembly have duties to consider Health and Wellbeing Board plans and, to reflect this, the Terms of Reference of the Health and Wellbeing Board have been updated, and a refresh of our East Sussex Health and Wellbeing Strategy '*Health Lives, Healthy People*' has been undertaken and approved. The Strategy focusses on the areas that the East Sussex Health and Wellbeing Board believes a more integrated and joined up approach will help to improve outcomes, reduce health inequalities and deliver more integrated care in a more sustainable way. It has been updated to reflect our current policy context and priorities for our population, including the pandemic experience during the last two years and the impacts on society as a whole, as well as ensuring that it fully aligns with more recent shared plans and strategies.

Our refreshed shared priorities for 2022/23 across children and young people, mental health, community, urgent care and planned care, have been incorporated into the refreshed Health and Wellbeing Strategy. Our focus continues to be delivery of our East Sussex Health and Care Partnership Plan to support restoration and recovery of our system in a sustainable way. Summary highlights of progress in the last period for the work across community health and social care integration includes:

- Planning for future arrangements to support discharge from hospital after the government hospital discharge programme funding ends, alongside research into 'Discharge to Assess' models.
- Implementation of action learning sessions designed to explore a 'population health management' approach. The Foundry Primary Care Network in Lewes has volunteered to undertake case study work with partners to test the use of more integrated data and insight to understand the needs and resources of particular groups more clearly, and improve and better manage the health of local populations. This involves a broad range of our clinical and care teams across the health, social care and voluntary and independent sector services working locally, and will help shape the design of our model for locality and neighbourhood working.
- Recruitment of Primary Care Network (PCN) based roles to enable access to mental health practitioners via primary care and an agreement to develop an action plan to support better mental health in the wider population.
- The report from the engagement workshops on the long-term vision for community hubs in East Sussex has been finalised, and a high level action plan to set out how the recommendations will be taken forward is being co-produced.

Third Sector support

During Q1 the focus was on working with the Voluntary Actions (VA) (3VA, HVA, and RVA), and local Voluntary, Community and Social enterprise (VCSE) organisations to develop support for Homes for Ukraine (HfU) guests and hosts across the county.

The VAs and VCSE sector are playing a key role in helping the hyper-local networks, community hubs and our district and borough partners identify and respond to the needs of HfU Guests and Hosts. This includes the VAs administering and managing the HfU Community Support Grant Fund that is open to applications from groups, organisations, networks and hubs seeking funds under four themes:

- Transportation.
- Social interaction.
- Well-being activities.
- Accessing services.

Homes for Ukraine

Latest figures (as at 13 July) show that 1,095 guests have arrived in East Sussex under the HfU scheme. The guests are at 473 different properties across the county. More than 317 school places have been allocated to Ukrainian children.

The government database shows 1,583 Ukrainians registered to come to East Sussex in total, meaning the county has received over 69% of our anticipated arrivals.

Adults are able to take control of the support they receive

- At the end of Q1, 32.5% of adults and older people were receiving Direct Payments. This equated to a total of 1,504 people.
- At the end of Q1, there are 332 Support With Confidence members – 279 Personal Assistants (PA) and 53 businesses (this includes four PA businesses.) There have been 16 new approvals in Q1. There are currently 73 live applications in progress - 69 PA applications and four business applications.

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

2,296 people were supported through housing related floating support across East Sussex in Q1 (ref i). Brighton Housing Trust (BHT) are continuing to mobilise the Floating Support service, including recruiting to vacant posts within the team. In the meantime, capacity within the service is reduced. BHT and the commissioning team are working together to minimise the impact on referral partners and ensure cases are triaged based on urgency and need. BHT have also been working with the HfU programme to develop and mobilise a dedicated sustainment and move on service.

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:

- During 2021/22, 90.4% of older people discharged from hospital to reablement / rehabilitation services were at home 91 days after their discharge from hospital.
- In Q1 no further request was made for on-going support for 93.1% people who received short-term services.
- In Q1 69% of Reablement service users discharged from the Joint Community Rehabilitation Service did not require on-going care.

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

Domestic Violence and Abuse, Sexual Violence and Abuse Services

The number of Domestic Abuse incidents and crimes in East Sussex recorded by Sussex Police between during 2021/22 (reported a quarter in arrears) was 10,909, compared to 11,048 in 2020/21, a decrease of 1.3%.

Change, Grow, Live East Sussex Domestic Abuse Service

The service received 2,482 referrals in 2021/22 (reported a quarter in arrears). This represents an 8.3% reduction compared to 2020/21, when the total figure was 2,707. This decline in referrals is due to the Victim Support Service triaging all Police referred medium risk Domestic Abuse incidents and referring into Change, Grow, Live East Sussex with victim consent. Referrals per quarter have been steady across the year, at between 603 and 644. Eastbourne remains the area with the highest number of referrals (755 for the year), followed by Hastings (642). Rother continues to see lower referral numbers (227). Physical abuse was listed as the most common primary abuse type for Q4, although for 2021/22 as a whole, emotional abuse was the most common primary abuse type.

Rape and Sexual Violence Services

Services are co-commissioned with the Office of the Sussex Police and Crime Commissioner (OSPCC) and provided by Survivors Network. In Q4 (reported a quarter in arrears) there was a 19% increase in referrals from East Sussex when compared to Q3. Survivors Network have suggested this is as a result of the service being promoted by East Sussex agencies in Q4 with regards to training and in discussion with key leads in development of the action plan for delivery of the Domestic Abuse, Sexual Violence and VAWG (Violence Against Women and Girls) Strategic Framework, which has been recently refreshed following the introduction of the Domestic Abuse Act 2021 and to incorporate VAWG. Rape remains the most common offence type, with an even split between Sexual Violence in a Domestic Abuse context where the perpetrator is a partner or ex-partner, a family member or an acquaintance.

Multi-Agency Risk Assessment Conferences

During 2021/22 (reported a quarter in arrears), 1,105 high risk domestic violence and abuse cases were discussed at the East Sussex Multi-Agency Risk Assessment Conferences (MARACs). This is an increase of 12.1% when compared to 2020/21 where 986 cases were heard. Nationally SafeLives report an 6% increase in MARAC referrals compared to 2020/21. Both the MARACs in East Sussex continue to be over the SafeLives expected 40 cases per 10,000 population (Eastbourne Lewes and Wealden 43 and Hastings and Rother 59). A revised model for East Sussex MARAC will be presented to the East Sussex Domestic Abuse and Sexual Violence Management Oversight Group in Q2 for approval to progress.

The (Multi-Agency) Victim Hub

The Hub enables early triage of new cases across the breadth of vulnerabilities (Domestic Abuse, Rape and Sexual Violence, Stalking and Harassment, Harmful Practices). The Hub is now well established in its first phase of development, and commissioned services participate to manage cases. Future development underway in East Sussex involves the mapping of safeguarding routes into ASC and Children's Services for domestic abuse cases to identify and avoid duplication between the Multi-Agency Screening Hub (MASH), MARAC and the Victim Hub.

Substance Misuse

In Q1 five new recovery services were commissioned from the Public Health Grant as follows:

- Seaview have been awarded funding to provide a specific recovery service for members of the street community.
- Adfam are providing support to families and carers of those with problematic substance use.

- East Sussex Veterans Hub have been commissioned to provide a recovery support service for all those seeking to sustain their recovery from problematic drug and alcohol use which includes outdoor diversionary activities.
- Oasis Project have been commissioned to provide a gender specific recovery service.
- Emerging Futures have been commissioned to provide a recovery coaching service for those in recovery from problematic alcohol use.

Modern Slavery

During Q1 the Safer East Sussex Team have mapped areas of risk to Council supply chains with the Modern Slavery Senior Policy Lead for Orbis Procurement and are in the process of designing bespoke multi agency training for those identified areas.

In June the Safer East Sussex Team supported the [‘It’s a Penalty’](#) campaign, highlighting the risk of modern slavery in sport to residents.

Fraud & Scams

During Q1 Get Safe Online (GSO) and the Council have been promoting campaigns around:

- ‘Holiday and travel booking’ – expert advice on how to book holidays and travel safely.
- ‘Check a Website’ – a brand new feature on the [Get Safe Online website](#) which means the public can check if a website is fraudulent or not before they use it.
- ‘Switched on Parent’ – advice from GSO experts on how parents can help children use the internet safely and with confidence.

GSO supported the Eastbourne 999 Festival delivering internet safety advice to over 12,000 visitors during the weekend of the 2-3 July.

Preventing Violent Extremism

During Q1 Relation-shops workshops were delivered to the year 6 students at seven primary schools and two Special Educational Needs Schools across East Sussex.

Additionally Prevent Awareness workshops were delivered to Ore Valley and Station Plaza East Sussex College Students. Prevent Awareness Assembly inputs were provided to over 200 secondary school students in Eastbourne. Staff training continues with Prevent Duty refresher training provided to the staff of two primary schools and also to the staff who support unaccompanied asylum seekers housed in Eastbourne.

In addition to the workshops a number of educational interventions have been carried out on request from Channel or education safeguarding leads. East Sussex Police Neighbourhood Youth Officers are often involved in the delivery of workshops and interventions. In total approximately 900 students and staff received an input in Q1.

Serious Violent Crime

The East Sussex Violence Reduction Partnership Home Office funding allocation for this year is £268,005. In Q1 it was determined that the funding will be used to:

- Implement a targeted contextual safeguarding place-based response to serious violence, with an initial focus on Devonshire Ward in Eastbourne.
- Collaborate against child exploitation which will include family keywork, an exploitation and group work programme, and a self-support group and Collaborate Against Child Exploitation mentors.
- Tackle the school exclusion of vulnerable pupils at risk of involvement in violent crime.
- Reduce the incidents knife crimes and the harm caused to young people and their communities.

Public Health

Taxiwatch is a Suicide Prevention training initiative which aims to equip drivers with the skills needed to identify a mental health emergency. The training was piloted with taxi drivers in

Eastbourne and Seaford in May and over 60 drivers attended. Feedback highlighted how poorly equipped taxi drivers had felt when faced with the situation. They welcomed the training opportunity which enabled them to learn how to save a life.

The **Wellbeing at Work award** has been awarded to three further workplaces. The Prideaux Group, a small chain of care homes based across Eastbourne and Bexhill and Design Specific Ltd, a small manufacturing unit, were both awarded the Wellbeing at Work Commitment Award following surveys to identify and implement positive changes in the workplace. Servomex, a Crowborough-based manufacturer, was awarded a Wellbeing at Work Bronze Award for successful interventions including the provision of mental health awareness training to all 75 managers. The [accreditation programme](#) currently has 26 East Sussex businesses registered, who are working towards either commitment, bronze or silver level awards.

Revenue Budget Summary

Public Health

The Public Health (PH) Budget of £31.097m comprises of the PH grant allocation of £28.862m, Test Track and Contain grant allocation £0.792m, ADDER Grant allocation £1.350m and £0.093m drawn from reserves to support in year spending. At the end of Q1 projected expenditure is £0.310m less than anticipated due to the ongoing use of the Test Track and Contain grant to fund COVID-19 recovery work and lower than projected activity in GP Health checks, Stop Smoking service and the Substance Misuse budget.

ASC

The net ASC budget of £200.859m includes an inflationary uplift equal to 6% across all independent sector care services, to support the independent sector care market. The budget also includes an additional £3.100m from the 1% precept and £1.750m market sustainability and fair cost of care grant funding. These will mitigate any initial impacts of social care charging reforms during 2022/23.

At the end of Q1 the projected outturn is an overspend of £0.487m, just over 0.2% of the net budget. This comprises an overspend of £1.525m in the Independent Sector, offset by an underspend of £1.038m in Directly Provided Services, the latter due mainly to staffing vacancies.

In addition to the core revenue budget, ASC continues to incur expenditure funded by a range of COVID-19 related funding streams. For the Contain Outbreak Management Funding and Test and Trace Grant, these will fund ongoing costs relating to schemes initiated during the national COVID-19 response. For other grants, expenditure relates to the repayment of unspent funding to the government:

Grant	Funding b/f £'000	Planned Usage £'000	Balance Remaining £'000
Contain Outbreak Management Funding 20/21	6,491	3,560	2,931
Test & Trace Grant	792	792	-
Clinically Extremely Vulnerable (CEV) Grant (support to CEV individuals)	1,539	-	1,539
Infection Control Fund 4	48	48	-
Rapid Test Fund 3	40	40	-
Infection Control and Testing Fund – Round 3	140	140	-
Workforce Recruitment and Retention Fund	10	10	-
Omicron Support Fund	186	145	41
Practical Support Payments	1,044	1,044	-
Total	10,290	5,779	4,511

ASC is also administering the HFU Scheme in East Sussex. Local authorities are entitled to £10.5k of funding per guest. Funding is also available for education and for hosts. The table below sets out confirmed and expected funding and current committed expenditure for total anticipated arrivals of 1,516 guests.

HFU Grant Funding	Funding Confirmed £'000	Further Funding Anticipated £'000	Total Funding £'000	Planned Usage £'000	Balance Remaining £'000
Funding at £10.5k per guest	9,282	6,636	15,918	5,570	10,348
Host Payments at £350 per week per host	-	2,260	2,260	2,260	-
Education funding for guests under 18	-	2,480	2,480	2,480	-
Total	9,282	11,376	20,658	10,310	10,348

Capital Programme Summary

The ASC Capital programme is £0.394m for 2022/23. The projected expenditure is forecast to be on target. Four supported living projects have commenced.

Performance exceptions (see How to read this report for definition)**Priority – Helping people to help themselves**

Performance measure	Outturn 21/22	Target 22/23	RAG Q1 22/23	RAG Q2 22/23	RAG Q3 22/23	RAG Q4 22/23	Q1 22/23 outturn	Note ref
Number of people receiving support through housing related floating support	8,919	5,000	A				2,296	i

Measures marked carry over at year end 2021/22 – Final Outturn**Priority – Keeping vulnerable people safe**

Performance measure	Outturn 20/21	Target 21/22	RAG Q1 21/22	RAG Q2 21/22	RAG Q3 21/22	RAG Q4 21/22	2021/22 final outturn	Note ref
Health and Social Care Connect – % of contacts that are appropriate and effective (i.e. lead to the provision of necessary additional services)	98% (April to February 21)	95%	G	G	G	G	98% (Apr 21 to Jan 22)	
The % of people affected by domestic violence and abuse who have improved safety/support measures in place upon leaving the service	New measure 2021/22	80%	G	G	G	G	90%	
When they leave the service the % of those affected by rape, sexual violence and abuse who have improved coping strategies	94% (39/43)	88%	G	G	G	G	90%	

Priority – Helping people to help themselves

Performance measure	Outturn 20/21	Target 21/22	RAG Q1 21/22	RAG Q2 21/22	RAG Q3 21/22	RAG Q4 21/22	2021/22 final outturn	Note ref
Number of new service user interventions started through One You East Sussex as part of the Integrated Lifestyle Service	4,673	5,000	G	A	AD	G	5,204	

Savings exceptions 2022/23 (£'000)

Service description	Original Target For 2022/23	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	Note ref
	-	-	-	-	-	
	-	-	-	-	-	
Total Savings	0	0	0	0	0	
			-	-	-	
			-	-	-	
Subtotal Permanent Changes ¹			0	0	0	
Total Savings and Permanent Changes	0	0	0	0	0	

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

¹ 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 2022/23 (£'000)**Adult Social Care – Independent Sector:**

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net	Note ref
IS - Physical Support, Sensory Support and Support for Memory & Cognition	126,392	(45,551)	80,841	121,157	(46,593)	74,564	5,235	1,042	6,277	
IS - Learning Disability Support	71,287	(4,878)	66,409	74,272	(3,939)	70,333	(2,985)	(939)	(3,924)	
IS - Mental Health Support	20,734	(10,946)	9,788	20,445	(6,779)	13,666	289	(4,167)	(3,878)	
Subtotal	218,413	(61,375)	157,038	215,874	(57,311)	158,563	2,539	(4,064)	(1,525)	

Adult Social Care – Directly Provided Services & Assessment and Care Management:

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net	Note ref
Physical Support, Sensory Support and Support for Memory & Cognition	15,701	(4,876)	10,825	14,646	(4,753)	9,893	1,055	(123)	932	
Learning Disability Support	7,713	(606)	7,107	7,371	(770)	6,601	342	164	506	
Mental Health Support	3,122	(3,098)	24	3,122	(3,098)	24	-	-	-	
Substance Misuse Support	477	-	477	477	-	477	-	-	-	
Equipment & Assistive Technology	6,804	(3,507)	3,297	6,887	(3,553)	3,334	(83)	46	(37)	
Other	130	-	130	110	-	110	20	-	20	
Supporting People	5,504	(310)	5,194	5,504	(310)	5,194	-	-	-	
Assessment and Care Management	26,364	(2,145)	24,219	28,291	(4,072)	24,219	(1,927)	1,927	-	
Carers	3,348	(2,653)	695	3,347	(2,653)	694	1	-	1	
Management and Support	18,227	(26,725)	(8,498)	20,372	(28,486)	(8,114)	(2,145)	1,761	(384)	
Service Strategy	549	(198)	351	766	(415)	351	(217)	217	-	
Subtotal	87,939	(44,118)	43,821	90,893	(48,110)	42,783	(2,954)	3,992	1,038	

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net	Note ref
Total Adult Social Care	306,352	(105,493)	200,859	306,767	(105,421)	201,346	(415)	(72)	(487)	

Safer Communities:

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net	Note ref
Safer Communities	1,994	(909)	1,085	1,994	(909)	1,085	-	-	-	
Total Safer Communities	1,994	(909)	1,085	1,994	(909)	1,085	0	0	0	

Public Health – Core Services:

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net	Note ref
Mental Health & Best Start	10,806	-	10,806	10,895	-	10,895	(89)	-	(89)	
Risky Behaviours and Threats to Health	12,186	-	12,186	11,850	-	11,850	336	-	336	
Health Systems	3,108	-	3,108	2,844	-	2,844	264	-	264	
Communities	959	-	959	1,043	-	1,043	(84)	-	(84)	
Central Support	3,246	-	3,246	3,363	-	3,363	(117)	-	(117)	
Test, Track and Contain	792	-	792	792	-	792	-	-	-	
Community Mass Testing	-	-	-	-	-	-	-	-	-	
Contain Outbreak Management Fund (COMF)	-	-	-	-	-	-	-	-	-	
Public Health Grant income	-	(28,862)	(28,862)	-	(28,862)	(28,862)	-	-	-	
Test, Track and Contain Grant income	-	(792)	(792)	-	(792)	(792)	-	-	-	
ADDER Grant	-	(1,350)	(1,350)	-	(1,350)	(1,350)	-	-	-	
Draw from General Reserves	-	-	-	310	-	310	(310)	-	(310)	
Draw from Health Visiting Reserves	-	(93)	(93)	-	(93)	(93)	-	-	-	
Total Public Health	31,097	(31,097)	0	31,097	(31,097)	0	0	0	0	

Capital programme 2022/23 (£'000)

Approved project	Budget: total project all years	Projected: total project all years	Budget Q1	Actual to date Q1	Projected 2022/23	Variation (Over) / under Q1 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance	Note ref
Supported Living Projects										
Beckley Close	1,200	1,200	30	-	30	-	-	-	-	
Jasmin Lodge	1,600	1,600	30	-	30	-	-	-	-	
Cregg Na Ba	1,500	1,500	50	-	50	-	-	-	-	
Grangemead	2,100	2,100	90	-	90	-	-	-	-	
Sub-Total Supported Living Projects	6,400	6,400	200	0	200	0	0	0	0	
Greenacres	2,598	2,598	144	1	144	-	-	-	-	
House Adaptations for People with Disabilities	2,719	2,719	50	-	50	-	-	-	-	
Total ASC Gross	11,717	11,717	394	1	394	0	0	0	0	

Business Services – Q1 2022/23

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

Summary of successes and achievements

KEY CROSS CUTTING PROGRAMMES

Carbon

As the carbon measure is reported a quarter in arrears, we are reporting on data for Q4 2021/22, which means we are now able to confirm that the outturn for 2021/22 was a 7.4% carbon emissions reduction vs the previous financial year, which is below the target of 13%. This is predominantly due to increased ventilation required in schools and other buildings to allow services to continue to operate in COVID-19 conditions.

A programme of carbon reduction measures continues to be delivered in schools and across the corporate estate, with Business Services working in conjunction with the CET department on our Climate Action Plan. Details of the work in CET are shown in Appendix 5 of the report.

Several energy efficiency projects commenced in Q1 including two decarbonisation projects.

- The 2022/23 LED programme commenced, putting LED lighting in 11 properties over this financial year.
- Five Solar Photovoltaics (PV) projects were commissioned in Q1, with more Solar PV projects expected in Q2.
- The Council submitted a bid to the Department for Business, Energy and Industrial Strategy (BEIS) via the Low Carbon Skills Fund to secure feasibility work for decarbonisation projects, with confirmation of whether the funds have been secured expected in Q2. This will support a future Public Sector Decarbonisation Fund application in Autumn 2022.

There has been increased focus on improving carbon literacy for Members and the Council's workforce, and to date 50% of Members and 120 staff have been taken through carbon literacy training. An e-learning training module is now being developed to reach many more staff and is expected to launch in the Autumn.

The Council is also undertaking a carbon modelling exercise with consultants Currie & Brown to assess which combination of measures can get the Council to net zero and at what cost. The Council is already implementing many of these measures (summarised above) and will explore the other options identified.

Modernising Systems

The Managing 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 support further developments to increased agile and digital working.

During Q1, the team have progressed through the second technical build and demonstration of the Oracle software and have completed the second data migration process on track to the plan. Whilst some data issues have been seen, the quality of the data and the migration is at the required level for this stage of the programme. A large amount of functional detail has moved towards finalisation and the first round of solution testing started, again with satisfactory progress and quality. In Q2 further data migration, integrations and business readiness and engagement will be progressed in readiness for user acceptance testing in Q3 2022/23. Work will also be progressed with the MBOS Board on reviewing go-live and post go-live risks to ensure that appropriate risk mitigations can be put in place to be able to ultimately deliver a reputable system with the required capability to the organisation.

Workstyles

During Q1, IT&D continued to install additional meeting room technology to support hybrid meetings. A range of devices to suit different spaces and requirements has been installed in tandem with the workspace reconfiguration. Throughout this time, the Tech Advocate team has been working closely with service areas and individuals to provide tailored technical advice, best practice guidance, training packages and documentation to help staff enhance their digital skills and use these technology tools most effectively in their business context.

Workstyle adaptations to the offices in Eastbourne and Hastings have now been installed. This includes new semi-confidential meeting spaces, focus booths and phone/Microsoft Teams booths. Engagement has also commenced with teams in County Hall, to explore what adaptations may be required in the future.

HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT (HROD)

In support of the workforce related activities within the Corporate Equality Action Plan, a review of the Council's equality training offer has been undertaken and proposals for improvement are now being worked up. In response to feedback from the review, the intention is to develop a programme that supports staff and managers to increase their knowledge, understanding and confidence and to be able to apply this learning in their work.

As part of our broader wellbeing activities, we have recently launched a refreshed 'financial wellbeing' resource to support staff with the current rising cost of living pressures and have also recently secured some enhancements in relation to our workstation assessments contract through the re-procurement process. The new enhancements include:

- A dedicated point of contact for referrals and queries.
- A direct link to the supplier Director for complex queries.
- Continuation of virtual assessments offer at a reduced price, ensuring value for money.
- Agreement to provide reduced rates for larger scale needs, such as office moves/relocations.

Apprenticeships

30 members of staff started an apprenticeship in Q1. A number of these were in bespoke professional areas such as management, finance and data analytics. Apprenticeships in Adult Social Care (ASC) continue to grow, and the apprenticeship team are working closely with the new recruitment team within ASC, tasked with promoting careers in care to young people. This has involved joint attendance at careers fairs, development of joint communications and supporting placements within care roles, some of which have led to progression into full time positions. Within schools, apprenticeships within early years and teaching assistant roles continue to have interest.

Attendance Management and Wellbeing

The Q1 sickness absence figure for the whole authority (excluding schools) is 2.27 days lost per FTE, an increase of 39.2% versus last year (**ref i**). The year-end estimate for 2022/23 is 12.86 days/FTE, so the target of 9.10 days/FTE is currently predicted not to be met. The predominant reason for the increase in absence rates is due to COVID-19 related absence, with a 3,249 increase of days lost compared to the same period last year.

Mental health absence has also increased by 979 days compared to the same period last year. However, the benchmarking data from GoodShape suggests this is a common theme across local authorities and it is positive to note that the Council are still reporting lower numbers for this absence reason than other authorities. Set against this background, we have increased our commitment to support staff by:

- Launching a specific series of courses to help with staff emotional wellbeing: 'overcoming overwhelm'.

- Supporting staff who are carers by running dedicated workshops and promoting key resources for Carers Awareness Week.
- Offering bespoke coaching sessions for staff who are struggling.
- Our growing Mental Health First Aid network continues to pro-actively support staff and promote wellbeing resources within teams.
- Planning a dedicated campaign for World Mental Health Day in the autumn, with staff workshops, signposting and interactive content.

More broadly we have:

- Partnered with occupational health to host a range of well attended health-related workshops covering topics such as nutrition, cancer awareness and women's health, with more planned.
- Run workplace adjustments workshops for staff, managers and trade union representatives to understand how we can simplify and improve our processes relating to this.

PROCUREMENT

Savings achieved through procurement, contract and supplier management activities

The Council has spent £284m with 910 local suppliers over the past 12 months, which equates to 67% of our total spend, compared to a target of 60%. This figure includes our Tier 2 supplier data (i.e., the direct spend with the Council's suppliers that is then sub-contracted by them to a local supplier). The Procurement team continues to promote our contract opportunities to local suppliers, as well as building local supply chain opportunities into our tenders where possible.

At the end of Q1, we were able to sign off £1.856m savings against our target of £2m, in part due to the savings made through the MBOS procurement being split over two financial years. This breaks down into £196.6k cash-releasing savings (money saved that could be spent on other services) and £1.660m non-cash-releasing savings (financial savings, such as staff time saved, which have a value but don't release money back to budgets).

Significant work was undertaken on the Highways Services re-procurement, which has reached the tender validation stage of the process. The contract is on target to be awarded in Q3 2022/23, for a start date in Q1 2023/24.

Social Value (SV)

In Q1, a total of seven contracts were awarded, of which six were out of scope for inclusion in the Social Value Measurement Charter and reporting against our target. The one in-scope contract had a total contract value of £234k and secured £18.7k in Social Value commitment, which equates to an outturn of 8%. The Social Value outturn is slightly below the target of 10% for Q1, but as a number of our contracts are reported on an annual basis, we are confident of reaching our target by the end of Q4.

The Social Value commitments for Q1 included: apprenticeships, work experience for local people, employability support being offered to local priority groups and career awareness programmes offered to local schools and colleges.

The refreshed East Sussex Social Value Marketplace was launched in Q1 as planned. The Marketplace enables the sharing of resources, so we can work collectively to improve the social, economic and environmental wellbeing of our residents and local communities. Contact is being made with our suppliers and charity partners to register and get engaged with the improved site. Meetings are being held with our various Voluntary Community and Social Enterprise (VCSE) groups to discuss how we can work together on the marketplace.

INTERNAL AUDIT

Internal Audit delivers an annual programme of work reviewing the Council's activities to help ensure that we have an adequate and effective framework of governance, risk management and

internal control. Through the delivery of sufficient audit coverage, in Q1 we were able to provide an overall opinion of “Substantial Assurance” for 2021/22.

Internal Audit have continued to focus on delivery of the Annual Internal Audit Plan and were able to complete 28.1% of the audit plan to draft report stage by the end of Q1 (against an annual target of 90%). Audit work finalised in Q1 included key financial system audits (Accounts Payable, Procure to Pay and Pension Fund Administration) and other audits such as Electronic Signatures and Post Brexit Information Governance. This is on top of follow-up reviews, where previously lower audit opinions had been given, including in relation to the ‘Commissioning and Delivery of Property Projects’ and ‘Contract Management’ for a particular home care provider contract. Both received improved opinions of reasonable assurance. Internal Audit have also continued to provide advice and support to the MBOS Programme and the Being Digital Programme within ASC, as well as reviewing a number of different government grants prior to certification by the Chief Internal Auditor and Chief Executive.

PROPERTY

Property operations

Q1 saw the start of more staff spending some of their working week in the office as part of the Council’s “Together Again” programme, after working practices were amended to respond to the pandemic. Government guidance has relaxed from COVID-19 secure building measures to ‘Living with Covid’. This has meant social distancing restrictions were removed and mask wearing is no longer mandatory for staff. In accordance with the latest Health and Safety Executive guidance, the main pillars of hand hygiene, enhanced cleaning and ventilation have remained. Carbon Dioxide monitoring devices continue to be in operation in office hub meeting rooms to help monitor ventilation levels.

Property Strategy

Property provided increased advice and options for several organisational transformation programmes in Q1. In addition, Property concentrated on a number of workstreams in the Council’s Asset Management Plan 2020-2025, focusing on better utilisation and income generation from non-operational assets.

Property Investment

Property have continued to work on reviewing the Council’s property assets, which has produced several projects. Work in Q1 included:

- The Council’s commercial office investment property at Sackville House is now 95% let, with an additional interested potential tenant looking at the last unit.
- Marketing of a former operational asset in Hastings has now been concluded with a number of offers that are being analysed ahead of a Lead Member report.
- Installation of over 200 Solar PV part funded by Salix funding* in Q1, with preliminary work commenced for five other sites in Q1.
- Hastings office base search concluded, with a proposed property solution having a smaller office footprint of 39%.
- Bibliographic new accommodation solution found, resulting in a vacant asset being re-purposed. In addition, a significantly smaller leased building has been found for Modern Records, resulting in an overall reduction in accommodation floor area of 45% and an annual rental saving of £0.207m.
- Low Skills Fund application made to secure funding for feasibility studies to be undertaken, which is vital for future Public Sector Decarbonisation phases.

**an executive non-departmental public body, sponsored by the Department for Business, Energy & Industrial Strategy.*

Property Strategy (SPACES)

Strategic Property Asset Collaboration in East Sussex (SPACES) is a partnership of public bodies and third sector organisations, which aims to improve utilisation of public sector assets, creating efficiencies (such as reducing property costs and releasing capital receipts) and more effective environments to deliver services. The programme is focused on delivering the activities and outcomes set out in the SPACES Strategy Implementation Plan, in line with the six Strategy Themes.

Using the Opportunity Development Fund (ODF) awarded from One Public Estate (OPE), the Land Release for Housing Development workstream has been progressing in preparation for the Brownfield Land Release Fund (BLRF) Phase 2, which was formally announced in July. BLRF is used to unlock Local Authority owned brownfield land for housing, which may not otherwise come forward due to viability issues. This BLRF programme, which has increased focus on Levelling Up benefits, has been set out over three years with an application submission point in August 2022, with future opportunities expected in Spring 2023 and Spring 2024. ODF funded external capacity, alongside internal resources, will support our Local Authority partners to identify a pipeline of projects for BLRF funding over this three year period.

During Q1, SPACES facilitated conversations across public sector partners on Electric Vehicle Charge Points (EVCP) through a Task and Finish Group, aiming to bring priority locations forward for publicly accessible charge points across East Sussex. The Group continues to explore potential benefits of joint delivery and shared learning on EVCP, considering developing funding bids, joint procurements, grid capacity challenges and private sector investment opportunities.

Q1 also saw some Council projects completed that were initiated through the SPACES Partnership. These included co-locations and public sector partner lease agreements, which bring revenue benefits for the Council.

IT & DIGITAL

The Council achieved a 'Standards Exceeded' outcome for the third year running in the annual compliance assessment against the Data Security and Protection Toolkit. The assessment tool enables organisations to measure their performance against the National Data Guardian's 10 data security standards. All organisations that have access to NHS patient data and systems must use this toolkit to provide assurance that they are practising good data security and that personal information is handled correctly. This is therefore a fundamental enabler of partnership working between the Council and health partners.

Over 400 "Peoples' Network" devices and monitors in Libraries, The Keep, Children's Services and Adult Social Care sites have now been refreshed, improving the customer experience for members of the public relying on internet access via this equipment.

Throughout Q1, engagement has been underway with stakeholders across the organisation to understand their future telephony needs. These requirements are being fed into work that will help to inform the procurement of future strategic options beyond the end of the current voice services contract. This is the beginning of a key council-wide technology project that will be shaped over the coming months as needs are clarified and options refined.

The iPhone Refresh Project is drawing to a close with circa 2,500 mobile phones updated. The iPhone project introduced a home delivery option for the first time, which was welcomed during a time of increased remote working. As well as updating mobiles to maintain security, the new device also enables access to increased functionality, such as Microsoft Teams, OneDrive, Outlook (with shared calendar visibility) and the Intranet. This is especially important to provide frontline staff who have phones but no laptops greater accessibility to these services, helping these staff to keep connected.

During Q1, the South East Grid implementation (providing the new wide area network infrastructure for the region) reached the critical milestone of formally moving support over to MLL, the new network provider. We are now entering the build stage, which will see services

transitioning to the new network as deployment of gigabit capable fibre continues across the region. This will, in due course, contribute significant social value to the region as well as increase connectivity speeds and reduce running costs.

The deployment of Always on VPN (AOVPN) is nearing completion. This enables staff to work securely on the business network, whilst making it simpler to log on without the need for an authentication token.

In light of the heightened cyber threat, delivery of Business Continuity preparedness exercises has continued throughout the organisation, raising corporate awareness and enhancing business resilience.

FINANCE

Revenue Budget Summary

The 2022/23 Business Services net revenue budget is £25.798m. There are no planned savings in Business Services this financial year. Within Finance and Business Administration there is currently a forecast £0.209m overspend in the Business Administration service which reflects the expected pressures following a planned withdrawal from Orbis. These pressures are due to losing economies of scale and capturing sovereign service needs in order to allow the teams to establish their structures following the re-integration. The overspend is mitigated by an underspend in the Finance area of £0.101m (**ref ii**).

Capital Programme Summary

The 2022/23 capital budget is £31.879m. Core Programme - Schools Basic Need has a £2.072m slippage - £0.072m of the budget has been reprofiled due to minor revisions of estimates for Temporary Accommodation Projects (relating to school year groups in excess of the current capacity) and £2m of the budget has been reprofiled to a future year for the new Uckfield/Ridgewood Primary project (**ref iii**). Core Programme - IT & Digital Strategy Implementation has a £0.233m slippage due to resource issues arising from staff capacity to deliver the programme (**ref iv**). Staffing is currently running at a 20% vacancy level, exacerbated by sickness absence. None of the delayed projects or programmes affects the Council's existing systems or security but does delay new capabilities being introduced.

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

Priority – Making best use of resources now and for the future

Performance measure	Outturn 21/22	Target 22/23	RAG Q1 22/23	RAG Q2 22/23	RAG Q3 22/23	RAG Q4 22/23	Q1 22/23 outturn	Note ref
Number of working days lost per FTE (Full Time Equivalent) employee due to sickness absence in non-school services	9.24	9.10	A				2.27 days lost per FTE	i

Savings exceptions 2022/23 (£'000)

Service description	Original Target For 2022/23	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	Note ref
Planned savings - BSD	-	-	-	-	-	
Planned savings - Orbis	-	-	-	-	-	
Total Savings	0	0	0	0	0	
			-	-	-	
			-	-	-	
Subtotal Permanent Changes ¹			0	0	0	
Total Savings and Permanent Changes	0	0	0	0	0	

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

¹ 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 2022/23 (£'000)

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net	Note ref
Finance & Business Administration	10,294	(5,899)	4,395	11,131	(6,628)	4,503	(837)	729	(108)	ii
HR & OD	2,892	(1,089)	1,803	2,939	(1,136)	1,803	(47)	47	-	
IT & Digital	12,477	(4,777)	7,700	12,477	(4,777)	7,700	-	-	-	
Procurement	-	-	-	-	-	-	-	-	-	
Property	28,900	(20,700)	8,200	28,900	(20,700)	8,200	-	-	-	
Contribution to Orbis Partnership	3,700	-	3,700	3,700	-	3,700	-	-	-	
Total BSD	58,263	(32,465)	25,798	59,147	(33,241)	25,906	(884)	776	(108)	

Capital programme 2022/23 (£'000)

Approved project	Budget: total project all years	Projected: total project all years	Budget Q1	Actual to date Q1	Projected 2022/23	Variation (Over) / under Q1 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance	Note ref
SALIX Contract	3,500	3,500	350	43	350	-	-	-	-	
Lansdowne Unit (CSD)	75	75	75	2	75	-	-	-	-	
Special Educational Needs	3,198	3,198	1,600	-	1,600	-	-	-	-	
Special Provision in Secondary School	120	120	120	27	120	-	-	-	-	
Special Educational Needs - Grove Park / Beacon	19,100	19,100	2,500	5	2,500	-	-	-	-	
Disabled Children's Homes	218	218	218	-	218	-	-	-	-	
14 Westfield Lane	721	721	721	19	721	-	-	-	-	
Core Programme - Schools Basic Need	98,523	98,523	5,416	981	3,344	2,072	-	2,072	-	iii
Core Programme - Capital Building Improvements Corporate	44,119	44,119	3,439	318	3,439	-	-	-	-	
Core Programme - Capital Building Improvements Schools	42,817	42,817	5,179	482	5,179	-	-	-	-	
Core Programme - IT & Digital Strategy Implementation	78,847	78,847	12,237	1,903	12,004	233	-	233	-	iv
IT & Digital - Utilising Automation	24	24	24	-	24	-	-	-	-	
Total BSD Gross	291,262	291,262	31,879	3,780	29,574	2,305	0	2,305	0	

Children's Services – Q1 2022/23

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

Summary of successes and achievements

Children and Young People's Trust (CYPT) Annual Event

On 3 May, we held our first face to face Children and Young People's Trust (CYPT) Annual Event since the COVID-19 pandemic. 168 delegates including 42 young people were able to join us for the event. They represented a variety of sectors and youth voice groups. The event focused on the refresh of our Children and Young People's Plan (CYPP) and provided the opportunity to discuss each of the Plan's five priority areas:

- Best Start in Life.
- Safeguarding.
- Education.
- Physical Health.
- Mental Health and Emotional Wellbeing.

The event also provided space to think about how, as a partnership, we can work together to improve outcomes for children and young people.

The percentage of two-year-olds who take up a place with an eligible early years provider

The number of two-year-olds who are accessing a funded childcare place in the summer 2022 funding period is 1,148. This is 85% of eligible two-year-olds (compared to the national average of 62%).

Annual Early Years Conference

The annual Early Years Conference took place on 8 June at the AMEX Stadium. It focused on exploring the breadth of dynamic provision for our youngest children. The keynote speaker was Kym Scott, an Early Years consultant and leader of the Early Years Advisory Team in the London Borough of Lewisham. The event also had a range of inspiring workshop leaders from across the country. 230 colleagues from early years settings and schools attended the event. The conference helps us deliver our priorities to ensure that early years practitioners and leaders feel confident that challenges in speech and language and school readiness, exacerbated by lockdowns, are being addressed through training and support.

The East Sussex Way

The Primary and Secondary Boards have commissioned a joint oracy project which led to the development of the 'East Sussex Way' guide. Written by teachers for teachers in East Sussex, the guide focuses on developing the speaking, reading and vocabulary of children at the point of primary-secondary transition. Over 100 school colleagues attended an event launching the guide on 10 June. The pandemic had a damaging effect on the development of children's communication skills. As the Chair of the Secondary Board, Roy Blatchford said in the foreword to the guidance "Life in any classroom is not the same when smiles are hidden, students' mutual conversations are half heard, and answers to teachers' questions are muffled". This project supports the delivery of our priority to improve literacy and oracy in East Sussex across all phases.

Special Educational Needs and Disability (SEND) Strategy development

In advance of publishing our new 2022-2025 SEND Strategy we have engaged with key stakeholders. As part of our youth engagement strand, we held a workshop with young people. The young people reviewed sections of the draft strategy ahead of a full public consultation. The feedback from young people will be reflected in the strategy. The messages from young people included:

- The need for consistency and understanding around inclusion in schools.

- That they should be considered partners in the decision-making processes about support and provision.
- The desire for more focus on preparing for the post-16 phase.

A third engagement session with parents and carers also took place in June.

Our education engagement strand has seen much activity in Q1. We hosted a series of SEND breakfast briefings for senior leaders in schools to help shape our priorities further. Senior leads attended the sessions with 70% of schools taking part. One of the main themes identified was to have a more consistent offer for SEN provision in mainstream schools.

The feedback from the sessions will feed into our new strategy which is on track to be published at the end of October 2022.

Stopping Place

Q1 saw the launch of “The Stopping Place”, our new one-stop shop website for Gypsy, Roma and Travellers. Co-developed with the Gypsy, Roma, Traveller Community, and with national charities, the website has a focus on supporting children and young people. The website is proving to be an invaluable resource for young people, parents/carers and professionals alike. The site also supports accessibility for all users. The website was featured in the June event to mark Gypsy, Roma and Traveller history month.

iCAN careers event for young people with SEND

At the end of June, the annual iCan event took place at the Towner Gallery in Eastbourne. The event was organised by the Careers Hub team. Employers, further education colleges and secondary school students with SEND came together so that students could gain insights and explore local work options. It was fantastic to see employers linking with schools and contributing in innovative ways to education delivery.

Holiday Activities

In Q1 we held two sets of holiday activities:

Holiday Activities and Food (HAF) provision – Department for Education (DfE) funded sessions over the Easter holidays:

- 50 providers (including five new providers) operated across 76 sites.
- 90% of all funded places were attended (many providers were full).
- 1,841 individual young people attended 7,000 sessions (1,510 primary and 331 secondary age).
- 300 young people with additional needs accessed provision. This was either through the five SEND specific providers, or by accessing mainstream HAF providers (some with additional funded support, for example for extra staffing).
- Fully utilised 15% funding for non-free schools meals groups with 285 attendees from wider eligible cohorts.
- Feedback from parents/carers, young people and providers continued to be positive. In particular, the benefits to mental as well as physical health were clear.

May half term activities – Supported by the Contain Outbreak Management Fund:

- Focused on supporting young people with SEND and those with low attendance.
- 1,440 places for individual young people, totalling 4,529 sessions.
- 471 SEND-specific places (1,202 sessions).
- 969 places targeting low-attenders and other vulnerable groups identified by schools (3,327 sessions).
- Funded 46 providers, 23 were SEND-specific.
- Worked with 12 new SEND providers, including four special schools (Glyne Gap, Grove Park, Hazel Court and Saxon Mount).
- All four of the special schools have applied for HAF summer funding.

Lifelong Links

In October 2021 East Sussex, along with three other local authorities, were successful in a bid through the South East Regional Recovery Fund to explore options to deliver the Lifelong Links programme for children in our care. Lifelong Links aims to ensure that children in care have a positive support network around them during their time in care, and into adulthood; this may include relatives, friends, previous carers or professionals. A trained, independent Lifelong Links coordinator works with the child to find out who is important to them, who they would like to be back in touch with and who they would like to know more about.

DfE funding enabled East Sussex to train eight Lifelong Links Coordinators and their manager, and provided support to set up the pathways and processes that enable the programme to work. Some initial work has been undertaken with key stakeholders to ensure that they understand the benefits to children of having these relationships. This will roll out further in the Autumn. In East Sussex we have chosen to start work with children from the ThroughCare Team, which is an age group who are often starting to explore wider relationships, but who sometimes need help to make safe decisions and connections. The programme has now gone live, the first referrals have been received, and coordinators are starting to work with families.

Mind Of My Own

Listening to and hearing the views and feelings of children and young people (and their families) is very important. In March we rolled out Mind of my Own, a website and app which helps young people communicate their thoughts and feelings in a way that suits them. In June, usage was up 56% across the local authorities using Mind Of My Own. In East Sussex usage increased 114% between May and June.

Meeting with the National Implementation Advisor for Care Leavers

In June, members of the Looked After Children (LAC) service joined members of the Corporate Parenting Panel (CPP) and Cllr Bowdler at a virtual meeting to hear from Mark Riddell, the National Implementation Advisor for Care Leavers. Mark talked about how the CPP can use its leadership role to further strengthen the multi-agency and community support for our LAC and care leavers. It also looked at how we can increase corporate ownership of the Local Offer for care leavers. The CPP will be progressing with plans to further enhance the support to our children in care and care leavers and ensure their voices are at the heart of developments.

Outstanding achievement awards

In May Children's Services celebrated individual and team successes over the last 12 months in the Outstanding Achievement Awards. Cllrs Bob Bowdler and Bob Standley joined Alison Jeffery, Director of Children's Services, to hand out the awards.

Sixty six people and teams from across the department were nominated by their colleagues for awards based on the East Sussex Way. These included: taking responsibility, great service, better ways of doing things and being customer driven. Amongst other things, the award winners have set up new services during the pandemic, supported refugees and been leading innovators and problem solvers.

Number of households eligible under the government's Supporting Families programme receiving a family support intervention

147 households were receiving support in Q1, under the government's Supporting Families Programme (**ref vi**). The 2022/23 nationally set target of 1,350 households is high, to reflect the payment by results structure. When family outcomes are achieved and sustained six months after closure additional funding is released to the council. The number of families receiving an intervention has been impacted by staff vacancies and changes to team structures. In order to achieve the target, we will extend the number of teams involved in whole family working and the Supporting Families Programme. This is likely to happen towards the end of the year.

Rate of children with a Child Protection Plan (per 10,000 children)

The rate of children on a children protection plan (**ref iv**) at Q1 is 53.9 per 10,000 (574 children), above our target of 50.3 (536 children) which was the 2021/22 outturn. There has been a steady increase since the start of the year, in line with the increase in activity across the system. The number of Children in Need (CIN) has reduced slightly from 940 at Q4 2021/22 to 870 at the end of Q1, above the target level of 800 children. There has been an increase in the complexity of cases around child and parental mental health, neurodiversity and potentially the impact of increases in the cost of living. Despite the increased demand, in April 2022 94% and in May 2022 98% of all of our children subject to a Child Protection Plan have had a completed Child Protection Plan visit in the 20 days prior to the end of the month. This will be kept under scrutiny.

Rate of Looked After Children (per 10,000 children)

The rate of LAC (**ref v**) at Q1 is 59.9 per 10,000 children (638 children), just above the target of 59.8 (637 children) and an increase on the Q4 2021/22 outturn of 58.9 (628 children). Of the 638 children, 63 are Unaccompanied Asylum Seeker Children (UASC). Higher numbers of children are staying as LAC due to significant delays in the court system due to problems with scheduling hearings. The average duration of court proceedings was 47 weeks in Q1 and the rolling year to date average duration is 53 weeks (at Q1 2021/22 the average time was 32 weeks for the rolling year). The time taken to complete care proceedings has a significant impact for vulnerable children as it results in delays in moving children, for example from a Special Guardianship Order or for very young children to adoptive families. There continues to be an increase in the number of adolescents with complex needs entering care.

The percentage of young people meeting the duty of RPA (Raising the Participation Age) by either participating in education, training or employment with training or undertaking re-engagement provision at academic age 16 (Year 12) and academic age 17 (year 13)

91.4% of young people of academic age 16 (Year 12) met the duty to participate in education, training or employment with training in June 2022 (**ref i**) against a target of 93%. 84.1% of young people in academic age 17 (year 13) met the duty in June 2022 (**ref ii**) against a target of 85%. This is normal for this time of year with pupils leaving education.

We have seen a significant increase in the number of young people opting to enter employment without training, as well as other non-compliant Raising the Participation Age (RPA) situations such as opting into part time education and temporary employment.

We have seen an increase in 16 and 17-years olds entering apprenticeships this year, from 3.8% last year to 4.5% in May 2022.

The percentage of disadvantaged pupils achieving at least the expected standard in each of reading, writing and maths at Key Stage 2

Early Key Stage 2 data sets suggest that the targets for this measure (**ref iii**) will not be met. The Department for Education will not validate Key Stage 2 data until late 2022 and further information on the outturn will be reported in Q3.

Revenue Budget Summary

The net budget of £101.479m is currently forecast to be overspent by £5.157m by the year end (**ref x**).

£3.385m of the forecast overspend relates to Early Help and Social Care (**ref viii**). Within this, Looked After Children (LAC) costs are forecast to be over budget by £2.379m. This comprises two main budget areas: Care leavers and Lansdowne Secure Children's home. The Care leavers budget forecast overspend includes £1.192m following the decision in 2021 that we should stop placing care leavers in bed and breakfast accommodation because it was both illegal and unsafe for young people. Block contracts were agreed via a formal tendering process and use of a provider framework with supported housing providers instead, at greater costs, but which were

safer and better for young people. At Lansdowne, £0.885m in reduced income is forecast due to staff shortages and recruitment difficulties, as well as unusually challenging behaviour from some children, all resulting in a reduction in the number of children that can be looked after there. Also within this area, Locality (the 'front door' social work service which provides support to children and young people aged 0-18 years when there are concerns about welfare or safety) forecast overspends of £1.694m are due to three main areas: continued pressure on social work staffing budgets (£0.973m) as also seen last year, to keep pace with required workloads (of increasing complexity) and to fulfil child protection duties and levels of care; £0.392m in Section 17 ISEND mainly due to one child requiring three to one care; and £0.300m from the ongoing need to find countywide placements for families deemed intentionally homeless by the district and borough councils, which Council budgets are required to fund under the Children's Act. This forecast is net of some offsets and mitigations, for example £0.354m underspend on Unaccompanied Asylum Seekers due to larger numbers of children with a larger proportion under the National Transfer Scheme (NTS) where the funding rates are higher.

Within Communication, Planning and Performance (**ref ix**) we are forecasting an overspend on Home to School Transport (HTST) of £3.204m (net of COVID funding of £0.817m for ongoing related pressures). This forecast overspend reflects pressures being experienced nationally where costs for transporting SEND pupils have increased by over 33% in the last four years. The overspend also forecast is despite the pressure identified (and already funded) as part of 2022/23 budget setting for statutory transport. While we have done comparatively well to limit our cost increases for transporting SEND pupils to 29% over the same period, the increases for 2022/23 reflect a number of factors: proportionately more solo occupancy than was expected for SEND clients, as well as small increases in the number of SEND pupils requiring transport; and price pressures arising from current market conditions (operators' staff wages, fuel cost increases and the increasing costs of other overheads). We are continuing to work with CET colleagues on identifying solutions to contain further forecast cost increases (as well as on modelling and forecasting) – these include transport route reviews/ re-tendering and case by case review of solo routes.

These overspends have been mitigated in part by a forecast underspend of £1.611m as a result of efficiencies and staff vacancies across a number of areas in the department which we are recording in Central Resources (**ref vii**). Many of these are one-off for 2022/23 and we are also pursuing a range of strategies to reduce the pressures, including a whole service review of the finances as part of the RPPR process, as well as individual actions such as the review of individual placements / support for our Looked after Children (where, for example, the top five most expensive placements each cost an average of £15,000 a week (annual equivalent total cost for the five of £3.9m)) and programmes such as Connected Families.

There are no planned savings for 2022/23.

Capital Programme Summary

The Capital Programme for Children's Services for 2022/23 is £1.450m, and we are forecasting spend to be in line with this (**ref xi**).

Performance exceptions (See How to read this report for definition)**Priority – Driving sustainable economic growth**

Performance measure	Outturn 21/22	Target 22/23	RAG Q1 22/23	RAG Q2 22/23	RAG Q3 22/23	RAG Q4 22/23	Q1 22/23 outturn	Note ref
The percentage of young people meeting the duty of RPA (Raising the Participation Age) by either participating in education, training or employment with training or undertaking re-engagement provision at academic age 16 (Year 12)	93%	93%	A				91.4%	i
The percentage of young people meeting the duty of RPA (Raising the Participation Age) by either participating in education, training or employment with training or undertaking re-engagement provision at academic age 17 (Year 13)	85%	86%	A				84.1%	ii
The percentage of disadvantaged pupils achieving at least the expected standard in each of reading, writing and maths at Key Stage 2	Ac Year 21/22 ≥ 45.8%	N/A	A				Validated data will be reported at Q3	iii

Priority – Keeping vulnerable people safe

Performance measure	Outturn 21/22	Target 22/23	RAG Q1 22/23	RAG Q2 22/23	RAG Q3 22/23	RAG Q4 22/23	Q1 22/23 outturn	Note ref
Rate of children with a Child Protection Plan (per 10,000 children)	50.3 (536 children)	50.3 (536 children)	R				53.9 (574 children)	iv
Rate of Looked After Children (per 10,000 children)	58.9 (628 children)	59.8 (637 children)	A				59.9 (638 children)	v

Priority – Helping people help themselves

Performance measure	Outturn 21/22	Target 22/23	RAG Q1 22/23	RAG Q2 22/23	RAG Q3 22/23	RAG Q4 22/23	Q1 22/23 outturn	Note ref
Number of households eligible under the government's Supporting Families programme receiving a family support intervention	856	1350	A				147	vi

Savings exceptions 2022/23 (£'000)

Service description	Original Target For 2022/23	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	Note ref
	-	-	-	-	-	
	-	-	-	-	-	
Total Savings	0	0	0	0	0	
			-	-	-	
			-	-	-	
Subtotal Permanent Changes ¹			0	0	0	
Total Savings and Permanent Changes	0	0	0	0	0	

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

¹ 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 2022/23 (£'000)

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net	Note ref
Central Resources	2,787	(1,448)	1,339	1,176	(1,448)	(272)	1,611	-	1,611	vii
Early Help and Social Care	79,911	(14,589)	65,322	80,777	(12,070)	68,707	(866)	(2,519)	(3,385)	viii
Education and ISEND	113,858	(13,750)	100,108	111,773	(11,578)	100,195	2,085	(2,172)	(87)	
Communication, Planning and Performance	24,156	(3,998)	20,158	28,556	(5,102)	23,454	(4,400)	1,104	(3,296)	ix
DSG non Schools	-	(85,448)	(85,448)	-	(85,448)	(85,448)	-	-	-	
Schools	153,688	(153,688)	-	153,688	(153,688)	-	-	-	-	
Total CSD	374,400	(272,921)	101,479	375,970	(269,334)	106,636	(1,570)	(3,587)	(5,157)	x

Capital programme 2022/23 (£'000)

Approved project	Budget: total project all years	Projected: total project all years	Budget Q1	Actual to date Q1	Projected 2022/23	Variation (Over) / under Q1 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance	Note ref
House Adaptations for Disabled Children's Carers	1,053	1,053	50	3	50	-	-	-	-	
Schools Delegated Capital	27,811	28,046	1,385	195	1,385	-	-	-	-	
Conquest Centre redevelopment	356	371	15	-	15	-	-	-	-	
Total CSD Gross	29,220	29,470	1,450	198	1,450	0	0	0	0	xi

Communities, Economy & Transport – Q1 2022/23

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

Summary of successes and achievements

Highways works, utilising the one-off investment agreed by Cabinet in November 2021, have begun in Q1. Over £0.5m of additional carriageway patching has been completed at 154 sites; with the remaining £2m of funding fully allocated on further works which are scheduled to take place during 2022/23. Three footway schemes have been completed in Q1, with works scheduled for the rest of 2022/23 projected to make use of the full £1.8m investment. It has proved very challenging to secure additional road marking resources in Q1, due to all road lining companies being fully committed. However, additional resources have now been secured, and the first scheme of works is scheduled to be delivered in Q2. £0.5m of signage works are scheduled for 2022/23, with 866 signs projected to be replaced.

23 carriageway improvement schemes were completed in Q1, to maintain and improve the condition of the county's roads. 6,342 potholes were repaired in Q1, with 4,406 of these being carriageway potholes; the remainder were primarily footway potholes. Amongst the carriageway potholes, 97% of these were completed within the required timescales. There were a number of reasons for the 3% of carriageway potholes which weren't completed in time, including sites being obstructed by parked cars, emergency utility works, and being unable to locate the site because the wrong location was reported. All liabilities as a result of not repairing a defect within the required timescale remain with the contractor. The 97% completed outturn is an improvement on the 2021/22 result, which was 95%.

The Registration Service has seen an increasing number of ceremonies during Q1, 19% higher than the equivalent period in 2019/20 (the last full year before COVID-19). The number of ceremonies is continuing to increase, with the summer the busiest period of the year, and we are projecting a 13% increase in ceremonies in Q2, also when compared to 2019/20.

Three infrastructure schemes to improve road safety in the county were completed in Q1. The schemes were improvement works in Forest Row following a fatal road traffic collision; installing new illuminated signs on the approach to a mini-roundabout on the junction of Kings Drive and Decoy Drive in Eastbourne; and improvements to road marking and signage on the approach to a mini-roundabout at the junction of Churchdale Road and Southbourne Road in Eastbourne. A further five schemes have been instructed and will be implemented during 2022/23.

Following clarification from the Government on the implementation of import controls at ports such as Newhaven, Trading Standards will begin an intelligence led, risk-based programme of inspections, working alongside UK Border Force officers, at the port to ensure the safety of goods entering the UK.

The Libraries Strategy was updated at the end of 2021/22 to ensure the growing needs of the most disadvantaged and vulnerable are met whilst new, high-quality services that all residents can access and enjoy are developed and enhanced. Residents began to take advantage of the expanded library services during Q1, through a range of activities, clubs and support.

Employability and Skills

The Careers Hub has supported schools to achieve an average of 5.15 national benchmarks at the end of April 2022. A further update will be available in Q2. 160 Industry Champions (ICs) are supporting schools and colleges in the county to give young people encounters with employers and experience of the workplace. Several new ICs were recruited in Q1, and these have helped to replace business representatives in the network who have moved on from their roles. Further recruitment is underway to ensure young people have the best access to workplace experiences.

All Skills East Sussex (SES) task groups have created action plans and have started to deliver against these. Initial activities will include the development of business led professional development for tutors to improve the relevance of learning provision in the county, and the development of clear pathways into work for key sectors.

The Government announced in March 2022 that as part of the UK Shared Prosperity Fund the new 'Multiply' programme would seek to improve adults' numeracy skills over the next three years. In support of the Levelling Up agenda the programme aims to help people improve their ability to understand and use maths in their daily lives and achieve a mix of formal and non-formal qualifications. The Council has provisionally been allocated £2.5m and has submitted an investment plan to set out how we would spend the money. A response to this submission is expected in Q3.

Cultural investment and recovery

At a meeting of tourism business leaders in April 2022, the attendees were invited to form a Sussex Tourism Leadership Group. The majority of attendees accepted the invitation, and Terms of Reference have been drafted. Three priority work packages have been identified, Meetings, Incentives, Conferences and Exhibitions; the Sussex story; and market segmentation, and work has commenced on all three. The Cultural Priority (CP) form has been designed and is being tested on Culture East Sussex members. The CP will be formally launched once the Culture East Sussex governance refresh has been completed in early 2023.

Broadband

The Broadband Project is completing the final remaining properties identified as part of the scheme, and is moving towards contract completion with the targets having been delivered. The Broadband Team are continuing to work with the Department for Digital, Culture Media & Sport (DCMS) to shape and share their plans for rolling out gigabit capable broadband through their Project Gigabit programme, to help ensure that East Sussex benefits from as much investment as possible as part of the programme. It is anticipated that the procurement of the project is due to begin in Q2. DCMS has put the Gigabit Voucher scheme, including the East Sussex top up, on hold for a short period, during the start of the procurement process.

Business Support and job creation

Businesses were helped by business support programmes to create or safeguard 15.5 full-time equivalent (FTE) jobs in Q1 (**ref i**). Locate East Sussex helped five businesses to remain within, or relocate to, East Sussex in Q1. Evidence suggests businesses have been concentrating on surviving rather than growing or relocating in Q1, due to the cost-of-living crisis which has hit the economy. There have however been a number of jobs created, which are awaiting verification, which should improve the outturn in future quarters.

Road Condition

The road condition outturns (where a lower figure indicates better road condition) for 2021/22, have been published. The percentage of Principal roads requiring maintenance at the end of 2021/22 was 5%, a deterioration from 4% in 2020/21. The percentage of Non-Principal roads requiring maintenance was 6%, a deterioration from 4% in 2020/21. However, these results are within the targets for 2021/22 of 8% and 9% respectively. The percentage of Unclassified roads requiring maintenance was 13%, an improvement from 14% in 2020/21, and meeting the 2021/22 target of 15%. The outturns for 2021/22 are based on the previous level of investment based on condition modelling over a 10 year period to achieve targets of 8%, 9% and 15%. This modelling did suggest road condition would begin to deteriorate towards the end of the investment period.

In February 2022 Cabinet and Full Council approved additional investment over a ten-year period to target road condition at the level of 4%, 4% and 14% respectively and these are the

targets for 2022/23. This additional funding has started to be utilised this year as part of the annual capital programme.

Road Safety

During Q1, 106 'Bikeability' courses were delivered to 964 individuals at participating schools and the Cycle Centre at Eastbourne Sports Park. 55 'Wheels for All' sessions were also delivered at the Sports Park to 1,122 attendees.

Trading Standards

Trading Standards made 65 positive interventions to protect vulnerable people in Q1, including installing call blockers and dummy cameras. As part of Scams Awareness Fortnight, Trading Standards spoke to 145 people at local libraries to raise awareness of the types of scams which target vulnerable people. 43 delegates received business training advice in Q1, whilst 56 businesses received bespoke advice from Trading Standards.

Environment and climate change

The Council is continuing to work with a range of partners to develop and deliver carbon reduction and climate change adaptation work, including:

- Bidding with Lewes and Eastbourne councils for £300,000, and separately with West Sussex County Council and the National Park for a further £291,000, for additional tree planting across the county.
- Working with the Sussex Air partnership, which is hosted by the Council, to secure over £500,000 to retrofit 40 Brighton & Hove Buses to be less polluting and to work with a range of schools and community groups on air quality and climate change.
- Enabling hundreds of households across the county to benefit from lower cost solar photovoltaics through the Solar Together partnership.

As part of the Council's Chargepoint Strategy, we are working with organisations, such as colleges, hospital trusts and district and borough councils to deliver an electric vehicle charging network that complements the current and planned provision within the county. There are two projects in development, the first will provide chargepoints at County Hall, with installation expected to be complete by the end of 2022/23. This is likely to consist of ten bays of 7kW charge points and two bays with 22kW charge points along the northern boundary of the West car park at County Hall. The second will provide wider on street provision county-wide. Working with the district and borough councils we have identified a list of locations which will best meet residents' needs, with installation projected to begin in summer 2023, subject to funding.

Planning

100% of County Matter applications were determined within the statutory determination period in Q1. 100% of County Council development applications were determined within eight weeks or within an agreed extension of time during Q1.

Rights of Way (RoW) and Countryside Sites

89% of high priority maintenance work was completed on schedule in Q1. Q1 was the start of the vegetation clearance season and planned/proactive clearance was the priority for rangers, relatively dry weather also enabled core bridge work to stay on target.

Libraries

355 people enrolled on Family Learning Programmes at East Sussex libraries in Q1, with 313 of these in Family English, Maths and Language (FEML), whilst 42 were in Wider Family Learning (WFL) programmes. Eight people passed online learning courses, including IT, English and Maths in our libraries in Q1, whilst a further 37 enrolments have taken place, which should boost the number of course completions in Q2.

There were 152,264 visitors to the county's libraries in Q1, averaging 50,755 per month. This is an increase in average visitors of over 7,000 when compared to the monthly average in 2021/22. The East Sussex Children's Book Awards (ESCBA) took place in June 2022, with 200 children attending the Celebration Event at the Royal Hippodrome in Eastbourne, and many more joining via a livestream.

A communications campaign has been launched county wide to remind residents of the range of services they can access through their library membership. Promotion included adverts at bus stops, as well as in community magazines, job centres, GP's, pharmacies, food banks, voluntary organisation partners, schools and the Post Office. Adverts are also being placed on the Council's website and via our social media channels. The adverts are promoting the [Discover Libraries](#) website, which has been created for the campaign.

Revenue Budget Summary

The CET revenue budget is £63.339m and is forecast to underspend by £0.665m. There are £1.369m of COVID-19 costs and lost income which will be offset with COVID-19 tranche funding. The underspend would have been higher, but the £1m Parking savings target will not be met this year (**ref ii**). The Parking savings have been significantly impacted by changes to driving and parking habits following COVID-19. High street activity has not returned to pre-covid levels and as a consequence we have yet to see the level of revenue that the increased parking charges was expected to yield. The largest area of underspend is in Transport and Operational Services. This is mostly made up of Waste Service underspends due to increased income from recycling, electricity sales, and third parties. As agreed £1m of this windfall Waste income has been transferred to the Waste Reserve to cover future budget pressures (**ref iii**). There is a net overspend on the Highways budget due to inflation based compensation events and additional tree work due to Ash Die Back (**ref iv**).

Capital Programme Summary

The CET capital programme has a gross budget of £60.244m and there is forecast underspend of £0.075m, overspend of £1.423m, slippage of £1.887m and spend in advance of £218k. The Riding Sunbeams Solar Railway Scheme has not progressed as planned, so the money will be returned to the South East Local Enterprise Partnership (**ref vi**). The overspend is due to Bexhill to Hastings Link Road compensation claims and other ongoing costs such as archaeology, ecological monitoring and landscaping (**ref v**). The slippage is due to the Eastbourne Walking and Cycling scheme, where construction has been deferred following issues with obtaining contractor resources and materials (**ref viii**), and the Hastings and Bexhill Movement and Access scheme, where parts of the scheme have been delayed to coincide with planned Hastings Borough Council works (**ref vii**).

Performance exceptions (See How to read this report for definition)**Priority – Driving sustainable economic growth**

Performance measure	Outturn 21/22	Target 22/23	RAG Q1 22/23	RAG Q2 22/23	RAG Q3 22/23	RAG Q4 22/23	Q1 22/23 outturn	Note ref
Job creation from East Sussex Programmes	193.5 jobs created or safeguarded	140 jobs created or safeguarded	A				15.5 FTE jobs	i

Measures marked carry over at year end 2021/22 – Final Outturn**Priority – Driving sustainable economic growth**

Performance measure	Outturn 20/21	Target 21/22	RAG Q1 21/22	RAG Q2 21/22	RAG Q3 21/22	RAG Q4 21/22	2021/22 final outturn	Note ref
Percentage of Principal roads requiring maintenance	4%	8%	G	G	G	G	5%	
Percentage of Non-Principal roads requiring maintenance	4%	9%	G	G	G	G	6%	
Percentage of Unclassified roads requiring maintenance	14%	15%	G	G	G	G	13%	

Savings exceptions 2022/23 (£'000)

Service description	Original Target For 2022/23	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	Note ref
Parking	1,000	1,000	-	1,000	-	ii
Libraries	183	183	183	-	-	
Environmental Services	60	60	60	-	-	
Archives	14	14	14	-	-	
Total Savings	1,257	1,257	257	1,000	0	
			-	-	-	
			-	-	-	
Subtotal Permanent Changes ¹			0	0	0	
Total Savings and Permanent Changes	1,257	1,257	257	1,000	0	

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding ²	Part of reported variance ³	Total	Note Ref
Parking - Funded from Covid Tranche funding	1,000	-	1,000	
	-	-	-	
	-	-	-	
Total	1,000	0	1,000	

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 2022/23 (£'000)

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net	Note ref
Management and Support	7,294	(4,456)	2,838	7,371	(4,557)	2,814	(77)	101	24	
Customer and Library Services	7,895	(3,895)	4,000	7,889	(3,892)	3,997	6	(3)	3	
Communities	4,565	(1,857)	2,708	4,698	(2,117)	2,581	(133)	260	127	
Transport & Operational Services	89,819	(51,481)	38,338	95,694	(58,191)	37,503	(5,875)	6,710	835	iii
Highways	15,566	(2,653)	12,913	16,218	(2,964)	13,254	(652)	311	(341)	iv
Economy	5,392	(3,751)	1,641	5,255	(3,614)	1,641	137	(137)	-	
Planning and Environment	3,845	(2,944)	901	4,223	(3,339)	884	(378)	395	17	
Total CET	134,376	(71,037)	63,339	141,348	(78,674)	62,674	(6,972)	7,637	665	

Capital programme 2022/23 (£'000)

Approved project	Budget: total project all years	Projected: total project all years	Budget Q1	Actual to date Q1	Projected 2022/23	Variation (Over) / under Q1 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance	Note ref
The Keep	1,096	1,096	132	-	132	-	-	-	-	
Covid-19 Recovery - Libraries Targeted Support	250	202	211	4	163	48	48	-	-	
Peacehaven Library	70	43	28	1	1	27	27	-	-	
Libraries	5,139	5,139	497	17	497	-	-	-	-	
Broadband	33,800	33,800	911	(635)	911	-	-	-	-	
Bexhill and Hastings Link Road	126,247	127,670	318	155	1,741	(1,423)	(1,423)	-	-	v
BHLR Complementary Measures	1,800	1,800	167	6	167	-	-	-	-	
Economic Intervention Fund	8,884	8,884	282	68	282	-	-	-	-	
Economic Intervention Fund - Loans	3,000	3,000	497	168	497	-	-	-	-	
Stalled Sites Fund	916	916	55	7	55	-	-	-	-	
EDS Upgrading Empty Commercial Properties	500	500	-	-	-	-	-	-	-	
UTC Maritime & Sustainable Technology Hub GBF	1,300	1,300	1,300	-	1,300	-	-	-	-	
Riding Sunbeams Solar Railways GBF	50	50	0	-	-	-	-	-	-	vi
Food Street GBF	100	100	100	-	100	-	-	-	-	
Seven Sisters Country Park Visitor Infrastructure Uplift GBF	200	200	200	-	200	-	-	-	-	
Skills for Rural Businesses - Post Brexit	4,413	4,413	915	-	915	-	-	-	-	
Community Focused Road Safety Interventions	750	750	250	-	250	-	-	-	-	
Climate Emergency Works	9,587	9,587	2,090	61	2,090	-	-	-	-	
Flood and Coastal Resilience Innovation Programme	445	445	250	68	250	-	-	-	-	

APPENDIX 5

Approved project	Budget: total project all years	Projected: total project all years	Budget Q1	Actual to date Q1	Projected 2022/23	Variation (Over) / under Q1 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance	Note ref
SALIX Decarbonisation - Ninfield School	145	145	-	152	-	-	-	-	-	
SALIX Decarbonisation	369	369	77	113	77	-	-	-	-	
Newhaven Port Access Road	23,271	23,271	189	(195)	257	(68)	-	-	(68)	
Real Time Passenger Information	2,963	2,963	74	13	74	-	-	-	-	
Hastings & Bexhill Movement & Access Package	9,534	9,534	4,089	92	3,567	522	-	522	-	vii
Eastbourne/South Wealden Walking & Cycling Package	6,936	6,936	2,351	71	986	1,365	-	1,365	-	viii
Hailsham / Polegate / Eastbourne Movement & Access Corridor	2,251	2,251	550	21	550	-	-	-	-	
Eastbourne Town Centre Movement and Access Package	4,286	4,286	3,241	14	3,241	-	-	-	-	
Other Integrated Transport Schemes	65,690	65,690	3,144	437	3,294	(150)	-	-	(150)	
A22 Corridor Package	629	629	200	184	200	-	-	-	-	
Community Match Fund	750	750	100	(11)	100	-	-	-	-	
Emergency Active Travel Fund Tranche 2	1,456	1,456	756	160	756	-	-	-	-	
Exceat Bridge	10,591	10,591	2,176	336	2,176	-	-	-	-	
Queensway Depot Development	1,956	1,956	175	28	175	-	-	-	-	
Hailsham HWRS	168	168	164	4	164	-	-	-	-	
Core Programme - Highways Structural Maintenance	456,327	456,327	21,186	(148)	21,186	-	-	-	-	
Visually Better Roads	5,800	5,800	5,609	337	5,609	-	-	-	-	
Core Programme - Bridge Assessment Strengthening	36,663	36,663	3,022	121	3,022	-	-	-	-	
Core Programme - Street Lighting - Life Expired Equipment	33,001	33,001	3,723	202	3,723	-	-	-	-	
Core Programme - Street Lighting - SALIX scheme	2,961	2,961	650	(102)	650	-	-	-	-	
Core Programme - Rights of Way Surface Repairs and Bridge Replacement Programme	9,844	9,844	565	121	565	-	-	-	-	
Total CET Gross (Planned Programme)	874,138	875,486	60,244	1,870	59,923	321	(1,348)	1,887	(218)	

Governance Services – Q1 2022/23

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

Reconciling Policy, Performance and Resources (RPPR)

The State of the County report, which was considered by Council in July, sets out the significant uncertainty which continues to dominate the context within which we are working, including the challenges presented by the national economic environment, the increases in the cost of living, and the significant national reforms to several services, the impacts of which are not yet clear. The report also details how the county is recovering from the impacts of COVID-19, creating new risks, but also new opportunities which we have sought to maximise. The report also outlines the broader demographic and policy context which will form the backdrop for planning for 2023/24 and beyond. The financial outlook for the Council remains unclear with Government funding that the Council will receive between 2023/24 – 2025/26 yet to be confirmed and uncertainty about plans for national reform of the local government funding regime. The Council Plan and Portfolio Plans 2022/23 have been refreshed with completed outturns, and there have been some changes to the performance measures and targets based on the outturns now available. The updated plans are available on our website.

Transport for the South East (TfSE)

TfSE launched the consultation on their draft Strategic Investment Plan on 20 June using Engagement HQ, a digital first consultation platform. The consultation will run for 12-weeks to 12 September. Since the launch of the consultation, four consultation events have been held, including a House of Commons reception at Portcullis House on 22 June, the main launch event on 5 July in Guildford where the keynote was delivered virtually by Baroness Vere, and two webinars. All events were well attended, and feedback has been positive. More than 100 consultation responses have already been submitted and promotion of the consultation continues across the region with the support of stakeholders and partners. After the consultation concludes, all feedback will be considered before presenting a final version of the plan to the Partnership Board to seek their agreement to submit the plan to Government in early 2023.

Work is progressing on three key themes: electric vehicle (EV) charging, the Government's Bus Back Better programme, and local capability. TfSE have put out a tender to support the development of an electric vehicle charging strategy, which is expected to be awarded in Q2. The strategy will identify current and future EV charging infrastructure needs across the region, while supporting those local authorities who have already developed strategies, by integrating plans and existing forecasts into the regional picture. We will publish our EV Charging Infrastructure Strategy by January 2023. Collaborating with other sub-national transport bodies, TfSE will support the delivery of the Department for Transport's ambitious Bus Back Better strategy, which will identify and deliver the support needed to assist Local Transport Authorities (LTAs) with the delivery of their Bus Service Improvement Plans (BSIPs), and the implementation of their Enhanced Partnerships. TfSE will be working with consultants Mott Macdonald and Arup, who submitted a joint bid to support this work. Working with Arup, TfSE has concluded a piece of work to identify capability gaps across the region and consider solutions. The outcome of this will be to support LTAs in the delivery of their Local Transport Plans (LTPs) by enhancing their capability in key areas, such as the development of business cases, modelling and appraisal scenarios and undertaking carbon impact assessments. Support to solve these capability gaps would be provided via a centre of excellence and work is now underway to develop this.

Corporate Lobbying

During Q1, the Leader took opportunities to meet with local MPs to discuss the latest priorities for the Council and residents and ways MPs could help the Council in Parliament. The Leader and Chief Executive also briefed MPs on our State of the County report and lobbying priorities for the Council which we would welcome their support on in the coming year. We also utilised our partnerships and networks to magnify priorities and issues for the Council, including inputting via

the County Councils Network (CCN) into the first meeting of the national Local Net Zero Forum convened by the Department for Business, Energy and Industrial Strategy to enhance engagement between central and local government on net zero delivery. The Leader continues to represent the Council on the CCN's Executive as spokesperson for Children's and Young People's issues, and the Chief Executive continues to be involved in national policy development as representative for the South East region on a national grouping of local authority Chief Executives.

Supporting democracy

During Q1 we supported 39 meetings including: one County Council meeting; two Cabinet meetings; 11 Lead Member meetings; 11 Scrutiny Committees and Review Boards and 14 other committees and panels. We also published agendas for a further 13 meetings and supported one Whole Council Forum. The webcasts of meetings were viewed 1,379 times in Q1. The most viewed meeting was the Council meeting on 10 May 2022, which received 153 views.

In Q1 the Member Training and Development programme delivered a range of courses in support of Members and the roles they hold. The courses delivered included Climate Awareness, Digital Footprints and the Waste Service.

During Q1 the Council's scrutiny committees progressed their agreed work programmes with a range of scrutiny review and reference group activity. The Health Overview and Scrutiny Committee completed reviews of two NHS proposals for substantial service change, covering cardiology and ophthalmology services. Following a detailed evidence-gathering process to assess the proposals the committee agreed final reports and recommendations, which will be considered as part of the NHS decision making process. The Place Scrutiny Committee began its input to the updating of the Council's Climate Emergency Action Plan and the People Scrutiny Committee's Health and Care Integration Reference Group considered anticipated impacts of the Government's Integration White Paper and progress with establishing an Integrated Care System in Sussex. Scrutiny and Audit Committee Chairs and Vice Chairs met to consider a quarterly report providing a detailed overview of activity across the committees, which was subsequently reported to Governance Committee. The group also agreed next steps with Member development opportunities in relation to scrutiny.

Q1 saw the start of the busiest time of year for school admission appeals, when cases relating to the September school intake are heard by Independent Appeal Panels. During this period, we received 288 appeals, compared to 159 in Q1 2021/22, and conducted 18 virtual appeal hearings, 10 of which took place over multiple days. In line with temporary national regulations, the Appeals Service also deployed a new hybrid hearing offer. This new development means parents and admission authority representatives can now choose whether they wish to join the appeal hearing remotely or attend in person. In support of this, significant additional guidance and training has been developed and deployed to help ensure all parties are able to effectively participate in the hearing process, whether via remote means or in person. So far, most appellants have opted to attend remotely. During Q1, further development work was also undertaken on the digital appeal management system. This has led to additional enhancements in customer service for parents, as well as delivering efficiencies to the administration of the appeal process.

The Health and Wellbeing Board (HWB) met on 19 July and received an update on the Q1 work focussed on finalising arrangements for the new Sussex Integrated Care System (ICS) and statutory bodies that came into force on 1 July. This included amendments to the HWB terms of reference agreed by the Council on 12 July, and a refresh of the Board's Strategy 'Healthy Lives, Healthy People', which was endorsed as providing the overarching strategic framework for the work of health, social care and the wider system for the population of East Sussex.

Legal Services

During Q1, Legal Services assisted Trading Standards to obtain a successful conviction for two counts of possession for sale of counterfeit tobacco. The fraudulent trader pleaded not guilty to eight other counts, which will be the subject of a jury trial in Q2. The Service also assisted Trading

Standards to secure a successful conviction for fraudulent use of a disabled parking blue badge, with the individual being ordered to pay a fine of £292, prosecution costs of £350 and a victim surcharge of £34.

In Q1, the Service assisted Children's Services to secure the extension of an injunction to prevent nuisance or annoyance against a parent, who has behaved in a threatening and anti-social way towards social work staff.

During Q1 the Service advised in relation to 73 Court of Protection cases and 30 matters involving safeguarding vulnerable adults (compared to 84 and 25 in Q4) and 78 Deprivation of Liberty Safeguards applications in the Court of Protection (compared to 58 in Q4).

The Service continues to work closely with Children's Services with advice and representation, including in pre-proceedings and court applications for care proceedings, with the priority 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 Q1 the Service advised in relation to 54 families in pre-proceedings, which was the same as in Q4 2021/22. In Q1 the Service applied for care proceedings in respect of 14 families compared to 15 in Q4 2021/22. At the end of Q1, there were a total of 59 ongoing care proceedings compared to 61 in Q4 2021/22. Difficulties with court and judiciary availability are ongoing contributory factors to a national picture of care proceedings taking more than 26 weeks in the majority of cases. Only two of the 16 cases, which were completed in Q1 2022/23, concluded within 26 weeks. The Service continues to work with the court and the Sussex Family Justice Board on this issue. During Q1 2022/23, the Service continued to provide legal training to social workers on a range of areas, including court work and statement writing and to provide advice in relation to policy and procedure.

During Q1, the Service completed agreements to secure financial contributions to the Council of £199,275, together with the delivery of additions and improvements to the highway network across the county. The Service also advised on 32 new contract and procurement matters (compared to 47 in Q4 2021/22), including the renewal of the highways maintenance contract, draft grant agreements to distribute funding in respect of the Homes for Ukraine initiative and agreements in relation to the procurement of Nursing and Residential Care and Domiciliary Care services. In Q1, the Service also advised on 32 new property transactions (compared to 33 in Q4 2021/22), including securing major property sales bringing in substantial funds to the Council.

Coroner Services

588 deaths were reported to the Coroner in Q1, averaging 196 deaths per month. This is higher than the average monthly figure of 168 deaths reported in Q4 2021/22. Of the 588 deaths reported, 111 went to inquest in Q1 compared to 88 in Q4 2021/22. 70 inquests were closed in Q1 compared to 74 in Q4 2021/22. Inquests, including jury inquests, are held in court with the option for family, interested persons and witnesses to attend court in person or remotely.

Regulation of Investigatory Powers Act (RIPA)

In Q4, reference was made to an application under RIPA for Directed Surveillance relating to the supply of illegal tobacco. That authority was cancelled on 19 May, having secured evidence to support an application for a search warrant, which led to the search of a house where a quantity of illegal tobacco was discovered. Two people are currently being investigated by Trading Standards in relation to these matters.

There have been two applications for telecommunications data under the Investigatory Powers Act (IPA) 2016. One application was made to identify the current home address of a suspected rogue trader; and the other was to trace a retail premises in the north-west of England area, as part of an investigation into the sale of counterfeit clothing.

Local Government Ombudsman (LGO) complaints

22 decisions were issued in Q1. 14 cases 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 eight fully investigated, two cases related to Adult Social Care (ASC), five to Children's Services (CS) and one to Communities, Economy & Transport (CET). Six of the eight cases investigated were closed with the complaint partly or fully upheld as follows:

ASC – The client complained about the way the Council responded to the safeguarding concerns he raised about his son's care, at the end of 2018. The Ombudsman found some fault with the way the safeguarding enquiry was handled and the way in which the Council responded to the client's concerns about that. The Council has agreed to apologise to the client and pay him a financial remedy of £500 for the distress he experienced. It will also share the lessons learned with relevant staff.

CS – The client complained that the Council's offer of a Personal Travel Budget made in 2020 is not a suitable way of making arrangements for home to college transport for his adult son, who has special educational needs. He also complained that the Council refused to make a new decision on the transport application he made in 2021. Instead, it reviewed and repeated its previous offer. The Ombudsman did not find fault in the Council's decision-making on the 2020 application, but the Council did fail to follow its policy in dealing with the 2021 application. The Council has agreed to make a formal decision on the later application. This is a suitable remedy.

CS – The client complained on behalf of her son that the Council failed to secure the therapy in his Education, Health & Care Plan (EHCP) between January 2020 and March 2021. The Ombudsman found that the Council failed to secure some of the therapeutic support in the EHCP. The Council has agreed to apologise for failing to secure the provision and pay the client's son £950. The Council has also agreed to review its systems for checking provision is in place, when amended final plans are issued.

CS – The client complained about the Council's decision not to award school transport to her son, causing him to be without transport he is entitled to. The Ombudsman did not find fault with the Council for how it decided not to grant the child transport. However, the Ombudsman did find fault with the Council for how it handled representations to the panel, and for how it communicated with the client. No further action is needed as the Ombudsman considered that the remedies and actions taken by the Council are proportionate to the fault and injustice.

CS – The client complained that following a Special Educational Needs and Disability Tribunal (SENDIST) decision the Council did not provide an updated EHCP for her son in the correct time and has not provided education and special education needs provision for him. Although the Council had no control over the factors that caused the delays which related to COVID-19, the client's son did not receive the education specified in his EHCP for a period of time. The Ombudsman considered this to be the fault of the Council. The Council has agreed to apologise to the client and pay her £900 in respect of the missed provision.

CET – The client complained that the Council, as the highways authority, failed to take effective action to prevent water draining from the highway on to his land. It failed to properly install a crossover to his drive, carry out repairs to the highway and the crossover and properly respond to his complaint. As a result, every time it rains, his property is flooded, the crossover and property are suffering, all of which is causing him a great deal of stress, anxiety and frustration. The Ombudsman found the failures in how the Council responded to his reports, that there were delays in arranging work, poor record keeping, a failure to deal with his formal complaint properly, and a failure to show how it considered and assessed his concerns. The Council has agreed to take the necessary action to resolve the flooding issue. It has also agreed to:

- Review why Highways failed to properly respond and take action on his reports.

- Remind officers of the need to make and retain contact and evidence of liaison with the water board on future cases.
- Provide the client with regular updates about progress on the actions it offered to take and ensure these actions are taken without delay.
- Apologise for the failures identified and pay the client £350 for the avoidable injustice and the time and trouble he experienced when making a formal complaint.

Web activity

The main council website received just under 1.5 million page views during Q1, from more than 467,000 visits. This included just over 9,000 views of our Coronavirus pages, reaching a total since 23 March 2020 of over 1 million views. The intranet had over 1.5 million page views from just over 560,000 visits during Q1. Users now have the option to reject analytics cookies on our new website, which means they are not recorded in the data, so we are seeing an apparent, though misleading, fall in traffic.

Customer satisfaction on the website was 73% and accessibility (the measure of how widely it can be used by everyone, including those with visual, neurological, or physical impairment) has climbed from 86 to 93 out of 100 – rated ‘excellent’.

Media and information work

There were 389 media stories about the Council in Q1. The press office issued 32 press releases, generating 75 stories. 86 media enquiries were handled.

Progress on the Council’s £5.8 million investment in roads and pavements and indicative funding for its Bus Service Improvement Programme (BSIP) achieved good coverage in Q1. There was also positive coverage of the Wellbeing at Work programme and Trading Standards’ seizure of £28,000 of illegal tobacco.

Effective publicity and campaigns

There were very strong results from a campaign to encourage people to recycle batteries safely: in the three months following the campaign, the number of batteries collected at waste and recycling sites increased by 168% year on year (far outstripping the target increase of 5%). Batteries collected at the kerbside in Wealden, Rother and Hastings increased by 30%.

South East 7 (SE7)

SE7 Leaders and Chief Executives met jointly in Q1 to share updates on how councils in the partnership were responding to recent developments - which included rising inflation, increases in the cost of living and implementation of Adult Social Care (ASC) charging reforms - and to discuss opportunities for joint working to enhance this. The partnership agreed to continue to share how councils were responding to pressures arising from the national economic situation, and also agreed to prioritise work to develop a clearer understanding, and then raise awareness, of the expected impact of implementation of ASC charging reforms on councils and care markets in the South East, as well as the practical steps Government could take to assist with implementation of the reforms. SE7 Chief Executives also met in Q1 and shared insights on how to best undertake strategic work with partners to improve skills locally; as well as how councils were approaching common challenges with recruitment and retention.

Other work by the Partnership in Q1 included jointly writing to the Secretary of State on barriers to the delivery of sustainable housing and economic development in the SE7 area and other ongoing work to ensure the needs of, and opportunities in, the SE7 are understood by Government and reflected in national policy development. This will continue over the summer months, taking account of any changes in national policy that may emerge following the appointment of a new leader of the Conservative Party.

Revenue Budget Summary

The GS net revenue budget is £7.409m and is expected to be on-line this year.

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

Performance measure	Outturn 21/22	Target 22/23	RAG Q1 22/23	RAG Q2 22/23	RAG Q3 22/23	RAG Q4 22/23	2022/23 outturn	Note ref
There are no Council Plan targets								

Savings exceptions 2022/23 (£'000)

Service description	Original Target For 2022/23	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	Note ref
There are no targeted savings in 2022/23	-	-	-	-	-	
	-	-	-	-	-	
Total Savings	0	0	0	0	0	
			-	-	-	
			-	-	-	
Subtotal Permanent Changes ¹			0	0	0	
Total Savings and Permanent Changes	0	0	0	0	0	

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

¹ 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 2022/23 (£'000)

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net	Note ref
Corporate Governance	4,618	(255)	4,363	4,578	(253)	4,325	40	(2)	38	
Corporate Support	3,434	(388)	3,046	3,452	(368)	3,084	(18)	(20)	(38)	
Total Governance	8,052	(643)	7,409	8,030	(621)	7,409	22	(22)	0	

Capital programme 2022/23 (£'000)

Approved project	Budget: total project all years	Projected: total project all years	Budget Q1	Actual to date Q1	Projected 2022/23	Variation (Over) / under Q1 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance	Note ref
No current programme for Governance	-	-	-	-	-	-	-	-	-	
Total GS Gross (Planned Programme)	0	0	0	0	0	0	0	0	0	

Strategic Risk Register – Q1 2022/23

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
12	<p>CYBER ATTACK</p> <p>The National Cyber Security Centre (NCSC) has highlighted the substantial risk to British web infrastructure, with elevated levels of Cyber Crime being reported against all areas of government, particularly in light of the current Ukrainian situation.</p> <p>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. Controls have been enhanced to manage these requests.</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. Business Continuity Scenario testing is currently being cascaded through Departmental Management Teams.</p> <p>Services hosted in ISO 27001 accredited Orbis Data Centres.</p>	Red
5	<p>RECONCILING POLICY, PERFORMANCE & RESOURCE</p> <p>There is ongoing uncertainty in relation to future funding levels, the longer-term local government funding regime and the impact of national reforms, particularly to Adult Social Care. Rising inflation and cost of living are likely to lead to higher demand for Council services and increase the direct cost of providing services. Together these create a risk of insufficient resources being available to sustain service delivery at the agreed Core Offer level to meet the changing needs of the local community.</p>	<p>We employ a robust Reconciling Policy, Performance and Resources (RPPR) process for business planning, which ensures a strategic corporate response to resource reductions, demographic change and regional and national 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. 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.</p> <p>Our plans take account of known risks and pressures, including social, economic, policy and demographic changes and financial risks. The Coronavirus pandemic has had, and will continue to have for a long time, profound impacts on our communities and services. However, we continue to operate in changing and uncertain contexts. Current and forecast economic conditions continue to shape a very challenging financial outlook both for the Council itself and many of the county's residents and businesses. Alongside this we continue to face fresh challenges as a result of the conflict in Ukraine, and national service reforms. We will continue to use the latest information available on these challenges to inform our business planning. We will also continually review our performance targets, priorities, service offers and financial plans, and will update these as required.</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.</p>	Red
4	<p>HEALTH</p> <p>Failure to secure maximum value from partnership working with the National Health Service (NHS). If</p>	<p>Planning has taken place for future arrangements to support discharge from hospital, after government hospital discharge programme funding ends. Quarter 1 and 2 are funded at a significantly reduced level. This impacts the flow of patients through hospital and onto onward pathways such as Discharge to Assess (D2A) beds, where patients no longer needing acute hospital care are moved to</p>	Red

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
	<p>not achieved, there will be impact on social care, public health and health outcomes and increased social care operational and cost pressures. This would add pressures on the Council's budget and/or risks to other Council objectives, as well as shared system objectives in the context of our Integrated Care System across workforce and patients who are medically ready for discharge (MRD) from hospital or community beds.</p>	<p>a temporary placement for further care and assessment of their long-term needs; and the Home First pathways, which better enables patients into appropriate onward care after an episode in hospital. The NHS proposes to maintain the reduced level of funding for Quarter 3 and Quarter 4 but has not confirmed this, meaning the risk of reduced flow remains. If the funding is not confirmed, this would significantly increase the impact on ASC resources and our ability to facilitate strategic decision-making and commissioning for D2A to support local people.</p> <p>More broadly, the inaugural meeting of the NHS Sussex Integrated Care Board took place on 6th July. The Health and Wellbeing Board (HWB) terms of reference have been updated to ensure appropriate NHS representation under the new statutory arrangements. A draft refreshed HWB Strategy 'Healthy Lives, Healthy People' has been prepared to provide a strong overarching and up to date narrative about the shared priorities to improve health, reduce inequalities and offer joined up care in East Sussex, and the contribution of all HWB members at place level within the Integrated Care System (ICS). This incorporates the developments that have been accelerated by the pandemic, and areas where it is felt we can have the most impact in supporting restoration and recovery of our system in a sustainable way. It will feed into the work to develop the statutory Sussex-wide Integrated Care Strategy.</p>	
9	<p>WORKFORCE</p> <p>An inability to attract and retain the high calibre staff needed in the most competitive job market for 50 years could lead to a reduction in the expertise and capacity required to deliver services to our residents at the required level and standards</p>	<p>The Council has put in place a number of strategies to respond to the current recruitment and retention pressures:</p> <ul style="list-style-type: none"> -work is underway to update our recruitment branding, promoting the Council as an excellent place to work and 'employer of choice'. In support of this we are attending events like careers fairs and shows to maximise our presence with job seekers -use of apprenticeships, traineeships, intern arrangements and more flexible work arrangements etc as a way of bringing in new talent to the Council -linking in with organisations that support people back into employment such as People Matters etc -the recent launch of a refreshed 'financial wellbeing' resource to support our staff, particularly given the rising cost of living pressures -ensuring our workforce policies and approaches support individuals to remain in work, e.g. Wellbeing offer, occupational health and absence management services -implementation of mental health first aiders in the workplace – we now have a network of over 100 trained individuals -development of a corporate equality action plan which includes a number of workforce specific actions to support having a diverse workforce with equality confidence, knowledge and skills -continued delivery of our two new leadership development programmes to support our talent management strategies: the 'Ladder to Leadership' programme and 'Head of Service Masterclasses' -joint work with departmental recruitment and retention groups to support specific, departmental focussed activities 	Red

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
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 must reduce our own operation carbon footprint by an average of 13% per year to stay within our carbon budget; and to achieve net zero carbon emissions from the County Council's own activities as soon as possible, and by 2050 at the latest.</p> <p>Our Climate Emergency Officer continues to work with teams across the Council to deliver the corporate climate emergency plan covering 2020-22. The focus is on buildings, which made up 79% of carbon emissions in 2020/21. Internal oversight of progress is via the corporate Climate Emergency Board.</p> <p>In Quarter 1:</p> <ol style="list-style-type: none"> Carbon Reduction Target: Data validation has started and is expected to confirm that we missed the annual carbon reduction target of 13% for Scope 1 & 2 emissions in 2021/22. Actual outturn figures are due in July. This was due to increased energy use, as buildings began to resume normal operations with increased COVID-19 ventilation requirements and colder than usual weather in Spring 2021. Provisional data indicates that building electricity and heating kWh consumption for quarters 1-4 2021/22 were up 3.2% on the same period last year, although down 5% on the baseline year 2019/20. Streetlighting kWh consumption is down 16% on last year, reflecting the LED lighting programme rollout. All six solar PV grant funded projects, which started in 2021-22, have now completed installation and are generating low carbon electricity. Performance against project targets for 2022-23: <ul style="list-style-type: none"> Delivery of two Decarbonisation of Heat Projects: Ninfield Primary School is 75% complete. The Herstmonceux Primary contract was awarded in May and project delivery has commenced. Both projects are part funded by Government grants. Delivery of ten LED lighting projects: a pipeline of twelve projects is being considered for delivery during 2022-23. Delivery of ten Solar PV projects: five solar PV sites have gained approval to proceed by the Asset Carbon Reduction Group and further sites for feasibility are being identified. Modelling of decarbonisation pathways work has almost completed, with findings presented to the Climate Emergency Board for feedback and final amendments. This grant funded work will inform the updated climate emergency plan, which will go to full Council in December, and enable the Council to continue to develop a pipeline of carbon reduction projects. Climate Awareness Training has been rolled out to 79 staff, with 45 staff booked to attend workshops in June and further dates available for the rest of 2022-23. Climate Awareness workshops were delivered in April & May to 50% of Members. Work is well underway on the production of a Climate Awareness e-learning module. <p>We note that projects continue to be impacted by significant supply chain and cost challenges.</p>	<p>Red</p>

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
		6. Electric vehicle (EV) charge points: £100k was approved by the Capital Board for the installation of up to 8 EV charge points at County Hall during 2022-23 and a bid will be made for Government funding to pay for part of the cost.	
17	<p>SAFEGUARDING OF CHILDREN AND YOUNG PEOPLE</p> <p>Failure to recruit and retain an effective children’s social care workforce. This leads to poor quality safeguarding practice, failing to prevent harm to children and young people, impacting on the Council’s strategic objective of keeping vulnerable people safe.</p>	<p>Recruitment and Retention Strategy in place</p> <p>Market Supplement implemented 2020, and will be reviewed annually</p> <p>Recruitment Manager and Comms officer posts agreed (start date Sept 2022)</p> <p>High quality and regular managerial support and supervision of practitioners</p> <p>Delivery of high quality workforce development programme</p> <p>Senior management oversight of caseloads, mitigating actions undertaken to address high caseloads</p> <p>Wellbeing strategy</p> <p>Updated advertising and recruitment materials</p> <p>Development of career pathways / recruitment pipeline</p>	Red
NEW	<p>SCHOOLS AND ISEND</p> <p>For Children with Special Educational Needs. Inability to secure statutory provision.</p>	<p>Effective use of forecasting data to pre-empt issues</p> <p>Work with statutory partners to develop contingency plans</p> <p>Work with the market to increase provision where needed</p> <p>Expanding internal interim offer for children</p>	Red
18	<p>DATA BREACH</p> <p>A breach of security/confidentiality leading to destruction, loss, alteration, unauthorised disclosure of, or access to, personal data. This includes breaches that are the result of both accidental and deliberate causes. A personal data breach is a security incident that has affected the confidentiality, integrity or availability of personal data regardless of whether information has been accessed, altered or disclosed via electronic or manual means.</p> <p>Risks to individuals, reputational damage, fines from the Information Commissioner’s Officer (ICO), compensation claims.</p>	<p>Policy and guidance procedures in place to support practice.</p> <p>Data Protection Officer (DPO), Caldicott Guardians and Information Governance Officers monitor breach reporting and put in place mechanisms to minimise recurrence.</p> <p>Staff training to develop awareness.</p> <p>Technical security measures operated by Information Technology and Digital (IT&D), including access control.</p>	Amber

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
8	<p>CAPITAL PROGRAMME</p> <p>Against a background of diminishing resources, the capital programme has been produced to support basic need only and because 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 are a number of risks and uncertainties regarding the capital programme over the current Medium Term Financial Plan period and beyond. The impact of Covid-19 and currently increased uncertainties that exist within the construction industry in terms supply chain issues and volatile cost inflation could impact on project deliverability and affordability. This has been exacerbated by the invasion of Ukraine by Russia and the resultant global sanctions imposed on Russia, which may have long-term impact on prices as well as availability and security of supply on materials.</p> <p>There is also a risk that increased burdens of planning reform and the move from S106 contributions to Community Infrastructure Levy will mean that the Council has reduced funding from this source as bids have to be made to Districts and Boroughs.</p> <p>The Council's set target of achieving carbon neutrality from its activities as soon as possible and in any event by 2050 will partly depend on availability of capital resources to support identified actions. Diminishing resources and availability of external funding may impact on the deliverability and timing of actions and targets.</p> <p>Slippage continues to occur within the programme, which has an impact on the effective use of limited resources.</p>	<p>The Council maintains a 20-year Capital Strategy and 10-year capital programme to provide rigour and support strategic direction. The development and delivery of the capital programme is overseen by a Capital Strategic Asset Board (CSAB), a cross departmental group consisting of officers from each service department, finance, property and procurement. Governance arrangements continue to be reviewed and developed in support of robust programme delivery of the basic need programme. The Schools and Assets Sub Board, which in part focuses on future need for schools' places, continues to inform the CSAB of key risks and issues within the 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 capital programme includes an element of 'normal' level of inflation for ongoing target-based core programmes (as opposed to programmes that have cash limited envelopes). Additionally, as part of the Reconciling Policy, Performance and Resources (RPPR) process in February 2022, an ongoing capital risk provision of £7.5m was approved, providing the flexibility to react to emerging risks such as the impact of supply chain issues and inflationary pressures. It represents the ability to borrow for these risks and is managed through ensuring there is Treasury Management capacity, rather than representing funds that are within the Council's accounts. Its utilisation, subject to CSAB approval and adherence to financial regulations, would therefore require additional borrowing and be reported through the RPPR and quarterly monitoring process. Reviews are undertaken on the extent of risk exposure on contracts and actions taken to mitigate the risks on material supply and security.</p> <p>The CSAB also proactively supports the seeking and management of all sources of capital funding, including grants; capital receipts; S106; Community Infrastructure Levy (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. Additionally, following review, CIL and S106 targets have been reduced and will continue to be reviewed regularly and opportunities sought to reduce the target further if considered appropriate. Officers will proactively monitor funding announcements, including central government capital grants following the Spending Review 2021, and seek to minimise the impact on delivery of the capital programme, ensuring that there is sufficient liquidity to meet funding requirements.</p> <p>The Capital Strategy was updated in February 2021 to reflect the Council's climate targets and set out how this can be supported through the capital programme and the RPPR process. It was agreed at State of the County 2021 that Climate Change would be included as basic need and this has been reflected through the RPPR process. Investment of £3.0m per annum over the life of the Medium Term Financial Plan has then been included in the capital programme approved in February 2022 to support the Council's climate targets.</p> <p>CSAB continue to look to manage down the historical levels of programme slippage. Following a review of the programme's annual ambition (against historical deliverability and project risk) by services and CSAB, a risk factor has been applied in 2022/23 to help mitigate slippage.</p>	Amber

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
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>While additional funding over the last few years has helped maintain road condition the latest condition and funding modelling shows renewed deterioration over the next 10 years if further investment is not introduced into road maintenance. This reflects the changing climate with wetter, cool but prolonged winters and the increasing frequency of heavy downpour events during the summer months, which deteriorate roads faster. Further investment was approved by Cabinet in November 2021 and through the Reconciling Policy, Performance & Resources (RPPR) process on 8/2/2022 to maintain condition at current levels and to help mitigate these factors over the next 10 years. An additional one-off investment of £5.8million to be spent in 2022/23 was also agreed.</p> <p>Our contractor has adapted 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. Contract staff have implemented hybrid working arrangements successfully. Staff absence due to COVID related illness or self-isolation has remained very low and has had no significant impact on the service but with cases still high currently, the risk remains.</p> <p>East Sussex County Council staff managing the Highways contract have successfully worked from home with no impact and will start to implement hybrid working in line with the corporate approach and timescales.</p>	Amber
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 when paperwork checks on imports begin on 1st January 2022 and physical checks on imported goods begin on 1st July 2022.</p> <p>Key areas at risk of disruption are:</p> <ul style="list-style-type: none"> •At Newhaven Port and on the surrounding road network due to new port checks. •In business and economic activity, due to import/export administrative complexities for Small and Medium-sized Enterprises, supply chain disruption, impact of trade tariffs on consumer purchasing power, and workforce supply. •The COVID-19 pandemic response and local outbreak management. E.G., through disrupting international supply chains for Personal Protective Equipment, and •Delivery of Council Services. 	<p>Government has further delayed implementation dates for specific import checks from July 2022 until the end of 2023. This particularly relates to inspections by Port Health Authorities (Lewes & Eastbourne Councils at Newhaven) of food products, which are not required. The new Border Control Post facilities will now not be need until 2023. However, the Office for Product Safety & Standards are still anticipating the starting of intelligence-based inspections by Trading Standards for product safety and metrology. HGV traffic remains stable at Newhaven and East Sussex County Council continues to monitor the situation at Newhaven and is ready to react, should disruption look likely.</p> <p>Many of the key areas at risk of disruption are already on the Strategic risk register or departmental risk registers and are subject to business-as-usual risk and business continuity management.</p> <p>The Trading Standards team has worked with Environmental Health colleagues and UK Border Force (UKBF) to smooth the impact of Government border policy on the capacity required to support new border enforcement arrangements at Newhaven Port. Provision of facilities at the port has been secured and joint working with UKBF has begun. Pilot work in relation to pet importation and feed importation was conducted in Quarter 4 2021/22, although inspections are not yet required in line with the Government’s delay to import controls on food. An updated Border Delivery Model is expected from Government in respect of this area of work. Final 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> <p>Close working continues with the Sussex Chamber of Commerce to ensure clear advice is provided to Small and Medium Size enterprises engaged in import/export activity. Impacts on the local economy are monitored through Business East Sussex.</p>	Green

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
		<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 Department for Levelling Up, Housing and Communities 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>	
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 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) 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 three years.</p> <p>Government issued a funding call in mid-June 2020 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 eight projects in late July. All eight projects were approved by SELEP in October/November, and we are now confirming their grant agreements, with several commencing delivery. Unfortunately, the Fast Track business solutions, Hastings and the Riding Sunbeams powering the railways with solar energy have had to return the monies allocated to SELEP. However, we have been able to have two further projects allocated to the pipeline amounting to £300k, with East Sussex now delivering on circa £6m on eight projects.</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 (secured a further £1m); Future High Streets (secured £5m); Stronger Towns Fund (Hastings awarded £24.3m and Lewes awarded £19.3m); Levelling Up Fund bids (awarded £40m see below); the SELEP COVID-19 Skills and Business Support Fund (secured £500k), the UK Community Renewal Fund pilot programme (secured £2.5m), the Local Skills Improvement Plan (LSIP) for Sussex and the Bus Service Improvement Plan (BSIP – indicatively awarded £41.4m).</p> <p>The COVID-19 outbreak in early March 2020 is seemingly changing the funding landscape, and alongside the impacts of leaving the European Union, is having an impact on major funding decisions from Government.</p> <p>We officially launched in September 2020 the East Sussex Economy Recovery Plan, called 'East Sussex Reset'. The plan identifies deliverable actions in the short term, alongside more aspirational asks, and has already aligned and secured new monies totalling £220m investment into East Sussex. It has and will continue to be an important bidding document to Government and into the SELEP, with the new SELEP Recovery and Renewal Strategy approved in March 2021. Both documents will look at ways to address the Government's policy and Budget announcements that have a clear focus on</p>	Green

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		<p>the green revolution (net zero carbon reduction); the allocation of the new £4bn Levelling Up Fund (LUF); and the delivery of the new £1.5bn UK Shared Prosperity Fund (UKSPF) programme.</p> <p>On the LUF, the County Council submitted a transport package for Exceat Bridge of £8m, while four of the local Borough and District Councils (except Hastings) submitted in June 2021 major capital funding bids under this first round for town centre/regeneration and cultural investment. Outcomes were announced on 27 October 2021, with the following awarded monies: Exceat Bridge (£8m), Eastbourne (£19.8m) and Lewes (£12.6m) all to be delivered by March 2024. The other Borough and Districts were unsuccessful and will apply under Round 2 by July 2022. Business cases now need to be worked on for the implementation of projects.</p> <p>On the UKSPF this had the pre-launch guidance officially released in February 2022 following the same day launch of the long awaited Levelling Up White Paper. The UKSPF main prospectus was released mid-April 2022 with the award of allocations known to each Borough and District Authority, who are now the responsible accountable bodies for the delivery of the programme – with investment plans to be submitted to Government by 1 August 2022. The Council is making the case with regards to pan East Sussex projects, which can continue to deliver against the main themes of the programmes and the Council's priorities. In addition, as part of the UKSPF, the Multiply programme was announced in late March to help adults to improve their numeracy skills up to Level 2. The responsibility for managing this programme from 2022-2025 has been awarded directly to the County Council with up to £2.5m available. We are currently preparing an investment plan proposal working with partners and will be submitting this by the deadline of 30 June 2022 to the Dept. for Education. We expect to hear the outcome by October.</p>	

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Report to: Cabinet
Date: 29 September 2022
By: Chief Executive
Title of report: Reconciling Policy, Performance and Resources (RPPR) – Update
Purpose of report: To update Members on the latest policy context, Medium Term Financial Plan and capital programme and proposed approach to one-off investments.

RECOMMENDATIONS:

Cabinet is recommended to:

- i. note the updated policy and demographic context as set out in paragraph 2;**
 - ii. note the updated Medium Term Financial Plan as set out in paragraph 3 and appendix 1;**
 - iii. approve the allocation of £270,000 from the £5.175m Services Grant funding to support staff recruitment and retention as set out in paragraph 4.5, and to hold the remainder of the funding in the Priority and Transformation Reserve;**
 - iv. note the capital programme update as set out in paragraph 5 and appendix 2; and**
 - v. agree to continue lobbying for sustainable funding to meet the needs of the residents of East Sussex.**
-

1. Background

1.1. In June Cabinet considered the State of the County report, a key milestone in the Council's Reconciling Policy, Performance and Resources (RPPR) process, its integrated business and financial planning cycle. The report set out the updated demographic, economic and service evidence base; the national and local policy context; and updates on our medium term financial planning position and capital programme. It gave our latest understanding of how we will need to continue to respond to the broad and rapidly evolving range of policy, demographic and financial drivers which influence the outlook for the Council, both in the short and longer-term.

1.2. The report illustrated the high levels of uncertainty and change that continue to dominate the environment within which we are working and planning. Factors such as the volatile national and international economic situation and the undefined impact of national reforms to many of our key service areas, particularly social care, contributed to a highly uncertain financial outlook. As a result of this unclear and evolving picture it was not possible to present an updated Medium Term Financial Plan as part of State of the County.

1.3. Since June, the instability in our planning context has persisted, with significant further national economic and political developments. A new Prime Minister took office on 6 September and although the new Government's policy agenda and priorities are beginning to emerge, there remains uncertainty over whether, or how, national policy proposals brought forward by the previous administration will be progressed. The new Government takes over at a time when current and forecast economic conditions continue to shape a very challenging financial outlook both for the Council itself and many of the county's residents and businesses.

1.4. The RPPR process, which brings together our policy, business and financial planning and risk management, continues to provide the robust mechanism to help us navigate this uncertain environment, supporting planning for 2023/24 and beyond and maintaining focus on our four priority outcomes:

- Driving sustainable economic growth;
- Keeping vulnerable people safe;
- Helping people help themselves; and
- Making best use of resources, now and for the future.

The priority outcome that the Council makes the “best use of resources, now and for the future” is a test that is applied to all activities to ensure sustainability of our resources, both in terms of money and the environment. In June Cabinet also agreed, for planning purposes, a number of changes to the delivery outcomes which underpin these priorities to ensure they remain up to date and appropriately reflect the post-Covid context.

1.5. With our firm foundation of careful management of resources over many years, and with the assistance of Government Covid support during the pandemic, we have been able to maintain stability in service provision in recent years and we are managing current, in-year pressures within our current plans and contingency arrangements. However, the financial outlook in the medium term is increasingly challenging and uncertain with national economic conditions impacting on our projected future position, alongside pre-existing pressures and uncertainties. This report provides our latest assessment of the position.

1.6. As reported in June, the allocation of a single year Services Grant by Government, as part of the finance settlement for 2022/23, presents an opportunity to consider making one-off investments where these could help manage future demand, address future issues or help deliver priorities. However, the difficult economic situation, and resulting additional pressures on Council services and our financial position, form a new backdrop against which to consider the appropriate use of one-off funding.

1.7. This report provides Members with an update on the rapidly evolving context that will continue to inform our planning for 2023/24, and includes:

- updates on key policy context developments since June;
- updates on the financial context and an updated Medium Term Financial Plan for 2023/24-2025/26;
- an update on the capital programme and next steps; and
- a proposed approach to one-off investments.

2. Policy context update

2.1 The context the Council is operating within continues to change rapidly. Key areas in which there have been developments since the State of the County report, or in which further developments are expected this autumn, are detailed below.

- **National Government changes** - On 5 September Liz Truss was announced as the new Leader of the Conservative Party and Prime Minister. She indicated that her Government’s initial priorities would be growing the economy, addressing energy price rises and energy supply, and access to NHS services. New ministerial appointments were made in early September including Simon Clarke as the new Secretary of State for Levelling Up, Housing and Communities. Further detail of the new Government’s policy agenda, and how that will impact on local government, is expected to emerge during the autumn, after a pause in parliamentary business during the period of mourning following the death of Her Majesty Queen Elizabeth II.

- **National economic context** – since June, national economic conditions have become increasingly challenging with forecasts indicating this is likely to continue for some time. Inflation, as measured by the Consumer Prices Index (CPI), reached 10.1% in the 12 months to July and, despite an unexpected fall to 9.9% in August, is currently forecast by the Bank of England to peak at 13% in the coming few months before reducing to the 2% target over the next two years. The high rate has been driven particularly by significant increases in the cost of energy and food, both linked to the ongoing war in Ukraine amongst other factors, and creates significant cost of living pressures for individuals and families. The Institute for Fiscal Studies has highlighted that lower income households are likely to face higher rates of inflation than the headline figures suggest because they spend a higher proportion of their income on food and energy. In response to rising inflation the Bank of England raised interest rates by 0.5% to 1.75% in August – the largest increase since 1995 - with further rises anticipated.

In late August the energy regulator Ofgem announced an 80% increase in the cap on household energy prices from 1 October to £3,549 (annual cost for dual fuel for an average household). Although Ofgem did not provide specific price cap projections for the new year due to ongoing market volatility, it was indicated that there could be significant further increases through 2023. The regulator's announcement highlighted the significant impact this would have on households and called for further support from Government in addition to measures already introduced to support households with energy bills earlier in the year. Research published by the University of York indicated that, without further action, around two thirds of UK households could be in fuel poverty (spending more than 10% of net income on fuel) by January. Significant concerns have also been raised nationally about the impact of inflated energy prices on the sustainability of some businesses, who are not covered by the price cap.

In response to the significant rise in energy prices, on 8 September the new Government announced a package of measures to ensure that typical households will pay no more than £2,500 a year on gas and electricity bills from 1 October through an Energy Price Guarantee. The Prime Minister confirmed that the new price guarantee will last for two years and will be paired with both the existing Energy Bill Support Scheme, which will provide £400 support to households, and a £150 saving, brought about by a temporary suspension of green levies on energy bills. Households who do not pay direct for mains gas and electricity – such as those living in park homes or on heat networks – will receive support through a new fund. The Government will also support business, charities and public sector organisations with their energy costs this winter, providing an equivalent guarantee for six months. In addition, the Treasury announced a joint scheme, working with the Bank of England, to provide resilience to both energy and financial markets, and the economy, and reduce the eventual cost for businesses and consumers. The Government also announced a new Energy Supply Taskforce to agree long-term contracts that reduce the price charged for energy and increase the security of its supply.

- Even with the additional Government support with energy prices, the impact of the increases in the cost of living on residents, particularly those already experiencing financial hardship, can be expected to result in increased need for public services and voluntary, community and social enterprise (VCSE) sector support locally. We will continue to work with partners on ways to maximise access for vulnerable residents to the advice and support available. The multi-agency East Sussex Financial Inclusion Steering Group has been re-established, bringing together statutory and VCSE sector organisations to co-ordinate support. The Group's initial work includes using data to help target support effectively, identifying shared priorities and approaches for improving financial inclusion, and maximising funding opportunities and the uptake of benefits and other financial support by vulnerable residents. Partners are also supporting residents to

get access to the right information, including through the development of a local cost of living webpage, to be hosted on the East Sussex County Council (ESCC) website, which will bring sources of help and advice together in one place.

As well as the potential for increased demand on services, high energy prices and inflation also impact directly on our operating costs as set out in more detail in paragraph 3 below. Levels of inflation and cost of living pressures are impacting on pay negotiations across the workforce in both the public and private sectors. Combined with a reduction in the active workforce post-Covid and low rates of unemployment there remains a highly competitive and challenging environment for recruitment and retention of staff. For ESCC this means we are continuing to experience significant challenges in recruiting to posts across the organisation, particularly front line social care roles, which impacts on the capacity in services. Part of our response to this issue has been the launch of a new recruitment brand in September, promoting the Council as an excellent place to work and 'employer of choice'.

- Looking ahead, the outlook for the UK economy over the next 18 months has worsened compared to forecasts earlier in the year. Gross Domestic Product (GDP) fell by 0.1% in the second quarter of 2022, the first fall in GDP since early 2021. The Bank of England forecasts that the economy will go into recession later this year, with output falling from the last quarter of 2022 to the last quarter of 2023. Even when growth resumes, it is forecast to be "very weak".

The Government has indicated that the Chancellor will make a fiscal statement (as opposed to a full Budget statement) on 23 September which will include setting out the cost and funding of the energy support package. The statement may also include details of the new Government's taxation policy and plans to strengthen economic growth. Any implications of the statement for ESCC will be reported verbally at the Cabinet meeting.

- **Adult Social Care charging reform** – In July the Government published updated operational guidance on implementing the cap on care costs, which included a change to the implementation of one aspect of the reforms, the extension of Section 18(3) of the Care Act 2014 which will allow people who are self-funding their care costs to have residential care for eligible needs arranged by their local authority at local authority rates (this provision is already in place for domiciliary care). In response to concerns expressed during consultation about the workability of full implementation of this aspect from October 2023 it will now be phased, with people newly entering residential care from October 2023 initially eligible, and the full roll-out to those already living in residential care to take place by April 2025, or earlier if the market can sustain it. This does not affect people's ability to use the cap on care costs as all care users will be able to meter towards the cap from October 2023.

In August, Government published a technical consultation on proposals for distributing funding to local authorities to support the first year of delivery of charging reform in 2023 to 2024, including funding for undertaking an increased number of financial and needs assessments, and implementing the extension to the means test and the cap on care costs. Our response raised concerns about whether the allocations under any of the methodologies proposed would be sufficient to cover our costs and emphasised the importance of factoring in the existing number of self-funding individuals in an area given the link to the likely impact of the reforms.

To support initial preparations for implementing the reforms we have been allocated £97,792 in 2022/23. The Adult Social Care and Health department has initiated a programme of work to deliver the required changes to systems and processes, linking this to activity already underway to develop an Adult Social Care Strategy to ensure that

the needs and aspirations of local people and other stakeholders are woven into priority projects and programmes going forward. Work continues to analyse the potential impact of charging reforms in East Sussex, with a key next step being the requirement to produce a provisional Market Sustainability Plan to submit to the Department for Health and Social Care (DHSC) by mid-October. The very significant potential financial impact of the reforms on the County Council is outlined in paragraph 3 below.

Funding linked to charging reforms does not cover existing growth in demand for social care. We will therefore need to continue to lobby with others in the sector for Government to address ongoing social care pressures in a sustainable way that reduces reliance on Council Tax, as well as highlighting the additional impact of reforms, including the significant consequences for the NHS and the care home market, as well as Councils, if reforms are implemented without sufficient time or funding.

- **Health and social care integration** – On 1 July Integrated Care Systems (ICS) came into being on a statutory basis across England. Locally, this saw the replacement of the East Sussex Clinical Commissioning Group with the NHS Sussex Integrated Care Board which took over responsibility for commissioning most local health services across East and West Sussex and Brighton & Hove. In August DHSC issued further guidance on how ICSs are expected to work with Health and Wellbeing Boards, Health Overview and Scrutiny Committees and care providers, as well as statutory guidance for Integrated Care Partnerships on the preparation of Integrated Care Strategies. The guidance will inform local approaches as new arrangements become fully established over the coming months.
- **Levelling Up and devolution** – The Levelling Up and Regeneration Bill continues to progress through parliament, reaching Committee stage in the House of Commons before the summer recess. It is expected to continue its progress through the autumn. August saw the announcement of two proposed new devolution deals - one in North Yorkshire and York and another covering the East Midlands. Both deals included a focus on skills, transport and infrastructure and included the adoption of a directly elected mayor for the area covered by the deal. Further devolution announcements from the initial round of County Deal negotiations signalled in the Levelling Up White Paper are anticipated by the end of the year. ESCC will continue to monitor developments closely to understand the detail of new devolution deals and any opportunities presented by the Government's devolution offer.
- **Climate Change** – The impacts of climate change received increased focus over the summer in light of the heat waves experienced locally and nationally which necessitated a multi-agency emergency response. A drought was declared across large parts of England, including East Sussex, during August following a lack of rainfall over the summer. Locally, work is ongoing to update the Council's corporate Climate Emergency Plan which sets out the actions we are taking to work towards becoming a carbon neutral council as soon as possible and by 2050 at the latest.
- **Support for refugees and asylum seekers** – East Sussex households have continued to welcome and host guests from Ukraine over the summer with ongoing support in place through partnership arrangements between the County Council, district and borough councils and the VCSE. The autumn will see many hosting arrangements reach the end of the initial six month period and locally there has been a focus on putting in place 'moving on' arrangements where these may be needed. This includes supporting guests to secure accommodation for the longer term if hosts are not able to continue to offer this, and to find suitable employment. It was announced in July that the national Homes for Ukraine scheme would be extended to allow new applications from those aged under 18 who are not travelling with or joining their parent or legal guardian. The

process for these applications requires the planned sponsor (who should have a pre-existing relationship with the Ukrainian family) to undergo safeguarding checks by their local Council before an eligible child can start their visa application. There is also an expectation that hosts will agree to look after the child for a minimum of three years.

In August, in response to an increasing number of Unaccompanied Asylum Seeking Children (UASC) arriving in the country, the Government announced changes to the National Transfer Scheme (NTS). The ten day transfer deadline has been reduced to five working days for all transfers of UASC not currently in the care of a local authority and the upper threshold for the number of UASC to be received by any local authority under the NTS has been increased from 0.07% to 0.1% of a Council's general child population (for East Sussex this is an increase from 74 to 106). ESCC continues to play a full part in the NTS as well as supporting any additional unaccompanied children arriving under the separate Homes for Ukraine scheme. Increased numbers of arrivals under both schemes will require additional support from local services.

As reported at State of the County, to address pressure on the asylum system, the Home Office announced earlier in the year the move to a 'Full Dispersal' system whereby all local authorities in England, Scotland and Wales will be expected to be asylum dispersal areas and will receive new Government funding to support this. Government has said the change is needed as the asylum system is under enormous and unsustainable pressure due to the challenges of the pandemic and significant increase in small boat crossings in the English Channel which has continued over the summer. Consultation with local authorities has been undertaken to shape the design of the reformed system and how it will be implemented. In the south east local authorities are working with the South East Strategic Partnership for Migration to develop a regional asylum dispersal plan for consideration by the Home Office.

- **Public service reforms** – as set out in the State of the County report, Government is progressing a range of public service reviews and reforms that will have implications for services delivered by the County Council. Key areas in which Government response and future direction are awaited include the Special Educational Needs and Disability (SEND) and Alternative Provision Green Paper and the National Review of Children's Social Care services. Announcements and progress in each of these areas is expected in the coming months.

2.2 We expect further detail of policy developments and the resulting implications for the County Council to become clearer in the coming months and will continue to factor these into planning for 2023/24 and beyond.

2.3 Since State of the County we have also received initial headline results from the 2021 Census which add to our understanding of the demographic make-up of the county as set out in the Focus on East Sussex appendix in June. The Census results suggest the East Sussex population was approximately 545,800 in 2021, a growth of 3.6% since 2011. With the exception of Wealden (7.5%), all districts in East Sussex registered population growth below the national average (6.6%); Hastings registered the lowest population growth at just 0.9%. However, the rate of population growth varied across the age bands, for example East Sussex saw an 46.6% increase in 70-74 year olds between 2011 and 2021, compared to a national increase of 36.8%. More detailed statistics from the Census will be released by the Office for National Statistics over the coming months and will be used to inform our business planning processes.

3. Medium Term Financial Plan

3.1 It remains difficult to plan for 2023/24 and beyond. The level of Government funding that ESCC will receive between 2023/24 – 2025/26 is yet to be confirmed; Although the Spending Review (SR) 2021 covered three years, the subsequent Local Government Settlement was for a single year only and therefore allocation of funding for this planning period will be announced at the provisional Local Government Settlement for 2023/24, which will be in the late autumn of 2022. The economic context has also changed significantly since SR 2021. The impact of the pandemic, global supply chain issues and levels of inflation not seen for decades, combined with the Ukraine situation, has led to an unprecedented level of financial uncertainty.

3.2 Initial updates to the Medium Term Financial Plan (MTFP) for State of the County in July estimated a deficit budget position by 2025/26 of £14.999m, with further work required over the summer on the details, including the budget requirements for services. The MTFP is now updated to reflect service pressures and more detailed analysis.

3.3 The impact of the updates is summarised in the table below and provides a deficit budget position by 2025/26 of £31.5m.

Medium Term Financial Plan	2023/24 £m	2024/25 £m	2025/26 £m
Annual Budget Deficit / (Surplus)	17.544	9.661	4.266
Total Budget Deficit / (Surplus)	17.544	27.205	31.471

3.4 The net impact of delayed funding reform is presented in the MTFP (as modelled by LG Futures) from 2024/25, however this could be subject to further delay and formula changes. Future Ministerial policy decisions on the nature of any further reform and how this will impact the continuation of existing Business Rate and pooling arrangements for 2023/24 and onward, are not clear. This includes the unknown impact of business rates revaluation from 1 April 2023, and the cycle of revaluation reducing from five years to three years.

3.5 As a result of the major national Adult Social Care charging reforms (referenced at 2.1 above and set out in more detail within the State of the County report), local authorities will become responsible for funding care for a larger number of people as more residents become eligible for local authority funded care and support. The rate local authorities will need to pay providers for individual placements will increase. There will also be a significant increase in demand for both Care Act and financial assessments which will increase operational costs. Analysis undertaken nationally by the County Councils Network shows that these reforms will impact most significantly on counties in the south east. This is due to the relatively high number of older people in the population and the higher proportion of people with eligible care needs who currently pay for their own care (self-funders), coupled with the higher cost of care compared to other regions of the country.

3.6 We have undertaken local modelling to estimate the potential impact in East Sussex, taking into account specific local factors in our population and care market. Whilst there are a number of uncertainties, our best estimates show that approximately 3,800 additional people in home care and residential and nursing care may require a Care Act Assessment, of which approximately 3,200 may have eligible needs and require a Care Account, advice and their care being brokered by the Council. There is the potential for a net pressure across the MTFP period of £60.5m after national funding to support reforms (as currently indicated) is taken into account. Our estimates will continue to be refined as more information becomes

available. For information, the estimated pressure is presented in more detail separately to the MTFP at the 'Impact of Adult Social Care' section as part of appendix 1. The estimated pressure is not included within the MTFP as lobbying continues for this new burden to be fully funded by Government. The projected impacts clearly illustrate that it would not be possible for ESCC to bear the costs of the reforms without significant further national support as current levels of Government funding are not sufficient.

3.7 In addition to Adult Social Care reforms, there are a range of other significant policy and legislative changes across services, particularly within Children's Services where the proposed reforms are in the context of, and are in part linked to, ongoing rising demand. In light of these pressures, the Children's Services Department has produced a sustainability plan to improve outcomes for children while reducing costs to the council, primarily through the implementation of the nationally trialled Family Safeguarding model which is also in line with the recommendations of the recently published Independent Review of Children's Social Care. The proposed model has been discussed with the People Scrutiny Committee which expressed strong support for its aim to support adult carers and parents and keep more children with their families. The initial £5.4m cost pressure over three years before full implementation of this plan is included in the MTFP at appendix 1, reflecting the intention that Family Safeguarding forms a key part of a longer term approach to sustainability in Children's Services. Its implementation is expected to lead to cost avoidance/savings of over £11m over that period, given the current trend of rising demand.

3.8 At a local level, the impact the economic downturn and cost of living crisis has had, and will have, on collection rates and base growth for Council Tax and the levels of Business Rates remain unclear, and local Council Tax Reduction Schemes will see a further reduction in the collection of Council Tax.

3.9 A detailed MTFP after normal updates and proposed pressures is shown at appendix 1.

3.10 As set out above, our estimated deficit for 2023/24 is £17.544m. However, as detailed above, we know there is uncertainty about future funding allocations, and in resetting the MTFP and presenting the budget position for 2023/24 and beyond. Additionally, a number of scenarios around inflation could also impact the possible level of budget deficit that will need to be addressed. These are summarised in the table below.

Scenarios to be considered	2023/24	2024/25	2025/26	Total
1% on pay 2023/24	1.784	0.054	0.055	1.893
1% inflation in all years on contracts (excluding Waste Private Finance Initiative (PFI))	2.904	3.397	3.705	10.006
1% inflation in all years on Business Rates income	(0.840)	(0.940)	(0.980)	(2.760)

3.11 At this point in the RPPR process it is not possible to present a balanced MTFP due to the considerable level of national funding uncertainty.

3.12 We continue to benchmark our services against other local authorities to ensure these provide best value for money and to learn from others. Over the coming months, we will work to refine the budget to update for the impact of the Local Government Settlement, in whatever form that takes, whilst reflecting updated assessments of budget pressures, including Council Tax and Business Rates. If there is a deficit on the 2023/24 budget, and in line with our robust financial management policies and procedures, one option will be to bring grant funding forward and/or use reserves to mitigate this position until the medium to

longer term funding position is clarified. Given the level of uncertainty about future funding, and pressures currently being experienced by services, it is not proposed to seek new savings at this point.

4. One-off investment

4.1 As reported at State of the County in June the Local Government Settlement provided the Council with a Services Grant of £5.175m for 2022/23. As this was presented by Government as a one-off grant, which would not be taken into consideration for transitional protection when future changes are made to the local government funding regime, it was agreed that this grant would be held in reserves for potential one-off investment opportunities.

4.2 Opportunities for use of this one-off resource, which can be revenue and/or capital in nature and can be spread across multiple years, have been considered in line with the principles endorsed by Cabinet in June and reviewed by scrutiny in July:

- enabling a significant improvement in delivering to the Council's priorities and/or performance targets
- managing service demands
- avoiding future costs
- proactively addressing known future issues; or
- having a positive impact on the MTFP.

Both People and Place Scrutiny Committees were supportive of the proposed criteria for assessing potential investments. Scrutiny comments focused on how the criteria could be interpreted or applied such as through providing an opportunity to test new approaches, and ensuring that any investments were in line with the Council's priority outcomes and would help prepare for challenges ahead, given the level of change and uncertainty.

4.3 The developments in our financial outlook since State of the County set out above, and increased projected deficit within the MTFP, form a new backdrop to consideration of how the Services Grant funding is best used to support our position going into 2023/24. Potential areas for investment were considered by Scrutiny earlier in September in this context and, although there was support for investments which met the criteria above, both People and Place Scrutiny Committees recommended that the level of financial uncertainty be carefully considered in coming to a view on the best approach.

4.4 In light of the latest MTFP outlook, the significant ongoing uncertainty in the economy and the feedback from Scrutiny, a prudent approach which will reduce the potential requirement for future savings is recommended. It is proposed to continue to hold the majority of the Services Grant funding in reserves for a longer period to provide additional security until the financial outlook is clearer. There remains the option to reconsider investments as part of budget setting in the new year when details of the finance settlement for 2023/24 are known.

4.5 However, given the significant workforce challenges the Council is currently experiencing and the immediacy and impact of these, it is recommended to allocate £270,000 across the remainder of the current financial year and 2023/24 to support ongoing actions to maximise the recruitment and retention of staff. This funding, which was identified as a priority by Place Scrutiny Committee, will enable the continuation of current work on the development of an employer brand and updated recruitment materials to identify the Council as an employer of choice. This includes work to extend our reach into sections of the labour market that are underrepresented and/or face significant barriers to employment by working in partnership with organisations that support these communities. In addition, the funding will also provide for the forecasting of workforce 'gaps' and future need, as well as investment in the continuous professional development of our staff and the promotion of the range of

financial wellbeing services available to staff which provide tangible benefits in response to the current significant financial challenges being faced by many.

4.6 Previous one-off investments in highways and climate change, agreed by Cabinet in November 2021, continue to be delivered. Progress in relation to climate change is reported as part of the annual progress report elsewhere on this agenda. Investment of £5.8m, over and above our existing annual capital maintenance programme, was allocated to additional highway improvement works including further patching, lines and road markings, repairs to pavements and repair and replacement of road signs. These works will have a visible positive impact for all road users.

4.7 The additional carriageway patching and pavement works programmes are underway and on track to be completed by 31 March 2023. The extra investment has enabled an additional 356 carriageway patches to be completed up to the end of June, totalling 10,580m² over 209 sites, and a further 300 sites have been identified to be completed by March. Approximately 100 footway resurfacing schemes are targeted to be completed this year in addition to 85 small footway patching schemes already delivered and further small patching works. The road marking/lining and road signs works will be delivered over two financial years in line with the availability of the required resources and seasonal programming of lining works, with forecast completion by 31 March 2024 to enable efficient delivery and ensure value for money.

5. Capital Programme

5.1 The programme has been updated for approved variations since the State of the County in July 2022, increasing the gross programme to £681.2m to 2031/32, details of which can be found at appendix 2.

5.2 The 10 year capital programme to 2031/32 and 20 year Capital Strategy 2022/23 to 2042/43 will be updated as part of the RPPR process over the autumn to add a year and to include consideration of the impact and management of inflation and supply chain issues, alongside any updates relating to funding, programme and project profiles and any other investment basic need.

6. Lobbying and Communications

6.1 The medium term outlook has become increasingly challenging. We face a very significant and growing financial gap linked to the acute impacts of the national economic situation which could not be foreseen and are outside of local control. Coupled with this, the uncertain impact of national reforms in major service areas remains and we await clarity on long-term funding arrangements, particularly for existing pressures and reforms in Adult Social Care, which continues to make planning difficult. Fundamentally, without further Government support or sustainable reform of local government finances we will not have the funding we need for the future.

6.2 In the context of this unprecedented uncertainty, and the new Government formulating its response to current challenges and its ongoing policy programme, our lobbying will be vital. We will call for specific support with the impacts of current economic conditions which we cannot control, alongside recognition of the additional demand these conditions create on services already under pressure as a result of the increases in cost of living driving increased need in our communities, and workforce shortages limiting our capacity to respond. We will also strongly make the case for increased time and resource to deliver much needed reform to Adult Social Care and for longer term sustainability of future funding for local government, which is appropriately reflective of local need. This will be essential to ensuring we secure adequate resources to deliver what will be required to

support East Sussex residents, communities and businesses with the core services they need in the years ahead. We will continue to work individually, with our partners across the region and with the sector nationally to articulate these messages clearly and actively, supported by local evidence of the issues we face.

7. Next Steps

7.1. This report confirms the high level of uncertainty within which planning for 2023/24 is taking place. Much is to be determined around national spending allocations and priorities for 2023/24 onwards, the impact of national reforms, and the medium to longer term impact of current economic conditions.

7.2. Thanks to our sound financial management and clear focus on priorities we are in a position to manage immediate financial pressures but the situation for next financial year and beyond presents considerable challenges and our response will depend on levels of national support. In the short term, this report proposes to use one-off funding to support the recruitment and retention of our essential staff and to provide additional security until the financial outlook is clearer.

7.3. Work will continue throughout the autumn and winter to understand the detailed funding picture as it emerges, the implications of national policy developments and to refine our understanding of the county's needs as new demographic data emerges. This analysis will feed into our ongoing business and financial planning.

7.4. Members will continue to be involved in developing plans through Cabinet, County Council, Scrutiny Committees, and specific engagement sessions throughout the 2022/23 RPPR process.

BECKY SHAW
Chief Executive

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1. Medium Term Financial Plan (MTFP) Update

- 1.1 The MTFP (with the exclusion of Adult Social Care reform – shown separately) has been updated for regular calculated adjustments and the additional year of 2025/26, the movements are summarised below. The full MTFP is provided at Annex 1.

	Ref	Estimate (£m)			
		2023/24	2024/25	2025/26	Total
Council 8 February 2022 DEFICIT		2.892	6.716	-	9.608
Normal Updates					
Council Tax Base Growth uplift plus added year	A	(0.330)	(2.154)	(5.545)	(8.029)
Council Tax Base (Rother District Council error)		0.648	0.036	0.009	0.693
Council Tax Inflation (added year assumed at 1.99%)	B	-	-	(6.984)	(6.984)
Business Rates Retention (inflation and growth)	C	(2.809)	(1.047)	(1.659)	(5.515)
Business Rate Revaluation		tbc	tbc	tbc	tbc
Updates to Funding by D&Bs Received Post Budget Setting	D	(5.150)	2.254	0.000	(2.896)
Impact of Delay to Funding Reform – one year roll over					
Revenue Support Grant	E	(3.011)	3.011	-	0.000
Continuation and increase in Services Grant		(4.513)	4.513	-	0.000
New Homes Bonus		(0.888)	0.888	-	0.000
Funding Reform net impact from 2024/25	F	-	(8.549)	(2.476)	(11.025)
Communities, Economy and Transport - Waste considerations					
Contractual inflation – Waste PFI Model	G	2.335	(0.146)	0.920	3.109
Services Growth and Demography: Waste Housing Growth		-	-	0.358	0.358
Household Waste Charging Consultation		tbc	tbc	tbc	Tbc
Inflation for contracts (normal and contract specific)	H	9.117	1.761	11.816	22.694
Highways Contract re-procurement pressure	I	1.794	0.256	0.313	2.363
Highways Contract inflation included in MTFP model		(0.787)	(0.294)	-	(1.081)
Services Growth & Demography (Children's Services only)	J	0.265	0.404	0.808	1.477
Children's Services - Financial Sustainability					
COVID Looked After Children (LAC) pressure	K	-	-	1.758	1.758
COVID LAC funding		-	-	(1.758)	(1.758)
School attendance (new duty)		1.500	-	-	1.500
Home to School Transport		4.021	-	-	4.021
Other incl. Family Safeguarding		2.601	(0.398)	(1.600)	0.603
Treasury Management	L	(1.500)	-	2.400	0.900
Pay Award uplift: impact of final offer for 2022/23 (av. 7%)	M	5.862	-	-	5.862
Pay Award uplift: 4% in 2023/24; 3% thereafter		4.047	2.420	5.764	12.231
Levies Increase	N	-	-	0.012	0.012
General Contingency	O	0.150	(0.010)	0.130	0.270
Pressures added to / (removed from) the MTFP					
Pressures Protocol bid; Energy price increases	P	1.300	-	-	1.300
DEFICIT AFTER NORMAL UPDATES		17.544	9.661	4.266	31.471

Updates to be considered – for local decision		2023/24	2024/25	2025/26	Total
Proceeds of NNDR Pooling (if continued)	Q	(1.787)	1.787	-	0.000
Employers Pension Contribution: valuation impact	R	(1.800)	(0.020)	-	(1.820)
DEFICIT AFTER LOCAL DECISIONS		13.957	11.428	4.266	29.651

- 1.2 The assumption for Council Tax is an increase of 1.99% in all years; the current limit before referendum is triggered. The Adult Social Care precept assumption is for 1% in 2022/23 and 2023/24 in line with the Spending Review 2021 (SR21) announcement that authorities with social care responsibilities are expected to have flexibility over this period.
- 1.3 A number of scenarios around inflation may then present themselves particularly on pay and contracts. The below table shows the impact of a 1% movement in these areas.

Scenarios to be considered	2023/24	2024/25	2025/26	Total
1% on pay 2023/24	1.784	0.054	0.055	1.893
1% inflation in all years on contracts (ex. Waste PFI)	2.904	3.397	3.705	10.006
1% inflation in all years on Business Rates income	(0.840)	(0.940)	(0.980)	(2.760)

Normal Updates:

A Council Tax Base

The base position of normal growth was estimated at 0.9% for 2023/24 and 2024/25 in line with the average annual growth at budget setting in February 2022. It is clear the collection system needs to be reset post Covid-19 pandemic and through in the Autumn we will continue to work to improve tax base estimates. The growth assumption has been amended to 1.0% in 2023/24 and 1.5% in 2024/25 to 2025/26 to reflect the housing developments across the region and Collection Fund uplifts being reported by District and Borough councils (D&Bs).

The tax base forecast has been reduced following a specific error in growth estimates provided by Rother District Council (DC). Notification of this error was provided after the council tax base assumptions were set for the 2022/23 financial year and precept notices agreed and signed. The impact is to reduce income from council tax receipts by approximately £0.650m per annum.

B Council Tax Inflation

The assumption is for a council tax increase remains at 1.99% for the added year; the current limit before referendum is triggered.

C Business Rates Retention, Growth and Revaluation

Business Rates have been updated for the additional year and to reflect the latest inflation. In setting the budget annually we take the March Office for Budget Responsibility (OBR) forecasts, ahead of the publication of September's OBR forecasts in October. With the current levels of inflation we have reviewed this for reasonableness. It is, however considered that to some extent business rate inflationary uplifts and contract inflation (excluding Adult Social Care (ASC), Highways and Waste contracts which are being considered separately) will offset, therefore we have continued to use March 2022 OBR forecasts.

Since Full Council, updated estimates on Business Rates income from D&Bs (NNDR1 forecasts) have been received and show a slight improvement in overall income. There remains uncertainty around medium to longer-term growth, given the economic downturn. Growth is therefore estimated at a zero increase in 2022/23, 0.4% in 2024/25 and recovering to 0.7% in 2025/26 (noting that the average in a normal year is 0.7%).

Revaluations will become 3-yearly starting from 1 April 2023. Although the revaluation will be fiscally neutral country wide, there may be regional variations which could result in reduced business rates for some local authorities. An equalisation/damping mechanism is applied to minimise the impact. Ahead of information being released it is difficult to forecast the position. The last revaluation in 2017 saw a reduction of £0.5m of Business Rate mainly due to the appeals provisions made by D&Bs. Appeals, however, should reduce with the reduced cycle of revaluation.

D Updates to Funding from District and Borough Councils (D&Bs) Received Post Budget Setting

As noted at budget setting in February additional **Collection Fund surpluses** identified in January 2022 by D&Bs of £2.896m have now been included in the MTFP.

Anticipated receipts relating to 2021/22 **Council Tax Collection Fund** surplus/deficits (that will be received in 2023/24) have been updated based on information from the D&Bs' Statement of Accounts. Providing a total increased surplus of £2.735m as a one-off receipt in 2023/24. Through the Autumn we will continue to work with D&Bs to improve certainty of receipts (given the ongoing complexities) and as normal update for the council tax base estimates.

The **Business Rates Collection Fund** deficit position of D&Bs has increased by £1.098m to £2.735m from January estimates, largely as a result of the Covid-19 reliefs not being included in original forecasts.

E Impact of Delay to Funding Reform – one year roll over:

Although government have given a strong commitment to update the current local government funding regime, it is becoming increasingly unlikely that reforms will be implemented in 2023/24 due to the lack of time available to undertake a full consultation and implement major funding changes. The MTFP has therefore been updated to reflect the impact of a delay to funding reform to 2024/25 on current grant funding and future implementation.

The current planning assumptions on **Revenue Support Grant (RSG)** reflect actual inflation reported in September and Spending Review (SR)21 announcements. Ahead of funding reform and a multiyear settlement, the government has compensated for the mechanism which creates negative RSG in some authorities. The current assumption is that government will continue to compensate for negative RSG in the same way it has done in the recent years, before the RSG is reviewed as part of funding reform.

As part of the £1.6bn new Government Grant funding announced at SR21, the Council was allocated a one year **Services Grant** of £5.175m. The MTFP has been updated to reflect LG Futures consideration that in the event of no funding reform this grant will continue in full plus an uplift for inflation in 2023/24 and be in the region of £7.1m.

New Homes Bonus (NHB) was due to end in 2021/22. However, in line with funding reform being delayed the cessation of NHB has also been delayed. The MTFP has therefore been updated to assume an additional year in advance of the implementation of funding reform. The forecast is based on a combination of historic average and share of the total anticipated national pot.

F Funding Reform net impact from 2024/25

A number of the current grants and funding mechanisms will cease as and when the delayed **Business Rates Reset/Reform** is implemented. The MTFP assumes this will happen from 2024/25 and the net impact is taken from the LG Futures model of what this reform may look like although the exact mechanism and impact remain unknown this includes how 2021 census figures will be used.

G Communities, Economy and Transport (CET) Waste Considerations

A review of all the elements of waste will be carried out during the RPPR process and a holistic approach taken on the overall position on waste budgets.

The figures currently reflect the update of the Waste Private Finance Initiative (PFI) model for the latest inflation estimates by the OBR published in March 2022. These figures would then be updated for the September rates. In addition, 2025/26 has been added to the current plan. Further review and update will be required to reflect the latest modelling and reflect any offset, such as increased recycling prices.

In addition, consideration will need to be given to any pressure resulting from the Department for Environment, Food and Rural Affairs (DEFRA) consultation (consultation closed in July 2022) on preventing local authorities to charge for DIY waste at household waste and recycling centres.

ESCC currently charges for certain types of waste such as hardcore, soil, plasterboard, bonded asbestos, and tyres. Any potential pressure will be confirmed as the outcome of the consultation and timing of any implementation is announced, the impact being within the contract with Veolia who collect this income.

H Inflation for Contracts (normal inflation and contract specific)

The normal update includes inflation at the OBR's March 2022, as it is considered that to some extent business rate inflationary uplifts and contract inflation (excluding contracts which are being considered separately, such as Highways and Waste) will offset, therefore we have continued to use these forecasts. If inflation were not passed onto businesses, legally Government would need to provide this increase via compensation grant. It remains difficult to see government being able to do this if the September inflation is as high as 12.6%, however, we will understand more as announcements regarding this are made in the coming months.

In addition, a risk review has been carried out on all significant contracts with the exclusion of those that are subject to separate consideration given the unprecedented nature of the current years inflation uplift, this review is ongoing. With the exception of energy contracts, (that are subject to pressures bid at Q below) currently no contracts have been identified that would pose significant financial risk.

As is normal practice these figures will be updated for the October OBR rates to inform the final proposed budget.

I Highways Contract Re-procurement

This is the subject of a separate paper.

J Services Growth & Demography

CET (included at G) and Children's Services Department (CSD) have provided updates for growth and demography. The table below shows these increases along with pressures already included in the MTFP approved at February 2022. CSD Sustainability and ASC reform will be managed separately. With the exception of the unknown future cohort regarding Looked After Children (LAC), there are no further pressures identified.

		2023/24	2024/25	2024/25
		£m	£m	£m
Children's Services Growth & Demography – increase and added year		0.265	0.404	0.808
Communities, Environment & Transport Growth & Demography – Waste added year		-	-	0.358
In current MTFP:				
Adult Social Care Growth & Demography		3.413	3.917	-
Children's Services Growth & Demography		1.495	0.569	-
Communities, Environment & Transport Growth & Demography - Waste		0.251	0.303	-
TOTAL		5.424	5.193	1.166

With regard LAC, any pressures arising will be managed in year through monitoring and agreed pressures added to the MTFP through the next RPPR process.

K CSD Sustainability

CSD has produced a sustainability plan to improve outcomes for children while reducing costs to the council, primarily through the implementation of the nationally trialled Family Safeguarding model which is also in line with the recommendations of the recently published Independent Review of Children's Social Care.

L Treasury Management

The additional year of 2025/26 shows the budget estimated to support the borrowing required to fund the approved Capital Programme and Strategy. In addition, due to increased returns on investment, the increase anticipated to be required in 2023/24 has been delayed.

M Pay Award - added year and uplift

An estimate of the additional year of 2025/26 has been included, as well as the impact of the final 2022/23 pay award offer (to include local managerial grades (LMG)) plus provision for 4% 2023/24 and 3% in all years thereafter.

N Levies Increase

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

O General Contingency

This is calculated at an agreed formula of 1% of net budget less treasury management. The figures reflect the addition of 2025/26 and impacts of other changes.

P Pressures Protocol

As is normal practice a number of bids were presented to Corporate Management Team (CMT) in line with the pressures protocol. The following proposals are now included in the MTFP:-

Energy Price Increases

It remains difficult to know at this point what the actual financial impact will be but ahead of the Council's current pre-bought basket ending in April 2023. It considered prudent to make a provision of £1.3m in the MTFP. For 2023/24 this will be held and managed centrally and reported as part of normal monitoring. The announcement of Government support for public sector organisations with their energy costs over winter 2022/23 currently only covers the next six months and its specific impact is not yet fully understood, therefore this bid remains prudent.

Modernising Back Office Systems (MBOS)

Work is being undertaken to update estimates for the post go-live cost of the new system. In accordance with the Reserves and Budget Robustness Statement approved in February 2022, the Financial Management Reserve includes provision for investment in the authority's core financial system, however any additional recurring costs will need to be updated in the MTFP and subject to a pressure bid.

The following updates will be presented for local decision should they continue:

Q Proceeds of National Non-Domestic Rates (NNDR) Pooling

Proceeds of pooling have been updated using published information from D&Bs. The Department for Levelling Up, Housing and Communities has invited authorities to indicate preferred pooling arrangements by 22 September 2022, for 2023/24. Noting that at this stage, this invitation is being extended for administrative purposes only. Policy decisions around business rates pooling will be confirmed by ministers at a future date. This will also be a county wide decision.

R Local Government Pension Scheme (LGPS)

The triannual valuation of the pension fund is underway. The continuing need for the 2023/24 uplift will be known later in the year.

For Information: Not Included in the MTFP

Impact of Adult Social Care Reform Estimate (£m)

	2023/24	2024/25	2025/26	Total
Market Impact: Fair Cost of Care	11.332	12.863	9.643	33.837
Extension to Means Test: Over 65	20.079	21.284	1.241	42.604
Extension to Means Test: Under 65	1.643	1.741	0.102	3.486
Implementation and Additional Assessment	5.966	1.108	0.062	7.137
Cap on Care Costs	-	-	-	-
Total	39.020	36.996	11.047	87.064
Market Sustainability and Fair Cost of Care (MSFCC) Grant	(4.718)	-	-	(4.718)
Funding - Extension to Means Test: Over 65	(5.240)	(5.240)	-	(10.480)
Funding - Extension to Means Test: Under 65	(2.509)	(2.509)	-	(5.018)
Funding - Implementation and Additional Assessment MID RANGE	(5.980)	(0.179)	(0.185)	(6.344)
Total ASC Reform Funding	(18.447)	(7.928)	(0.185)	(26.560)
Net Pressure	20.573	29.068	10.862	60.504

Whilst the Spending Review 2021 and Provisional Local Government Finance Settlement saw some recognition of the pressures on local government in the form of an increase in grant funding and funds to deliver reforms to Adult Social Care, this represented a holding position for a single year, with plans for significant reform to the way local government funding is allocated from 2023/24 onwards, leaving much uncertainty about our future financial position.

In 2022/23 local authorities have been provided with a **Market Sustainability and Fair Cost of Care Grant** raised from the 1% National Insurance Health and Social Care levy. This Market Sustainability and Fair Cost of Care Fund is allocated to support authorities prepare for paying a fair rate of care and is therefore assumed as a net nil impact. Future years estimates have been based on a share of anticipated national funding available.

The £3.1m raised from the additional 1% ASC Precept in 2022/23 has been set aside to cover any new burdens in excess of the funding available. The grant will be allocated directly to ASC; any unused grant will be transferred to the proposed new ASC Reform Reserve.

The table below shows the impact of all the above. National reforms to ASC do not address current core pressures and may also not be enough to deliver the Government's expectations of local government's enhanced role. It is therefore anticipated at this stage that the increasing cost pressures as a result of new burdens associated to ASC will be funded from additional grants made available from central government, although it is unclear at this stage to the level or mechanism for this.

Annex 1 – MTFP

Medium Term Financial Plan	2022/23 Approved Budget £million	2023/24 Estimate £million	2024/25 Estimate £million	2025/26 Estimate £million
TAXATION & GOVERNMENT FUNDING		(453.231)	(472.087)	(484.432)
Council Tax	(325.290)	(6.577)	(9.888)	(12.540)
Adult Social Care Precept	(7.840)	(3.284)	(3.409)	
Business Rates (Inclusive of BR Pooling in 2022/23)	(86.749)	(4.325)	(3.329)	(1.659)
Social Care Grant	(23.674)			
Services Grant	(5.175)	(1.926)	7.101	
Funding reform - net impact	0.000	0.000	(10.067)	(2.476)
Revenue Support Grant	(3.687)	(0.099)	3.786	
Local Council Tax Support Grant 2021/22		(2.114)	2.114	
Local Tax Income Guarantee for 2020/21		(0.459)	0.459	
New Homes Bonus	(0.816)	(0.072)	0.888	
TOTAL TAXATION & GOVERNMENT FUNDING	(453.231)	(472.087)	(484.432)	(501.107)
SERVICE PLAN				
Service Expenditure	392.195	396.461	431.558	447.701
Inflation				
Contractual inflation (contract specific)	1.747	6.943	0.820	0.984
Normal inflation for contracts	13.664	18.664	11.250	12.048
Adult Social Care				
Improved Better Care Fund	(21.776)			
Growth & Demography		3.413	3.917	
Future demand modelling net of attrition (Covid-related)		1.133	(0.365)	
Market Sustainability and Fair Cost of Care (MSFCC) Fund	(1.745)			
MSFCC Fund Pressures	1.745			
MFSCC - Support for New Burdens (from precept)	3.149	(3.149)		
Pressures approved via protocol				
Voluntary Sector, Community Hubs, Shielded Group	(0.440)	0.440		
Children's Services				
Dedicated Schools Grant	0.422			
Growth & Demography (G&D)	4.091	1.760	0.973	0.808
Disabled Access Regulations for Buses/Coaches	0.098			
Home to School Transport	0.523			
Looked After Children Placements Covid-related	1.393	(0.872)	(0.347)	(1.758)
Covid Grant Funding for Looked After Children Placements	(1.393)	0.077	(0.442)	1.758
Pressures approved via protocol	(0.124)	(0.124)	0.124	
SEND High Needs Block Additional funding	(2.138)			
Social Worker Pay	1.493			
Financial Sustainability ex. G&D and Covid LAC		8.122	(0.398)	(1.600)
Communities, Environment & Transport				
Waste PFI Efficiencies	(0.100)	(0.100)		
Waste Housing Growth	0.150	0.251	0.303	0.358
Pressures approved via protocol	0.265	0.015		
Support to Economic Development	0.025	(0.055)		
Business Services				
Pressures approved via protocol	0.411	(0.074)	(0.078)	
Modernising Back Office Systems (MBOS)			0.386	
Savings				

Medium Term Financial Plan	2022/23 Approved Budget £million	2023/24 Estimate £million	2024/25 Estimate £million	2025/26 Estimate £million
Temporary mitigations to savings	(0.388)	(0.100)		
Removal of CSD Safeguarding Savings	0.854			
Removal of CET Trading Standards Saving	0.100	0.100		
Removal of Early Help Saving	0.893			
Savings Slippage	1.347	(1.347)		
NET SERVICE EXPENDITURE	396.461	431.558	447.701	460.299
Corporate Expenditure		56.770	58.073	63.936
Treasury Management	19.930	0.000	0.100	2.400
New Homes Bonus to Capital Programme	0.816	(0.816)		
General Contingency	4.330	0.190	0.120	0.150
Contingency for Potential Pay Award	5.691	12.996	5.565	5.732
National Insurance 1.25% Increase	1.514	0.030	0.031	0.032
Contract inflation and collection fund risk	4.755	(4.050)	0.015	0.017
Provision for Energy Price Increase		1.300		
Pensions	8.023	1.800	0.020	0.000
Apprenticeship Levy	0.600			
Levies & Grants	0.952	0.012	0.012	0.012
One off investment opportunities (held in Financial Management reserve)	5.175	(5.175)		
Future Risks: CSD/SEND/ASC and Funding Reform/COVID legacy (held in Financial Management reserve)	4.984	(4.984)		
TOTAL CORPORATE EXPENDITURE	56.770	58.073	63.936	72.279
TOTAL PLANNED EXPENDITURE	453.231	489.631	511.637	532.578
CUMULATIVE DEFICIT/(SURPLUS)	0.000	17.544	27.205	31.471
ANNUAL DEFICIT/(SURPLUS)	0.000	17.544	9.661	4.266

Appendix 2 - Capital Programme Update

1 Background

1.1 As part of the Reconciling Policy Performance and Resources (RPPR) process the Capital Strategy and programme are reviewed annually to ensure that they support the Council's responsibilities and departmental service strategies. To manage investment to a sustainable level, the Capital Strategy focuses on the delivery of targeted basic need to support the council in the delivery of services as efficiently as possible, rather than rationing through prioritisation. This is in recognition that there are conflicting priorities but that a level of investment is needed across the council in order to deliver the council's services and react to changes in technology, economy and the environment. Basic need for the purpose of strategic capital planning is provided below: -

- Place: ensuring we can deliver services by planning for future need.
- Asset Condition: maintaining our assets to an agreed level.
- ICT Strategy: ensure that our Information and Communications Technology (ICT) is fit for purpose for delivering modern council services in a digital era and protecting data.
- Climate Change: tackling climate change has become part of ESCC core business, investment is required for the achievement of carbon neutrality.

1.2 At Full Council in February 2022 the target led basic need capital strategy of 20 years, supported by a 10-year planned capital programme was approved. The approved programme was further updated at State of the County in July 2022 to reflect the 2021/22 outturn, project and programme reprofiles and approved variations, revising the gross programme to £676.0m to 2031/32. For planning purposes, the first 3 years of the programme, to 2024/25 are considered approved. Whilst the remaining years are indicative to represent the longer term planning for capital investment.

2 Variations to the Current Approved Programme

2.1 The programme has been updated for approved variations since the State of the County in July 2022. These are summarised in the table below.

Table 1 - Capital Programme (gross) movements (£m)	Approved MTFP Programme			MTFP +1 Year	2026/27 to 2031/32	Total
	2022/23	2023/24	2024/25	2025/26		
Approved programme at State of the County 2022	95.588	82.720	83.761	76.649	337.329	676.047
Approved Variations (see 2.2)	(1.360)	2.307	3.990	0.231	-	5.168
Total Revised Programme	94.228	85.027	87.751	76.880	337.329	681.215

2.2 The approved variations to the programme relate to schemes totalling gross £5.168m (the profiling of which is currently under review) as follows:

- **Schools Delegated Capital Programme:** An increase to the programme of £0.656m to reflect latest schools plans for capital investment in year to be funded from specific grant and schools contributions.
- **Learning Disability Supporting Living Scheme:** A report to Adult Social Care Lead Member in March 2022 proposed capital investment of £6.421m to redevelop services for adults with learning disabilities at a number of properties, which will be funded from within existing Adult Social Care revenue budget and ringfenced grant funding, which has been held in anticipation of eligible social care transformational investment.
- **Getting Building Fund - Riding Sunbeams (Local Enterprise Partnership (LEP) Funded Project):** A reduction of £2.477m where the project has not met some pre-conditions originally set and funding has therefore been removed and withdrawn from

the capital programme following approval of the South East LEP (SELEP) Accountability Board.

- **Disability Children's Homes (Sorrel Drive):** As approved as part of the Q1 monitoring to Cabinet, design work has identified that an increased scope would deliver additional benefits including future cost avoidance relating to alternative provision. The revised cost has increased by £0.568m, of which £0.261m has been identified within Children's Services revenue budgets, and £0.307m from increased capital programme borrowing. This addition to the capital programme is recommended in accordance with the Capital Strategy via business case, demonstrating value for money when considering the cost of alternative provision and its potential ongoing impact on revenue budgets.

3 Conclusion and Next Steps

- 3.1 Work will be progressed as part of the RPPR process to extend the programme by a further year to maintain a 10-year planning horizon together with a review of programme profiles across years. The annual review of the Capital Strategy will also be completed to ensure continued links into, and in support of, the Council's other strategies.
- 3.2 A £7.5m risk provision was approved in February 2022 to mitigate against capital programme risks, representing circa 2% of the programme over the MTFP period. This risk provision is a permission to borrow for emerging risks and is managed through ensuring Treasury Management capacity rather than representing funds that are within the Council's accounts. There are several risks and uncertainties regarding the programme to 2025/26 and beyond which have necessitated holding a risk provision. Including increased uncertainties that exist within the construction industry in terms of supply chain issues and high-cost inflation which are likely to impact the delivery of schemes within the current budget. The capital programme includes an element of 'normal' inflation for ongoing, target-based, core programmes (as opposed to programmes that have cash limited envelopes) such as Highways at 3% annually, with any increases above this level that cannot be managed within the agreed budget, to be supported by the risk provision.
- 3.3 Any unmanageable risks which have a financial impact are required to be reported to Capital and Strategic Asset Board to be considered as part of the broader RPPR process. This will be done on a case by case basis, and in the context of the wider programme, and the fiscal and economic national position. As part of the RPPR process the adequacy of the risk provision will also be assessed.
- 3.4 Ahead of further announcements there are no updates to the overall funding position currently. As part of the RPPR process capital funding will be reviewed, and this will include estimates of developer contributions (Section 106 and Community Infrastructure Levy), capital receipts and any updates to formula grants following government announcements.
- 3.5 Annex 1 provides the capital programme updated for variations noted at section 2.

Annex A – Detailed Capital Programme

Capital Programme (gross) (£m)	MTFP Programme			MTFP +1 Year	2026/27 to 2031/32	Total
	2022/23	2023/24	2024/25	2025/26		
Adult Social Care:						
House Adaptations	0.050	0.050	0.050	-	-	0.150
Learning Disability Support Living Scheme	0.200	2.000	3.990	0.231	-	6.421
Greenacres	0.144	-	-	-	-	0.144
Adult Social Care Total	0.394	2.050	4.040	0.231	-	6.715
Business Services:						
Salix Contract	0.350	0.350	0.350	0.350	2.100	3.500
Lansdowne Secure Unit – Phase 2	0.075	-	-	-	-	0.075
Special Educational Needs	1.600	1.589	-	-	-	3.189
Special Educational Needs – Grove Park / Beacon	2.579	5.000	6.000	5.000	0.600	19.179
Special Provision in Secondary Schools	0.120	-	-	-	-	0.120
Disability Children’s Homes	0.479	0.307	-	-	-	0.786
Westfield Land	0.721	-	-	-	-	0.721
Schools Basic Need	5.337	5.517	15.853	23.747	47.990	98.444
Capital Building Improvements (Schools)	5.179	4.182	4.182	4.182	25.092	42.817
Capital Building Improvements (Corporate)	3.439	4.520	4.520	4.520	27.120	44.119
IT & Digital Strategy Implementation	5.786	13.057	4.928	3.900	44.725	72.396
IT & Digital Strategy Implementation - MBOS	6.451	-	-	-	-	6.451
IT & Digital Strategy Implementation - Utilising Automation	0.024	-	-	-	-	0.024
Business Services Total	32.140	34.522	35.833	41.699	147.627	291.821
Children’s Services						
House Adaptations	0.050	0.050	0.050	-	-	0.150
School Delegated Capital	1.385	1.150	1.150	-	-	3.685
Conquest Centre Redevelopment	0.015	-	-	-	-	0.015
Children’s Services Total	1.450	1.200	1.200	-	-	3.850
Communities, Economy & Transport:						
Broadband	0.911	2.757	2.757	-	-	6.425
Salix Solar Panels	0.077	-	-	-	-	0.077
Climate Emergency Works	2.090	1.516	5.922	-	-	9.528
Flood & Coastal Resilience Innovation Programme	0.250	-	-	-	-	0.250
Bexhill and Hastings Link Road	0.318	-	-	-	-	0.318
Bexhill and Hastings Link Road – Complementary Measures	0.167	0.060	-	-	-	0.227
Economic Intervention Fund – Grants	0.282	0.435	0.300	0.300	0.754	2.071
Economic Intervention Fund – Loans	0.497	0.500	0.500	0.473	-	1.970

Stalled Sites	0.055	0.120	0.104	-	-	0.279
Upgrading Empty Commercial Properties	-	0.007	-	-	-	0.007
Community Match Fund	0.100	0.380	-	-	-	0.480
Community Road Safety Interventions	0.250	0.250	0.250	-	-	0.750
Newhaven Port Access Road	0.189	0.020	0.776	-	-	0.985
Real Time Passenger Information	0.074	0.078	0.060	0.061		0.273
Queensway Depot Development	0.175	0.466	-	-	-	0.641
Hailsham HWRS	0.164	-	-	-	-	0.164
The Keep	0.132	0.096	0.026	-	0.823	1.077
Other Integrated Transport Schemes	3.144	5.440	5.209	4.024	17.843	35.660
Integrated Transport Schemes – A22 Corridor	0.200	-	-	-	-	0.200
Exceat Bridge Replacement	2.176	3.733	2.509	-	-	8.418
Emergency Active Travel Fund – Tranche 2	0.756	-	-	-	-	0.756
Libraries Basic Need	0.497	0.789	0.449	0.449	1.796	3.980
Peacehaven Library Refurbishment and Conversion	0.028	-	-	-	-	0.028
Libraries Targeted Support	0.211	-	-	-	-	0.211
Highways Structural Maintenance	21.186	21.147	21.688	22.246	146.158	232.425
Bridge Assessment Strengthening	3.022	3.708	1.775	3.025	12.494	24.024
Street Lighting and Traffic Signals	3.723	3.792	3.839	3.888	6.702	21.944
Street Lighting and Traffic Signals – Salix Scheme	0.650	-	-	-	-	0.650
Visually Better Roads	5.609	-	-	-	-	5.609
Rights of Way Surface Repairs and Bridges	0.565	0.565	0.514	0.484	3.132	5.260
Communities, Economy & Transport (LEP Funded Schemes):						
Eastbourne Town Centre Phase 2	3.241	-	-	-	-	3.241
Eastbourne/South Wealden Walking & Cycling Package	2.351	-	-	-	-	2.351
Hailsham/Polegate/Eastbourne Movement & Access Corridor	0.550	0.409	-	-	-	0.959
Hastings & Bexhill Movement & Access Package	4.089	0.987	-	-	-	5.076
Skills for Rural Businesses Post-Brexit	0.915	-	-	-	-	0.915
Getting Building Fund – UTC Maritime and Sustainable Technology Hub	1.300	-	-	-	-	1.300
Getting Building Fund – Food Street	0.100	-	-	-	-	0.100
Getting Building Fund – Seven Sisters	0.200	-	-	-	-	0.200
Communities, Economy & Transport Total	60.244	47.255	46.678	34.950	189.702	378.829
Total Programme	94.228	85.027	87.751	76.880	337.329	681.215

Report to: Cabinet

Date of meeting: 29 September 2022

By: Director of Communities, Economy and Transport & Chief Operating Officer

Title: Annual progress report to full Council on the County Council's progress towards net zero

Purpose: To consider the progress report.

RECOMMENDATION: Cabinet is recommended to:

(1) consider the progress report and advise on changes required.

1 Background

1.1 In October 2019 the County Council declared a climate emergency. It set a target of achieving carbon neutrality from its activities as soon as possible and in any event by 2050 and committed to reporting annually to full Council on its progress towards meeting this target. Appendices 1 and 2 of this report sets out the draft progress report, which will be presented to Full Council on 11 October 2022.

2 Supporting Information

2.1 In October 2019 the County Council agreed the following Motion, that the County Council:

(i) supports the aims and implementation of the UN Sustainable Development Goals.

(ii) recognises and declares a Climate Emergency.

(iii) will set a target of achieving carbon neutrality from its activities as soon as possible and in any event by 2050, in line with the new target for the UK agreed by Parliament in 2019.

(iv) will build upon the work we have undertaken to date, will commit resources where possible and will align our policies to address the Climate Emergency.

(v) will set out a clear plan of action to reduce our carbon emissions.

(vi) will report annually at the May County Council Meeting on its progress towards the target.

(vii) will investigate all possible sources of external funding and match funding to support this commitment, as well as writing to central government with respect to the emergency to request funding to implement swift appropriate actions.

(viii) will use our Environment Strategy to provide a strong unified voice in lobbying for support to address this emergency, sharing best practice across East Sussex and more widely through other partners.

2.2 In line with the commitment made in the Motion agreed in 2019, the County Council developed a Climate Emergency Action Plan to set out how the organisation would go about

reducing its carbon emissions. The Action Plan was agreed by Cabinet in June 2020 and built on work undertaken since the first Carbon Management Plan was put in place in 2009. The Action Plan covers 2020-22 and set out the scale of the carbon footprint, described the carbon budget that the Council will aim to keep within, and included a set of actions. In 2021-22 Cabinet agreed a further £9.867m to support the work to enable the Council to become carbon neutral.

2.3 An updated corporate climate emergency plan is being developed to cover 2023-25. It will be brought to Cabinet in January 2023, once a working group of the Scrutiny Place Committee has reviewed and commented on the draft plan during September to November, and to Full Council in February 2023 for discussion and approval. This progress report covers the current climate emergency plan covering 2020-22 and not the draft action plan for 2023-25.

3. Assessing the Council's carbon emissions

3.1 A clear understanding of the carbon emissions generated by our activities is a key foundation for working towards carbon neutrality. The corporate Action Plan set out an initial assessment of the carbon emissions from the Council's activities using the Greenhouse Gas (GHG) Protocol, an accepted global standard for measuring and reporting on an organisation's GHG emissions. The Protocol divides GHG emissions into three categories, referred to as Scope 1, 2 and 3. Together, these represent the total GHG emissions related to an organisation and its activities. Each scope covers the following emissions:

- Scope 1 – emissions from the combustion of gas, oil, petrol, diesel, coal, or wood. For the Council this covers buildings and vehicles where the Council is responsible for paying for the fuel
- Scope 2 – emissions from the electricity purchased by the Council
- Scope 3 – emissions that result from all other activities of the Council. There are 15 different scope 3 categories defined in the Protocol, some of which do not apply to a local authority (e.g. emissions from manufactured goods). The categories that do apply include emissions from business travel, water usage, waste, procurement and staff commuting. In other words, the County Council's scope 3 emissions mostly comprise the scope 1 and 2 emissions of other organisations (e.g. contractors).

3.2 The County Council has measured scope 1, 2 and some scope 3 emissions since 2008-9. Data in relation to scope 1 and 2 is of higher quality whereas data in relation to most scope 3 emissions is much more varying in detail and quality. The current Action Plan highlights that scope 3 emissions are by far the largest part of the Council's estimated carbon footprint, notably through the supply chain i.e. the goods, works and services that are purchased by the County Council in order to deliver its functions. This is typical for a local authority, as most of the Council's revenue and capital budgets are used to procure goods, services and works from third parties. For an upper tier authority this includes major services such as highways maintenance, waste disposal, and education, as well as social care provision commissioned from a myriad of relatively small independent providers. The Action Plan also highlights that the largest proportion of scope 1 and 2 emissions is from schools. Overall, this means that the majority of carbon emissions generated by the Council's activities are from sources over which the Council has influence but limited direct control.

3.3 The County Council therefore has a large and complex carbon footprint. Further work is required to quantify most scope 3 emissions before they can begin to be integrated reliably into the Council's carbon footprint and modelled for future emission reductions, notably from procurement. Consequently, the current Action Plan focusses primarily on reducing scope 1 and 2 emissions first, for example carbon emissions from buildings, and investing in more renewable energy. This is a similar approach to that adopted by most local authorities.

4 Working towards carbon neutrality from our activities

4.1 The approach adopted in the Action Plan is that, in order to make its fair contribution to reducing county-wide emissions, the County Council will aim to cut its own emissions by half in the 5 years between 2020-25. This is based on a recognised methodology developed by the UK's Tyndall Centre for Climate Change Research for calculating the carbon budget by local authority area. A carbon budget represents the total quantity of greenhouse gases which can be released to the atmosphere if we are to contain temperature rises to a given level – this can be calculated globally and then broken down into national and sub-national budgets. The Tyndall model, based on current scientific understanding, indicates that to stay within a budget based on a rise of no more than 1.5 degrees centigrade above pre-industrial levels (as set out in the UN Paris Agreement on Climate Change) requires cutting emissions from East Sussex by half roughly every 5 years.

4.2 This science-based reduction target is what the County Council is working towards, rather than a fixed end date by which it will become carbon neutral. This approach is in line with advice to Councils from the Local Government Association, which has stated that: *“There is no science to picking an end year where emissions are zero. Setting a target year by which emissions will be zero can be symbolically important. However, what counts is the trajectory of the commitments to carbon reduction between now and the target zero emissions year. This defines the actual level of emissions reduction being promised over the budget period. This is what matters to climate change”*.

4.3 Cutting emissions by half every 5 years is extremely challenging. The County Council has had a significant programme of activity in place to cut carbon emissions for a number of years. It has reduced scope 1 and 2 corporate carbon emissions by over 66% between 2008-9 and 2021-22. In 2020-21 the Council achieved a 13% reduction in its scope 1 and 2 carbon emissions, which was partly due to the effect of Covid-19 lockdowns, as fewer buildings were open and staff travelled less for business. In 2021-22 the Council achieved a 7% reduction in its scope 1 and 2 carbon emissions. This lower rate of reduction was because buildings reopened, and Covid ventilation requirements meant that the heating was on and windows were open, and business mileage increased. Appendix 1 sets out a summary of the carbon reduction measures implemented by the Council to cut its own corporate emissions as well some of the many programmes and projects that the Council has implemented to cut carbon emissions as part of the services it delivers across the county. These include, amongst others, significant programmes to address fuel poverty, to enable more walking, cycling and use of public transport, and to support local businesses to reduce their energy bills and carbon emissions.

4.4 Appendix 2 provides a summary of the status of the actions in the climate emergency plan. A number of the actions will be carried forward into the next climate emergency plan, covering 2023-25, as they are long term actions (e.g. installing electric vehicle charge points and working in partnership with other organisations).

4.5 It is likely to become more costly and complex to reduce carbon emissions over time as the ‘quick wins’ – the more cost effective and simpler measures, and those which are within the Council’s direct control - are completed. Officers have successfully bid for additional external funding to increase the County Council’s ability to deliver greater carbon reduction and are continuing to bid for further external funding. In addition, the Council has commissioned modelling work to identify the options to get to net zero and the associated net costs. This modelling will be used to inform the development of the corporate climate emergency plan for 2023-25.

4.6 In 2020-21 the Place Scrutiny Committee undertook a Scrutiny Review of Becoming a Carbon Neutral Council. The review looked at the work underway to make progress towards

net zero emissions from the Council's activities and made a number of recommendations which were accepted by Full Council. Of the 27 actions, 6 (22%) have been completed and 21 (78%) are on-going. The large number of actions that are on-going reflect that getting to net zero is a journey that, in many areas, takes time and because some actions are not within the Council's control (for instance technology changes, such as hydrogen for heating or transport).

4.7 Contracts with external providers make up the largest proportion of our carbon footprint, as part of Scope 3 emissions. The Council can influence emissions from our supply chain by requiring carbon reduction targets when renewing relevant contracts, which is the approach adopted in the current highways contract. Many smaller contractors and suppliers will not have data on their emissions, or will have relatively small-scale emissions, or do not have the capital funding available to make the significant changes required to reduce their emissions. Consequently, the Council is focusing on contractors and suppliers where the likely scale of their emissions and the ability of the Council to influence these emissions are greatest, for instance where the Council is a major client.

4.8 The Council is working closely with its Orbis partners to share costs and expertise in driving down carbon reduction from its supply chain. This includes working with Surrey County Council to trial a database that will enable suppliers to measure their baseline emissions and set a carbon reduction target, and commissioning specialist consultancy support to assess the potential cost of decarbonising the supply chain. These actions will enable carbon emissions from procurement to be more complete and reliable, which will enable the Council to then set a base year against which to measure progress in cutting carbon, potentially on a sector-by-sector basis.

4.9 Progress towards becoming a carbon neutral council is overseen by the Climate Emergency Board, which has senior representatives from every department and is co-chaired by the Chief Operating Officer and the Director for Communities, Economy and Transport. Reporting on progress is made quarterly to Officers and annually to Full Council and is set out on the Council's website.

5 Conclusion and Reasons for Recommendations

5.1 The Council has recognised the severity of the climate crisis by declaring a climate emergency, setting a clear science-based target and committing an additional £9.9m of funding to cutting corporate carbon emissions. The scale of the Council's functions and the diversity of providers the Council works with makes this a complex and substantial task. Significant work has already been undertaken to reduce emissions and will continue to be undertaken. This progress report sets out what has been achieved to date.

ROS PARKER
Chief Operating Officer

RUPERT CLUBB
Director of Communities, Economy and Transport

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LOCAL MEMBERS: ALL

BACKGROUND PAPERS: None

Appendix 1 – The Council’s progress in becoming carbon neutral

Between 2008-9 and 2021-22 the Council cut its scope 1 and 2 emissions by over 66% (see figure 1). This is due to a combination of factors, including national decarbonisation of the electricity grid - as coal has largely been replaced by gas and renewables - by investment in a number of measures that have reduced emissions, and by a reduction in the size of the corporate estate (eg. through the conversion of some schools to Academy status).

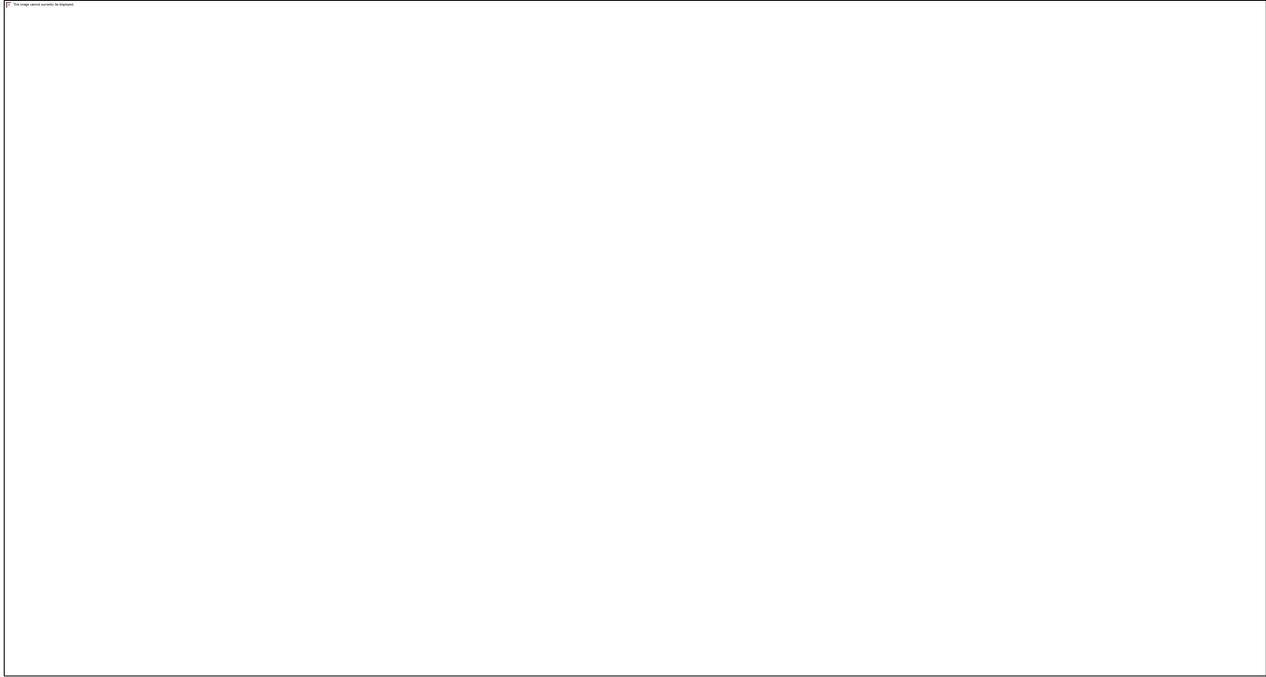


Figure 1. The Council’s carbon reduction between 2008-9 and 2021-22.

The following are some of the measures that the Council has delivered:

1. Installed a number of energy efficiency measures in ESCC buildings and street lighting using part of the additional £9.9m budget agreed by Cabinet and using the £1.025m Salix invest-to-save fund and County Council maintenance budgets. The Salix fund, for example, has been used with nearly 300 projects worth £3.8m, generating annual savings of over £850,000.
2. Installed 1.4MW of renewable energy generation on buildings, with 26 on schools and 12 non-school sites which, in addition to reducing energy bills, generated a total income from the Renewable Heat Incentive and Feed In-Tariff of about £8,000 in 2021-22.
3. Changed the way we work. For example, our post Covid agile working programme enables staff to work flexibly from a range of sites, including home, and so enables a reduced number, and more efficient use of, buildings and enables a reduction in travel through staff and Members being able to be connected whilst working remotely.
4. Made our connectivity more energy efficient, for instance through moving to the Surrey Data Centre.
5. Encouraged behaviour change, for example by providing the ICT equipment, tools and support to enable Members and staff to work digitally and providing discounted bus travel and season-ticket loans to encourage the use of public transport.

6. Changed our approach to procurement to enable more goods and services to be delivered by local businesses, which reduces the transport impact of our supply chain.

7. Purchased electricity for buildings and street lighting that is supplied from renewable sources, independently certified through the Renewable Energy Guarantees of Origin scheme (REGOs). This started from 1 April 2020 and will continue, subject to availability and price. This applies to corporate sites and has been offered to schools. The purchase of green electricity is not counted towards the Council's carbon reduction target as this is not considered to be good practice as it does not directly increase the investment in renewable energy generation.

The Council has also delivered a number of programmes and projects that have reduced carbon emissions across the county, often in partnership with others. These include:

- The fuel poverty programme, overseen by the East Sussex Energy Partnership, which has coordinated a programme worth £3.6m over the last few years to reduce fuel poverty. This has included hundreds of targeted interventions to improve heating and insulation measures and connecting fuel poor households to the gas network. Successful bids, notably to the national Green Homes Grant fund, have secured an additional £4.2m in 2020-23, which will enable the scaling up of low carbon retrofit to those in fuel poverty.
- Investing over £20m since 2014 to deliver improvements to walking and cycling infrastructure.
- Securing over £40m to improve bus services in the county.
- Working with public sector partners to develop a co-ordinated plan for the roll-out of electric vehicle infrastructure in the county.
- Delivering approximately £500,000 of grants to local businesses since 2018 to implement energy efficiency measures, which cut their energy costs and carbon emissions.
- Supported over 250 households over the last couple of years to install solar PV panels on their properties through the Sussex Solar Together programme.

The corporate climate emergency plan for 2020-22 set out a 5 year carbon budget for scope 1 and 2 emissions covering the period 2020-25. Table 1 provides a summary of progress to date in cutting carbon emissions within this first 5 year carbon budget and figure 2 provides a summary of progress to date against the overall science-based target to get to net zero.

Table 1. Scope 1 and 2 target and actual emissions (2019-20 to 2024-25)

Year	Target footprint (CO ₂ e)	Actual emissions (CO ₂ e)	Actual reduction (%)	Cumulative reduction (%)
2019-20	Baseline year	12,461	n/a	n/a
2020-21	10,841	10,791	-13%	n/a
2021-22	9,432	9,991	-7%	-20%
2022-23	8,206			
2023-24	7,139			
2024-25	6,211			
Totals:	n/a			

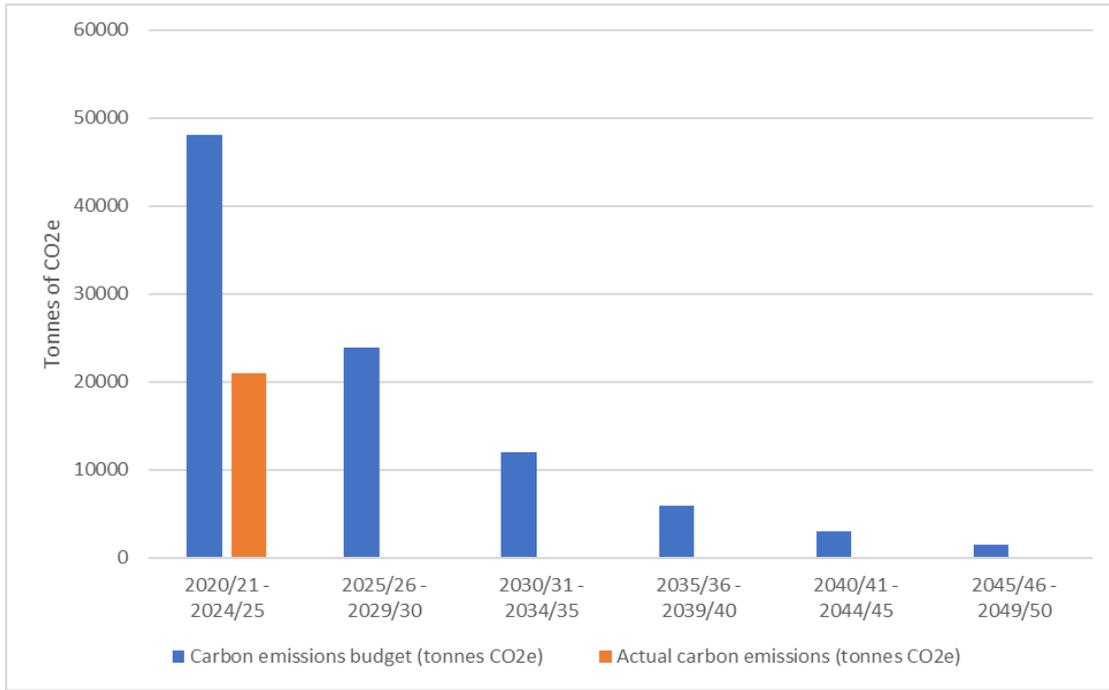


Figure 2. Five year carbon budgets, and actual scope 1 & 2 emissions to date (2020-50).

Appendix 2 – Progress against the Action Plan for 2020-22

Action	Description of action	Status (red/amber/green)
Framework (governance, leadership, communications, data, policy & partnership working):		
Set up robust governance	Establish a senior Officer board to oversee delivery of this plan.	Completed
Develop a communications plan	Set out clear messages and comms routes, Member and staff engagement, & integrate public engagement via the Environment Strategy	An initial comms plan was completed in 2021, which included carbon literacy training. An updated comms plan will be included with the new climate emergency plan for 2023-25.
Improve greenhouse gas baseline data	<p>1) Update ESCC's GHG data management plan and improve transparency by explaining the methods, data, processes, assumptions, estimates, changes and quality checks used.</p> <p>2) Obtain more accurate GHG data for staff commuting, priority suppliers and renewables already installed at schools.</p>	<p>1) Completed</p> <p>2a) A staff survey in autumn 2022 will provide data on staff commuting.</p> <p>2b) Data have been obtained from our highways and waste contractors. Data will be required from key suppliers during procurement.</p> <p>2c) An estimate of renewables installed at schools has been completed.</p>
Review ESCC's policies, strategies, programmes, projects and practice to align with the climate emergency	Policy should provide clear and stable direction and a simple set of rules that supports corporate climate change mitigation and adaptation	Options to take climate change into account in decision-making will be considered during 2022-23, learning from others.
Work in partnership with other organisations to share resources & good practice	<p>1) Continue to work with all Sussex local authorities on developing organisational and area-wide carbon plans.</p> <p>2) Work with SE7 partners on the same.</p>	<p>1) An East Sussex wide climate emergency road map has been produced with partners.</p> <p>2) Good practice is shared with a number of organisations and partnerships (eg. the LGA, ADEPT, East Sussex District and Borough Councils).</p>

Action	Description of action	Status (red/amber/green)
Framework (governance, leadership, communications, data, policy & partnership working):		
Produce an annual progress report	Report to County Council on progress and identify additional resources that may be required	Completed
Emissions from buildings:		
Behaviour change programme – corporate	Develop an engagement plan to create an energy-aware culture amongst staff and Members & develop a network of climate emergency champions to accelerate change	A communications plan was developed in 2021, which has included delivering a number of carbon literacy training sessions, and an updated plan will be included in the Council's climate emergency plan for 2023-25
Behaviour change programme - schools	Update & disseminate the energy saving guide for schools.	Completed
Planned Maintenance & Capital programmes	<ol style="list-style-type: none"> 1) Establish a robust process for identifying, prioritising and delivering projects. 2) Prepare an annual programme of energy efficiency projects linked to the maintenance and capital programmes. 3) deliver a pipeline of whole-building energy efficiency projects. 	<ol style="list-style-type: none"> 1) Completed 2) a number of energy efficiency projects were delivered in 2020-21 and 2021-22, and this year the plan is to complete 10 LED lighting projects, 10 solar PV projects and 1 heat decarbonisation project. 3) a prioritised list of whole-building heat decarbonisation projects has been developed and external funding is being assessed to support delivery.
Install low carbon heating in buildings to replace gas boilers	Review boiler replacement programme and assess options for replacing with heat pumps	Completed
New build	Ensure the 2008 ESCC sustainable buildings policy is being implemented and report on its effectiveness	The 2016 Sustainable Buildings Policy will be reviewed during 2022-23 in light of changes to the Building Regs, planning policy and good practice.
Emissions from street lighting:		

Action	Description of action	Status (red/amber/green)
Framework (governance, leadership, communications, data, policy & partnership working):		
Improve energy efficiency –street lighting	1) Install energy efficient LED lights. 2) review dimming and switch-off policy.	1) Completed 2) The policy will be reviewed in 2022-23.
Emissions from transport, including commuting:		
Grey fleet review	Commission review by the Energy Savings Trust.	Completed
Develop and implement a staff travel plan	To cover both business mileage and commuting.	A survey of staff travel patterns will be carried out in autumn 2022 to help a Ladder to Leadership team to develop a staff travel plan.
Install EV charge points	Identify where to locate which types & number of chargers, and delivery mechanism, for staff & visitor use	Charge points are currently planned to be installed at County Hall by Christmas and other sites will be assessed during 2022-23.
Emissions from water & waste:		
Reduce waste	1) Consider requiring all sites to sign up to the same waste contract. 2) Set up food waste collections from kitchen areas.	1) Completed 2) Food waste from the County Hall canteen is being composted.
Reduce water usage	Install water efficient fittings in all appropriate toilets, urinals, taps & showers	Water efficiency improvements are delivered as part of building maintenance works.
Emissions from procurement:		
Engage priority suppliers	1) obtain scope 1 & 2 GHG footprints of transport & construction contracts above >£1m p.a. 2) embed low carbon outcomes into new contracts.	1) Completed 2) the highways re-procurement includes a stringent carbon reduction target. A list of procurements due over the next 2-3 years has been drawn up where opportunities to require carbon reduction will be explored.
Offer practical support to all other suppliers	Provide energy audits and grants to local SMEs in the supply chain (e.g. via LoCASE) and eco-driver training for transport providers	The LoCASE offer has been promoted, and will continue to be promoted, to local suppliers.

Action	Description of action	Status (red/amber/green)
Framework (governance, leadership, communications, data, policy & partnership working):		
Renewables:		
Improve data on school installs	Obtain data on renewables installed at schools	Completed
Identify opportunities to install PV and other renewables on buildings & land	Commission viability assessment of renewables on buildings & land	A programme of solar PV schemes has been on-going for a few years (eg. at County Hall). A further 10 schemes are due to be installed during 2022-23.
Off-setting:		
Explore carbon off-setting	Work with the Sussex Local Nature Partnership to explore options and costs for off-setting with natural capital benefits	The Council is leading a SELEP-funded project to understand the science, the availability of carbon offsets, the costs and the risks. The project will complete in 2022-23 and recommendations made to the Council during Q2 of 2023-24.
Grid flexibility:		
Assist integration of low carbon technologies into the national grid	Review ESCC estate for opportunities to provide Grid Flexibility services such as Demand Side Response and Battery Storage	The Council has installed battery storage with some of its solar PV schemes and will continue to do so where appropriate.

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Report to:	Cabinet
Date of meeting:	29 September 2022
By:	Director of Adult Social Care and Health
Title:	Community Hubs vision and next steps
Purpose:	To share the initial results of the commission to develop a collaborative vision for a Community Hub model in East Sussex, and the suggested next steps to respond to the recommendations

RECOMMENDATIONS

Cabinet is recommended to:

1. **Note** the initial report 'Vision for Community Hubs in East Sussex' from Collaborate
 2. **Endorse** the draft high level action plan, and the suggested governance arrangements to take forward the recommendations and subsequent work programme, in line with the cross-cutting nature of the Council's work in relation to communities
-

1. Background

1.1 As part of the original COVID-19 pandemic emergency response five 'community hubs' were established by a new collaborative partnership between East Sussex County Council, District and Borough Councils, VCSE organisations and the NHS East Sussex Clinical Commissioning Group. These acted as referral hubs to provide fast access to essential food, medicines and social contact for clinically extremely vulnerable people and others who were socially isolating.

1.2 Working together across organisational boundaries towards a very clear common purpose, at a pace forced by the extraordinary circumstances, gave partners an understanding of what can be achieved through partnership working, and an appetite to embed this learning for the future.

1.3 The pandemic further exposed pre-existing vulnerabilities within the county's communities which are likely to be further exacerbated by pressures from the cost of living crisis and other economic trends. Having moved on from the original COVID-19 hub models, the partners have agreed on the need to develop a longer-term approach to collectively addressing these problems, and believe that building on the ethos and model of the original Hubs provides an opportunity to achieve this.

1.4 As a result, Collaborate, a Community Interest Company (CIC), were commissioned in 2021/22 to undertake engagement with key stakeholders involved in meeting the needs of vulnerable people in East Sussex during the pandemic, to collectively develop and agree a shared vision and scope for community hubs. This is also seen as a key part of the health and social care integration agenda, specifically developing a preventative offer grounded in the VCSE sector and encompassing wider support and wellbeing needs. Once agreed, the shared vision will be used to support a jointly led programme of work across the public and voluntary sector

aimed at developing a robust business case for a sustainable and permanent model for community focussed hubs.

1.5 This report presents the findings from the Collaborate engagement report into the future of community hubs (Appendix 1), together with the proposed response to take forward the recommendations as part of a jointly led programme.

2. Supporting information

Joint leadership

2.1 All partners involved in the original five Community Hubs wanted to explore the learning from the pandemic response and supported this work. The future of the Community Hubs project took place alongside the systems approach to isolation and loneliness project, under the umbrella title of '*Community wellbeing: connected people and places*'. Both projects were overseen by the Partnership Plus Executive Group (our joint county-wide liaison meeting with VCSE representatives).

2.2 The approach to engagement is outlined in the report. A Community Wellbeing Partnership Steering Group was set up to guide specific activity, and opportunities for engagement with VCSE organisations and District and Borough Councils was a key aspect of the project.

2.3 Collaborate CIC have presented the findings from the engagement as a discussion document, with eight suggested recommendations for local partners to consider to help take the vision forward. The report also brings together local and national examples of good practice, and other detail such as approaches to establishing benefits and impacts, representing the ground covered during the engagement process.

2.4 To date the report has been shared with the Partnership Plus Executive Group, where it was received positively as a shared platform and toolkit to mobilise further jointly led work. The high level action plan included in Appendix 2 sets out the proposed next steps recommended by all the partners to accompany the report. A key part of seeking endorsement of the next steps has been sharing the report and action plan formally with District and Borough Councils, to follow up on the initial support for the project at the outset.

Community hub models and outcomes

2.5 During the pandemic the 'hub' model was a referral mechanism to enable fast access to community services and support to meet essential food, medicine and social contact needs. The future hub model should be understood as an upstream or early intervention approach, with the aim of supporting the capacity of communities to help themselves, alongside enabling easy access to specialist support where necessary across a range of social and economic wellbeing needs. By working effectively at a community level the goal is to support wellbeing by preventing situations from getting worse, with the added benefit of reducing demand for more costly downstream services in the future. Appendix 3 summarises the different arrangements for community hubs that exist in East Sussex identified in the Collaborate report, and the key elements of the future vision.

Wider policy context

2.6 In addition to supporting the Council Plan priority of helping people help themselves, the inherent prevention focus of Community Hubs strongly aligns with, and contributes to, the following policy agendas:

- Family Hubs and Start to Life – national programme funding aimed at offering a single access point to a range of services, help and support covering universal and early help services, through co-locating services and professionals.

- The Health and Social Care reform agenda including the recent White Papers ‘People at the Heart of Care: adult social care reform’, and ‘Health and Social Care Integration: Joining up care for people, places and populations’ which both emphasise prevention and early intervention, and a stronger focus on improving population health and reducing health inequalities. To support this significant work at the East Sussex (Place) level, in the context of the new statutory Sussex Integrated Care System, is aimed at delivering greater levels of integrated working at the community and neighbourhood level.
- The design of public services from a resident and community-led perspective has also gained increasing traction nationally.

2.7 The full range of potential Hub activity set out in the report requires alignment across a number of current policy and commissioning areas to support effective implementation, including:

- Asset Based Community Development (ABCD) and the development of ‘health assets’ within communities. The description of Community Hubs and clear drive from most partners is for Hubs to be rooted in ABCD, and the development of Hubs needs to be linked to the local ABCD evaluation programme ‘Making It Happen’.
- Our wider work with the VCSE sector, including the future of the Infrastructure Contracts that currently sit with the three Voluntary Action organisations and the links to the full range of the Council’s work with the VCSE, including the Spaces agenda.
- The wider commissioning approach to information and advice services, financial inclusion and ‘social prescribing’ services.
- The next steps for the systems approach to social isolation and loneliness project.

Next steps and delivery

2.8 Partnership discussions and feedback about the report and the next steps have emphasised a need to reflect that different models will be required to work in a rural and urban context, including those that are not buildings-based. The following principles will be important to enabling easy access to services and support, and greater levels of connection and resilience in local communities:

- Build on the existing strengths of our communities and the leadership of our local voluntary, community and social enterprise sector organisations embedded there through continuing our shared leadership and co-design of this work
- A flexible and mixed model will be critical, spanning and strengthening virtual networks and connections as well as the wider use of existing buildings, to engage as many organisations and groups as possible and acknowledging the urban and rural nature of our county.
- Creating strong referral pathways to enable streamlined access to prevention-based help and support for those who need it, and less ‘hand offs’ between our agencies
- Using digital and other innovations to reach and include more people, make the best use of our collective resources and reduce reliance on travelling to buildings and the associated environmental impacts
- An iterative approach to implementation will be essential and our plans set out below may change as our understanding grows with each step

2.9 The vision and eight recommendations set out a helpful jointly owned platform to move the development of community hubs in East Sussex onto the next phase, and the high level action plan sets out the suggested next steps in relation to the recommendations. Due to the wide span of connections and the work involved across many partners to move the vision into reality, it is proposed that dedicated resource is required to:

- Implement a detailed programme based on the action plan, to enable the first phase of five prototype community hubs to be mobilised, including liaising with leads and partners to maximise relevant external funding opportunities e.g. the Community Ownership Fund.
- Embed this transformation with partners, coordinating the learning and evaluation process and plan subsequent phases
- Ensure strong links are made in particular with the work on Family Hubs and the Health and Social Care integration agenda, the Making it Happen (ABCD) programme and VCSE infrastructure contracts.

2.10 This resource is part of the proposed investment plan utilising the approved Community Hub revenue budget to provide the infrastructure needed to support safe and resilient community partnerships (including support to refugees and migrant groups and financial inclusion).

2.11 The Community Hub budget was approved in the Council's 2021/22 medium term financial plan (MTFP), so this investment plan requires no additional funding:

		2022/23 (HYE)	2023/24 (FYE)
1	Community Hubs implementation	£34,800	£69,600
2	Safe and resilient community partnerships	£96,000	£282,400
3	Potential community infrastructure and support (including the loneliness and isolation project)	£309,200	£528,000
4	Total	£440,000	£880,000

2.12 The Community Hub revenue budget will also be aligned to achieving the Community Hubs High Level Action Plan, with resources being made available to progress Phase 1 VCSE led commitments and activities, and the implementation of Phase 2 commitments and activities when agreed in collaboration with ESCC, and wider public sector partners.

3. Conclusion and reasons for recommendations

3.1 The Vision for Community Hubs in East Sussex report accurately reflects the extent of the wide-ranging engagement and research undertaken during the nine months of the commissioned work, and presents a robust shared platform upon which to progress the next steps for implementing Community Hubs.

3.2 The cost of living crisis, in addition to the ongoing need to respond to other needs in our current context, presents a compelling argument for a sustainable and joined up approach that targets support in communities where it is most needed. This has strong alignment with health and care reform agendas for children and adults of all ages, and the Council's priority of helping people help themselves.

3.3 There is also considerable expectation from the Council's partners about the response to Collaborate's report, and a clear focus for this work making use of existing revenue budget is recommended. This will ensure that hubs are implemented effectively and connections can be made across the shared priorities that community hubs will help deliver, so that relationships continue to strengthen at the local level for the benefit of our residents.

Mark Stainton

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LOCAL MEMBERS

All Members

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Community wellbeing: connected people & places

A Vision for Community Hubs in East Sussex

Produced by Jenni Lloyd, Collaborate CIC / April 2022

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Executive summary

The COVID19 pandemic highlighted pre-existing vulnerabilities within East Sussex's communities which are likely to be further exacerbated as pressures from the cost of living crisis continue to grow, alongside the economic legacy of the pandemic.

The place-based partnership saw how collaborating across organisational boundaries and enabling the capacity of communities to help each other had a significant positive impact in response to the pandemic.

This, along with a continuing shift towards viewing health and wellbeing as a product of connected communities, supports their ambition to create a network of community hubs across the county, focusing on those neighbourhoods where the need is greatest.

Community hubs present an opportunity to develop the social infrastructure that supports networks of relationships among people who can provide each other with fellowship, connection and a sense of belonging - a coral reef that supports a vibrant ecosystem of community life.

Alongside enabling social connection, hubs can also house valuable advice and support that can help people head off problems before they escalate, reshaping demand for services in the long term.

Developing a programme of this nature represents a step into the unknown - ESCC has not done this before. Therefore the best approach is one that make the most of the collective intelligence of the whole system, that prototypes and iterates to learn what works, before heading into a full rollout.

Headline recommendations

1. **Recruit a Collaborative Governance Group** made up of partners from Partnership Plus, VSCE Alliance, health partners and district and borough councils.
2. **Establish an interdisciplinary delivery group** with representation from Public Health, Adult Social Care, Children's Services, Communities and Property with accountability held by the Exec. Director of Adults & Health.
3. **Undertake a mapping exercise** to understand the number and nature of existing hubs, which communities they serve and how.
4. **Define a core offer for advice and support** to be delivered from hubs.
5. **Use data and local insight to identify one neighbourhood in each District and Borough** that would most benefit from a community hub.
6. **Recruit Local Leads to develop a prototype hub in each location** - either as extension of an existing hub, or a new one, depending on results of mapping exercise.
7. **Create learning & evaluation framework** and bring together Local Leads to share learning on monthly basis.
8. **Review and iterate until ready to rollout** to additional neighbourhoods.

About this report

This document sets out a vision for the future of Community Hubs in East Sussex. It has been produced as part of the Community Wellbeing: Connected People & Places programme, commissioned in June 2021 by East Sussex County Council in collaboration with system partners including local authorities in East Sussex, the NHS, the Voluntary, Community and Social Enterprise (VCSE) sector and others. The programme explored two linked but separate pieces of work relevant to the place-based partnership within East Sussex:

- Partnership approaches to community wellbeing in East Sussex, including the future scope of Community Hubs
- COVID-19 recovery project to develop a systems approach to tackling loneliness and social isolation in East Sussex.

It sets out ideas, insights and suggestions informed through a range of research and engagement activities designed to explore the overarching question “What role can Community Hubs play in enabling partnership approaches to improve community wellbeing?” These activities included:

- Document reviews
- Stakeholder interviews
- Creation of a typology of community hubs, illustrated by examples
- Two workshops

Details of participation, overviews of relevant documents, the typology and examples can be found in the appendices. Outputs from workshop conversations are used throughout to illustrate the views of the system partners. We conclude with recommended next steps to prompt further discussion.

Background

In response to the pandemic five community hubs were established by a new collaborative partnership between East Sussex County Council, District and Borough Councils, VCSE organisations and the Clinical Commissioning Group.

Working together across organisational boundaries towards a very clear common purpose, at a pace forced by the extraordinary circumstances, has left the partners with an understanding of what's possible and an appetite to embed their learning for the future.

The COVID19 pandemic further exposed pre-existing vulnerabilities within the county's communities which are likely to be further exacerbated by pressures from the cost of living crisis and other economic trends, as detailed in the report 'Facing the Future' by Hastings Community Hub.

The partners agree on the need to develop a longer-term approach to collectively addressing these problems, and believe that building on the ethos and model of Community Hubs provides an opportunity to achieve this.

Aside from the existing partnership work that takes place in communities, there is also a strong connection with other strategic initiatives that are grounded in working effectively at a community level to build strength and resilience, and a more holistic offer of support to individuals and families. For example, this includes:

- Family Hubs and Start to Life – East Sussex is one of 75 authorities eligible for this national funding aimed at offering a single access point to a range of services, help and support covering universal and early help services, through co-locating services and professionals.

-
- Health and social care reform – including a decisive shift to improving population health and wellbeing and reducing health inequalities. This means having a greater focus on local communities and neighbourhoods within Integrated Care Systems, to improve access to prevention services, join up care and take collective action on the wider determinants of health.

The original five pandemic response hubs were a primarily telephone-based service, with a contact centre in each District and Borough responding to new types of demand, prioritising vulnerable people and signposting callers to services.

The hubs were organised differently within each District and Borough but at the core was the ability of VCSE organisations to mobilise community capacity to meet local needs.

The ways of working, or operating model, that made a response of this speed, scale and flexibility possible can be seen as separate to the call centre delivery mechanism.

In this document we will focus on the operating model, and explore a delivery mechanism appropriate to meeting ongoing community needs into the future.

The term ‘community hub’ is usually used to describe something very different, both within the county and nationally.

Our first task therefore is to clarify what we mean by the term ‘community hub’, and to identify which aspects of the pandemic response we are seeking to take forward.

What is a community hub?

There are many organisations working to understand, support and grow community hubs, including Power to Change, Local Trust and Locality.

Local Trust's Big Local programmes have shown the need communities have for shared space where people can gather, plan, organise and run activities. Many Big Local areas without access to space have initially struggled to make the most of their opportunities; by comparison, those areas that have been able to secure community space have often been able to make faster progress towards their goals.

Two thirds of Big Local areas now own or lease a community building or have access to space in one, and more are expected to have one by the end of the programme in 2026.

Power to Change support the growth of the community business market, with community hubs making up over a third of that market. They support hubs offering a breadth of activities in their local areas – from hosting community groups to health initiatives, from providing workspace to hosting council services – because they believe they are critical in connecting local people, addressing social isolation, building community cohesion and improving health and wellbeing.

Locality is the national support network for community organisations. Their report 'Community Hubs - How to set up, run and sustain a community hub to transform local service provision' was produced using learning from the Our Place programme 2014-6 and contains the definition (overleaf) we see as most relevant to East Sussex.

Community hubs - a definition

- Community hubs operate out of buildings, from which multi-purpose, community-led services are delivered.
- Community hubs often host other partners and provide access to public services, offering an efficient and effective use of resources.
- Community hubs offer a good use of local assets, and the model can help to underpin an enterprising and resilient community organisation.
- Community hubs provide services *for* the community, but also *by* the community. Local people are involved in making decisions about how services are run, how buildings are managed, and also support delivery through volunteering
- Typically, community hubs are run and managed by a dedicated community organisation, but in other instances they may be owned or managed by a public agency such as a housing association, or local authority but with substantial input and influence from the community.

Ingredients of a community hub

For people to connect as a geographic community they need a space to gather. **A community hub needs a building.**

People can connect online, but need a curated space on a platform and a common interest to enable them to behave as a community, forming bonds of trust and reciprocity. An online gathering place is not a community hub.

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Organisations
that help



SERVICES / SUPPORT



People who
make things
happen, people
who take part



PEOPLE



Activities that
bring people
together



ACTIVITIES

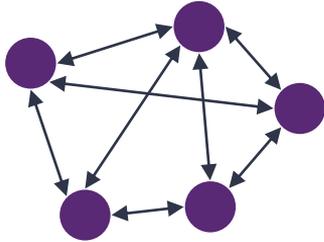


Place / space
for people to
come together



SPACE

The East Sussex pandemic response hubs connected individuals to resources and services.



Connects to call centre operator - who helps them navigate the system to get what they need.

Caller

However, the true value of community hubs is realised when they help people connect with each other.

Community hubs have the potential to play a powerful role in increasing the social capital of the neighbourhoods they serve - but to do so, they need to be places which help people connect not just to services, but to each other.

Robert Putnam's book 'Bowling Alone: America's Declining Social Capital' argued that the decline of civil society in the US can be seen in lagging participation in civic activities, declining membership in fraternal organisations, and waning trust in fellow citizens. And he gives examples of why this is important.

For example, with the fear of crime, the evidence suggests that neighbours knowing one another's first name has a greater influence on the crime rate, than the police on the beat. He's not saying we don't need police. But he does make a case that social connection - or 'social capital', has a powerful effect on the crime rate. Research shows similar positive correlations with childhood development, educational achievement, employment opportunities and health outcomes.

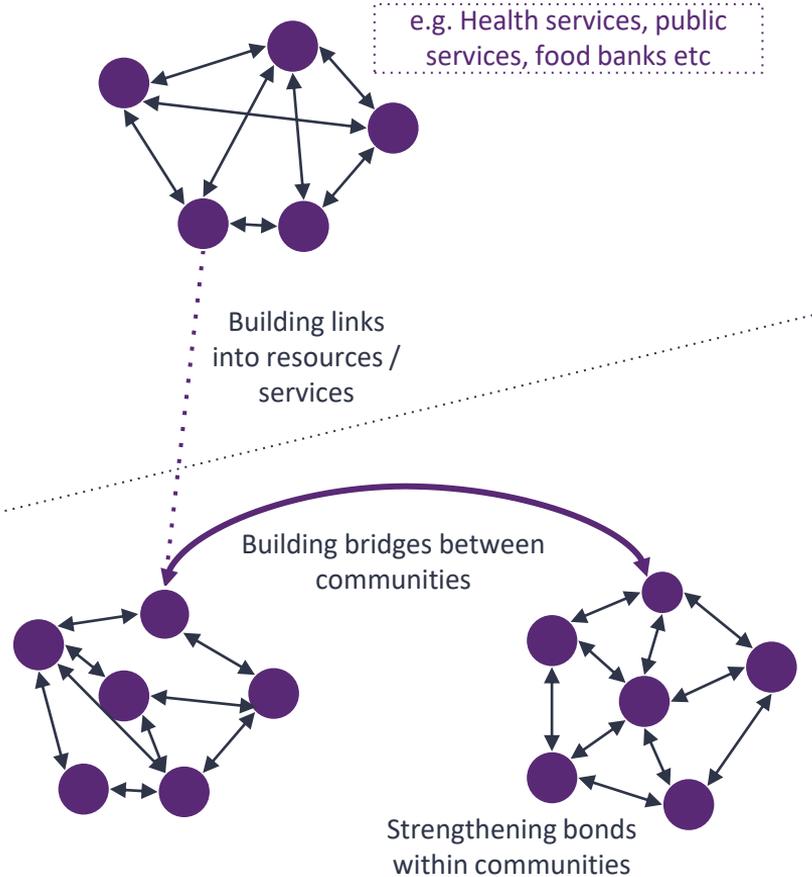
Understanding the different types of social capital will help identify how community hubs can contribute to positive outcomes:

- Bonding social capital – ties between individuals within groups.
- Bridging social capital – ties between individuals which cross social divides or between social groups.
- Linking social capital – ties between individuals and the institutions and individuals who have relative power over them.

Community hubs need to focus on building bridging capital - bringing groups together in shared spaces to build reciprocity and trust, and helping link them to resources.

Bonding capital can make for strong groups with high levels of trust - but carries the risk of exclusion of newcomers.

Groups that lack linking capital have less access to resources than others, which can reinforce existing inequity.



“Well-being in a sickness-making society cannot happen solely from a doctor’s prescription. It requires that we go hunting for health-producing capacities at street level. It means that we must actively support local residents to identify, mobilise and connect their own health-creating assets and that professionals redouble their efforts to do nothing to overwhelm, control or undermine them. It is important to recognise that most assets of this kind have no health label; **they are the effects of social capital.**”

Cormac Russell, Rekindling Democracy

Examples of different types of community hub

Different types of community hub

Service-led

Community-led

1

- Instigated and operated by council
- Co-located, multi-agency service delivery
- Some space for community activities
- Some social space

E.g Brent Hubs,
LB Brent

2

- Instigated and operated by charity, shaped with the community
- Commissioned activity provides / supplements public services
- Provides community facilities and social space

E.g Aberlour Community Hub
North West Dumfries

3

- Emerged from community, developed in partnership with health service
- Joint community activity & service delivery space

E.g Bromley-By-Bow
Centre,
LB Tower Hamlets

4

- Emerged from and led by community
- Primarily community activity space
- Volunteer-led & commissioned activity provides / supplements public services

E.g LS14 Trust,
Leeds

5

- Emerged from and led by community
- Primarily social space
- Volunteer-led activity supplements public services
- Hosts pop-up services (e.g vaccination)

E.g The Bevy, Brighton

Community Hubs in East Sussex

There are many hubs and community focused spaces in East Sussex - below are a few highlighted by workshop participants. Following the workshop we canvassed for examples that mapped to the typology presented above. In doing so we can see that East Sussex has hubs of all different types. As this exercise was not comprehensive we recommend repeating it at a more local level and making sure there is a full understanding of what already exists before making decisions about creating new hubs.

- The Nest in Hastings Old Town Hall
- Jevington Village Hall
- The Observer Building, Hastings
- The Pelham, Bexhill-on-Sea
- Victoria Pavilion Support Centre, Uckfield
- The Hillcrest community centre, Newhaven

- FSN provide a hub to families in Hastings/St Leonards who are homeless/in temporary accommodation - with washing machine, access to computers
- Hastings YMCA
- Hastings Advice and Representation Centre
- I-rock youth mental health hubs in Hastings, Eastbourne, Newhaven

Many other assets exist that could play a part in helping communities connect. This includes schools and church or village halls, but also manned fire stations which typically have rooms available for community use, as do some libraries. Mapping and making this information publicly available would support community groups to run connecting activities.

Examples in East Sussex

Local partners were surveyed to identify examples of hubs that could fit into the typology shown above. Respondents self assessed which type of hub their suggestions most closely matched. Further work is required to clarify this categorisation.

Service-led

Community-led

1

- Rye Hub, Rye

2

- The Pelham, Bexhill on Sea
- Shinewater Hub, Eastbourne
- Uckfield Volunteer Centre, Uckfield
- Heathfield & District Volunteer Centre, Heathfield
- Lewes Climate Hub, Lewes

3

- Seaside Community Hub, Eastbourne
- Rotherfield St. Martin, Rotherfield
- Victoria Pavilion, Uckfield

4

- Denton Island Community Centre (DICC), Newhaven
- Hampden Park Community Hub, Eastbourne
- Seaford Environmental Alliance, Seaford

5

- Willingdon Trees Community Centre, Eastbourne
- Havens Community Hub, Newhaven
- Lewes Community Volunteers, Lewes (pop-up)

Design principles

In the workshop on January 27th system partners identified a set of three principles that could be applied to developing the community hubs strategy for East Sussex. We reproduce them here as they have influenced the ideas contained in this report, but recognise they may need to evolve as the project progresses.

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1. CORE COMPONENTS, LOCAL FLEXIBILITY

- There is no 'one size fits all' model suitable across East Sussex. Hubs should be designed to meet local needs, building on a common set of core components.
- Hubs need to be accessible, in terms of location - and how welcoming they are. People with difficult issues must feel free to walk through the door without stigma.

2. COMMUNITY ENGAGEMENT

- The sustainability of a hub comes from the relationship and engagement of the people using it. If we listen to and work with the community, together we can develop the activities and services that are important to them.
- Hubs need to be able to evolve - to build organically and be shaped by the community.

3. CO-LOCATION & PARTNERSHIP WORKING

- Co-location of statutory services and voluntary sector organisations, as well as space for people to come together, are key elements.
- Sharing and working together will avoid the sense of competing for scarce resources.

What's our ambition for community hubs?

In the workshop on January 27th system partners explored their ambitions for community hubs in East Sussex. As with the principles above these ambitions have influenced the ideas contained in this report, but are expected to evolve.

NO-ONE LEFT BEHIND

- Every East Sussex resident should have access to a vibrant community hub, with no-one left behind.
- Hubs should be equally spread across East Sussex using whatever model works for our communities.
- Hubs should be located in a place that makes 'sense' for neighbourhoods and/or communities of interest. The different needs / opportunities of rural communities will be recognised and catered for.
- Hubs will open at times convenient for all community members.

LONG TERM RELATIONSHIPS

- Hubs should enable longer term, deeper relationships with individuals and communities. Should include public sector services, but their community spaces will make them open and inviting to all.
- Focus will not be on crisis intervention but development of relationships. They should be holistic spaces where families and communities can connect.
- Cultural and arts organisations should be key, as they're often at the centre of communities and help shape identity and build social cohesion.

WELCOMING TO ALL

- Each hub's offer should be based on community interests, where services/support can meet a mix of ages (young and old). Intergenerational activity should encourage young people to join and meet role models.
- Hubs should provide space for organisations to operate together to connect with the same people at the same time.
- There should be a range of space suitable for different activities and for different groups.
- Different groups have different needs. Hubs need to be designed to accommodate all and provide a safe, welcoming space where people can connect with each other and build trusting relationships.

FINANCIALLY SUSTAINABLE

- Support will be needed to get hubs started and running but they shouldn't be grant dependent. They must be sustainable over the long term.
- Community ownership should be supported to develop financial independence.
- Public sector investment will be necessary to ensure buildings aren't a liability and localised services are available.

EMPOWERING

- The hubs should help communities mobilise and come together around issues that matter to them.
- Community leadership should be supported by the public sector as a way to develop connections, support empowerment and galvanise volunteering.
- The hubs should support communities to live healthy lifestyles and provide opportunities to support 'healthy environments/places/planet'.

BUILD ON WHAT'S ALREADY THERE

- Need to build on existing hubs - support and grow and build links between them and to public sector.
- Should consider potential to expand other venues as hubs, for instance primary schools that are not used in the evenings. Link to other community assets, such as sports groups and clubs.

ACCESSIBLE

- Hubs should be accessible and easy to get to, even for more hard to reach areas. They should be easily reached by non-drivers via community transport, walking and cycling.
- They should be open at times convenient for different members of the community.
- There needs to be diversity in the range of hubs on offer - not over defined or centralised and open to organic development over time.

SEAMLESS

- Hubs should provide 'seamless' support, with no 'wrong door' to find the help you might need.
- There should be ease of access to services and support in 'non-statutory', community focused spaces.
- The hubs should be able to host rotational ('pop-up') services as well as static ones, depending on the changing needs of the community.
- These should be multi-agency/multi-service hubs with co-located services, not just 'one service' model such as an employment hub, but offering a range of support services that together address all the issues that are most important to East Sussex residents.

Target audience

The ambition is for the hub network to be open and welcoming to all, but it is likely that the audience will vary across locations, according to demographics and differing needs.

The core offer should be seen as a social one, but one that also offers a safe space for people to seek the additional support they need. A cafe should be at the heart of each hub, offering everyone a reason to pop in and make contact with other local people.

Rooms for hire at low rates will provide space for activities to happen - based on the needs of local people and driven by local appetite. This might be parent and toddler groups, keep fit or knit and natter. Outdoor space might provide opportunities for local growers and gardeners, while fast, free wifi will support those experiencing data poverty.

In support of equity of outcomes across the county, those people most in need of support should be prioritised. Using the factors that influence individual wellbeing along with data insight we could identify locations with the highest level of need in terms of:

- Unemployment
- Low educational attainment
- Financial difficulties
- Loneliness
- Health outcomes
- Domestic abuse

This would enable the support activities offered in each location to be tailored to local needs, using a 'menu' approach similar to that shown overleaf.

Wellbeing factors	Potential hub activity
What we do <ul style="list-style-type: none"> ● If we're employed, if we're satisfied with our jobs ● Whether we have, and enjoy our leisure time - If we participate in arts, sports, culture ● If we volunteer 	<ul style="list-style-type: none"> ● Co-located Job Clubs, career advice services ● Hosted sports, arts etc activities ● Co-located volunteering orgs ● Opportunities to volunteer at the hub
Education & skills <ul style="list-style-type: none"> ● If we're engaged in formal or informal learning 	<ul style="list-style-type: none"> ● Training & education advice
Personal finance <ul style="list-style-type: none"> ● If we have difficulty financially 	<ul style="list-style-type: none"> ● Debt advice & support ● Benefits advice
Where we live <ul style="list-style-type: none"> ● Our sense of belonging to our neighbourhood ● How easy it is to access green spaces ● Whether we can access key services ● Are we satisfied with our housing 	<ul style="list-style-type: none"> ● Social activities to take part in ● Ability to contribute help, support, skills ● Gardening/growing space ● Services signposting, advice & support ● Housing advice & support
Governance <ul style="list-style-type: none"> ● How much we trust government & institutions ● If we participate in democratic processes 	<ul style="list-style-type: none"> ● Opportunities to take part in community consultations ● Opportunities to help govern the hub itself
Health <ul style="list-style-type: none"> ● If we are satisfied with our health 	<ul style="list-style-type: none"> ● Co-located health services ● Fitness and wellbeing advice & support
Relationships <ul style="list-style-type: none"> ● Whether we are in a happy relationship ● If we have people to rely on ● If we feel lonely often or always 	<ul style="list-style-type: none"> ● Relationship advice & support ● Social activities, including cafe ● Welcoming environment

Example: data targeting

The place-based partnership of Oxfordshire County Council, Oxford City Council and Thames Valley Police, pooled their data to identify areas of the city where targeted interventions would have the most impact - those areas making use of services at a higher rate than average. They partnered with a community development organisation called the Oxford Hub to build relationships and work with families to identify what activities would be most effective in improving the neighbourhood, and the lives of the people living there.

Link: <https://www.oxfordhub.org/ciz>



In our workshop on 28th February system partners explored the varied target audience for hubs:

Working age adult, doesn't drive, unemployed, rural location. Also has secondary school aged children.

17 year old. Identifies as non binary. Has lost a parent. Needs support with mental health and a network of support

I'm 80 years old, I get lonely and I don't drive so I need somewhere close.

13-16 yr. old gender curious, with two siblings

I'm a super-motivated, aspirational local member of our community with plenty of ideas about setting up a community hub and loads of knowledge about my local area.

This exercise reminded us of the probable breadth of the audience in terms of age and needs, but also the specificity of those needs. We need to select locations that are accessible for those who are too young, or too old, or otherwise unable to drive. We also need spaces to be welcoming to people of different ages and to provide a tailored support offer.

Perhaps we could learn from the way the Brent Hubs offer is tailored to support a range of individuals, including:

- Single people
- Parents and families
- Older people
- Adults with complex needs
- People experiencing a crisis
- People who are new to the area

Our target audience also includes volunteers - we need the hubs to be able to draw in local people to shape, lead, govern, support and take part.

Developing a county-wide model

The ambition is to develop a network of hubs across the county so that every East Sussex resident has access to a vibrant community hub, with no-one left behind. The hubs will offer residents a new way to connect with each other, with activities of interest, with community groups and local organisations. And also to access the information, advice and support they need early on to address any issues or challenges they face before they escalate.

This network of hubs will offer opportunities for community connection and social cohesion but also for more coordinated and tailored access to support and advice for East Sussex's residents, reshaping demand for services over time.

The delivery of this ambition will initially be led by East Sussex County Council, in collaboration with the voluntary and community sector, public sector partners and residents. Through close working with East Sussex Strategic Partnership, Partnership Plus, health partners and district and borough councils and supported by central funding, the hubs network will provide opportunities to develop strong local relationships and support a neighbourhood working approach. Hubs will provide public sector partners with both a base for building relationships with residents and a place for practitioners from the councils and other local organisations to work together around issues and cases, approaching them in a more holistic way.

This section proposes ideas for the core components and features of the model.

Balancing community and service needs

In his book 'Rekindling Democracy' Cormac Russell says "we must come to recognise that **communities when productively connected have health-creating capacities**" and that "to ensure right relations between citizens and professionals we must start by increasing interdependency in community life and decreasing institutionalisation".

This provides a useful prompt to ensure that the design and delivery of community hubs is such that it builds community capacity and doesn't accidentally reproduce the more negative aspects of professionalised, institutional 'help' at a more local level.

Building community capacity, supporting connection and participation should therefore be at the heart of the hubs offer - with professional support being in service of this.

We should also recognise that permanently siting particular services in a hub may prevent some members of the community from accessing the hub. This should be explored before decisions are made, with community needs being prioritised over those of service providers.

The Making It Happen programme provides valuable insight into asset based community development in various parts of the county. These locations might well provide a suitable starting point for the development of new hubs, or acceleration of existing ones.

Also, the process by which the neighbourhoods benefiting from this programme were identified creates a useful model which could be replicated to identify sites for prototype hubs.

CAPACITY BUILDING

Individuals, local groups & organisations, wider community

By...
Mapping what's there
Sharing skills, knowledge, resources & connections
Support in accessing funding

CONNECTIONS

Between individuals, between organisations, between individuals & organisations

By...
Welcoming space / hosts
Activities of interest
Peer support
Access to information, support and advice
Assisted self-serve
Building partnerships

PARTICIPATION

Individuals, local groups & organisations, wider community

By...
Activities led by local people, groups, organisations
Volunteering opportunities
Participative governance

Core components, local flexibility

It is recognised that different communities across the county will have access to assets of different kinds and their needs will differ. Local arrangements will need to reflect this with the support and services on offer being based on engagement with those who know the neighbourhood.

These local arrangements will build on a set of core components present in all hubs. These will need to be defined collaboratively but our initial proposal is that they would include:

- Community-led governance structure
- A social / community space including a cafe and additional spaces that can be hired for a range of activities
- A welcoming space where people want to be
- Access to a range of information, support & guidance
- Help to navigate formal services as necessary

Community-led governance structure

The starting point for establishing a hub in a new location will be to work with key partners within the local council and VCSE to identify the right neighbourhood / target audience and build connections with the local community to recruit participation in the development of the hub.

This group of partners would then have responsibility for overseeing the development of the hub and ensuring it reflects the needs and interests of local people. This would include identifying any existing assets that could be utilised, redeveloped, accelerated or partnered with.

The 'customer' base for a community hub is, first and foremost, its local community. Over time the management of each hub should be devolved to the community as far as possible. This means that local people could play multiple roles, not just as customers or users of services, but also as volunteers, as leaders of activities, as trustees or as paid staff.

A social / community space including a cafe and additional spaces that can be hired for a range of activities

Communities need space to gather and undertake collective activities. Many of the community groups and organisations we have spoken to cite the availability of suitable space as being a key factor in their ability to organise activities that help people connect.

A cafe provides an informal meeting place, and a reason to visit for those seeking company. Food is a key part of social gatherings and needs kitchen facilities - which can then be used in many different ways in service of the community.

Space also provides a valuable income stream - a survey of community hub operators listed the three most significant sources of income as: meeting-room or hall hire income (40%); grants from trusts and foundations or lottery funders (25%); and office or workspace rental (16%). Space is therefore a fundamental requirement for financial sustainability.

A welcoming space where people want to be

Physical design of the space is key - from accessibility from the street, to access to green space and natural light. While the majority of the hub should be open to all there will also need to be private spaces to enable different types of interaction. Shared kitchen and bathroom facilities ensure there is no barrier between service providers and 'clients' - everyone is a member of the same community. The Inspiring Change Manchester (ICM) Hub, which supports people experiencing Multiple Disadvantage, recommends using clear glass walls for offices to reduce any sense of divide, and also that there be no receptionist, identified by their community as a barrier or gatekeeper in traditional services. The overall atmosphere should centre the community and the social, not services.

Access to a range of information, support & guidance

The core offer of advice will be delivered by advisors from public service departments and VCSE partners colocated in

the building. There could also be weekly 'pop-up' sessions for particular specialist areas.

Prior to opening the hub partners could work with the local CAB to identify the topics people in that location are most likely to be seeking help with. This would feed into the design of the offer for that particular hub.

Help to navigate formal services as necessary

Where someone needs help beyond that offered in the hub the hub team would take responsibility for helping that person navigate the system to find the right help. Ideally they would stay engaged until the problem was resolved in a keyworker-type role.

Delivery

So far this report has made proposals based on ambitions, without exploring how to make use of the hubs that already exist. However, in reality we want to build on what's already there. There are a significant number of hubs, with similar offers to that described. So, why do we need to do anything different?

The answer lies in scale, outcomes and sustainability.

Currently each hub typically exists on its own, having grown largely organically. This means that each organisation running a hub is learning alone about what works and has to make its own connections to sources of support and funding. The financial model for hubs tends to be precarious, with many reliant on grants, for which there is much competition and many restrictions. Some parts of the county have multiple hubs, others have none.

A more coordinated approach could help individual hubs by providing shared learning opportunities, access to support and shared resources and access to funding in return for hosting advice services.

This would make good use of the relationships, activities and assets that already exist, while also helping improve the long term sustainability of each hub, based on their ability to affect the wellbeing outcomes of the communities they serve.

The first task is therefore to understand the number and nature of the existing hubs and which communities they service. This mapping exercise would help us know where we have hubs, what type of hubs they are, where the gaps are, whether they are working well or struggling, and why.

Having mapped the hub landscape county-wide it would then be possible to identify what hubs already exist and where there are gaps.

In the first phase a prototyping approach would be appropriate, with work being undertaken to set up a collaborative governance structure. In parallel, the mapping exercise and potential data analysis would help identify one hub in each District and Borough. These 5 hubs could become a test bed for the model, delivered in partnership with VCSE organisations and local communities.

The Healthy Hastings & Rother programme initiated the Health and Wellbeing Community Hubs Grants Fund that was co-produced by the CCG, the local VCSE, Hastings Borough Council, Rother District Council and East Sussex County Council.

This fund is currently supporting The Firs in Hastings, The Pelham in Bexhill, two hubs run by FSN in St Leonards and Hollington, Hastings and another run by SCDA.

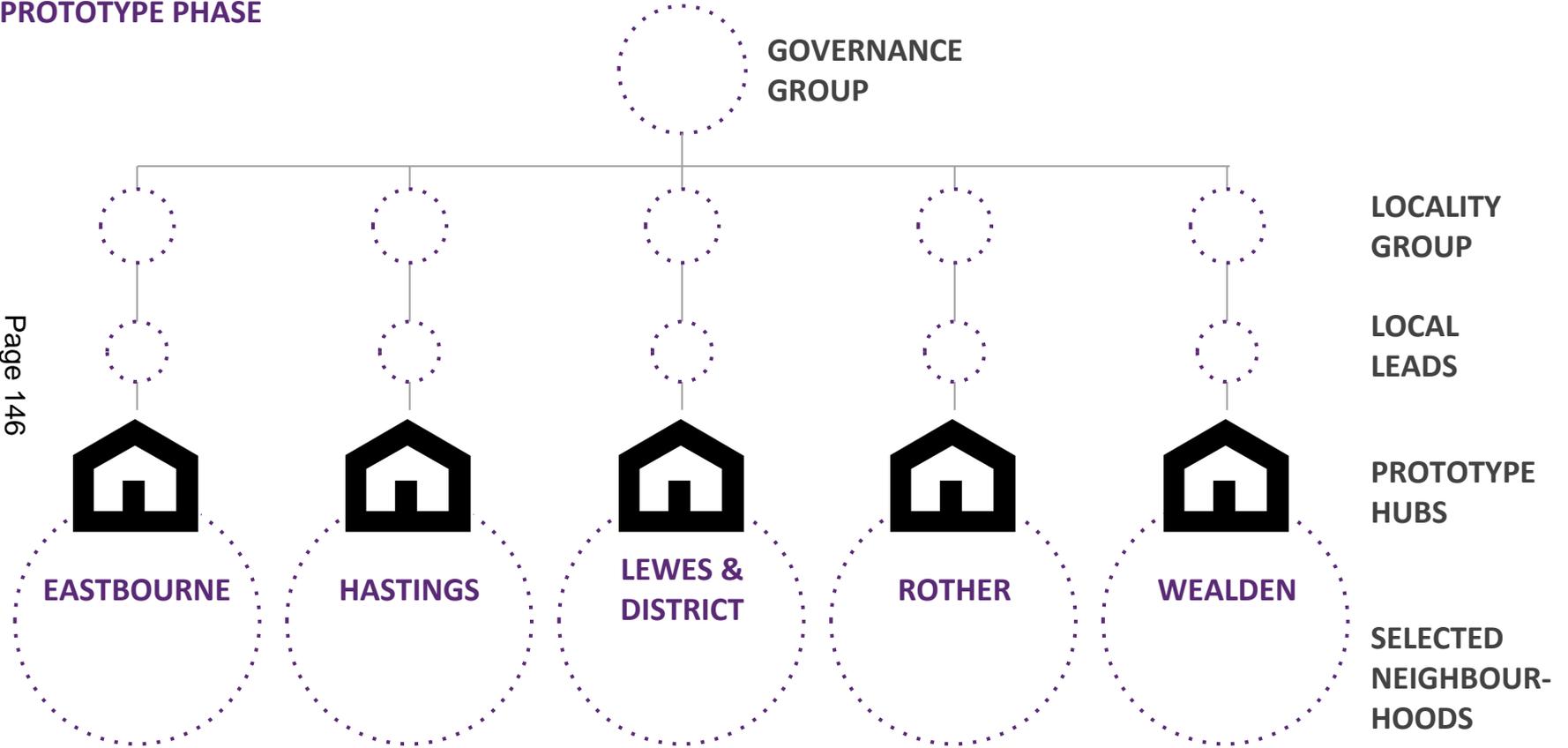
These hubs could represent a useful starting point, along with additional selected sites in other parts of the county.

The prototyping phase might take up to a year to set up - to create a collaborative governance group, to map existing hubs and understand how they work, to identify new potential hub sites and contract with existing ones and then for activity to start. Evaluation would need to be based on learning as opposed to performance and it might take another year for enough learning to inform next steps. However, the expectation is that this learning would enable the selection and implementation of further sites, prioritised by level of need.

Rural communities with populations spread over a greater area represent a different challenge - one that might require a radically different solution, such as the mobile hub option demonstrated by the Rural Coffee Caravan in Suffolk that has recently been replicated in Kent.

PROTOTYPE PHASE

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**FULL ROLLOUT
(ACROSS ALL 5 DISTRICTS & BOROUGHES)**



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Management options

Initially, the overall management of the model will sit with a team within the county council. This team will be made up of people from Public Health, Adult Social Care, Children's Services, Communities and Property with accountability held by the Exec. Director of Adults & Health.

This team will recruit a Governance Group made up of partners from Partnership Plus, VSCE Alliance, health partners and district and borough councils.

This group might form localised subgroups (labelled on the diagram as a locality group). In the prototyping phase this grouping may not be necessary, but as a wider rollout of hubs takes place localised insight and learning will become more necessary.

Each hub will be managed by an operating organisation

(labelled 'local leads' in the diagram) - typically a voluntary sector organisation or a smaller community organisation. The contractual arrangement should be less like a typical commissioning contract and more of a partnership agreement, with testing, learning and iterating built in. This partnership agreement should run for a long enough period to allow for long term planning (5+ years). Those leading existing hubs should be invited to share their experience and help shape plans or be invited into partnership.

Each hub will need it's own staffing arrangement, with team members being employed by the operating organisation. Funding should support the recruitment and development of high quality team members and enable them to take time to learn and share with their peers. The goal should be to supplement paid staff with volunteers over time.

Longer terms ideas for governance

After the prototyping phase and as the rollout progresses towards a more substantial network of hubs it might be appropriate to consider the formation of an independent entity to take the place of the governance group.

A Community Interest Company might be a suitable vehicle. Gloucester City Council established Gloucester Community Building Collective CIC after a successful community building pilot project. The CIC has senior officers on the board and has expanded the number of Community Builders working across the city to better connect residents in their communities.

This option would enable the Council to continue to actively drive and support the hub network with key partners playing an active role. All assets would need to be used to benefit the community and the CIC would be able to bid for external sources of funding which are not available to the Council.

CICs are limited companies which operate to provide a benefit to the community they serve. They are constituted with a membership and a board of directors, who govern the company to meet the needs of the members.

They are overseen by the CIC Regulator which is responsible for ensuring that the work undertaken by CICs is of benefit to the community. CICs are subject to an 'asset lock' which ensures that assets are retained within the company to support its activities or otherwise used to benefit the community.

Working together

In the workshop on January 27th system partners explored how they would need to work together in order to achieve their ambitions, which we have taken as a starting point for the ideas within this report:

COMMITTING TO THE LONG-TERM & RELEASING RESOURCES

- Develop business/governance models that have commitments from the public sector baked in, including support for using council owned land/buildings and favourable rules/planning policy to help communities use available spaces. Asset transfer could be key so that energy and activity can focus on delivering benefits.
- Use the vision developed in the workshop to create a jointly owned programme. Needs resources to ensure that it is able to be sustained. Accept that developing the programme will take time.

- For a true partnership we need to commit to working out how the money side of things can work for all parties and recognise the power imbalance that can be created through commissioned relationships.

SHARING RESPONSIBILITY & POWER

- We need to work together as a 'whole system', with VCSE organisations enabled to act as equal partners with an equal part to play in governance and development of the programme.
- Perhaps a steering group could be formed, to bring together all partners to develop a focused set of objectives and a clear collective rationale that enables all to set aside organisational differences.
- Clear and equitable partnership agreement would enable joint efforts between organisations to secure funding for development.

JOINING THINGS UP

- We need to be more joined up and overcome the fragmentation caused by our organisational boundaries. Services should be accessible conveniently in one place, no matter who's funding/delivering it.
- Joint ownership of all issues, with shared responsibility to solve problems, will be needed. Which will require partners to develop their understanding of each others' different positions.
- We will need to keep communicating with each other, across geography and areas of need (and national drivers / funded innovations - e.g family hubs).
- We should try to identify funding that can integrate wider strategy/policy areas.

BUILDING ON EXPERIENCE

- There are a lot of community venues and activities in the county. We need to know what's out there - what's available, where, for who - so we can signpost, learn and not duplicate.

- Existing hubs/venues in an area could build relationships to ensure that they collectively offer communities a whole suite of services/activities in collaboration rather than competition.
- Each existing community hub is a valuable resource. We should link them together so they can share and learn from each other - and support the development of new hubs.

DEVELOPING A NEW MINDSET

- To work together in this way will need a concerted effort. We will need to be flexible and open to new ways of working. We will need to keep networking, having open conversations and being open to new ideas.
- We'll need to disseminate and support this shift of mindset to staff.
- We need to recognise it can be challenging to deliver work when constantly looking for funds and find ways to longer term financial stability.

EMPOWERING COMMUNITIES

- We should let a thousand flowers bloom - the county can provide support and resources, enabling things to flourish at the neighbourhood level.
- It's important to support different groups and clubs within a community to meet and support each other and share resources and assets.
- We need to understand local need and support communities to be active in the way they want to be - join together as equal partners to support the needs of the people each hub would serve.

Financial benefit

The hub model should be understood as an upstream or early intervention approach, with the aim of supporting the capacity of the community to help itself and providing some specialist support where necessary. By working effectively at a community level the goal is to reduce demand for more costly downstream services in the future.

Research carried out at the Harlesden Hub in March 2018 observed that the hub was helping people to solve simple but pressing problems on the spot, solve more complicated and entrenched problems, address other issues beyond that which people first present with (and that they may not have thought to address) - as well as connecting with other people and participating more in community life.

Data from the same research shows that the key areas of

support are benefits, money, housing and homelessness, employment and general support / form filling.

The community building aspect will have less focused goals. However, the ABCD programme 'Making It Happen' should give good indications of the impact of this kind of activity on particular neighbourhoods - and with it an indicator of what to expect in the neighbourhoods served by the hubs.

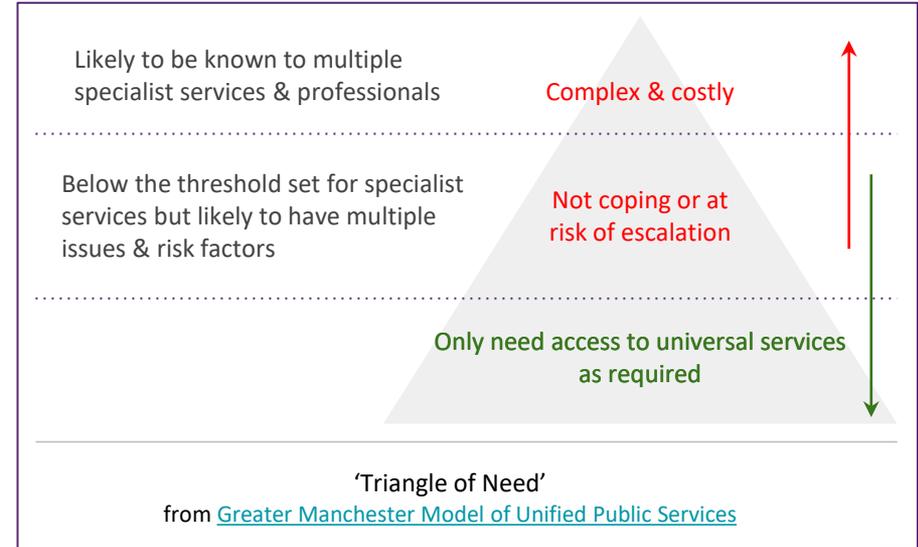
Example: GMCA

GMCA have developed the 'triangle of need' model to help them understand, and better respond to, both demand on services and need from a person's perspective.

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The diagram shows three broad categories that individuals and families may fall into, and can move across, in the context of needs presented to public services.

Analysis shows that the majority (40-60%) of demand for public services is from those individuals/families in the middle of the triangle. They require more help than that provided by universal services but do not necessarily meet the thresholds set for specialist or acute services, often 'bouncing around the system', always on the edge of crisis but never quite getting the help they need from the traditional public service model.



Community hubs could play a key role in building a community's capacity to help each other to move/stay down the triangle, and provide specialist support where necessary. Cost benefits of various types of support are shown overleaf.

Support need	Potential cost benefit (Source: Greater Manchester New Economy Model)
<p>Benefits Housing Benefits and Council Tax Support – support with managing accounts, change in circumstances, including financial inclusion advice.</p>	<p>Not dealing with these issues early can lead to escalation of issues and potential risk of rent arrears or eviction. Incident costs are outlined under housing and homelessness below.</p>
<p>Housing & homelessness Housing needs, repairs, issues with landlords, risk of eviction and homelessness</p>	<ul style="list-style-type: none"> ● Average fiscal cost of a complex eviction: £7,276 per incident ● Homelessness advice and support – cost of homelessness prevention / housing options scheme: £699 per scheme ● Homelessness application – average one-off and ongoing costs associated with statutory homelessness: £2,724 per application
<p>Employment Support with setting up an email account, job search, CV writing, support into work</p>	<ul style="list-style-type: none"> ● Fiscal and economic benefits from a workless claimant entering work - JSA £10,321 per claimant per year ● Fiscal and economic benefits from a workless claimant entering work - ESA £9,091 per claimant per year ● Fiscal and economic benefits from a workless claimant entering work – Income Support £7,972 per claimant per year
<p>General support / form filling Support with reading letters and completing forms</p>	<ul style="list-style-type: none"> ● This could cover a range of areas e.g. missed medical appointments: £114 per appointment

Example: measuring the benefits of ABCD in Leeds

Leeds City Council has put significant efforts into proliferating ABCD across the city. Third sector organisations, funded by LCC, employ community builders who work with neighbourhoods to uncover and develop pre-existing assets, strengths and connections between people. Their aim is to help neighbourhoods to thrive by bringing people together and improving their health and wellbeing.

A study by Leeds Beckett University, commissioned by LCC, was conducted over a two-year period and looked at the functionality of the ABCD approach and its ability to be implemented in a wide range of communities both across Leeds and nationally.

It looked at how the ABCD model worked in practice evaluating the impact of three positive outcomes: people having good friends, individuals and organisations becoming better connected, and communities identifying and working together to bring about the changes they want to see.

The pilot study was conducted on two pathfinder sites, at differing stages of development. The estimated SROI (Social Return on Investment) value for the more established site is within the range of £5.27 - £14.02 for every £1 invested. A social value was also calculated for three individuals, with estimated results varying from between £7,025 to £30,502 per individual.

Key outcomes for communities included:

- Increased friendships and stronger social connections
- Neighbourliness – lots of volunteers stepping up
- Local groups forming and blooming – generating new social activities
- Community Builders connecting with people who they were not in touch with before
- Natural progression as groups grew. Outcomes for residents included increased self-worth, a sense of belonging and reduced social isolation.

The importance of buildings

A suitable building is at the heart of each hub's success. Existing hubs have made good use of repurposed hotels, pubs, church halls and redundant retail space.

As shown overleaf ownership of the building is central to the financial sustainability of a hub, providing not only revenue from hire but also collateral for investment.

In many cases communities have come together to buy assets through community share offers. This often galvanises people to see themselves as part of a community and kickstarts the momentum needed once the asset is bought and an operating organisation needs to form to manage it.

In the case of this network of hubs the role of the councils in providing buildings needs to be clarified. In Redbridge,

for example, the community hubs programme has been driven from a property perspective. The need to rationalise the maintenance requirement for old, no longer fit for purpose buildings, initiated a programme to identify appropriate sites for new build hubs and engage with communities to define their purpose.

Barking & Dagenham are using s106 and CIL funds to provide community space in new developments and many other councils are using the Asset Transfer mechanism to divest costly and/or redundant buildings, while also ensuring they remain for the benefit of the community.

The property management team of the county council and district and borough councils should be engaged early to identify possible properties and work through the options for transfer.

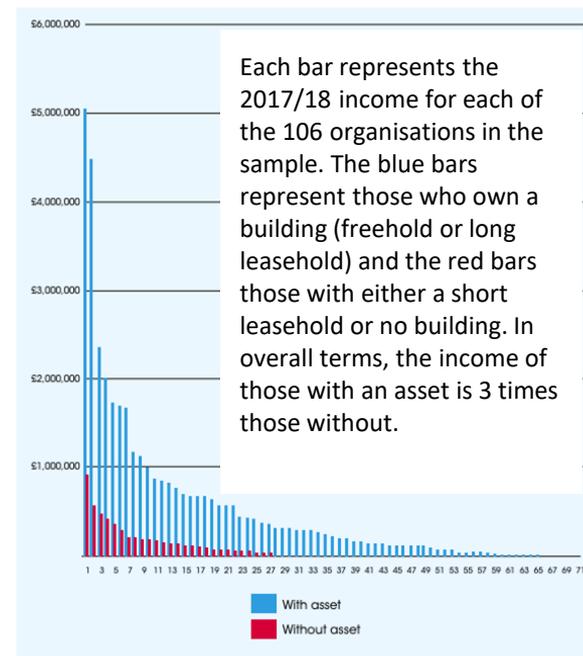
The benefits of asset ownership

“Asset ownership, when successfully accomplished, can strengthen the balance sheet of an organisation, increasing long-term resilience and providing a buffer against future shocks. It can also provide collateral to attract investment for future growth.

Moreover, successful asset ownership can help to grow confidence, changing the relationship with other organisations and institutions in the area, and building a collective sense of pride within a community.

Across the accounts sample, 72 organisations (67%) had ownership of at least one community building. For the purposes of this analysis, ownership means either freehold or a long leasehold (at least 25 years). As can be seen from the chart below, the income level of those who own such an asset is three times of those who do not. This is in part because the building can generate income from rents and room hire, but also because long-term ownership of a building increases the capacity and ability to plan for and deliver contracts and wider services.”

Income for 2017/18 Shown by whether a community hub owns a building (freehold or long leasehold)



From: Community hubs - Understanding survival and success, Power to Change & Local Trust

Recommendations

Suggested next steps to bring the vision to life

Recommendation 1:

Recruit a Collaborative Governance Group made up of partners from Partnership Plus, VSCE Alliance, health partners and district and borough councils.

Why should we do this?

- Our research and engagement activities has surfaced a significant number of existing hubs in different locations across the county. Often these were previously unknown to the people we have been working with.
- A programme of new hubs that doesn't take account of what's there already runs the risk of duplicating resources and alienating the organisations and communities running and benefiting from these hubs.
- Mapping existing hubs will enable a wise use of resources, identify opportunities to learn from, and potentially partner with successful hubs, as well as spotting any gaps in provision.
- Our recommendations for tackling loneliness include assessing social infrastructure in key neighbourhoods to identify gaps, overlaps and best practice. This mapping exercise could form a starting point for the wider assessment.

CONSIDERATIONS

- Many of the existing hubs are operated by VCSE organisations likely to be recruited into the Governance Group. This may enable access to financial information useful to modelling costs for any new hubs,
- These hubs could provide useful bases for the advice and support offer, enabling current operators to extend the value of the hub to the community alongside earning additional revenue for hosting the service.

Recommendation 2:

Establish an interdisciplinary delivery group with representation from Public Health, Adult Social Care, Children's Services, Communities and Property with accountability held by the Exec. Director of Adults & Health.

Why should we do this?

- Community wellbeing is a cross-cutting issue that goes beyond the remit of an individual directorate to successfully reshape.
- In our Loneliness Insights report we identified how legitimate decisions made about asset disposal, transport, housing and the built environment can directly contradict investments and efforts being made by colleagues in other departments.
- The ability of community hubs to have a positive impact on community wellbeing within specific neighbourhoods will be dependent on the seamlessness with which they can provide a base for community connections, alongside a strong advice and support offer in an easily accessible, well-managed, affordable building.
- An interdisciplinary team is crucial to coordinating internal resources and supporting the Collaborative Governance Group.

CONSIDERATIONS

- There are many activities underway in the county that provide valuable learning opportunities for community hubs. In particular, Asset Based Community Development, Age Friendly Communities, the HAIRE project and social prescribing all share an asset-based, participatory approach to building connections within and between communities.
- As a focal point for connecting communities the hubs could become platforms from which these activities and others like them could be delivered.
- This will require greater internal connectivity to spread awareness of related initiatives.

Recommendation 3:

Undertake a mapping exercise to understand the number and nature of existing hubs, which communities they serve and how.

Why should we do this?

- A key feature of the successful pandemic response was the collaboration across the system to ensure that no-one was left behind. This has created a model for a way of working that cuts across organisational boundaries and enables a collective contribution to achieve better outcomes for residents.
- The delivery of a network of community hubs presents an opportunity to further develop this model and build relationships between different parts of the system.
- The VCSE holds the closest relationships with communities, meaning they hold invaluable insight and experience from which to build a localised hubs approach, that can also house a core advice and support service. Working together across the system to define and test this combined offer holds a higher likelihood of success than a more transactional approach.

CONSIDERATIONS

- Traditionally a programme like this might be owned and run by the local authority with a VCSE partner commissioned to deliver a hub as a service. However, this assumes that there is a known specification against which the partner would deliver and be evaluated. As the specification is as yet unknown, a prototyping approach would require a learning partnership between the different parties, and a different kind of commissioning relationship.

Recommendation 4:

Define a core offer for advice and support to be delivered from hubs.

Why should we do this?

- Although it's crucial that each hub hosts connecting activities that are bespoke to the needs and assets of the local neighbourhood, a core offer of advice and support offer will also be critical to their success. This will ensure that a consistent level of access to advice is offered from each hub and that those needing further support can be triaged into any part of the system.
- This is a service that could be delivered by a VCSE partner, perhaps with the help of volunteers recruited from local areas. For example, a VCSE organisation could manage the hub as a 'local lead' with the advice offer being delivered by a voluntary organisation such as the local CAB.

Recommendation 5:

Page 168 Use data and local insight to identify one neighbourhood in each District and Borough that would most benefit from a community hub.

Why should we do this?

- For the prototyping phase one neighbourhood in each District and Borough needs to be identified as a good test location for a community hub.
- Data insight could be used to find neighbourhoods where there is a high level of demand for multiple services. This could be qualified by local partners who understand the stories behind the numbers.
- Overlaying the results of the mapping exercise would enable the identification of existing hubs that are sited in neighbourhoods of interest. These hubs could then be approached to assess whether a partnership may be possible.
- If no hubs exist in neighbourhoods of interest then a new hub might be appropriate - in which case a suitable building would need to be identified, along with an operating organisation.

CONSIDERATIONS

- The data insight exercise could help set a benchmark against which changes overtime could be judged to get a sense of what impact the hub is having.

Recommendation 6:

Recruit Local Leads to develop a prototype hub in each location - either as extension of an existing hub, or a new one, depending on results of mapping exercise.

Why should we do this?

- Each hub will need to be managed by an organisation with close connections to the local community and the ability to take an ABCD approach to building relationships. Hubs should not be run by a public sector organisation, as then they will be too firmly focused on services to fulfil the ambitions set out above.
- Local Leads could be small community organisations or larger VCSE partners. They should not be for-profit companies.
- Each prototype hub will probably develop differently, according to whether it's a partnership with an existing hub or the development of a new one. They will also run to different timetables. However, they should follow a similar approach and be open to learning from each other and from the governance group. This will enable the collective learning that will drive a successful rollout.

Recommendation 7:

Create learning & evaluation framework and bring together Local Leads to share learning on monthly basis.

Why should we do this?

- As identified in our recommendations for tackling loneliness, complex, cross-cutting issues like community wellbeing are influenced by many actors and factors outside the control of the system partners. In this context it is not possible to specify exactly what will be successful in each location so ongoing, shared learning opportunities will be central to the ability of the Local Leads to adapt and improve their practice.
- Forming partnership relationships with the Local Leads, rather than transactional commissioned relationships will encourage the Leads to collaborate with each other, rather than compete. This will help them develop a shared learning framework, benchmarks and evaluation criteria. These can then be used to inform future iterations and wider rollout of the network of hubs.

CONSIDERATIONS

- The Liverpool City Region Combined Authority (CA) took a learning approach to developing their Housing First pilot across the city region. How this works is detailed in [this case study](#).

Recommendation 8:

Review and iterate until ready to rollout to additional neighbourhoods.

Why should we do this?

- The end goal is to have a county-wide network of community hubs, serving those neighbourhoods most in need.
- Creating a collaborative governance structure and working with local partners to develop both a core and localised offer is not something the council has done before. Therefore framing the first phase as a prototype and basing the whole approach on collective learning and iteration is crucial to getting to the point where a wider rollout will be possible.

CONSIDERATIONS

- This approach will take time, which should be baked in to the understanding and expectations of those in power.
- This is likely to be a very different way of delivering a programme of work so will need to be protected and supported as the organisation adapts.

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Appendix 1:

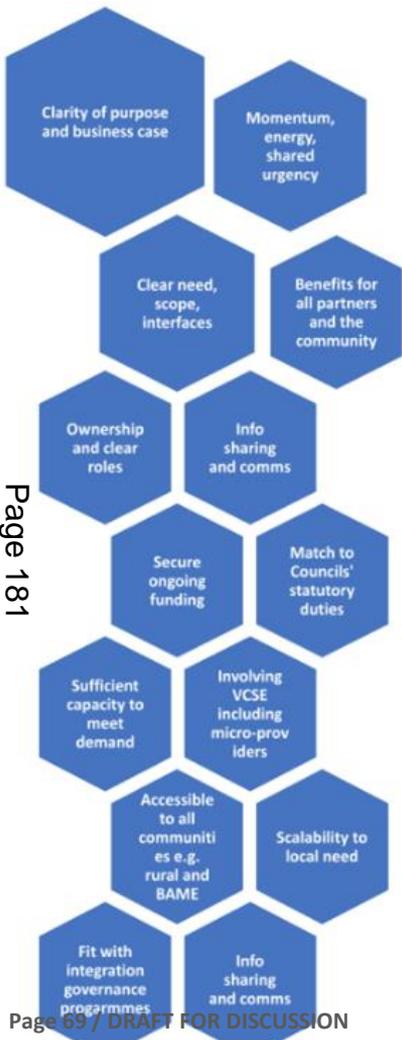
What was learned about community hubs from the pandemic response?

East Sussex Community Hubs ethos:

‘Somewhere you go for help’

‘No-one left on their own’

‘No wrong door’



Critical success factors for sustainable Community Hubs

Clarity of Community Hubs' purpose, based on need, was most frequently raised as critical in all discussions. It was followed by momentum and clarifying how hubs relate to other parts of the system.

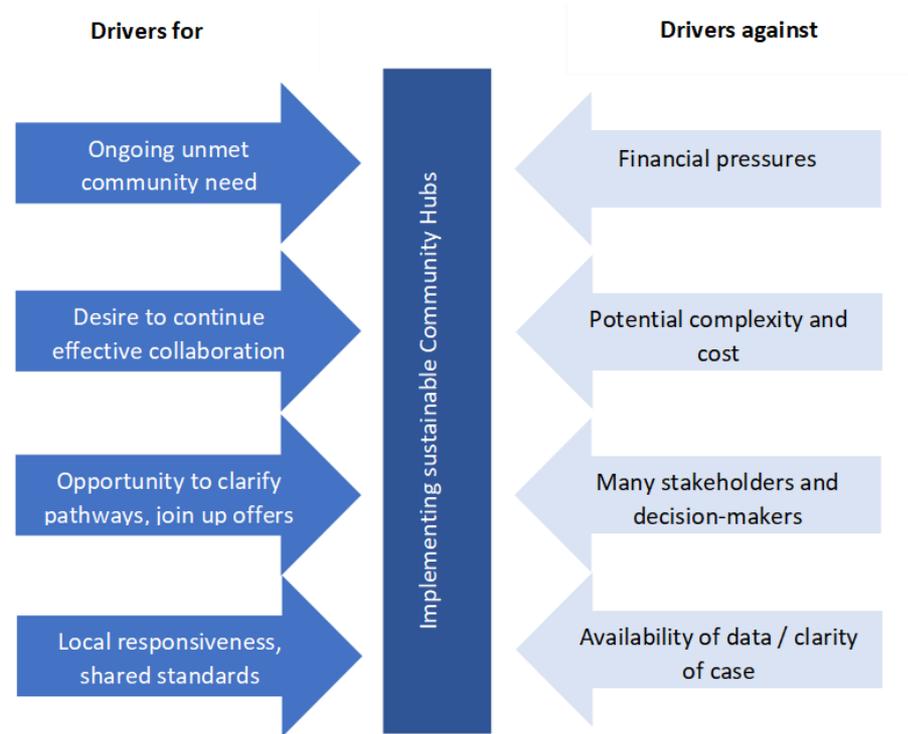
1. Clarity of purpose & business case
2. Momentum, energy & shared purpose
3. Clear need, scope, interfaces
4. Benefits for all partners & community
5. Ownership & clear roles
6. Info sharing & comms
7. Secure ongoing funding
8. Match to councils' statutory duties
9. Sufficient capacity to meet demand
10. Involving VCSE, including micro-providers

From: Summary of Community Hubs Initial Discussions, June 2020

Drivers for and against sustainable Community Hubs

Responding to community need which is below statutory levels, but has been exacerbated by the pandemic, was seen as a key driver for action. The challenging financial outlook for all partners in the medium term was the strongest driver against sustainable Community Hubs.

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From: Summary of Community Hubs Initial Discussions, June 2020

What to take forward into next phase

- Ways of working - partnership & collaboration
- Ethos & clarity of purpose
- Consistency of core offer, with flexibility to respond to local needs
- Engagement with communities, co-design baked in
- Mobilisation and support of volunteers
- Awareness and respect for what's already there

Appendix 2:

Examples of different types of community hub from elsewhere

Brent hubs

Successful pilot in Harlesden led to a network of 6 hubs developed around existing locations, mainly libraries. Focus is on making it as easy as possible for people to get the help they need when they need it.

Designed as safe and welcoming spaces, hubs have shown that, where there's local expertise available, the council doesn't always need to be the main service provider. Instead, they aim to create the environment that helps residents find the right support from those best placed to offer it.

- Core support offer defined alongside CAB: housing advice, employment support, money management, wellbeing, benefits, food bank access, digital inclusion etc
- Hubs offer space for local organisations, voluntary and community sector services to work together under one roof and provide a more localised service.
- Each hub is designed to respond to local needs, building on a common set of core components:
 - A clear governance structure with community leadership
 - A core offer of advice
 - Access to a range of information, support and guidance
 - A community space and a programme of community activities

From: <https://democracy.brent.gov.uk/>

1

- Instigated and operated by council
- Co-located multi-agency & VCSE services
- Some space for community orgs
- Some social space



Also prototyping alternative specialist hub models:

- **Domestic Abuse Hub**
access to domestic abuse support and services in one place, operating once a week as a drop in.
- **Family Hub**
Multi-agency & community support for young people on the edge of care and their families. Building on work of children's centres.
- **Central Middlesex Hospital Community Hub**
Hub within a health setting offering support and advice for patients, family and friends, visitors to the hospital, staff and local people.

Aberlour Community Hub

Aberlour Child Care Trust is a Scottish charity offering support and services to children, young people and families, including those affected by parental substance misuse in Dumfries and Galloway.

- Community Hub in North West Dumfries opened after 18 months of community engagement
- Secured on a low-cost short-term lease with Dumfries and Galloway Council, working towards community asset transfer.
- Hub has a community fridge and freezer, community washing machines (in partnership with Dumfries and Galloway Housing Partnership), a clothing and school uniform bank, a community library and reading support, garden space and flexible meeting/family time rooms.
- Development of hub has helped secure funding for new projects:
 - Families2gether provides transitional support for family members returning from prison
 - Communities2gether provides a Community Connector to develop the local hub and two caretakers to extend availability across evenings and weekends.

2

- Instigated & operated by charity, shaped with the community
- Commissioned activity provides / supplements public services
- Provides community facilities & social space



<https://www.humanlearning.systems/uploads/Aberlour.pdf>

Bromley by Bow Centre

The Bromley by Bow Centre in East London is a pioneering charity that combines an extensive neighbourhood hub with a set of 3 GP practices and a community research project.

The Bromley by Bow Model is based on delivering integrated support that empowers people by addressing both their health needs and their wider social needs at the same time.

- Helps people address concrete, material needs – i.e. resolving a debt, securing benefits, accessing training or ESOL classes, addressing physical health issues.
- Delivers a diverse range of projects based on a unique model that combines social entrepreneurship, the arts, learning, social support, horticulture and holistic and integrated health programmes.
- Supports families, young people and adults of all ages to learn new skills, improve their health and wellbeing, find employment and develop the confidence needed to achieve positive outcomes.

“Two years of embedded research shows two very different organisations – one a community anchor and one a partnership of GP practices – who combine a diverse offer with a shared mechanism: connection.

Connection as a mechanism is well suited to community-based approaches like Bromley by Bow because it accounts for the diverse, organic and adaptive nature of community life. Connection happens in Bromley by Bow in myriad forms. It can involve people finding their own sense of self and purpose and personal resources. Connection can involve finding others through conversation and friendship. Connection can also mean linking people into formal services, education and or the opportunity to have a sense of reciprocity and contribution.”

From: <https://www.bbbc.org.uk/>

3

- Emerged from community, developed in partnership with health service
- Joint community activity & service delivery space



Bromley by Bow Health has 26,000 registered patients at its three GP practices. The reach spreads across three wards in Tower Hamlets (population of 37,340)

Bromley by Bow Centre reaches approximately 7,500 people a year. It is based in one ward in Tower Hamlets (population of 9,354), but delivers activities across multiple London Boroughs and 20+ venues in East London.

LS14 Trust, Seacroft Hub

The LS14 Trust was set up in 2009 by a group of local people who wanted to work together to change the communities that they loved across Seacroft, Swarcliffe and Whinmoor.

- Operates from a converted office on a parade of shops in the heart of Seacroft. With the help of local tradesmen and volunteers, space has been transformed into a drop-in centre with a cafe, digital lounge, training room, hot desks, art room and roof garden. Has over 1,000 local members who live within a 3 mile radius of the centre.
- The Trust hosts one of Leeds City Council's ABCD Pathfinder sites. Leeds CC ASC deliberately targeted organisations they had little relationship with, to move as far away as possible from social care 'service land' to organisations that were rooted in communities.
- Working to the ABCD Framework (Community Builder, Community Connectors, Small Sparks funding, Asset Mapping), the Trust builds social connections within the community and supports friendships to develop.
- A wide range of new, self-sustaining groups have been established around the interests of local people - including book clubs, social groups, gardening clubs, a local market stall and a group improving cycling facilities.
- A community builder at LS14 Trust worked with a wellbeing programme to help a group of women set up a new micro enterprise.
- Leeds Council has now supported a total of 12 pathfinders sites. All use the same model to support communities to be inclusive and welcoming to all. Some have a specific focus such as supporting people with learning disabilities to be better connected to their community (Horsforth and Beeston), supporting Carers (Harehills) or supporting literacy.

4

- Emerged from and led by community org
- Primarily community activity space
- Volunteer-led & commissioned activity supplements public services



<https://forumcentral.org.uk/wp-content/uploads/2020/09/Executive-Board-Report-ABCD-Sept-2020-final-BG-1.pdf>

The Bevy Community Pub, Brighton

- A community-run pub, cooperatively-owned in the heart of Moulsecoomb in East Brighton - the only community pub on a housing estate in the whole of the UK.
- The only pub serving 18,000 residents in an area in the top 5% of deprivation in the country.
- Originally opened in 1937, it was closed after licence revoked due to anti-social behaviour. Bought through community share issue - 700+ local shareholders bought shares at £10 per share - and grants.
- Reopened five years ago - the Bevy now provides a place for people to come together for lunch clubs, dementia cafes, cooking lessons, arts and crafts sessions, family fun days, breakfast, music nights, pub quizzes, or simply for a pint and a chat.
- Work with local charities, schools and community groups to host events designed to tackle loneliness and social isolation.
- The Bevy prioritises provision of healthy, accessibly priced food in an area with considerable food poverty, providing not just nourishment but opportunities to connect.

- Emerged from and led by community
- Primarily social space
- Volunteer-led activity supplements public services
- Hosts pop-up services (e.g vaccination)



Award-winning volunteer-led 'meals on wheels' service delivered 15,000+ meals to vulnerable people throughout the pandemic.

Rural Coffee Caravan / Suffolk

Rural Coffee Caravan is a charity that helps to tackle isolation and loneliness by providing a mobile pop-up cafe and information hub, free to communities and open to all.

- Funded through grants and sponsorships from local councils, businesses, charitable foundations and individuals.
- 3 caravans, staffed by 4 employees and 50+ regular volunteers.
- 200+ village visits every year - providing all who come with a welcoming space to have conversations and make meaningful connections with their neighbours.
- Caravans carry information to support neighbours with things that are on their mind - from signposting to local support services through to other voluntary initiatives that help people build relationships and stay connected.
- Working relationships with GP practices and social prescribing services.
- Brampton, a rural Suffolk village of 500 residents had no social spaces left in the village with the pub and shop long closed - visits from RCC helped community rebuild relationships, leading to the revival of the village hall and its committee..
- Working with The Cares Family and other intergenerational projects to explore Exploring how to adapt the model to support young people in rural communities.



Model has inspired The Rural Kent Coffee and Information Project (the Coffee Caravan).

From: <https://ruralcoffeecaravan.org.uk/>

Appendix 3: Engagement participants

Thanks to all our interviewees

- Darrell Gale, East Sussex County Council
- Catherine Watson, East Sussex County Council
- Nick Skelton, East Sussex County Council
- David Plank, Wealden District Council
- Victoria Conheady, Hastings Borough Council
- Jessica Britton, NHS East Sussex Clinical Commissioning Group
- Stanley Riseborough, Sussex Partnership NHS Foundation Trust
- Neil Blanchard, Southdown
- John Routledge, East Sussex Community Voice
- Steve Manwaring, Hastings Voluntary Action
- Claire Cordell, RVA
- John Williams, 3VA
- Alan Bruzon, Citizens Advice Eastbourne
- Penny Shimmin, Sussex Community Development Association
- Steve Hare, Age UK East Sussex
- Rachel Travers, AMAZE
- Mebrak Ghebreweldi, Diversity Resource International
- Michelle Gavin, Friends, Families and Travellers
- Chris Cook, Sussex Clubs for Young People
- Seanne Sweeney and Bryn Mabey, Lewes District & Eastbourne Borough Council
- Alex Ellison & Linda Baker, East Sussex Fire & Rescue Service
- Derek Andrews, Eastbourne Rainbow
- Lucie Venables, Office of the Sussex Police & Crime Commissioner (OSPCC)

Workshop participants 27.1.22 (48)

- Adrian Barrott, Sussex Community Foundation
- Becky Marshall, Service Manager SPFT
- Ben Brown, ESCC
- Candice Miller, East Sussex CCG
- Carole Dixon
- Celia Lamden, ESCC
- Chris Cook, CEO Sussex Clubs for Young People
- Christine Henham, SPFT
- Claire Cordell, Rother Voluntary Action
- Claire Tredgett, Hastings assessment and treatment team
- David Bishop, ESCC
- Faustina Bayo, Action in rural Sussex
- Fiona Streeter, East Sussex CCG
- Gill Cameron-Waller, Wealden DC
- Glen McCready, SPFT
- Helen Bowman, ESCC
- Holly Aquilina, ESCC
- James Morton, East Sussex CCG
- Jennifer Twist, CEO Care for the Carers
- John Williams, 3VA
- Julie Neil, ESCC
- Kat Jenner, Wealden District Council
- Keith Hoare, Sussex CCG
- Kenny Mackay, ESCC
- Kevin Bottrell, Action in Rural Sussex
- Lisa Simmonds, ESCC
- Lourdes Madigasekera-Elliott, ESCC
- Mair Reardon, CAMHS
- Mark Hendriks, ESCC
- Martin Dominy, Southdown
- Michaela Richards, ESCC
- Nikki Tweedle
- Paul Rideout, ESCC
- Penny Shimmin, SCDA
- Polly Eason, Action in Rural Sussex (AirS) Housing Hub
- Rachael
- Sally Staples, ESCC
- Sara Griffith, Wealden DC
- Steven Haasz, Action in Rural Sussex
- Steve Hare, CEO Age UK East Sussex
- Steve Mainwaring, HVA
- Sue Payne, SPFT
- Teresa Blunt, East Sussex CDS SPF
- Terry Hume, ESCC
- Tom Hook, ESCC
- Tracey Rose, CEO of FSN
- Viki Ashby, East Sussex CAMHS
- Vicky Smith, ESCC

Workshop participants 28.2.22 (29)

- Adam Hodgkin, Southdown
- Ben Brown, ESCC
- Claire Cordell, RVA
- David Bishop, ESCC
- David Kemp, ESFRS
- Education Futures Trust (business manager)
- Emma Dean, ESCC
- John Routledge, East Sussex Community Voice
- John Williams, 3VA
- Laura Clarke, Eggtooth
- Lourdes Madigasekera-Elliott, ESCC
- Mark Adams, Rother DC
- Mark Hendriks, ESCC
- Martin Dominy, Southdown
- Michaela Richards, ESCC
- Ollie Jeffs, The Pelham
- Paul Rideout, ESCC
- Penny Shimmin, SCDA
- Rachel Sweeney, East Sussex Libraries
- Richard Lawless, EFT
- Sally Staples, ESCC
- Sara Griffith, Wealden District Council
- Steve Manwaring, Hastings Voluntary Action
- Teresa Blunt, East Sussex CDS SPF
- Terry Hume, ESCC
- Tom Hook, ESCC
- Tracey Rose, FSN
- Vicky Smith, ESCC
- Viki Ashby, SPFT

1) Introduction

The 'Vision for Community Hubs within East Sussex' report sets out some design principles, ambitions, a potential target audience and wellbeing factors, together with eight suggested recommendations, which overall creates a shared platform to move developments forward. This high level action plan sets out our suggested next steps in relation to the recommendations and taking forward this programme of work over the next 18 – 24 months. Discussions and feedback about the report and the next steps have highlighted that the following principles will be important to underpin the way we take forward recommendations:

- Build on the existing strengths of our communities and the leadership of our local voluntary, community and social enterprise sector organisations embedded there through continuing our shared leadership and co-design of this work
- A flexible and mixed model will be critical, spanning and strengthening virtual networks and connections as well as the wider use of existing buildings, to engage as many organisations and groups as possible and acknowledging the rural and urban nature of our county and the dispersed nature of some of our local populations.
- Creating strong referral pathways to enable streamlined access to prevention-based help and support for those who need it, and less 'hand offs' between our agencies
- Using digital and other innovations to reach and include more people, make the best use of our collective resources and reduce reliance on travelling to buildings and the associated environmental impacts
- An iterative approach to implementation will be essential and our plans set out below may change as our understanding grows with each step

	Suggested recommendation	Outline actions	Lead(s)	Timeframe
1.	Recruit a Collaborative Governance Group made up of partners from Partnership Plus, VSCE Alliance, district and borough councils and health partners	<ul style="list-style-type: none"> • Seek final endorsement from Borough and District Councils to the Community Hubs Vision report, recommendations and suggested next steps • Seek final endorsement from Partnership Plus Executive to the Community Hubs Vision report, recommendations and next steps • Establish a governance group (or adapt an existing group) • Recruit dedicated Programme Manager 	Director of Adult Social Care and Health	July - September 2022
2.	Establish an interdisciplinary group (within ESCC) to support delivery with representation from Public Health, Adult Social Care,	<ul style="list-style-type: none"> • Seek final endorsement from ESCC to the Community Hubs Vision report, recommendations and suggested next steps 	Director of Adult Social Care and Health	July – September 2022

	Children's Services, Communities and Property with accountability held by the Director of Adult Social Care and Health.	<ul style="list-style-type: none"> • Convene internal cross-departmental group to ensure appropriate coordination of Council resources to support the Collaborative Governance Group 		
3.	Undertake a mapping exercise to understand the number and nature of existing hubs, which communities they serve and how.	<ul style="list-style-type: none"> • Induct Programme Manager • Agree definitions and define key lines of enquiry for the mapping exercise, taking account of the rural and urban nature of the county and the role of networks • Design and initiate mapping exercise that takes account of the rural and urban nature of the county 	Collaborative Governance Group	October – December 2022 (to be confirmed)
4.	Define a core offer for advice and support to be delivered from hubs.	<ul style="list-style-type: none"> • Analyse outcomes of mapping exercise • Use data and insight to develop and agree a shared business case for the core 'menu' of advice and support services, investment required and expected benefits • Ensure alignment with: <ul style="list-style-type: none"> ○ Family Hubs development ○ Locality and neighbourhood working developments (health and care integration) ○ The Making It Happen programme - evaluation of approaches to Asset Based Community Development ○ Key VCSE infrastructure and service commissioning 	Collaborative Governance Group	January – March 2023 (to be confirmed)
5.	Use data and local insight to identify one neighbourhood in each District and Borough that would most benefit from a community hub			
6.	Recruit Local Leads to develop a prototype hub in each location - either as extension of an existing hub, or a new one, depending on results of mapping exercise	<ul style="list-style-type: none"> • Design recruitment and selection process for the five prototype hubs • Implementation and mobilisation phase • Design shared learning and evaluation framework 	Collaborative Governance Group	April – September 2023 (detailed milestones to be developed)
7.	Create learning & evaluation framework and bring together Local Leads to share learning on monthly basis.	<ul style="list-style-type: none"> • Implement shared learning and evaluation framework • Develop shared benchmarks and evaluation criteria 	Collaborative Governance Group	October 2023 – March 2024 (milestones to be developed)
8.	Review and iterate until ready to roll out to additional neighbourhoods.	<ul style="list-style-type: none"> • Phase two: Review and refresh goals and implement lessons learnt from phase one roll out 	Collaborative Governance Group	2024-25 (milestones to be developed)

Appendix 3

Community hubs arrangements and vision summary

The Collaborate report sets out different types of Community Hubs that exist in East Sussex and across the country which can include the following arrangements:

- Operating from buildings, from which multi-purpose, community-led services are delivered.
- Host other partners and provide access to public services, offering an efficient and effective use of resources.
- Offer a good use of local assets, and the model can help to underpin an enterprising and resilient community organisation.
- Provide services for the community, but also by the community. Local people are involved in making decisions about how services are run, how buildings are managed, and also support delivery through volunteering
- Typically, community hubs are run and managed by a dedicated community organisation, but in other instances they may be owned or managed by a public agency such as a housing association, or local authority but with substantial input and influence from the community.

The original engagement activity was seeking to develop a jointly shared 'vision' for Community Hubs within East Sussex. This vision is set out in a number of ways within the discussion report, through the design principles, ambitions, target audience and wellbeing factors, in summary:

Design principles (page 18)	Ambition (pages 19 – 21)
<ul style="list-style-type: none">• Core components, local flexibility• Community engagement• Co-location and partnership working	<ul style="list-style-type: none">• No-one left behind• Long-term relationships• Welcoming to all• Financially stable• Empowering• Build on what's already there• Accessible• Seamless

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Report to:	Cabinet
Date of meeting:	29 September 2022
By:	Director of Communities, Economy and Transport
Title:	Draft response to Transport for the South East's (TfSE) Strategic Investment Plan (SIP)
Purpose:	To advise Cabinet of the County Council's response to TfSE's consultation on their draft SIP.

RECOMMENDATION:

Cabinet is requested to consider and approve the County Council's draft proposed response to the TfSE consultation on their draft SIP as out in paragraphs 2.11 – 2.28.

1 Background Information

Establishment of TfSE

1.1 Transport for the South East (TfSE) is the Sub-national Transport Body (STB) for the South East of England. Established in 2017, TfSE is made up of 16 local transport authorities (including Brighton and Hove, East Sussex, Hampshire, Isle of Wight, Kent, Medway, Portsmouth, Southampton, Surrey, and West Sussex and the six unitary authorities of Berkshire) five local enterprise partnerships (LEPs) plus representatives of district & borough authorities, protected landscapes, and national delivery agencies such as Network Rail and National Highways (formerly Highways England).

1.2 Its purpose is to determine the transport infrastructure needs required to boost the region's economy and to communicate these priorities and the case for investment in the South East with 'one voice' to government.

TfSE Transport Strategy

1.3 The work of TfSE was launched with an initial focus on the development of an ambitious Transport Strategy. The County Council alongside other local authorities and key partners were critical in providing input into the development of this and it was published in summer 2020 - [TfSE-transport-strategy-Summary-Document.pdf \(transportforthesoutheast.org.uk\)](#).

1.4 The Strategy sets out a shared vision for a 'better connected, more prosperous and a more sustainable South East by 2050'. The vision is underpinned by three strategic goals:

- Environment – protect and enhance the South East's unique natural and historic environment including reducing carbon emission to net zero by 2050 at the latest
- Social – improve health, safety, wellbeing, quality of life and access to opportunities for everyone
- Economic – improve productivity and attract investment to grow our economy and better compete in the global marketplace

Area and thematic based studies

1.5 Following the adoption of their Transport Strategy, TfSE have undertaken a series of geographic based studies focussed on the most important economic corridors in the region alongside several thematic studies relating to Decarbonisation, Levelling Up, Rail, Bus Mass Transit & Shared Mobility, Strategic Active Travel & Micromobility and Highways. Fundamentally the outcome of the area studies and thematic studies have supported the identification of the

transport interventions in specific areas of the TfSE geography and global policy initiatives which has formed the basis for the TfSE Strategic Investment Plan (SIP).

SIP's Strategic Fit with Council Priorities

1.6 The SIP will be at the forefront of taking positive action to support several current and long-term challenges and opportunities including climate change, economic recovery and growth alongside supporting improvements to quality of life, health and wellbeing. This will provide opportunities and benefits to businesses and residents in East Sussex and the south-east, both immediately and in medium / long term future.

1.7 It will align with the County Councils' four core priorities and will influence the emerging Local Transport Plan (LTP4). It also has good synergy with the Environment Plan, the East Sussex Climate Emergency Plan, the East Sussex Whole System Healthy Weight Plan, the Local Cycling & Walking Infrastructure Plan, the Bus Service Improvement Plan, the East Sussex Growth Strategy, as well as the District & Borough Local Plans.

2 Supporting Information

Introduction

2.1 TfSE's SIP provides a framework for delivering their Transport Strategy by outlining the structure for investment in strategic transport infrastructure, services, and regulatory interventions to 2050. As set out in the legislation to establish STBs, the SIP as a regional plan is intended to provide advice to the Secretary of State for Transport on the investment priorities across the TfSE geography. This is underpinned by a robust evidence base which will also support and link to partner's own local strategies and plans such as Local Transport Plans.

2.2 The SIP is supported by eight investment priorities. These comprise of four high level 'policy-based investment priorities – 'Decarbonisation & Environment; Adapting to a new normal; Levelling up left behind communities, and Regeneration & Growth' - alongside four 'transport related investment priorities - World class urban transport systems; Transforming east- west connectivity; Resilient radial corridors and Global gateways and freight'.

Investment Packages

2.3 The draft SIP outlines two types of investment packages. Firstly, the global policy interventions package which consist of national regulatory and policy activity which will be delivered across the South East such as:

- **decarbonising transport** to deliver a faster trajectory towards net-zero than current trends
- **making the cost of public transport fares more attractive** alongside ticketing integration between modes and providers
- **new mobility** such as electric bikes/scooter hire schemes in key towns and communities which are integrated with other modes
- **virtual access** to help reduce demand for transport services
- **integration across and between all modes of transport** in terms of infrastructure, services, ticketing, and accessibility
- **road user charging** as an alternative source of funding to fuel duty which will reduce from 2030 with the proposed ban on petrol/diesel vehicles being sold

2.4 Secondly there are the place-based packages of multi modal (highways, rail, mass transit/bus, active travel) interventions with three of the four area packages covering parts of East Sussex:

- **Solent and Sussex Coast** – A27/A259 and Coastway rail corridors
- **London - Sussex Coast** – M23/A23, A22, A26 and A272, and Brighton Mainline, Uckfield rail corridors
- **Kent, Medway and East Sussex** – A21, A259 east of Hastings and Marshlink rail corridors

2.5 The content of each of these packages is set out in **Appendix 1**.

2.6 The SIP highlights that the estimated total capital cost of the overall investment packages for the South East is £45 billion over 27 years. This equates to about £1.5bn a year, which is broadly in alignment with current investment levels in transport in the south east. This would deliver 21,000 additional new jobs; an additional £4bn in GVA each year by 2050 and result in a reduction of 1.4 mega tonnes of CO2 being emitted.

Funding and Financing

2.7 The TfSE SIP outlines the importance of setting out the options for funding and financing the proposed interventions over time and ensuring value for money. It recognises that this will need to be through a combination of government funds and identifying new and potentially innovative approaches.

2.8 Interventions which support strategic connectivity are largely funded through use of farebox revenues and government grants or competitive bids. These funders are facing competing priorities, national challenges, and technological change in transport which will have an impact on their ability to provide future funding. However, the SIP recognises that an element of this funding is likely to remain, especially government funding for both rail (Network Rail) and road (National Highways) and local authority grant programmes for public transport and active travel.

2.9 Considering the likely funding challenges outlined above which the SIP is recommending more innovative funding solutions will need to be explored, A wide range of beneficiaries including the business sector, education sector, and local communities across the South East will benefit from a significant uplift across the South East in productivity and employment, a reduction in environmental impacts and improvements to quality of place as referred to in section 2.6.

2.10. Therefore, TfSE is recommending that the case be explored for developing a fair and proportionate contribution from the beneficiary groups identified above. However, this will require significant partnership working with the full spectrum of these beneficiaries alongside the likely need for nationwide reform of local funding powers. This would need to involve tools to enable the monetisation of the share of the specific value that a project would deliver to beneficiary groups to either supplement government funding or eventually replace this.

County Council response to TfSE SIP consultation

2.11 TfSE's public consultation on its SIP commenced on 20 June 2022 and runs to 12 September 2022. A report will be presented to the County Council's Cabinet on 29 September with the County Council's proposed response. Given this is after the end of the consultation, the County Council's proposed consultation response will be submitted by 12 September 2022 to TfSE as an interim response which will be updated as necessary following consideration by Cabinet. TfSE have been notified of this.

2.12 The County Council response to the TfSE SIP consultation is outlined in Appendix 2. The response is summarised below:

SIP making best case possible for investing in transport infrastructure

2.13 Overall we are supportive of TfSE's SIP and we will not be suggesting any major amendments to the proposed interventions identified in the various package areas. The SIP has been developed utilising a robust technical evidence base and as one of the constituent authorities, we have had a key role in supporting its development from the outset providing input and making the case for the inclusion of interventions which will provide significant economic and regeneration benefits to our communities and places and our East Sussex residents, businesses, and visitors. Therefore, we agree that that the SIP makes the best case possible for investing in transport infrastructure in East Sussex and the wider South East.

2.14 It is important to note that the TfSE Strategy and SIP will be reflected in the forthcoming review of our Local Transport Plan and will be used to help shape our transport policies and the inclusion of strategic interventions identified within the SIP investment packages.

SIP Investment Priorities

2.15 In relation to the eight SIP's investment priorities as set out in section 2.2, we agree that they are all important either combined or individually. The four policy-based investment priorities will be critical for both the region and East Sussex in supporting the delivery of sustainable economic growth. We also recognise that there will be a need for greater urgency and emphasis on these four priorities, especially 'Decarbonisation & Environment and Levelling Up' from the outset.

2.16 Regarding the outcome-based transport priorities, our proposed response highlights the importance of these in support of the integration between transport and land use planning across the county. Whilst we agree with the priorities, we do suggest that clarification is included in the SIP in relation to the differences and inter-relationship between the initial four policy-based priorities and the four transport related investment priorities.

SIP Place Based intervention packages

2.17 We are fully supportive of the place-based packages of interventions for the Solent and Sussex Coast area and agree that the proposed interventions will deliver the priorities of the SIP. We welcome the benefits that this package will provide for East Sussex in terms of strengthening east-west connectivity, the resilience of the strategic and local highway network, supporting wider strategies to level up our coastal communities and unlock opportunities for active travel to support greater social inclusion, health, and wellbeing.

2.18 For East Sussex, we welcome the inclusion of a comprehensive solution for the A27 Lewes – Polegate alongside multi modal measures for the A259 South Coast Corridor. We also support the inclusion of Sussex Coast Mass transit from Brighton through to Newhaven alongside active travel measures. This will align with the County Councils investment plans for Bus Service Improvement Plan, which recently secured over £41m of government funding and the East Sussex Local Cycling & Walking Infrastructure Plan.

2.19 Likewise we fully support the place-based packages of interventions for the London - Sussex Coast area and agree these will deliver the priorities in the SIP. We strongly support the benefits that this will bring in providing multi modal improvements across our networks especially for rail, supporting both greater connectivity, particularly for inter urban journeys and crucially providing greater resilience. For East Sussex we welcome the measures to provide an appropriate alternative option to the Brighton mainline.

2.20 We welcome the inclusion of the Lewes-Uckfield reinstatement and the potential strategic transport hub, linking rail, bus and road, near Eastbourne in this package. Highway improvements on the A22 corridor, which forms part of the Major Road Network, and mass transit improvements combined with measures for active travel on the key corridors of movement in the Eastbourne/South Wealden area will support housing and employment growth coming forward within these areas alongside improving access and safety for more rural settlements.

2.21 We also support the place-based packages of interventions for the Kent, Medway and East Sussex area, which will especially support the SIP priority of levelling up and addressing the multiple deprivation issues of our coastal communities. Therefore, we strongly agree with the inclusion of High Speed 1 'Marshlink' Hastings, Bexhill & Eastbourne upgrade which will support levelling up the economy of these communities compared to our parts of the TfSE geography.

2.22 We also welcome the safety, community and economic benefits that this package will provide with the inclusion of the A21 safety improvements, the dualling of between Kippings Cross and Lamberhurst and the Flimwell and Hurst Green bypasses, which will remove strategic traffic away from local services, including a primary school, and reduce community severance.

2.23 The proposed inclusion of new highway interventions north of the Bexhill and Hastings area will open up place making opportunities, the promotion of active travel measures and reduce existing severance issues along the A259 coast road which traverses both settlements. Therefore, our response suggests that the active travel intervention packages for Bexhill, Hastings and

Eastbourne also includes reference to place making as well in a similar vein to settlements (Dover, Medway, Canterbury) in Kent.

2.24 We have also included an overarching comment, applicable to all packages, to request greater consideration of equalities and inclusion for people with protected characteristics during the development and delivery of infrastructure measures and interventions.

SIP Global Policy intervention package

2.25 We agree that all the global interventions possess a level of importance as they cut across the eight investment priorities. The proposed response highlights that these will be critical in enabling change, adding greater value to the delivery of the investment priorities, and potentially supporting a faster pace of delivery in achieving the strategy's vision and the SIP's potential outcomes. We also recognise that the introduction of these global policy interventions may be required at different times throughout the plan period. However, we do note these interventions may require innovative funding solutions.

2.26 Whilst the SIP is a strategic document, we have also highlighted that ongoing revenue funding will be required to incentivise and enable travel behaviour change. We have suggested that travel behaviour change is given greater prominence throughout the SIP in order to fully realise and compliment the benefits of the infrastructure, service improvements and regulatory interventions.

Costs and benefits of proposed packages

2.27 The SIP sets out the costs and benefits of the proposed packages. We agree that this has been captured adequately considering the current stage of design of the packages of interventions. However, the proposed response asks whether the impact of the Covid 19 pandemic has been factored into the assessments, that this is referenced in the SIP and suggesting that this is factored into future assessments. We also suggest that a caveat should be included within the SIP that the estimated costs are indicative and treated with caution, given the current economic conditions and the impact that this is having on the costs of scheme development and delivery.

Integrated Sustainability Appraisal

2.28 An Integrated Sustainability Appraisal has been undertaken as part of the development of the SIP, including a Strategic Environmental Assessment, Health Impact Assessment and Habitats Regulation Assessment. In the proposed response, we agree that the level of assessment undertaken is appropriate at this stage. We also welcome that this has been initiated from the outset and recognise the need for Local Transport Authorities, who are promoting schemes identified in the draft SIP, to undertake further and appropriate assessments on environment impact and equalities as they come forward. The response recognises the importance of this for East Sussex with its landscape and environmental designations, of both national and international significance.

3 Conclusion and Reasons for Recommendations

3.1 The transport and global policy interventions identified in the TfSE Strategic Investment Plan will deliver significant change in the county and support our key priorities specifically the levelling up of our communities who are most at need and importantly accelerate the delivery of the decarbonisation of transport. This will support greater strategic connectivity and resilience of our networks across the county and unlock opportunities for localised transport measures for public transport and active travel to support greater social inclusion, health, and wellbeing. As outlined in paragraph 2.13, the TfSE Strategy and SIP will also support policy development and the identification of strategic transport interventions as part of the current review of our Local Transport Plan, which will be undertaken during the next eighteen months.

3.2 Overall, the County Council is supportive of TfSE's SIP as outlined in our draft response in Appendix 2 and summarised in paragraphs 2.11 – 2.28 Cabinet is recommended to consider and

approve the County Council's draft proposed response which broadly supports the content of TfSE's SIP.

RUPERT CLUBB

Director of Communities, Economy and Transport

Contact Officer: Jon Wheeler

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LOCAL MEMBERS

All

BACKGROUND DOCUMENTS

None

Appendix 1 – TfSE SIP Investment Packages

Global Policy Interventions

The following global policy interventions are designed to address the challenges and opportunities that affect the whole of the south east and the wider UK. These include existential challenges such as global warming and opportunities such as new mobility technologies.

The key global policy interventions that would help deliver the investment priorities in the south east are:

Intervention	Measures
Decarbonisation	Involving rapid adoption of zero emission technologies to decarbonise transport
Public Transport Fares	Making the cost of public transport attractive compared to motoring
New Mobility	The use and promotion of technologies such as electric bikes and scooters to boost active travel
Road User Charging	Encourage the UK government to develop a national road user charging system. To provide an alternative source of funding to fuel duty.
Virtual Access	Provision for virtual working to reduce travel demand
Integration	Across and between all modes of transport - infrastructure, services, ticketing and accessibility.

Area based SIP Investment packages

Solent and Sussex Coast

The geographic extent of this package is from the New Forest in the west to Hastings in the east. For East Sussex it will strengthen east-west connectivity and resilience of the strategic and local highway network with the inclusion of the A27 Lewes – Polegate, improvements to the A259 South Coast Road Corridor – Eastbourne – Brighton. It will extend Mass Transit along the Sussex Coast alongside local cycling and walking infrastructure to support strategic active travel.

Solent and Sussex Coast	
Type of measure	Scheme & Location
Mass Transit	Falmer Strategic Mobility Hub
	Eastbourne/Polegate Strategic Mobility Hub
	Sussex Coast Mass Rapid Transit
	Eastbourne/ South Wealden Mass Rapid Transit
	Hastings/Bexhill Mass Rapid Transit
	A27 Falmer – Polegate Lay Bus Stop & Layby improvements
Active Travel	Sussex Coast Active Travel Enhancements – including LCWIPs
Highways	A27 East of Lewes – smaller interventions package (Roads Investment Strategy 1/2 scheme)

Solent and Sussex Coast	
Type of measure	Scheme & Location
	A27 Lewes – Polegate (Roads Investment Strategy 3 pipeline scheme)
	A259 South Coast Road Corridor – Eastbourne to Brighton (existing Major Road Network scheme)
	A27 Falmer Junction Enhancements



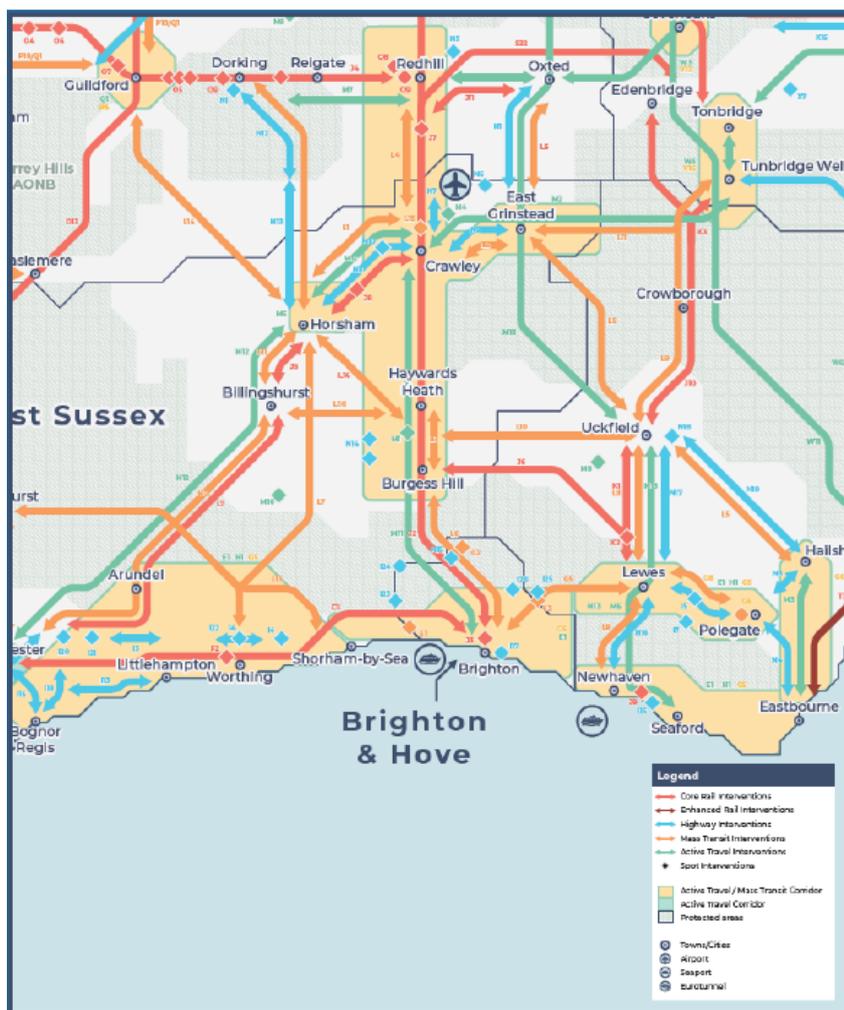
London - Sussex Coast

This package covers the key corridors between London and the Sussex Coast (from Chichester to Eastbourne) and includes five packages of interventions for this area. In East Sussex it will provide multi modal improvements across the network, supporting both greater connectivity, particularly inter urban, and crucially resilience.

Key schemes included for rail include Lewes – Uckfield reinstatement, the electrification (or other alternatives) of the Uckfield line between Uckfield and Hurst Green, and a potential strategic transport hub intercepting and linking road with rail, bus and active travel movements near Eastbourne. Highway improvements include the A22 corridor improvements in South Wealden and from Hailsham to Uckfield, and mass transit schemes on key corridors of movement. This is alongside improvements to strategic cycleways.

London – Sussex Coast	
Type of measure	Scheme & Location
Rail Package	Brighton Mainline Improvements
	East Sussex Coastway Line – faster services
	Newhaven Port – Rail freight access
	Newhaven Port Capacity and Rail Freight Interchange
	Uckfield – Hurst Green Electrification
	Uckfield – Lewes Line Re-opening – Traction and Capacity Enhancements
	Uckfield – Lewes Line Re-opening – Reconfiguration at Lewes
	Eridge – Tunbridge Wells – re-opening of railway line – commercial service
Active Travel	Eastbourne/Hailsham Local cycleways
	Lewes/Newhaven Local cycleways

London – Sussex Coast	
Type of measure	Scheme & Location
	East Sussex Inter urban cycleways
Mass Transit	A26 Corridor Lewes – Tunbridge Wells (Rural bus service enhancements)
	A26 Corridor – Newhaven area rural bus service enhancements
Highways	A22 Corridor package (existing Major Road Network scheme)
	A22 Corridor Hailsham – Uckfield
	A22 Uckfield Bypass dualling
	A2270 – A2101 Corridor Movement and access package
	A26 Lewes – Newhaven re-alignment and junction improvements
	A26 Lewes -Uckfield enhancements

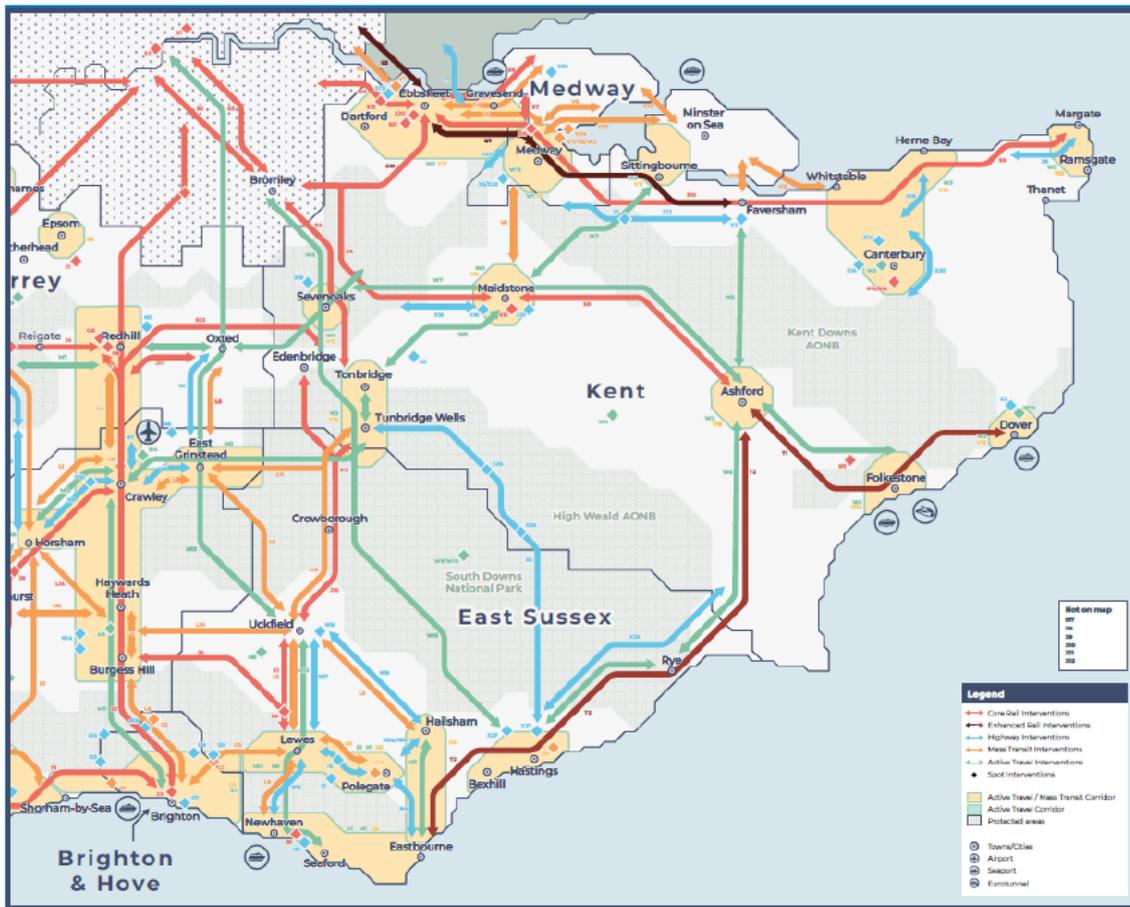


Kent, Medway and East Sussex

This area covers Kent and Medway and the Hastings and Rother areas of East Sussex. For East Sussex it sets out a multi modal approach which supports regeneration and growth and levelling up, with the inclusion of the High Speed 1 'Marshlink' Hastings, mass transit options for Bexhill and Hastings to encourage greater public transport usage. The package includes safety improvements

on the A21 corridor as well as the dualling of the road between Kippings Cross and Lamberhurst and the Flimwell and Hurst Green bypasses.

Kent, Medway and East Sussex	
Type of measure	Scheme & Location
High Speed Rail	High Speed 1/Marshlink' Hastings, Bexhill & Eastbourne upgrade
Active Travel	Faversham – Canterbury – Ashford – Hastings – NCN enhancement
	East Sussex Local Cycleways
	East Sussex Inter urban cycle ways
	Tunbridge Wells - Hastings NCN enhancement
Highways	A21 Pembury – Hastings Safety enhancements (RIS2 scheme)
	A259 Level crossing removal – east of Rye
	A21 Kippings Cross – Lamberhurst – dualling and Flimwell and Hurst Green Bypasses
	Hastings and Bexhill distributor roads



East Sussex County Council (ESCC)

(Draft) Response to the Transport for the South East (TfSE) Strategic Investment Plan (SIP)

12 September 2022

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The following response to these consultation questions will be presented to ESCC Cabinet on 29 September 2022. Therefore, subject to the outcome to Cabinet approval of our draft response, we may be required to provide further updates to our responses below.

Consultation Questions

Section 2: Investment Priorities

a) Which of the above investment priorities do you feel are important for the SIP to deliver? (Tick all that apply)

- Decarbonisation & Environment ✓
- Adapting to a New Normal ✓
- Levelling Up Left Behind Communities ✓
- Regeneration and Growth ✓
- World Class Urban Transit System ✓
- East - West Connectivity ✓
- Resilient Radial Corridor ✓
- Global Gateways and Freight ✓

b) Do you have any further comments on the SIP's investment priorities?

We agree with the inclusion of the eight investment priorities. The initial four high level 'policy-based investment priorities' are critical for the region and also East Sussex. We recognise that these provide the 'golden thread' between national, regional, and local policies and priorities and which are associated with national funding streams. We will look to incorporate these as part of the imminent update to their Local Transport Plan (LTP).

We also recognise that these investment priorities will support delivery which is aligned with a move towards an approach for 'planning for people and places' which underpins both the TfSE Transport Strategy, the SIP and future iterations of LTP's within the region. In terms of their importance, we recognise that there will be a need for greater urgency and emphasis on these four investment priorities from the outset to support the overall delivery of the SIP.

Regarding the more 'transport related investment priorities' we recognise that these are also important as they will support more outcome-based strategic investment for transport. We agree that they will significantly support the integration between transport and land use planning across the County, providing both strategic and more localised multi modal benefits particularly within our key growth areas where considerable housing and employment growth is coming forward.

Section 3: Packages of Interventions

For the purposes of data gathering and analysis, the TfSE region has been split into four geographies. Which of the following geographic areas are you most interested in? Please be aware that some local authority areas appear in more than one of the geographies and you may need to select more than one of the geographies if this is the case for your specific area of interest. Choose all that apply.

- Solent and Sussex Coast (Hampshire, Southampton, Portsmouth, Littlehampton, Worthing, Brighton, Isle of Wight) ✓
- London - Sussex Coast (Chichester to Eastbourne, Surrey, West Sussex and East Sussex excluding the Hasting Area) ✓
- Wessex Thames (Berkshire, Hampshire and Surrey)
- Kent, Medway and East Sussex (Kent, Medway, Hastings and Rother areas of East Sussex) ✓

Solent and Sussex Coast

a) To what extent do you agree that the packages of interventions for the Solent and Sussex Coast area will deliver on the priorities of the SIP?

- Definitely agree ✓
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Definitely disagree
- I'm not sure

b) Please select all of the packages for the Solent & Sussex Coast area that you feel are important in achieving the priorities of the SIP. Tick all that apply.

- South Hampshire Rail (Core)
- South Hampshire Rail (Enhanced)
- South Hampshire Mass Transit
- Isle of Wight (two Packages)
- Sussex Coast Rail ✓
- Sussex Coast Mass Transit ✓
- Sussex Coast Active Travel ✓
- Solent and Sussex Coast Highways ✓

c) Do you have any further comments on the Packages of Interventions for the Solent and Sussex Coast area?

We are fully supportive of the Solent and Sussex Coast Package as this will strengthen east-west connectivity and resilience of the strategic and local highway network from Southampton across to Eastbourne.

The inclusion of the A27 Lewes - Polegate is critical. We continue to lobby for a more comprehensive solution to come forward for this part of the strategic road network between the two towns which would support the levelling up of our coastal communities compared to our neighbours and enabling the unlocking of opportunities for sustainable transport and reducing severance for communities along the existing A27. Equally we are supportive of improvements identified for the A259 South Coast Road Corridor - Eastbourne - Brighton,

which requires a multi modal approach. This will build upon the current business case being developed for the corridor for Major Route Network funding from DfT to kickstart this approach.

We welcome the evidence at this stage to extend Sussex Coast Mass transit into East Sussex alongside Local Cycling & Walking Infrastructure (LCWIP) active travel measures. These measures will be a critical element of supporting the housing and employment growth coming forward in areas such as Eastbourne and South Wealden and provide a sensible and attractive approach towards supporting travel behaviour change towards public transport and active travel.

This will also align with the investment plans in bus priority and bus services coming forward as part of the ESCC Bus Service Improvement Plan (BSIP), which successfully secured over £41m of funding alongside a pipeline of schemes coming forward from the East Sussex LCWIP, which was approved by the County Council in September 2021.

We strongly support improvements to the urban public realm which will remove barriers to active travel, increase social inclusion, accessibility and health and wellbeing benefits. To that end, it is suggested the reference to Sussex Coast active travel enhancements (H1) is widened to include 'Placemaking' as well.

London - Sussex Coast

a) **To what extent do you agree that the packages of interventions for the London - Sussex Coast area will deliver on the priorities of the SIP?**

- **Definitely agree** ✓
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Definitely disagree
- I'm not sure

b) **Please select all the packages for the London - Sussex Coast area that you feel are important in achieving the priorities of the SIP. Tick all that apply**

- **London - Sussex Coast Rail (2 Packages)** ✓
- **London - Sussex Coast Mass Transit** ✓
- **London - Sussex Coast Active Travel** ✓
- **London - Sussex Coast Highways** ✓

c) **Do you have any further comments on the Packages of Interventions for the London - Sussex Coast area?**

We support the comprehensive London - Sussex Coast package. This provides multi modal improvements across our networks within this area of the county, supporting both greater connectivity, particularly inter urban, and crucially resilience.

We strongly support the improvements to the rail network both in and outside the county - such as improvements at East Croydon - which will benefit passengers and freight travelling within, and to/from East Sussex. We also welcome the inclusion of the Lewes - Uckfield reinstatement in the draft SIP, which would significantly increase resilience and provide an appropriate alternative option to the Brighton mainline, as well as the electrification of the Hurst Green - Uckfield section of the line. We also support the proposal for a potential strategic transport hub near Eastbourne, which opens up opportunities for intercepting

journeys into Eastbourne and its hinterland, which otherwise would be undertaken by car and moving them into either bus or rail.

Similar to the Sussex and Solent Coast package, we welcome the evidence to include both highway improvements, such as the A22 corridor improvements in South Wealden and from Hailsham to Uckfield, and mass transit schemes on key corridors of movement in the county. This will support housing and employment growth coming forward within these areas alongside improving access and safety for more rural settlements. This aligns with the bus infrastructure and service improvements coming forward as part of our BSIP.

We recognise the importance of improving the strategic cycleways within these areas of the county, which includes the 'Avenue Verte' and existing routes such as the Forest Way and Cuckoo Trail. This closely aligns with our LCWIP and the partnership with Sustrans to support improvements to the National Cycle Network which will be important to delivering this. This would provide direct safer cycling options for local journeys but also support a better-quality leisure cycling network within the region providing benefits to the local economy.

We also support improvements to the urban public realm and placemaking in the likes of Eastbourne and Newhaven which will remove barriers to active travel, increase social inclusion, accessibility reducing health inequalities and providing health and wellbeing benefits. This would build on recent and planned investment in placemaking in Eastbourne, Hailsham and Newhaven town centres through transport or economic regeneration projects. To that end, it is suggested the reference to Eastbourne/Hailsham Local Cycleways (M3) and Lewes/Newhaven Local Cycleways (M6) are widened to include 'Active Travel and Placemaking' as well.

Kent, Medway and East Sussex

a) To what extent do you agree that the packages of interventions for the Kent, Medway and East Sussex area will deliver on the priorities of the SIP?

- **Definitely agree** ✓
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Definitely disagree
- I'm not sure

b) Please select all of the packages for the Kent, Medway and East Sussex area that you feel are important in achieving the priorities of the SIP. Tick all that apply.

- **Kent, Medway, and East Sussex Classic Rail** ✓
- **Kent, Medway, and East Sussex High Speed Rail (two Packages)** ✓
- **Kent, Medway, and East Sussex Mass Transit** ✓
- **Kent, Medway, and East Sussex Active Travel** ✓
- Lower Thames Crossing
- **Kent, Medway, and East Sussex Highways** ✓

c) Do you have any further comments on the Packages of Interventions for the Kent, Medway and East Sussex area?

We are supportive of the Kent, Medway, and East Sussex area package as it sets out a multi modal approach which supports regeneration and growth and levelling up within this area of the county.

The inclusion of the High Speed 1 ‘Marshlink’ Hastings, Bexhill & Eastbourne upgrade will provide considerable economic benefits to this area of the county, levelling up these coastal communities compared to our neighbouring authorities, with a significant reduction in journey times between Bexhill / Hastings and London which will increase the attractiveness of this part of the county to both live, work and visit. We also support the inclusion of considering mass transit options for Bexhill and Hastings to encourage greater public transport usage in and between the two towns.

From a safety perspective and to enable localised active travel measures to be brought forward we welcome the inclusion of the highway’s element of the package, particularly the A21 safety improvements, the dualling of between Kippings Cross and Lamberhurst and the Flimwell and Hurst Green bypasses, which will remove strategic traffic away from local services, including schools, and reduce community severance.

We recognise the importance of improving the strategic cycleways alongside local and inter urban cycleways to provide a cohesive and accessible network within this area of the county. Therefore, we are supportive of this element of the package as it is in alignment with the East Sussex LCWIP and the partnership with Sustrans to support improvements to the National Cycle Network.

We also support improvements to the urban public realm and placemaking in the likes of Hastings and Bexhill which will remove barriers to active travel, increase social inclusion, accessibility reducing health inequalities and providing health and wellbeing benefits. Schemes to reduce traffic on the A259 through Bexhill and Hastings enable greater placemaking opportunities to come forward in these two settlements.

Global Policy Package of Interventions

a) Which of the above Global Policy Interventions do you feel are important for the SIP to support? (Tick all that apply)

- Decarbonisation ✓
- Public Transport Fares ✓
- New Mobility ✓
- Road User Charging ✓
- Virtual Access ✓
- Integration ✓

b) Do you have any further comments on the SIP’s Global Policy Interventions?

We agree with the inclusion of the Global Policy Interventions as they cut across the eight key investment priorities, enabling change, adding greater value to the delivery of the priorities, and potentially supporting a faster pace of delivery. We appreciate that the level of impact of these may vary across the south east, depending upon whether they are delivered individually or in combination, or they may be required at different times

throughout the plan period. Therefore, they all possess a level of importance to the overall delivery of the SIP.

We particularly welcome the benefits that these interventions will provide in reducing carbon emissions, but note that many of these interventions will require, particularly local authorities, to adopt a policy of travel demand management. They may also require innovative funding solutions and certainly ongoing revenue funding to incentivise travel behaviour change. Therefore, it is suggested that this is identified more clearly in the SIP.

Section 4: Benefits and Costs

a) Do you think that the SIP captures the benefits and costs of the proposed packages of interventions adequately? Choose any one option.

- Yes ✓
- No

b) Please explain your answer to the above question here.

We agree that the SIP demonstrates that robust assessments have been undertaken to capture an appropriate level of benefits and costs, when considering the current stage of design of the packages of interventions. Notably the assessments to determine the costs and benefits have been developed through the utilisation of a transport and land use model which has specifically been developed for TfSE's Strategy and SIP.

This model does appear to be both comprehensive and robust. However, it would be helpful to understand whether the impact of the Covid 19 pandemic has been factored into the reports including changes to travel patterns, volumes of movement, and mode share. If not, we would suggest that the SIP considers including a statement that requires the respective scheme promoters - local authorities, key strategic partners such as Network Rail and National Highways, or other partners such as Sustrans and potentially TfSE itself - to consider this as part of any further modelling or assessments as schemes come forward and developed in further detail.

It is also noted that the costs of interventions have been estimated using historic project data/industry standard data and adjustments to input costs. In view of the current economic conditions and the impact that this is having on materials, scheme delivery costs, labour costs and availability and the ongoing maintenance of schemes, it is suggested that the SIP should include a much clearer caveat that partners and stakeholders should consider these estimated costs with caution and that further work would be required to refine these cost estimates (up or down) as schemes come forward and are developed in more detail.

Section 5: Delivery of the SIP

a) To what extent do you agree that, as a whole, the packages of interventions will deliver on the priorities of the SIP?

- Definitely agree ✓
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Definitely disagree

- I'm not sure

Section 6: Integrated Sustainability Appraisal and Conclusion

a) Do you have any comments on the Integrated Sustainability Appraisal?

The ISA combines several assessment processes including Strategic Environmental Assessment, Health Impact Assessment, and the Habitats Regulation Assessment. Taking into consideration the stage of the interventions identified in the SIP, we would agree that the level of assessment undertaken is appropriate.

The integrated Sustainability Appraisal is comprehensive and importantly it demonstrates that it was initiated at an early stage of the development of the SIP during the evidence base review to enable areas of concern to be identified early in the ISA process.

It clearly demonstrates that an appropriate methodology has been utilised where relevant local environmental policy was identified for each Area Study alongside relevant social, economic and transport data. We agree how this information has been used as part of a Multi-Criteria Assessment Framework (MCAF) to determine how well national and regional sustainability policies aligned with each of the interventions, and how this has supported further appraisal to inform mitigation.

We welcome the recognition, alongside the mitigation of the mechanisms required, for undertaking further assessments and appraisals as individual or packages of schemes come forward. East Sussex is covered by landscape and environmental designations, of both national and international significance, and we recognise the necessity of undertaking further assessments to either remove or reduce impacts to these environments and on our population's health as and when transport interventions identified in the SIP are developed in the county. It is acknowledged that as a high-level plan the overall SIP will have generally positive impacts on health and wellbeing.

b) Overall, to what extent do you agree that the SIP makes the best case possible for investing in transport infrastructure in the South East?

- **Definitely agree** ✓
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Definitely disagree
- I'm not sure

Additional comments

Equalities and Inclusion

We request greater reference to equalities and inclusion for people with protected characteristics during the development and delivery of infrastructure measures and interventions. It is recommended that this is referred to as early as possible within the document, but certainly in relation to the investment packages.

Travel Behaviour Change

The SIP does mention the ongoing revenue funding which will be required to incentivise and enable travel behaviour change specifically within the Global Policy Package of Interventions section. However, whilst we realise that this is a strategic document with travel behaviour change

being critical to the success of several of the interventions, it is recommended that the need for travel behaviour change is mentioned earlier in the document within the introductory section.

Consultation

Just a brief comment in regard to consultation and the opportunities to consult with young people, particularly in regard to interventions within the Global Policy Package of Interventions, focussed on smarter mobility and the influence of this on future travel and transport.

Report to	Cabinet
Date	29 September 2022
Report By	Director of Communities, Economy and Transport
Title of Report	Highways Services Re-procurement Project
Purpose of Report	To inform Cabinet of the outcomes and recommendations from the procurement stage of the Highway Services Re-procurement Project

RECOMMENDATION: Cabinet are recommended to consider the process and outcomes from the procurement stage of the Highways Services Re-procurement Project and agree to award the Highways Infrastructure Service Contract to the preferred bidder, tenderer (A).

1. Background Information

1.1 The purpose of this project is to procure a new highway maintenance contract to replace the existing contract arrangements that end on 30 April 2023. The contract is designed to enable delivery of the five service outcomes agreed by Cabinet in July 2021 included in Appendix 1.

1.2 The project has adopted the Council's Strategic Commissioning approach to determine the service and outcomes required. In January 2021 Cabinet approved the recommendations from the Outline Business Case (OBC) that had been developed from the first stage of the commissioning approach, the 'analysis' stage. This provided two options for further consideration, Option 1 – Separate Works Contract and a Separate Designer Contract or Option 2 - an Integrated Single Provider Works and Design (current Service Delivery Model).

1.3 In July 2021 Cabinet approved the recommendations from the Detailed Business Case (DBC), developed during the 'Analyse' and 'Plan' stages of the commissioning approach, to develop Option 2 - an Integrated Single Provider Model. Cabinet authorised the Director of Communities, Economy and Transport to develop the contract model and undertake the procurement process to determine the preferred tenderer to be awarded the contract (the 'do' stage of the commissioning approach).

1.4 This report summarises the contract that has been developed, the procurement process followed, the tender evaluation, the key outcomes (including affordability), the recommendation for award of a new contract, and the arrangements to be put in place to manage the new contract (changes to the client Contract Management Group).

2. Supporting Information

The Contract

2.1 Section 2 of Appendix 1 summarises the documents that form the basis of the new Highways and Infrastructure Services Contract 2023-30. The contract is an initial term of seven years (2023-30) with an optional extension of a further seven years (2030-37). Award of the extension is not mandatory; it is discretionary. A further report will be presented to Cabinet at the appropriate time prior to the decision on whether or not to utilise the extension option. This decision will need to be taken at the end of Service Year 5 (March 2028) in order to allow sufficient time for a re-procurement to take place if the extension option is not taken up. A key benefit of this approach, should an extension be awarded, is that the Council only pays out once for direct re-procurement project costs (mobilisation, demobilisation, internal procurement costs and tenderers costs); the total of these can be between £3m-£4m. In the event that the adjusted prices (extension business case) are unaffordable, the parties do not agree or the agreed performance criteria are not met, a re-procurement exercise would then need to be carried out.

2.2 The contract includes the services in section 2.4.3 of Appendix 1 and includes (1) Core Activities, priced as lump sums (fixed annual price with annual inflation uplift applied per service year), (2) improvement works commissioned as actual costs with target cost (only actual cost is paid) and (3) un-planned works as cost reimbursable actual cost works.

2.3 The contract is based on current ESCC highways policies (e.g. intervention levels) and the contract terms and conditions are based on the industry standard NEC4 Engineering and Construction Contract, modified as appropriate, with output focused specifications designed to enable delivery of the five service outcomes agreed by Cabinet in July 2021 included in Appendix 1.

2.4 The contract includes the transfer of approximately 190 of the existing contractor's staff to the new provider. The contract also includes 17 specific performance indicators, and 7 key performance indicators, with targets linked to contract payments that incentivise the contractor to deliver works for more value in order to access a potential share, generated from any saving if a required performance level is achieved. If the performance level is not exceeded there is no access to the incentive payments from the 'clients share'. In addition, poor performance entitles the Council to remove part, or all, of the contractor's share, profit or works from the contract.

2.5 The contract includes protection for timely payment of the supply chain by use of a project bank account, specific social value requirements to invest in local communities through apprenticeships and 10% of bonus share committed being delivered to local communities through resources or cash to support ambitions for their local network.

The Procurement Process

2.6 Section 3 of Appendix 1 sets out the process followed to select the preferred bidder on the basis of the Most Economically Advantageous Tender (MEAT). This included a five-stage, 19-part evaluation process using a 45% quality, 7.5% carbon, 7.5% social value and 40% price model.

2.7 The selection questionnaire (SQ) stage (Stage 1) was with 6 candidates (detailed in section 3.1.3 of Appendix 1). Following evaluation of the SQ stage, the top three highest scoring candidates were invited to submit detailed tenders (price and quality) at Stage 2. The detailed tender period (Stage 2) lasted 13 weeks, during which 301 tender clarifications were received.

2.8 Following completion of Stage 2, the project board met twice on 27 May 2022 and 10 June 2022 to determine if the project should progress to the optional Negotiation Stages 3 & 4 or Stage 5 as set out in the Instructions for Tendering (Volume 0). A decision was made to progress to Stage 5 – Tender Validation. The three tenderers were informed of the decision through the Intend tendering system on 17 June 2022.

2.9 The decision to not progress to Negotiation Stages 3 & 4 was based on members expectations around quality and any descoping compromising the achievement of the agreed service outcomes. It was also considered that a complex negotiation stage could increase the potential for the process to be subject to challenge, and the Project Board were also mindful of the risk that tenderers may recalculate prices, given the increased inflationary pressures since tenders were submitted. Finally, time pressures on the project timeline were noted and the Project Board expressed a preference not to have to extend or negotiate with the incumbent should the project timeline slip at any point.

Tender Evaluation Process

2.10 The three remaining tender submissions, from Stage 2, were assessed by dedicated independent quality and price evaluation panels from the Project Team and subject matter experts from across the Council. Evaluation of the quality submissions was undertaken against four key themes: General, Strategic, Service Delivery and Contract Management, consisting of 27 individual quality statements (Table 2, page 21 of Appendix 1) using a scoring matrix (Table 1, page 20 Appendix 1).

2.11 An evaluation of Tenderers' price submissions was undertaken against three pre-determined price evaluation models, consisting of core activities, Contractors Total of Prices (seven-year contract totals) and a fee assessment (Table 5, page 25 Appendix 1). Only the prices for core activities (lump sums) represented the actual price to be paid for services. There is no tendered schedule of rates for capital works. Any capital works that are commissioned over the contract duration will be paid for at the actual cost of works with the tenderers' fee percentage applied. Various NEC4 payment options (Target Cost, cost reimbursable or Lump Sum) will be utilised depending on the complexity of the works.

Tenderer Withdrawal

2.12 Following notification to proceed to Stage 5 – Tender Validation and not Stage 3 – Negotiation, all three Tenderers were asked to confirm that, should they be awarded a contract, they would be willing to enter into a contract based upon: the issued terms and conditions (Volume 1, Contract Data Part 1), their quality offering submitted (Volume 5) and their submitted Price offer (Volume 4).

2.13 Both Tenderer A and Tenderer B confirmed their acceptance. However, Tenderer C qualified their response, which would require an amendment to the Contract, specifically requiring the Council to take on more financial risk, underwriting the Contractor's Page 218

2.14 The Council wrote to Tenderer C setting out that their qualification meant their tender was not compliant and therefore did not pass the Stage 5 – Tender Validation. This is because the qualification would have fundamentally altered the intention of the Contract. However, Tenderer C was given the opportunity to remove their qualification unconditionally.

2.15 Tenderer C notified the Council on 19 July 2022 that they were unable to remove their qualification and therefore confirmed they would be withdrawing from the tender process. Acknowledgement of their voluntary withdrawal was sent on 20 July 2022.

2.16 The withdrawal of Tenderer C meant that the five activities (N-R) to be completed under Stage 5 Tender Validation (section 9, page 12, Appendix 1) were only completed on the remaining two compliant Tenders, from Tenderers A and B.

Stage 5 – Tender Validation Results

2.17 The final validated combined scores for quality, carbon, social value and price are shown on page 15 of Appendix 1. Tenderer A and Tenderer B were required to articulate their bids during a 45-minute presentation, 1 hour Question and Answer session and a series of interviews with a number of their proposed key people (senior management team). The initial scores from Stage 2 could be adjusted, if necessary, should the tenderer not be able to adequately address any questions raised by the Project Team.

2.18 During Stage 5, the evaluation panels satisfied themselves that the two tender submissions, for quality, carbon, social value and price had been substantiated and demonstrated by the tenderers. Consequently, there were no adjustments made to the overall evaluation scores awarded at the end of Stage 2, resulting in Tenderer A scoring the highest validated combined score of 84.8% compared to Tenderer B scoring 56.2%.

Awarding the Contract

2.19 Following the tender evaluation process, and in accordance with the criteria set out in the tender documents, it is recommended that the Highways and Infrastructure Services Contract 2023-30 is awarded to Tenderer A (a synopsis of their bid is set out in Annex 2 of Appendix 1).

2.20 Tenderer A's submission scored the highest quality score (best overall approach to service delivery), highest carbon score (most proactive carbon emission management), highest price score (lowest priced) and second highest score on social value. Of the 23 quality questions that were scored 0 to 10 marks, Tenderer A scored full marks on five occasions (the only tenderer to score 10/10), demonstrating an excellent response that exceeds the Council's requirements and a commitment to additional added value.

2.21 The overall tender response demonstrates, with a range of examples as evidence, that Tenderer A will ensure key services are delivered on time and, as a minimum, a safe and usable network is provided. In addition, the response demonstrates: transparency of prices and actual cost for planned works with the opportunity for additional value from an incentivised target cost approach; the benefit of the expertise in asset management with the ability to support our outcome to have the best network area network condition for the investment available; the introduction of new market leading customer management and mobile technologies to manage the service and provide real-time and timely information for Councillors and stakeholders; ability to reduce third party claims through proactive management of the network; a demonstratable approach to collaborative working and customer focus with commitment to invest in our communities and to promote the economy of East Sussex through the use of local supply chains and local employment.

The Contract Management Group (CMG)

2.22 In addition to developing a new contract and identifying and appointing a new service provider, a review has been completed of the current client structure (the Contract Management Group (CMG)) who will manage the contract on behalf of the Council to ensure good contract management and value for money is delivered throughout the life of the contract.

2.23 The proposed CMG structure is shown in Appendix 2. This will provide four key functions to ensure the contract and the service is managed and delivered correctly. The structure reflects the Scrutiny Member Reference Groups (SMRG) needs regarding greater quality assurance and more focused stakeholder management. The review has reduced the total number of posts from 36 to 32 (4 of which are currently vacant), providing a total saving of £0.198m of which £0.129m is revenue. The Council will work with the new Contractor and the ESCC Property team to complete an accommodation review in Service Year two to ensure the implemented depot strategy is providing the most efficient and effective service delivery. This review may identify potential savings and/or release of surplus buildings.

2.24 The new structure puts a restructured Asset Management team at the centre of our approach in managing our network and enables us to understand our asset needs and ensures the service is functional and sustainable. Strong Commercial and Contract Management will ensure the solutions proposed by the contractor present value for money and ensures professional contract administration and risk management. The Contract and Commercial team have a strengthened Supervisory function that will complement the new Contractor's responsibilities in providing greater quality assurance for works completed across the network.

2.25 A dedicated team to monitor and benchmark Performance & Service Development will inform and evidence our approach and will enable us to measure our success against the service outcomes and the Council's key priorities. The Performance & Service Development Team will promote a 'one organisation' approach working with our members, communities and contractor to develop the culture, reputation, funding and services people want, whilst also supporting our local communities and economy.

2.26 The Stakeholder and Engagement Team will provide dedicated focus, working collaboratively with the new contractor's Stakeholder Manager, to support members to deliver Effective Stakeholder Engagement (a key service outcome), which is about engaging effectively to understand and meet the needs of our stakeholders to deliver a 'right first-time' service delivery.

Affordability Assessment

2.27 At Stage 2 of the tender process, the price evaluation team and corporate finance completed an affordability assessment of the three tenderers' (prior to Tenderer C withdrawal) prices in comparison to current budgets and forecast costs made within the financial case of the DBC. The purpose of this activity is to confirm financial implications and financing requirements for the duration of the contract. A copy of the complete affordability assessment is set out in Annex 3 (pages 37-41), of Appendix 1.

2.28 Within the DBC it was highlighted that there was a significant risk that the tenders for the new contract will result in higher prices (core activity lump sums) due to the current contract with Costain not reflecting inflationary increases each year (by design). Costain made an assessment in their bid of the anticipated level of inflation over the seven-year contract period and fixed the cost to the Council based on those assumptions. Their allowance within the lump sums is lower than the actual level that has occurred leaving an expected inflation gap that would be reflected in the tender prices for the reprocurd contract. Costain further discounted their bid prices and their percentage management fee at the time of tender (as a new entrant to the market) resulting in both the current lump sum prices and percentage management fee being very competitive. Additionally, there was risk of the core activity lump sum prices increasing should the current commercial discount applied by Costain not be replicated by the tenderers.

2.29 When completing the DBC it was very difficult to predict how the market might react. Much was dependent on market prices (which we know have risen), but also on how the market perceives the Council's opportunity and the scope for commercial adjustments that tenderers are prepared to make to their bids.

2.30 Based on current contract spend for the lump sum prices (charged to the revenue budget), a mid-point estimate of £1.375m pressure per annum has been included within the MTFP as part of the contract inflationary pressures protocol approved by CMT in September 2020.

2.31 Following completion of the affordability assessment (Annex 3, Appendix 1), the financial environment has changed rapidly and the impact on the contract prices is an additional annual pressure of £1.794m, providing a cumulative pressure of £3.169m per Service Year of the new contract on the Highways revenue budget. This includes £0.8m for an estimated 8% increase from bid to Year 1 prices, though this could vary as it is based on the actual contract indices at February 2023.

2.32 The Highways capital programme has an annual budget set at £27.931m for 2022/23-2031/32, as agreed by the Capital Board. Capital works are commissioned at actual cost as per paragraph 2.11, therefore any cost increases, including the increased management fee percentage (approximately 3.5% estimated at £0.930m) needs to be managed within this budget envelope.

2.33 In addition, the total lump sum prices (revenue budget) are subject to an annual uplift for inflation over the seven-year contract duration, to be managed through the RPPR process. Based on latest guidance (March 2022 update) from the Office for Budget Responsibility, the annual increase is modelled on an average of 2% per service year which equates to £0.164m. This value will be adjusted when contract indices become available.

2.34 By design in the tender pricing model, in addition to pricing the core activity lump sums, tenderers were required to price for one off contract mobilisation costs. This is an additional revenue cost to paid to the Contractor in 2023/24 (Service Year 1) as they complete the activities set out in the mobilisation plan. Tenderer

A's mobilisation costs total approximately £2m (includes an estimated 8% allowance for inflation uplift). A full cost breakdown of the mobilisation costs was provided by Tenderer A as part of the Stage 5 – Tender Validation activities. The £2m is in line with the Project Team expectations; however, it was unclear what commercial approaches the tenderers would take and so it was difficult to model what the final value would be within the DBC.

3. Conclusions and Recommendation

3.1 The tender received from Tenderer A meets the requirements of the tender process and the proposals for managing and delivering the service set out in the contract. The Project Team have assessed their prices and validated the full build up and determined that they are accurate and sustainable (subject to funding availability). The Project Team have also satisfied themselves that Tenderer A's organisational approach, experience and market ability meet the requirements to organise, manage and deliver our future highway services to support the Council's ambitions for the network and enable the delivery of the project outcomes.

3.2 The recommended tender increases current pressure in the MTFP by £1.794m and, in addition, under the terms of the new contract, the Contractor is entitled to an annual inflationary uplift applied to the Core Activities (lumps sums) over the life of the contract. Notwithstanding this pressure, when completing the tender evaluation, the recommended Tenderer A is the Most Economically Advantageous Tender (MEAT) offering the Council the lowest contract price and the highest contract quality.

3.3 It is therefore recommended that Tenderer A be awarded the Highways and Infrastructure Services Contract 2023-30.

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LOCAL MEMBERS

All

BACKGROUND DOCUMENTS

None

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Highways and Infrastructure Services Contract 2023-30

Report of the Procurement Stages 1 to 5

Document History:

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1. Introduction

- 1.1. This report details the key processes and outcomes of Stage 3 - Delivery of procurement stage of the Highways Services Re-Procurement Project (HSRP). This stage includes preparation and issue of the tender documents and their evaluation to identify the Preferred Bidder for the Highways and Infrastructure Services Contract 2016 -23.
- 1.2. At the Cabinet meeting of 12 July 2021, the procurement strategy and future service delivery model (SDM) for highway services was agreed and a procurement exercise was commenced. The Director of Communities, Economy and Transport was authorised to progress the procurement stage up to contract award following formal Cabinet approval.
- 1.3. During 2020-21 the Project Board considered and approved the procurement strategy including the Contract Form, Terms and Conditions, Service Requirements, Evaluation Criteria including Quality / Price / Carbon / Social Value ratio (45% / 40% / 7.5% / 7.5%), Key Contract Outcomes, Performance Indicators, Commercial Arrangements and Contract Term. The key contract terms and service requirements are set out later in this report.

2. The Tender Documents

- 2.1. The tender is set out in 7 Volumes comprised as:

1. Volume 0 Instructions for Tendering
2. Volume 1 Contract Data Part 1
3. Volume 2 Scope
4. Volume 3 Site Information
5. Volume 4 Pricing Document (Including Contract Data Part 2)
6. Volume 5 Quality Submission
7. Volume 6 TUPE Information
8. Volume 7 Forms for Completion

2.2. Volume 0 Instructions for Tenderers

- Introduces scope and objectives of the Contract
- Sets out the tender process and its evaluation
- Does not form part of the signed Contract

2.3. Volume 1 Contract Data Part 1

- Standard NEC4 ECC Conditions of Contract modified using Z clauses:
 - To include Works, Professional & Term Services
 - Provide consistent terminology, approach and meaning across the 3 activities (Time, Quality & Cost)
 - New clauses specifically required to deliver the contract model we want
 - Standard public sector mandatory clauses
- Inflation mechanism (X1) included
- Seven years duration with an optional seven-year extension subject to performance and Cabinet approval
- No limit of liability
- Obligations and risk transfer
- Incentive Scheme to reward the Contractor in any Service Year for achieving levels of overall performance that meet or exceed the service requirements, whilst also putting the Contractor's declared profit at risk for overall poor performance.

2.4. Volume 2 Scope

2.4.1. The Scope is set out as 13 Core Activities with minimum levels of service to meet policy requirements, and outcome-based specifications to be delivered in accordance with industry best practice or latest guidance. It also sets out the Contractor's general obligations in providing the services and works for the contract.

2.4.2. It also sets out professional services requirements for the Contractor's design and delivery of Works Activities under target cost pricing mechanisms.

2.4.3. The 13 Core Activities are:

Service Management	Control of Vegetation
Stakeholder Management	Road Markings
Network Management	Winter Service
Third Party Claims	Structures Routine & General Maintenance
Highway Asset Inspections	Street Lighting
Drainage Maintenance	Traffic Signals
	Reactive and Emergency Response

2.4.4. The Core Activities and service level/outcomes are the minimum service levels required to maintain the network in a safe and usable condition. These are defined and set out in the Contract to be priced and managed by the Contractor to deliver maximum efficiency with acceptable levels of risk.

2.4.5. The Core Activities will provide the minimum level of service to ensure a safe and usable network but will not manage asset decline or deliver the asset management plan to support future DfT funding for highway maintenance. These will be delivered under the Contract through the design and construction of planned and targeted highway maintenance works (Works Activities).

2.5. Volume 3 Site Information

2.5.1. This sets out site information about the highway network and historical information about the service area to assist understanding and pricing of the Contract.

2.6. Volume 4 Pricing Document

2.6.1. The tenderers price submission was assessed against three price assessment models:

- **Model 1 – Core Activities**
 - a comparison of the 13 Core Activities prices
- **Model 2 – Contractors Total of the Prices**
 - a comparison of the 7-year total for the 13 Core Activities
- **Model 3 – Fee Assessment**
 - a comparison of the tenderers fee percentage

2.7. Volume 5 Quality Submission

2.7.1. This will incorporate the successful tenderers quality statements into the contract.

2.8. Volume 6 TUPE Information

2.8.1. Sets out information for staff transfer, pensions and TUPE requirements and the current terms and conditions of employment for 73 Jacobs employees and 118 of Costain staff that are eligible to be transferred to the new provider. In addition, there are some supply chain resources also included.

2.9. Volume 7 Forms for Completion

2.9.1 Details of forms to be returned with the tender (Form of Tender, Collusive Tendering Certificate, Construction Industry Scheme, Goods Vehicles Operator Licensing Certificate) and forms to be completed after award (Form of Agreement by Deed, Parent Company Guarantee).

3. Tender Process

3.1 Stage 1 - Selection Questionnaire (SQ) Procedure

3.1.1 On 12 November 2021 a notice was placed on the Find a Tender Service (FTS), the FTS is used by public buyers in compliance with Public Contracts Regulations 2015, calling for expressions of interest. The closing date for applications was 13 December 2021.

3.1.2 Expressions of interest (EOI) were received from 36 candidates, with 6 candidates completing the SQ and making a submission prior to the deadline.

3.1.3 The 6 candidates that submitted a SQ were:

- Text Removed

3.1.4 The FTS notice was placed under a competitive procedure with negotiation (CPwN) which stated that the contracting authority intends to invite a minimum of three and a maximum of four candidates from the SQ Stage to tender for the contract at Stage 2.

3.1.5 Table 1 below sets out the SQ evaluation summary and identifies the three Candidates that were then invited to submit detailed tenders at Stage 2.

Table 1: SQ Summary Evaluation

Ranking	Candidate	Pass/Fail Questions passed	Economic & Financial Standing Assessment passed	Overall Score (%)	Invited to Detailed Tender Stage 2
1st	Text Removed	Yes	Yes	Text Removed	Yes
2 nd	Text Removed	Yes	Yes	Text Removed	Yes
3 rd	Text Removed	Yes	Yes	Text Removed	Yes
4 th	Text Removed	No*	N/A	Text Removed	No
5 th	Text Removed	Yes	N/A	Text Removed	No
6 th	Text Removed	Yes	N/A	Text Removed	No

3.5 Stage 2 – Detailed Tender

3.5.1 Invitations to Tender were issued to the three selected tenderers on 17 January 2022 with a tender return deadline of the 21 March 2022. This represents a 10-week tendering period. However, the complete tender document set was first published at the same time as the FTS notice on the 12 November 2021, therefore tenderers would have had 20 weeks to complete their tender returns.

3.5.2 The three tenderers were invited to send up to three representatives to attend a site visit of each of the ESCC Highway Depots. This was completed on the 7 February 2022.

3.5.3 The three tenderers were invited to send up to three representatives to attend a virtual HSRP Information Event hosted on MS Teams. This was completed on 14 February 2022.

3.5.4 The event was attended by members of the project team along with the following key stakeholders and subject matter experts who gave presentations on different aspects of the Contract Document and Service Outcomes:

- Leader of the Council – Councillor Keith Glazier
 - **Council Vision and Priorities**
- Lead Member for Transport and Environment - Councillor Claire Dowling
 - **Members Perspective of Highways Services**
- Director of CET - Rupert Club
 - **Corporate and CET Priorities and our Challenges**
- Assistant Director of Operations and Contracts (HSRP sponsor) – Karl Taylor
 - **Operational Priorities and Challenges**
- Dale Poore - Head of Highways Infrastructure Services
 - **Current Contract & Service Delivery Model**
- Phil McCorry - Business Improvement Manager (Project Lead)
 - **Tender Documents & Timetable**
- Laura Curme – Strategic Procurement Manager (Procurement Lead & Social Value representative) & Chloe Sharpe – Procurement Specialist
 - **Social Value**
- Andy Arnold – Environmental Manager (Carbon Reduction Lead)
 - **Carbon Reduction Priorities**

3.5.5 The purpose of the information event was to highlight key parts of the tender documents and allow an opportunity for the tenderers to ask questions to ensure all had a clear understanding on the contract requirements and overall outcomes that the Council are seeking.

3.5.6 A second site visit was requested by Tenderer B, a new date was therefore offered to all three tenderers and was and was competed on 7 March 2021. Tenderer A and B were in attendance, but Tenderer C was not.

3.6 Tender Clarifications

3.6.1 Throughout the tendering period (stage 2) several tender clarifications were received from the tenderers. These can be categorised as follows:

Tender Document	Total	%
General Information	1	0%
Volume 0 - Instructions for Tendering	47	16%
Volume 1 - Contract Data Part 1	23	8%
Volume 2 - Scope	88	29%
Volume 3 - Site Information	42	14%
Volume 4 - Pricing Document	4	1%
Volume 6 - TUPE	94	31%
Volume 7 - Forms for Completion	3	1%
TOTAL	302	100%

3.6.2 A breakdown of the number of clarifications received per tenderer is set out below:

Tenderer	Total	%
Tenderer A	170	56%
Tenderer B	68	23%
Tenderer C	28	9%
ESCC (clarifications/amendments etc.)	36	12%
TOTAL	302	100%

3.6.3 The majority of these were not of a significant nature and were responded to within the scope of the original issued tender documents. The number of clarifications received is less than the previous highways tender from 2015, although that tendering exercise had six tenderers at this stage not three. The most popular topic was TUPE, as it was in the 2015 tendering exercise.

3.6.4 In addition to the general clarifications received, each of the tenderers submitted six commercially confidential clarification questions. The biggest area of concern was regarding Contract Data Part 1 (Volume 1), where there is no limit of liability. The tender documents were not amended as none of the tenderers adequately provided enough evidence to support their concerns.

4. Tender Return

4.1.1 The Detailed Tender return date was set for 21 March 2022. Tenderer A and Tenderer C both made a request for 2 week and 3-week extension respectively. A 2-week extension was granted until 4 of April 2022. Tenderer B made a late request for a 2-week extension citing COVID resource issues. A 1-week extension was granted to all three tenderers with a new tender return date of Monday 11 April 2022

4.1.2 Three tenders were received by the tender return deadline of 11 April 2022.

5. The Tender Evaluation Process

5.1.1 Once tenders were submitted, each was evaluated based on the evaluation criteria set out in annex 1, table 1.

5.1.2 The Competitive Procedure with Negotiation (CPwN) was undertaken in accordance with the Public Contract Regulations 2015 (PCR).

5.1.3 The evaluation methodology for the tender was Most Economically Advantageous Tender, with the award criteria split between:

- Quality 45%
- Carbon 7.5%
- Social Value 7.5%
- Price 40%
- Total 100%

5.1.4 Members of the appointed assessment team undertook independent evaluation of the tender submissions.

5.1.5 A moderation exercise was then completed on a question-by-question basis, chaired by a moderator (Laura Curme and Chloe Shape), where evaluators came to a consensus score for each tenderer for each scored question. No comparative evaluation between tenderers, and no average scores were calculated and assigned.

5.1.6 The Quality, Social Value, Carbon, and Price scores were then combined to form an overall assessment score which would determine the Most Economically Advantageous Tender.

5.1.7 The tender documents set out that if the highest scoring Detailed Tender was capable of fulfilling the contract requirements, the Council had the option to proceed to straight to Stage

5: Tender Validation to identify and confirm the preferred tenderer for the award of the contract.

5.1.8 If the responses and proposals would benefit from discussion with the tenderers, the tender documents set out that the Council had the option to move to Stage 3: Negotiation Sessions.

5.1.9 Throughout the project, beginning with the soft market engagement activities, Stage 1 SQ and within Volume 0 of Stage 2, tenderers were informed that they should take care to fully explain their offer and to submit their best offer in their Detailed Tender submission as the Council was seeking to award without negotiation sessions.

5.1.10 **Detailed Tender Evaluation Stages**

Following the evaluation of the Stage 1 Selection Questionnaire, the Stage 2 Detailed Tender evaluation process comprised of 6 Parts (A-F) summarised below:

- **Compliance Check (A)**
 - Each submission was reviewed for completeness and to identify any areas of non-compliance by the Procurement Officer. Non-compliance could have led to disqualification or required further clarification to be sought from the relevant tenderer.
- **Quality Evaluation (B)**
 - An evaluation of tenderers written quality submissions consisting of 27 individual quality statements was undertaken. Tenderers were required to achieve the minimum quality threshold score of five out of ten in each quality statement submission in order to be considered further.
- **Carbon Evaluation (C)**
 - An evaluation of the tenderers written quality submission, Carbon Reduction Plan (question 25) and Environmental Plan (question 26).
- **Social Value Evaluation (D)**
 - An evaluation of the tenderers written quality submission, Social Value Charter (section 1) and Social Value Plan (Section 2 – Question 27).
- **Price Evaluation (E)**
 - An evaluation of tenderers price submissions was undertaken against three pre-determined price evaluation models, consisting of individual core activities, total of tender prices, and the fee percentage.
 - Core Activities were priced as lump sums with a price included for each year of the contract. These prices are the actual price (excluding annual inflation) ESCC will pay for these services for the duration of the contract (unless the service requirement changes).
 - The Fee includes overheads, profit and risk value as a % which the Contractor will apply to the services provided throughout the contract period.
- **Combining of the Quality, Carbon, Social Value scores and Price (MEAT) (F)**
 - Upon completion of the initial evaluations, the quality and price evaluation teams met to combine the overall tender assessment scores. This process included the moderation of the individual team member quality evaluation scores to ascertain a common determination of score which was then added to the price evaluation score to give an initial overall evaluation score for each of the three tenderers.

6. Detailed Tender Evaluation Results

6.1. Compliance Check (A)

6.1.1 An independent compliance check (completed by Orbis Procurement Team) was carried out to ensure completeness of each submission to ensure that Bidders had provided all the information required within the Instructions for Tendering (Volume 0) and to ensure bids were compliant.

6.1.2 Of the three tenders submitted, two were 100% compliant (Tenderer A and Tenderer B). Tenderer B had not submitted the required pricing synopsis document. They were notified of this omission and given 48 hours to submit the document, which they did in the required timescales. This document is for information purposes only and does not form part of the Price Evaluation.

6.2 Quality Evaluation (B)

6.2.1 The quality evaluation panel consisted of several staff from the highways project team and, where appropriate, was supplemented by subject matter experts in the areas of Environment, Employment & Skills, ICT, Social Value, Strategic Economic Infrastructure and Insurance. The Quality Panel Lead was Phil McCorry.

The evaluation panel scored each tender in accordance with the predetermined scoring matrix (set out in Annex 1, Table 1) against 27 individual quality statements (set out in Annex 1, Table 2). The 27 questions were categorised into four headings:

- **General;** this was a pass/fail assessment which all tenderers had to comply with. It dealt with the approach to TUPE, Pensions health and safety (CDM).
- **Strategic;** this captured the tenderers vision and overview to match the *Client's* objectives and requirements for the service.
- **Service Delivery;** this captured the general and more specific areas of the services to be delivered and described the tenderers approach to the service delivery specifics such as winter maintenance, mobilisation and emergency response.
- **Contract Management;** this described how the tenderers would organise themselves to deliver the service, provide the right people to prove their competencies and capability. This also captured the performance management and continuous improvements activities made by each tenderer and their approach to mobilisation, project management, cost and quality control and asset management.

6.2.2 Upon completion of the quality evaluation for each of the three compliant tenders by individual members of the quality evaluation team, the team came together to moderate and reach a consensus of the scores to be carried forward as the initial quality evaluation scores.

6.2.3 The following table shows the key heading scores and overall initial quality scores for each of the tenderers following moderation:

Section and sub weighting	Tenderer A	Tenderer B	Tenderer C
General	Pass	Pass	n/a – withdrawn bid
Strategic (20%)	17.6	14.6	n/a – withdrawn bid
Service Delivery (40%)	34.4	23.6	n/a – withdrawn bid
Contract Management (40%)	32.8	24.8	n/a – withdrawn bid
Initial Quality Score (100%)	84.8%	63%	n/a – withdrawn bid
Initial Ranking	1st	2nd	n/a – withdrawn bid

6.3 Carbon Evaluation (C)

6.3.1 The evaluation panel scored each tender in accordance with the predetermined scoring matrix set out in Annex 1, Table 1 against 2 individual quality statements set out in Annex 1, Table 3.

6.3.2 This section contained two questions:
 Question 25: Carbon Reduction Plan;
 Question 26: Environmental Plan.

6.3.3 Upon completion of the carbon value evaluation for each of the three compliant tenders by the individual members of the carbon evaluation team, the team came together to moderate and reach a consensus of the scores to be carried forward as the initial carbon evaluation scores.

6.3.4 The following table shows the key heading scores and overall initial carbon scores for each of

Section and sub weighting	Tenderer A	Tenderer B	Tenderer C
Q25 Carbon Plan (75%)	37.5	37.5	n/a – withdrawn bid
Q26 Environmental Plan (25%)	20.0	12.5	n/a – withdrawn bid
Initial Carbon Score (100%)	57.5%	50%	n/a – withdrawn bid
Initial Ranking	1st	2nd	n/a – withdrawn bid

rs following moderation:

6.4 Social Value Evaluation (D)

6.4.1 The evaluation panel scored each tender in accordance with the predetermined scoring matrix set out in Annex 1, Table 1 against individual quality statements set out in Annex 1, Table 2 and Model 1 in Table 4.

6.4.2 This evaluation consisted of two sections

- o Model 1: Social Value Commitments (tenderers completed Social Value Charter);
- o Model 2: Social Value Plan (Question 27).

6.3.3 Upon completion of the social value evaluation for each of the three compliant tenders by the individual members of the social value evaluation team, the team came together to moderate and reach a consensus of the scores to be carried forward as the initial social value evaluation scores.

Section and sub weighting	Tenderer A	Tenderer B	Tenderer C
Model 1 – SV Commitments	25.5	50	n/a – withdrawn bid

6.3.4

The following

Model 2 – SV Plan (50%)	35.0	35	n/a – withdrawn bid
Initial SV Score (100%)	60.5%	85%	n/a – withdrawn bid
Initial Ranking	2nd	1st	n/a – withdrawn bid

ng table shows the key heading scores and overall initial social value scores for each of the tenderers following moderation:

6.5 Price Evaluation (E)

6.5.1 The price evaluation panel consisted of a number of staff from the Highways re-procurement team. The Price Evaluation Panel lead was Robin Hayler – Contract and Commercial Manager.

6.5.2 The price evaluation panel scored each bid in accordance with the predetermined methodology for each assessment model as set out in Annex 1, Table 5.

Model 1 – Core Activities
 Model 2 – Contractors Total of the Prices
 Model 3 – Fee Assessment

6.5.3 Following the initial evaluation of Tenderer A's Model 1 submission, their commercial approach was checked with Procurement – Laura Curme – to ensure their approach was compliant. It was confirmed that it was compliant and in accordance with the instructions set out in the tender documents.

6.5.4 The model price scores and initial overall price scores for each of the tenderers is set out below:

Section and sub weighting	Tenderer A	Tenderer B	Tenderer C
Model 1 (70%)	64.6	21.5	N/A - Withdrawn bid
Model 2 (20%)	20.0	16.8	N/A – Withdrawn bid
Model 3 (10%)	10.0	5.8	N/A – Withdrawn bid
Initial Price Score (100%)	94.6%	44.1%	N/A – Withdrawn bid
Initial Ranking	1st	2nd	N/A – Withdrawn bid

6.6 Combining Quality, Carbon, Social Value and Price Scores (F)

6.6.1 Following completion of the Quality, Carbon, Social Value and Price evaluation, the scores were combined and weighted against the pre-set criteria (40, 7.5, 7.5, 40). The overall weighted evaluation results for Stage 2 are set out below:

Overall Weighted Evaluation			
Evaluation	Tenderer A	Tenderer B	Tenderer C
Quality (45%)	38.2	28.4	n/a - withdrawn bid
Carbon (7.5%)	4.3	3.8	n/a - withdrawn bid
Social Value (7.5%)	4.5	6.4	n/a - withdrawn bid n/a - withdrawn bid
Price (40%)	37.8	17.6	n/a - withdrawn bid
Overall Evaluation (100%)	84.8	56.2	n/a - withdrawn bid
Rank	1	2	n/a - withdrawn bid

7. Stage 2 Evaluation Summary

7.1 Having completed the Stage 2 evaluation process (A-F), Tenderer A was the lead tenderer with the highest MEAT score of 84.8%.

7.2 Tenderer A results:

- **Quality Evaluation**
 - Scored the highest quality score. 9.8% higher than Tenderer B.
 - Only Tenderer to score the full 10 marks out of 10 marks on an individual question. They achieved this five times.
- **Carbon Evaluation**
 - Scored the highest carbon score.
- **Social Value Evaluation**
 - Scored second highest social value Score.
- **Price Evaluation**
 - Model 1 – Scored the highest
 - Model 2 – Scored the highest
 - Model 3 – Scored the highest

7.3 Tenderer A asked the most clarification questions (51%) through the tender process, they were also the highest scoring candidate at the SQ stage.

7.4 As Tenderer A had demonstrated that they could deliver the contract requirements and were the highest on both Quality and Price, the Council had to decide whether to take up the Stage 3 tender negotiations and Stage 4 Final Tender options, or to progress straight to Stage 5 – Tender Validation and not have the negotiation sessions.

8. Stage 3 Negotiation Sessions (optional) and Stage 4 Final Tender (optional)

8.1 Following completion of stage 2, the project board met twice on 27 May 2022 and 10 June 2022 to determine if the project should progress to the optional Stages 3 & 4 or Stage 5 as set out in the Instructions for Tendering (Volume 0).

8.2 In consultation with the Chief Officers Management Team (CMT), which met on 15 June 2022, a decision was made to progress to Stage 5 – Validation. The three tenderers were informed of the decision through the Intend tendering system on 17 June 2022.

8.3 The decision to not progress to Negotiation Stages 3 & 4 was based on members expectations around quality and any descoping compromising the achievement of the agreed service outcomes. It was also considered that a complex negotiation stage could increase the potential for the process to be subject to challenge, and the Project Board were also mindful of the risk that tenderers may recalculate prices, given the increased inflationary pressures since tenders were submitted. Finally, time pressures on the project timeline were noted and the Project Board expressed a preference not to have to extend or negotiate with the incumbent should the project timeline slip at any point.

9. Stage 5 – Tender Validation Activities

9.1 Stage 5 – Tender Validation followed on from Stage 2, activity F. Stage 5 was comprised of 5 Parts (N - R), summarised below:

- **N. Quality Presentation of Tender**
 - Over two days, the tenderers were required to give a 45-minute presentation followed by a question-and-answer session.
 - New information could not be introduced by the tenderer during the presentation.
 - Following the tenderers' presentations, the evaluation panel reconsidered their marks considering their findings at the presentation. Scores could not be increased but were lowered if the Tenderer's presentation and answers did not substantiate their quality submission.
- **O. Interviews with key persons**
 - This consisted of Interviews with six of the nominated key persons who would be delivering key aspects of the Service.
- **P. Validating Stage of Tenders - Quality, Carbon, Social Value submissions**
 - Over a five-week period following notification of Stage 5 to the tenderers, the evaluation panel issued a series of clarification questions to the three tenderers to seek further clarity of key parts of their quality, carbon and social value submissions.
 - In addition, the validation days comprised of the 45-minute presentation and key persons interviews. This allowed the evaluation panel opportunity to validate key aspects of the quality, carbon and social value submissions to determine whether the tenderers could substantiate their proposals.
 - Scores could not be increased but were lowered if the tenderer was unable to substantiate their quality, carbon or social value submissions.
- **Q. Validating the price submission**
 - The evaluation panel validated the Tenderers' price submission to check that prices and costs submitted were a true and accurate representation of the likely costs to be incurred. This was achieved by asking each Tenderer to submit additional evidence of pricing information to provide a complete make up of their completed price submission.
- **R. Preferred Tenderer (Award)**
 - Following completion of the tender evaluation process, the Council is seeking to award the contract to the Preferred Bidder with the highest validated overall score (quality, carbon, social value, price).
 - The Tender documents set out that in the event that the Bidders' final scores at the completion of the evaluation were statistically equal, the contract would be awarded to the tenderer achieving the highest validated price score. This eventuality did not materialise.

9.2 Bidder Withdrawal

9.2.1 Following notification to proceed to Stage 5 – Tender Validation and not Stage 3 – Negotiation, all three Tenderers were asked the following clarification question:

“The contracting authority has determined that this procurement will proceed to Stage 5: Tender Validation as defined in Volume 0 - Instructions for Tendering. Please confirm that should you be awarded this contract you are willing to enter into contract based upon.

- *the terms and conditions, Volume 1, Contract Data Part 1,*
- *your quality offering submitted as, Volume 5 -Contractor's Quality Submission*
- *your Total of the Prices submitted as, Volume 4 - Pricing Document Schedule 2 - The Pricing Schedules and Volume 4, Pricing Document, Schedule 3 - Contact Data Part two”*

9.2.2 Both Tenderer A (text removed) and Tenderer B (text removed) confirmed their acceptance. Tenderer C (text removed) qualified their response which would require an amendment to the Contract, as follows:

- the introduction of clause 'X18' limit of liability. This involves the Council taking on more financial risk, underwriting the Contractors failure.

9.2.3 The Council wrote to Tenderer C (text removed) setting out that their qualification meant their tender was not compliant and therefore did not pass the Stage 5 – Tender Validation. This is because the qualification would have fundamentally altered the intention of the Contract. However, Tenderer C (text removed) was given the opportunity to remove their qualification unconditionally.

9.2.4 Tenderer C (text removed) notified the Council on 19 July 2022 that they were unable to remove their qualification and therefore confirmed they would be withdrawing from the tender process. Acknowledgement of their voluntary withdrawal was sent on 20 July 2022.

9.2.5 The withdrawal of Tenderer C (text removed), meant that the five activities (N-R) to be completed under Stage 5 Validation were only completed on the remaining two compliant Tenders from Tenderers A and B.

10. Stage 5 – Tender Validation Summary of Findings

10.1 N. Quality Presentations of Tenders

10.1.1 Each Tenderer gave a 45-minute presentation to the combined evaluation panels which enabled them to articulate their bids. This was followed by the evaluation panel seeking clarification on aspects of their tender through several predetermined questions. Each tenderer was given the same validation briefing pack and a format for the presentation to ensure transparency. An overview of the presentation format is set out below:

	Service Outcome	Description	Evidence
1	Quality Assurance	Deliver an efficient and effective right first-time service.	Based on your offer, your presentation must demonstrate how your organisation will achieve the service outcomes. Include evidence of how your management processes/procedures and governance will ensure your organisation meets and where possible exceed the relevant SPIs and KPIs.
2	To have the best Area Network condition for the investment available	Deliver best value within the available resources through the implementation of the Asset Management Strategy.	
3	Effective Stakeholder Engagement	Engage effectively to understand and meet the needs of our stakeholders to deliver a right first-time service delivery.	
4	Sustainable Economic Growth	Enhance the local economy through network expansion and improvement to meet the growth agenda, whilst optimising and improving network performance. Delivery of economic, social, and environmental value.	
5	Carbon Reduction	Develop and sustain operations that achieve carbon reduction over the contract duration, working towards the target of net zero by 2050.	
	Overarching	Tell us where you feel your offer: <ul style="list-style-type: none"> Will provide the greatest added value and opportunities Gives you the greatest challenge over the contract duration Manages exposure to risk 	

- 10.1.2 Following the quality presentations and question and answer sessions the evaluation panels met to determine whether any adjustment was required to the scores.
- 10.1.3 Adjustments to the initial individual scores were considered for each criterion. As no new information was allowed, scores could only be adjusted down if the Tenderers' presentation did not substantiate their bid and/or sufficient clarity was not provided in response to the questions. A formal written confidential clarification question was sent to them to seek a final response.
- 10.1.4 Following the presentations each of the Tenderers' scores were adjusted in the following ways:

Tenderer A (Text Removed)

No scores were adjusted. All responses to the questions asked did not raise any concerns, all responses were satisfactory.

Tenderer B (text removed)

No scores were adjusted. All responses to the questions asked did not raise any concerns, all responses were satisfactory.

- 10.1.5 The table below shows the final Stage 5 Validated combined scores

Stage 5 Validated Overall Weighted Evaluation			
Evaluation	Tenderer A	Tenderer B	Tenderer C
Quality (45%)	38.2	28.4	n/a withdrawn bid
Carbon (7.5%)	4.3	3.8	n/a withdrawn bid
Social Value (7.5%)	4.5	6.4	n/a withdrawn bid
Price (40%)	37.8	17.6	n/a withdrawn bid
Overall Evaluation (100%)	84.8	56.2	n/a withdrawn bid
Rank	1	2	n/a withdrawn bid

10.2 O. Interviews with key persons

- 10.2.1 Interviews were undertaken with each of the tenderers proposed 'key persons' identified within their submission. These included the proposed Contract Manager, Commercial Manager, Operations Manager, Performance Manager, Stakeholder Manager and Programme Manager.
- 10.2.2 Each of the proposed key persons were interviewed against a set of predetermined questions, prepared by the evaluation panel to explore the individual knowledge, understanding and commitment to deliver the service requirements as set out in the tender documents and their submission.
- 10.2.3 **Tenderer A (Text Removed)**

The interviews demonstrated that the key persons proposed by Tenderer A text removed were part of a committed and knowledgeable team, led by an enthusiastic and experienced Contract Manager who is currently undertaking an equivalent role for a neighboring local

authority. This individual would be able to introduce a progressive step change and deliver the long-term improvements and benefits required by the Council through a collaborative leadership style. There was a firm commitment that the interviewed key people will be supporting the mobilisation period and then remain on the contract in post for a number of years.

Tenderer B (Text Removed)

The nominated key persons proposed by Tenderer B **text removed** that were interviewed demonstrated that they are a vibrant, enthusiastic and knowledgeable team that will introduce a progressive step change and deliver the long-term improvements and benefits required by East Sussex.

10.2.4 Key People Interview Summary

10.2.5 The evaluation team concluded that both teams displayed good knowledge and understanding of the contract requirements, the challenges faced by the Council and potential opportunities to further help the Council deliver against its wider service and corporate objectives and consequently had no issues with the abilities or resourcing commitment from either of the bidders.

10.3 P. Validating Stage of Tenders - Quality, Carbon, Social Value submissions

10.3.1 Tenderer A (text removed)

10.3.2 Following completion of Stage 2, 26 tender clarification questions were issued to Tenderer A **(text removed)** to seek further clarification of their quality, carbon, and social value submissions. A further 6 clarification questions were asked in the Question & Answer session following the 45-minute quality presentation.

10.3.3 Throughout their tender submission, presentation and responses to tender clarification questions, Tenderer A **(text removed)** have consistently demonstrated that they understand the contract requirements. This has enabled the evaluation panels to satisfy themselves that the proposals set out within the bid are a true reflection of their ability to deliver the objectives of the Contract.

10.3.4 Tenderer B (text removed)

10.3.5 Following completion of Stage 2, 5 tender clarification questions were issued to tenderer B **(text removed)** to seek further clarification of their quality, carbon, and social value submissions. A further 10 clarification questions were asked in the Question & Answer session following the 45-minute quality presentation.

10.3.6 Throughout their tender submission, presentation and responses to tender clarification questions, tenderer B **(text removed)** have consistently demonstrated that they understand the contract requirements. This has enabled the evaluation panels to satisfy themselves that the proposals set out within the bid are a true reflection of their ability to deliver the objectives of the Contract.

10.4 Q: Validating the Pricing Submission

10.4.1 Tenderer A (text removed)

10.4.2 The evaluation team asked a number of tender clarification questions and requested additional detailed pricing information in order to validate the submitted rates and prices were a true and accurate representation of the likely costs to be incurred and to gain some surety of the financial sustainability of their bid.

- 10.4.3 An open and honest approach was demonstrated by Tenderer A (text removed) with substantial additional pricing information being provided to validate the prices in their bid. Prices were built up through a fully transparent process tracking costs from base labour, equipment, and materials costs through to the final price for delivery.
- 10.4.4 Base pricing has been developed within their standard estimating system however due to the nature and requirements of this tender the base pricing has then been exported to excel to enable the application of discount factors which have been generated from forecast income i.e. Network management. These costs have been offset by the forecast income and offered at a zero cost with the remainder of forecast income spread across the remaining core activities providing a discount to the lump sum prices.
- 10.4.5 Tenderer A (text removed) have adopted a pricing strategy whereby 100% of all generated income through levied fees and charges etc. are used to reduce the cost of the fixed price services in their bid.
- 10.4.6 text removed
- 10.4.7 text removed
- 10.4.8 Tenderer B (text removed)**
- 10.4.9 The evaluation team asked a number of tender clarification questions and requested additional detailed pricing information in order to validate the submitted rates and prices were a true and accurate representation of the likely costs to be incurred and to gain some surety of the financial sustainability of their bid.
- 10.4.10 An open and honest approach was demonstrated by Tenderer B (text removed) team with substantial additional pricing information being provided to validate the prices in their bid. Prices were built up through a fully transparent process tracking costs from base labour, equipment, and materials costs through to the final price for delivery.
- 10.4.11 Base pricing has been developed within their standard estimating system however due to the nature and requirements of this tender the base pricing has then been exported to excel to enable the application of discount factors which have been generated from forecast income i.e. Network management. These costs have been offset by the forecast income and offered at a zero cost with the remainder of forecast income spread across the remaining core activities providing a discount to the lump sum prices.
- 10.4.12 Tenderer B (text removed) have adopted a pricing strategy whereby 100% of all generated income through levied fees and charges etc. are used to reduce the cost of the fixed price services in their bid
- 10.4.14 Financial Validation Summary**
- 10.4.15 Both Tenderers gave confidence to the price evaluation panel that the prices provided within their offers could be substantiated including from price development to payment. This was evidenced from the information provided as part of the tender clarifications asked.
- 10.4.16 Both approaches complimented the approach taken by the Council in including the services it did in the contract and reflected in its price evaluation model i.e., seven-year fixed pricing for core activities, delegation of income generating functions (Network Management) and an annualised approach to capital works delivery to maximise efficiencies. The Bidders have in essence used the same approach in the development of their prices giving confidence that prices are a true reflection of the costs that will be incurred.
- 10.5.17 The evaluation team have no residual concerns relating to the submitted prices from the two preferred bidders

11. R. Preferred Tenderer (Award)

11.1 During Stage 5, the evaluation panels satisfied themselves that the two tender submissions, for quality, carbon, social value and price have been substantiated and demonstrated by the tenderer and as such there has been no adjustment made to the overall evaluation score awarded at the end of stage two.

Evaluation	Tenderer A	Tenderer B
Quality (45%)	38.2	28.4
Carbon (7.5%)	4.3	3.8
Social Value (7.5%)	4.5	6.4
Price (40%)	37.8	17.6
Overall Evaluation (100%)	84.8	56.2
Rank	1st	2nd

11.2 Having completed the evaluation process (A to R), Tenderer A (text removed) had the highest overall combined score of **84.8%**.

11.3 Having completed the Stage 2 evaluation process (A-F), Tenderer A's score had a lead of **28.6%** compared with Tenderer B.

11.4 Tenderer A has the highest quality score, highest price score (lowest price and lowest fee percentage), highest carbon score and second highest social value score.

11.5 A synopsis of their submission and offer is set out in Appendix 2. A summary of how their offer meets the contract service outcomes is set out table 1 below:

Table 1: Summary of Tenderer A offer against the Five Service Outcomes

	Service Outcome	Description	Summary
1	Quality Assurance	Deliver an efficient and effective right first-time service.	Text removed
2	To have the best Area Network condition for the investment available	Deliver best value within the available resources through the implementation of the Asset Management Strategy.	Text removed
3	Effective Stakeholder Engagement	Engage effectively to understand and meet the needs of our stakeholders to deliver a right first-time service delivery.	Text removed
Page 242	Sustainable Economic Growth	Enhance the local economy through network expansion and improvement to meet the growth agenda, whilst optimising and improving network performance. Delivery of economic, social, and environmental value.	Text removed
5	Carbon Reduction	Develop and sustain operations that achieve carbon reduction over the contract duration, working towards the target of net zero by 2050.	Text removed
	Overarching	Greatest Added Value	Greatest Challenge
		Text removed	Text removed
			Managing expose to Risk
			Text removed

12. Risks

12.1 The award of this contract to the recommended Contractor presents a limited number of risks that are summarised and set out in the table below

Strategic Risks	Mitigations
<ul style="list-style-type: none"> • Challenge from unsuccessful bidders or others to the process • Annual inflationary increases impact ability to achieve service outcomes through affordability issues. • Contract affordability, need to increase revenue budget. 	<ul style="list-style-type: none"> • Robust procurement process completed. • Early completion of Standstill letters by procurement and approved by ESCC legal / 3rd party legal support • Robust estimates for inflation increased aligned to RPPR process • Continuous improvement approach between new Contractor and Council to ensure/drive operational efficiencies.
Operational Risks	Mitigations
<p>Mobilisation</p> <ul style="list-style-type: none"> • Contract not signed leading to delay in securing Plant, Labour, suppliers etc. • Outgoing contractor frustrates handover • TUPE of staff from incumbent, recruitment, and retention issues. <p>Service Delivery</p> <ul style="list-style-type: none"> • Perception of stakeholders (e.g., ESCC members), not satisfied with new Contractor performance • Contract Service Outcomes are not achieved • Contract becomes financially unsustainable • Management of legacy works between contracts 	<ul style="list-style-type: none"> • Prepare contract for signature to be handed over at first meeting on 18th October. • Communication of new Contract with stakeholders as soon as possible as part of project communications plan • Maximise lessons learned from recent mobilisations completed by preferred contractor

Annex 1 - Tender Evaluation Scoring Matrix

Table 1 - Quality Scoring Matrix (Volume 0)

Score	Classification	Definition
10	Excellent	Response exceeds the <i>Client's</i> requirements with sufficient details provided to demonstrate the tenderer's ability and willingness to Provide the Works AND in addition, the tenderer clearly identifies, commits to, and quantifies (i) the excess added value within their response over and above the <i>Client's</i> requirements and/or (ii) provides a similar demonstration of the innovation in their approach, with its consequences, where appropriate, in order to maximise performance and deliver continuous improvement, taking into account both technical and management risks.
8	Very good	Response exceeds the <i>Client's</i> requirements, with sufficient details provided to demonstrate the tenderer's ability and willingness to Provide the Works with no reservations or omissions. The evidence provided to demonstrate the tenderer's ability is comprehensive and robust. Where applicable, it must be evidenced by some third-party assurance, and which includes at least one example of the execution of a scope comparable to the Works.
7	Good	Response meets the <i>Client's</i> requirements, with sufficient details provided to demonstrate the tenderer's ability and willingness to Provide the Works that, may be accompanied by some minor reservations or omissions. The evidence provided to demonstrate the tenderer's ability is robust but not comprehensive. Where applicable it may be evidenced by some third-party assurance, and it includes at least one example of the execution of a scope comparable to the Works.
5	Acceptable	Response meets the <i>Client's</i> requirements, with sufficient detail provided to demonstrate the tenderer's ability and willingness to Provide the Works, that may be accompanied by some reservations or omissions which are more than minor. The evidence provided to demonstrate the tenderer's ability is sufficient but may not be comprehensive and/or robust. There is no third-party assurance of the evidence and the examples provided of the execution of a scope are drawn from a limited number of instances which are not fully comparable.
3	Below expectations	Response which significantly fails in one area to meet the <i>Client's</i> requirements and/or with little or no detail provided to demonstrate the tenderer's ability and willingness to Provide the Works.
1	Poor	Response which significantly fails in more than one area to meet the <i>Client's</i> requirements and/or with little or no detail provided to demonstrate the tenderer's ability and willingness to Provide the Works.

0	Unacceptable	No response at all OR insufficient information provided in the response such that it is not able to be assessed and/or is not able to be understood in order to determine the tenderer's ability and willingness to Provide the Works OR the response is non-compliant with either the mandatory requirements, if any, or the required minimum standards.
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Table 2 - Quality Statement Scoring Template

Quality Statement Heading		Section Weighting	Question Weighting	Question Score	Weighted Question Score	Weighted Section Score
	General	N/A				
1	TUPE		Passed (Yes / No)			
2	Pension		Passed (Yes / No)			
3	Code of Practice on Workforce		Passed (Yes / No)			
4	CDM Functions		Passed (Yes / No)			
	Strategic	0.2				
5	Vision & Overview		30			
6	Culture		30			
7	Strategic Organisation – Structure, Contract Governance and key persons		40			
	<i>Section Score</i>					
	<i>Weighted Section Score</i>					
	Service Delivery	0.4				
8	Operational Delivery of Risk Based Approach		20			
9	Winter Maintenance		10			
10	Network Management		10			
11	Stakeholder Management		20			
12	Third Party Claims		10			
13	Professional Services for Infrastructure replacement and enhancement		5			
14	Professional Services: technical advice and expertise		5			
15	Operational Delivery including resilience and business continuity.		20			

Quality Statement Heading		Section Weighting	Question Weighting	Question Score	Weighted Question Score	Weighted Section Score
	<i>Section Score</i>					
	<i>Weighted Section Score</i>					
	Contract Management	0.4				
16	Mobilisation Programme		10			
17	Delivery of the Client's Requirements Process		15			
18	Project Management of the works		10			
19	Procurement, Supply Chain Management		15			
20	Quality Management System & Quality Plan		10			
21	Asset Data – ESCC Asset Management team support		10			
22	Value for Money		10			
23	Innovation through design		10			
24	Systems Solution and Processes		10			
	<i>Section Score</i>					
	<i>Weighted Section Score</i>					
	Sum of Weighted Section Scores					
	Total Quality Score					(A)
	Carry forward to overall evaluation score					

Table 3 Carbon Evaluation Scoring Template

Carbon Statement Heading		Section Weighting	Question Weighting	Question Score	Weighted Question Score	Weighted Section Score
	General	1.0				
25	Carbon Reduction Plan		75			
26	Environmental Plan		25			
	<i>Section Score</i>					
	<i>Weighted Section Score</i>					
	Total Carbon Score					(B)
	Carry forward to overall evaluation score					

Table 4 Social Value Scoring Template

Assessment	Section Weighting	Assessment Weighting	Assessment Score	Weighted Assessment Score	Weighted Model Score
Model 1 - Social Value Commitments	0.5				
Social Value Commitments – Service Year 1		50			
Social Value Commitments – Service Years 2-7		50			
Model Score					
Weighted Model Score					
Model 2 – Social Value Plan	0.5				
Social Value Plan		100			
Model Score					
Weighted Model Score					
Sum of Model Score					
Total Social Value Score					
Carry forward to overall evaluation score					(C)

Table 5 - Price Assessment Scoring Template

Assessment	Model Weighting	Assessment Weighting	Assessment Score	Weighted Assessment Score	Weighted Model Score
Price Assessment Model 1 Core activity	0.7				
Service Management		7.69			
Stakeholder Management		7.69			
Network Management		7.69			
Third Party Claims		7.69			
Highway Asset Inspections		7.69			
Drainage Maintenance		7.69			
Control of Vegetation		7.69			
Road Markings		7.69			
Winter Service		7.69			
Structures Routine & General Maintenance		7.69			
Street Lighting		7.69			
Traffic Signals		7.69			
Reactive and Emergency Response		7.69			
Model Score					
Weighted Model Score					
Model 2 – Contractors Total of Prices	0.2				
CD Part 2 Total		100			
Model Score					
Weighted Model Score					

Model 3 – Fee Only	0.1				
Fee		100			
Model Score					
Weighted Model Score					
Sum of Model Score					
Total Price Score					
Carry forward to overall evaluation score					(D)

Annex 2 – Summary of Tenderer A (text removed) Quality, Carbon & Social Value submissions

Annex Removed

6.3 Tenderer A Social Value Plan Charter Summary Service Year 1

Outcomes	Measure	Unit	Qty/£'s Per Service Year
Thriving local economy	Business support/advice offered to local micro businesses/SME's/social enterprises	no/hrs	text removed
	Training/development opportunities offered to other locally based micro businesses/SME's/social enterprises	£	text removed
People have the skills for work & Businesses have access to a local skilled workforce	Local people supported to achieve NVQ (Level 2) qualification	no/ppl.	text removed
	Local people supported to achieve NVQ (Level 3) qualification	no/ppl.	text removed
	Professional development opportunities offered to local people i.e., BTEC, City & Guilds (Level 3) or equivalent	no/ppl.	text removed
	Apprenticeships (Level 2) offered to local people - <i>This is a priority level 1 for this project and therefore is evaluated at 3x the proxy value.</i>	no/ppl.	text removed
	Apprenticeships (Level 3) offered to local people - <i>This is a priority level 1 for this project and therefore is evaluated at 3x the proxy value.</i>	no/ppl.	text removed
	Professional development opportunities (Level 4+) offered to local people	no/ppl.	text removed
	Work experience opportunities offered to local people	no/ppl.	text removed
	Employability support offered to local priority groups	no/ppl.	text removed

	Career awareness programmes offered to local schools and colleges	no/hrs	text removed
More local people in work	Job opportunities offered to local long term unemployed	no/ppl.	text removed
	Full time job opportunities offered to local people currently working less than 16hrs p. wk	no/ppl.	text removed
	Job opportunities offered to local 18-24 yr olds not in employment, education, or training (NEET)	no/ppl.	text removed
	Job opportunities offered to local people with disabilities	no/ppl.	text removed
	Job opportunities offered to local Ex-offenders	no/ppl.	text removed
Empowered, effective and resilient voluntary and community groups	Commercial support offered to local voluntary and community groups	no/hrs	text removed
	Facilities offered for use to local voluntary and community sector groups	no/hrs	text removed
	Time allowed for staff to volunteer locally i.e.; employer supported volunteering scheme	no/hrs	text removed
	Fundraising activity and donations offered to locally based voluntary and community groups	£	text removed
Healthier, Safer and More Resilient Communities	Initiatives aimed at reducing crime (e.g., support for local youth groups, lighting for public spaces, private security)	£	text removed
	Initiatives to be taken to tackle homelessness (supporting temporary housing schemes etc.)	£	text removed

	Initiatives to support rough sleepers - including training for security and night staff opening up facilities (e.g., showers or additional beds when temperature drops) after hours	£	text removed
	Support provided to help local community draw up their own Community Charter or Stakeholder Plan	£	text removed
People are healthier and are supported to live independently	Support offered to local priority groups to help them live independently	no/hrs	text removed
	Support Initiatives taken or supported to engage people in physical and mental health interventions	£	text removed
	Initiatives to improve social connectedness and reduce isolation for local priority groups	no/hrs	text removed
	Promote digital inclusion and increase digital awareness for priority groups	no/hrs	text removed
Businesses are socially responsible and engaged with local communities	Value of this contract that will be spent with locally based voluntary and community groups	£	text removed
	Resources targeting areas of local need to deliver community benefits and develop community resilience	£	text removed
	Sponsor initiatives to increase awareness and promote the delivery of social value locally	£	text removed
Businesses operate sustainably and accept responsibility for their environmental impact on local communities	Take action to reduce operational carbon emissions (for example through investment in energy efficiency, local renewable generation, switching to Low Emission Vehicles or the use of accredited carbon off-setting schemes).	per/ton	text removed
Voluntary time dedicated to the sustainability of local	Environmental programmes with local groups, schools and colleges	no/hrs	text removed

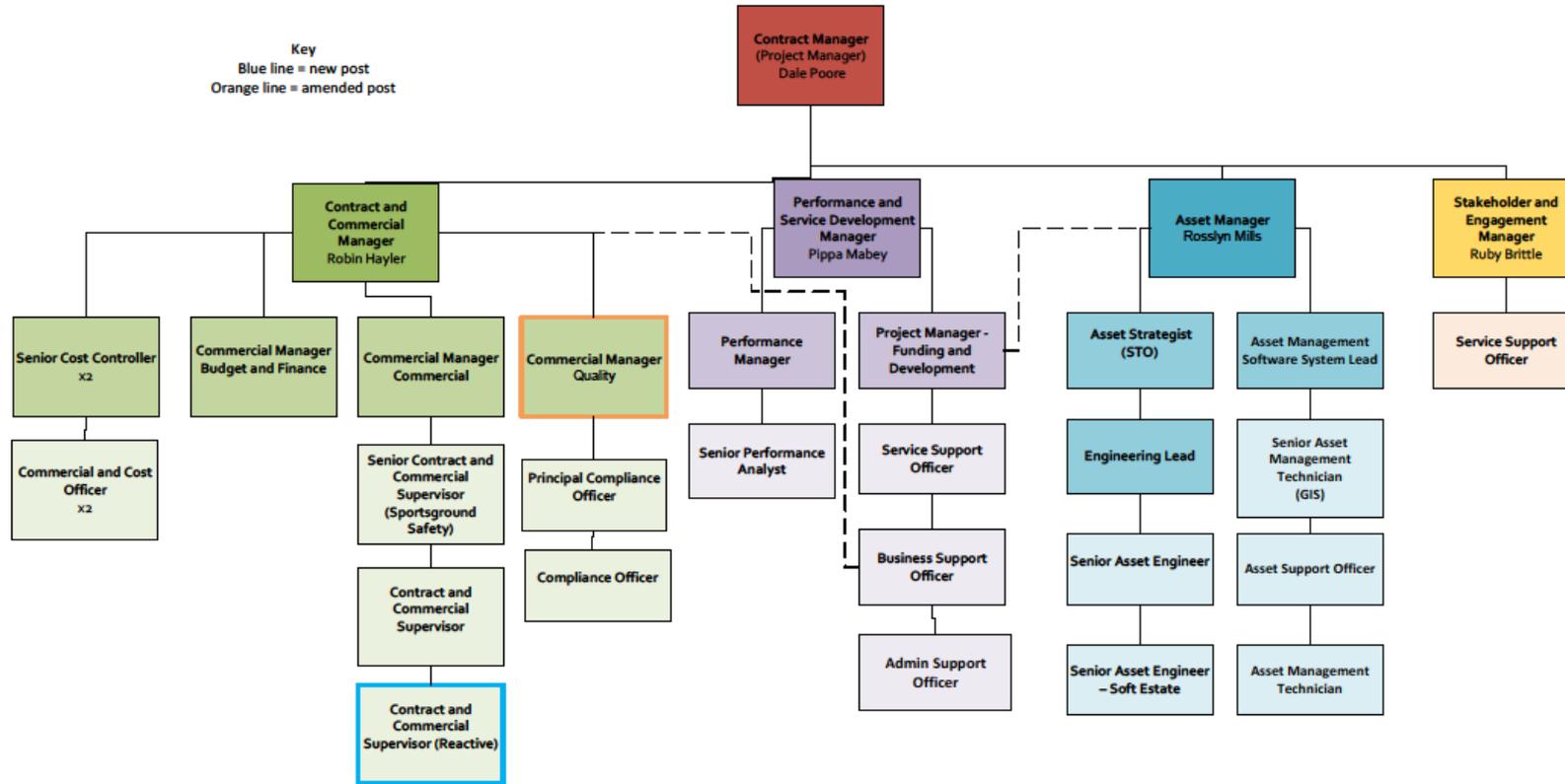
green areas to increase biodiversity and keep green spaces clean			
People live environmentally sustainable lives	Environmental programmes with local groups, schools and colleges	no/hrs	text removed

Annex 3 - HSRP Price Evaluation & Affordability Assessment

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Appendix 2 - Proposed Contract Management Group (CMG) structure



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