



CABINET

TUESDAY, 10 MARCH 2026

10.00 AM COUNCIL CHAMBER, COUNTY HALL, LEWES

MEMBERSHIP - Councillors Keith Glazier, OBE (Chair), Nick Bennett (Vice Chair),
Bob Bowdler, Penny di Cara, Claire Dowling, Carl Maynard and Bob Standley

A G E N D A

1. Minutes of the meeting held on 27 January 2026 (*Pages 3 - 8*)
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 Report - Q3 2025/26 (*Pages 9 - 84*)
Report by the Chief Executive
6. Any other items considered urgent by the Chair
7. To agree which items are to be reported to the County Council

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2 March 2026

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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: <https://www.eastsussex.gov.uk/your-council/videos-of-council-meetings/webcasts>*

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CABINET

MINUTES of a meeting of the Cabinet held on 27 January 2026 at Council Chamber, County Hall, Lewes

PRESENT Councillors Keith Glazier, OBE (Chair), Nick Bennett (Vice Chair), Bob Bowdler, Penny di Cara, Claire Dowling, Carl Maynard and Bob Standley.

Members spoke on the items indicated

Councillor Bennett	- Items 5 and 7 (minutes 52 and 54)
Councillor Collier	- Item 5 (minute 52)
Councillor Denis	- Item 5 (minute 52)
Councillor Claire Dowling	- Item 5 (minute 52)
Councillor Field	- Item 5 (minute 52)
Councillor Galley	- Item 5 (minute 52)
Councillor Glazier	- Item 5 (minute 52)
Councillor Standley	- Item 5 (minute 52)
Councillor Tutt	- Item 5 (minute 52)

48. MINUTES OF THE MEETING HELD ON 16 DECEMBER 2025

48.1 The minutes of the Cabinet meeting held on 16 December 2025 were agreed as a correct record.

49. APOLOGIES FOR ABSENCE

49.1 There were none.

50. DISCLOSURES OF INTERESTS

50.1 There were none.

51. REPORTS

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

52. RECONCILING POLICY, PERFORMANCE AND RESOURCES (RPPR): DRAFT COUNCIL PLAN 2026/27, REVENUE BUDGET AND CAPITAL PROGRAMME

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

52.2 It was RESOLVED to:

1) Recommend the County Council to:

- i) Approve in principle the draft Council Plan 2026/27 at Appendix 1 of the report and authorise the Chief Executive to finalise the Plan in consultation with the relevant Lead Members;
- ii) Increase Council Tax by 2.99% in 2026/27;
- iii) Increase the Adult Social Care Precept by 2% in 2026/27;
- iv) Issue precepts to be paid by borough and district councils in accordance with the agreed schedule of instalments at Appendix 5 (draft) of the report;
- v) Approve the net Revenue Budget estimate of £693.2m for 2026/27 set out in Appendix 2 (Medium Term Financial Plan) and Appendix 3 (draft) (Budget Summary) of the report and authorise the Chief Executive, in consultation with the Chief Finance Officer, Leader and Deputy Leader, to make adjustments to the presentation of the Budget Summary to reflect the final settlement and final budget decisions;
- vi) Note that the Council has written to Government to request Exceptional Financial Support in the form of a £70m capitalisation direction to support the budget in 2026/27;
- vii) Amend the Treasury Management Strategy, as set out separately on the agenda, to allow borrowing to fund the revenue budget;
- viii) Note the comments of the Chief Finance Officer on budget risks and robustness, as set out in Appendix 6 of the report;
- ix) Agree the Reserves Policy set out in Appendix 6 of the report;
- x) Approve the Capital Strategy and Programme at Appendix 8 of the report;
- xi) Note progress with the Council Plan and Budget 2025/26 since quarter 2 set out in section 4 of the report;
- xii) Note the Medium Term Financial Plan forecast for 2026/27 to 2028/29, set out in Appendix 2 of the report;
- xiii) Note the comments from engagement exercises set out in Appendix 7 of the report; and
- xiv) Note the schedule of fees and charges that have increased above 4% at Appendix 9 of the report.

2) Agree to continue lobbying as strongly as possible for sustainable funding to meet the needs of East Sussex residents, using all available avenues.

3) Approve the Highways investment in advance as set out in section 10 of the report.

Reasons

52.3 Factors beyond local control driving increased costs, and national funding reforms which have failed to recognise the growing needs of East Sussex's population in funding allocations, mean our income is no longer sufficient to meet basic operating requirements. This is the case even after asking local people to continue to contribute through a Council Tax rise in line with Government assumptions. The recommendation to make a further increase is not made lightly, given that many household budgets continue to be under pressure, but it is essential given the funding gap we face. Support will continue to be available through local Council Tax Support Schemes for those residents eligible and we will continue to work with partners to signpost local people to sources of support with the cost of living, including access to benefits they may be entitled to.

52.4 Our tried and tested RPPR process will enable us to direct the substantial budgets we continue to deploy as effectively as possible towards priorities, in particular protecting services for the most vulnerable in our county as far as we can. We continue to invest significantly to maintain vital services and to ensure we capitalise on the opportunities presented by new technologies to get more from the resources we have. We will maintain our strong record of financial discipline and our focus on evidence-based approaches which maximise outcomes and make best use of resources.

53. DEVOLUTION AND ESTABLISHMENT OF MAYORAL COMBINED COUNTY AUTHORITY

53.1 The Cabinet considered a report by the Chief Executive.

53.2 It was RESOLVED to:

- 1) Note the changes announced by the Minister to the proposal to devolve to Sussex and Brighton Combined County Authority, in the letter of 4 December 2025;
- 2) Reconfirm the approval of and consent to the establishment of the Sussex and Brighton Combined County Authority;
- 3) Delegate authority to the County Council's Chief Executive, in consultation with the Leader, to agree the contents of, and consent to, the making of the Sussex and Brighton Combined Authority Order 2026; and
- 4) Delegate authority to the Chief Executive to take such action as necessary to give effect to the above recommendations and to facilitate the establishment of the Combined County Authority.

Reasons

53.3 Members will be familiar with the issues around Devolution and the proposed establishment of the Sussex and Brighton Combined County Authority having received a previous report seeking consent. The report set out the update and the changes in relation to the timings of its implementation and the election of a mayor.

53.4 Notwithstanding the proposed changes, Devolution and the creation of a Mayoral Combined County Authority (MCCA) could bring major benefits to the region. The Government has committed to a £38m annual investment fund over 30 years (£1.14bn) for agreed priorities, aiming to drive economic growth, support employment, and improve local services. The Bill also devolves new powers over transport, housing, and adult skills for more local decision-making.

53.5 Certain powers and responsibilities currently managed by East Sussex County Council will shift to the newly formed MCCA, fostering strategic cooperation on important regional matters like infrastructure and workforce development. While the election of the mayor and devolution of some powers will now be delayed the MCCA remains able to assist and strengthen partnerships across Sussex.

53.6 In order for consent to be given in a timely manner and within the timescales set by Government it is necessary to delegate authority to the Chief Executive, in consultation with the Leader, to agree to the Statutory Instrument and to take any action needed to enact the recommendations and facilitate the establishment of the MCCA.

54. AUDITOR'S ANNUAL (VALUE FOR MONEY) REPORT ON EAST SUSSEX COUNTY COUNCIL 2024/25

54.1 The Cabinet considered a report by the Chief Finance Officer.

54.2 It was RESOLVED to note the report.

Reason

54.3 The Annual (Value for Money) Report for 2024/25 in recognising the significant Financial Sustainability challenge the authority faces, has been able to provide positive assurance around Governance and Improving Economy, Efficiency and Effectiveness. One key recommendation has been reported and responded to by management.

55. TREASURY MANAGEMENT STRATEGY STATEMENT 2026/27

55.1 The Cabinet considered a report by the Chief Finance Officer.

55.2 It was RESOLVED to recommend to the County Council to:

1) Approve the Treasury Management Strategy Statement for 2026/27;

2) Approve the Annual Investment Strategy for 2026/27;

3) Approve the Prudential and Treasury Indicators 2026/27 to 2028/29;

4) Approve the Minimum Revenue Provision (MRP) Policy Statement for 2025/26 and 2026/27 at Appendix 1 of the report (Section 3).

Reason

55.3 The report fulfils the requirement to submit an annual/half yearly report in the form prescribed in the Treasury Management Code of Practice. The policy sets out the acceptable limits on ratings, investment periods, amounts to be invested and the borrowing strategy. The financial position is kept under constant review and if at any time it is felt that any of these limits represent an unacceptable risk appropriate and immediate action will be taken accordingly.

56. THE CONSERVATORS OF ASHDOWN FOREST 2025/26 FORECAST OUTTURN POSITION AND UPDATED MEDIUM TERM FINANCIAL PLAN INCLUDING THE 2026/27 BUDGET

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

56.2 It was RESOLVED to:

- 1) Note the Quarter 2 budget position for the Conservators' 2025/26 Core Budget.
- 2) Note the Conservators of Ashdown Forest medium term financial plan.
- 3) Approve the 2026/27 Core Budget.

Reasons

56.3 The report sets out the financial position of the Conservators of the Ashdown Forest (COAF) for 2025/26, against the approved budget agreed by the Board of Conservators at their meeting on 17 November 2024 and presented to Cabinet in January 2025.

56.4 The current 2025/26 Core budget projections indicate that no additional contribution from East Sussex County Council will be required.

56.5 The current Countryside Stewardship (CS) budget is forecast to overspend by £88,589 this year. This is more than the budgeted overspend of £24,726. The forecast assumes a CS funding gap from January to March 2026. However Natural England have just announced an extension of the funding which should reduce the forecast 2025/26 overspend.

57. TO AGREE WHICH ITEMS ARE TO BE REPORTED TO THE COUNTY COUNCIL

It was agreed that items 5, 8 and 9 should be reported to the County Council.

[Note: the items being reported to County Council refer to minute numbers 52, 55 and 56]

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Title: Council Monitoring Report – Q3 2025/26
Report to: Cabinet
Date: 10 March 2026
Report by: Chief Executive
Purpose: To report Council monitoring for Q3 2025/26

RECOMMENDATIONS

Cabinet is recommended to:

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

1.1 This report sets out the Council's position and year-end projections for the Council Plan targets, Revenue Budget, Capital Programme, and Savings Plan, together with Risks at the end of December 2025.

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 8.

2. Council Plan 2025/26 amendments and strategic risks

2.1 The target for one performance measure in Communities, Economy and Transport (CET) (Appendix 6) is recommended for amendment:

- East Sussex Careers Hub – a) support schools to achieve an average of 5 national benchmarks b) 215 Industry Champions support schools and colleges in the county

The Government has implemented significant changes to how the Gatsby benchmarks used to assess careers provision in schools are assessed and reported. These changes came into effect in September 2025. As a result, it is recommended that the element of the 2025/26 target relating to the benchmarks is deleted.

2.2 The Strategic Risk Register, Appendix 8, was reviewed and updated to reflect the Council's risk profile. Risk 5 (RPPR), Risk 15 (Climate), Risk 4 (Health), and Risk 23 (Local Government Reorganisation and Devolution) have updated risk definitions and updated risk controls. Risk 12 (Cyber Attack), Risk 22 (Oracle), Risk 9 (Workforce), Risk 6 (Local Economic Growth), and Risk 21 (Care Act Reviews) have updated risk controls.

3. Budget Outturn

3.1 The detailed revenue projections for each department are set out in the relevant appendices which show a projected overspend of £22.8m by 31 March 2026 (£24.1m at quarter 2).

3.2 The main headlines are:

- Children's Services (CSD) is forecasting a £13.5m overspend for 2025/26 (£14.9m at quarter 2). Whilst the forecast has reduced since quarter 2, the main financial pressure continues to come from the statutory demand-driven areas of Children we Care For, child protection, and Home to School Transport (HTST). There has been a slight improvement in the forecast for Children we Care For, achieved through a focus on commissioning activity and contract negotiations, and strengthened oversight, meaning that providers are held to account for cost, quality and outcomes. Mitigation measures include family support programmes, reunification work, strengthened market management, and increased health funding. The HTST forecast has improved on the previous quarter due to a reduction in the numbers of solo journeys for pupils with Special Educational Needs and Disability (SEND), increased route optimisation, and additional Dedicated School Grant income for eligible SEND pupils requiring transport.

Not included in the revenue budget projections due to the statutory accounting override, the Dedicated Schools Grant High Needs Block deficit is projected to be £20.1m by the end of 2025/26. Demand for special school placements is rising, but local maintained schools are at capacity, forcing reliance on Independent and Non-Maintained Special Schools at significantly higher costs. Additionally, bespoke out-of-school provisions requested by parents further increase expenditure, with limited mechanisms to control these costs.

- The forecast overspend for Adult Social Care is £9.0m (no change from quarter 2) which largely relates to the Independent Sector. This is due to an increase in demand and more people being supported, however it should be noted that support is being provided at a lower average cost than previous years, because the service is managing the market, being prudent with packages of support and reviewing more people.
- Communities, Economy and Transport is showing a forecast overspend of £0.3m (underspend of £0.2m at quarter 2). The largest overspend is in Highways, which reflects the higher than expected cost of damage to the highway primarily due to accidents and oil and fuel spills. In addition, in the absence of additional Council funding for highway maintenance the weather is taking its toll on road conditions, resulting in additional costs arising from larger pothole repairs, additional jet patching, temporary repairs and emergency defects, on top of increased electricity costs for street lighting and contract inflation as reported at quarter 2.

3.3 Within Centrally Held Budgets (CHB), including Treasury Management (TM), and corporate funding there is a forecast underspend of £9.8m (£10.7m at quarter 2), which includes the general contingency:

- There is currently an estimated £1.0m underspend on TM, based on a reduced in-year capital borrowing requirement and greater than anticipated returns on investments. It should be noted that there has been a fall in cash investment balances; whilst above benchmark returns are being achieved, the level of balances has fallen by 50% in one year to £57.1m at the end of December 2025.
- Within CHB the forecast underspend of £8.8m is due to the General Contingency of £5.7m, £1.5m available from not transferring a contribution to the Capital Programme and £3.3m unused provision for budgetary risk, offset by £1.6m debt impairment and other smaller variances.
- Corporate Funding budgets are underspending by £1.1m (no change from quarter 2), due to the additional allocations of Social Care-related grant and New Homes Bonus, plus an increase of forecast Business Rates income offset by a reduction in forecast Council Tax income.

3.4 The net impact of the above is an unplanned draw from reserves of £11.8m in 2025/26. This is in addition to the planned £11.4m draw to present a balanced position in setting the 2025/26 budget. Use of the Capital Reserve has the potential to increase the requirement to borrow, leading into increased costs in the future; use of Collection Fund surplus and Insurance and Local Government Reorganisation Reserves will likely hinder the Council's management of future risk and transformation. To address the projected in-year overspend and reduce the required draw from reserves, the Council continues with several actions introduced last year, including:

- Additional controls on spending, including the requirement for purchase orders above £1,000 to be supported by a business case and approved by a reviewing board.
- An updated recruitment protocol, including Corporate Management Team approval of non-core role recruitment.

3.5 The total savings identified to be delivered in 2025/26, including slippage from previous years, are £14.3m. Departments are reporting that £12.3m will be able to be delivered in 2025/26, with £2.0m slipping to future years, and £0.2m not being able to be achieved but being replaced by other permanent savings. The impact of the slippage has been reflected in the revenue monitoring position. The departmental appendices provide more detail.

3.6 The Capital Programme net expenditure for the year is projected to be £92.768m against a planned programme budget of £92.669m. A slippage risk factor has been applied to the capital programme budget to reflect likely slippage based on a risk assessment of historic levels of actual expenditure and slippage at a project / programme level. The risk factor will be held at a corporate level to enable services / project managers to manage project budgets at a local level, whilst ensuring greater robustness to the planning and monitoring process at a corporate level. The net budget after applying this risk factor is £90.493m. The Capital Programme is currently forecasting a net variation of £2.275m additional expenditure, with the key contributing factors outlined below.

3.7 The Capital Programme is forecasting £5.595m of slippage against the planned programme (a net of £3.419m when adjusted for the slippage risk factor factored into the budget), mainly due to weather-related delays, resource constraints, and project complexities across several departments. The BSD department reports the largest slippage, particularly at Acre Wood School and Hollington Youth Centre, while CET faces delays on projects including Exceat Bridge, the Emergency Active Travel Fund, and Community Match schemes. Smaller delays are also reported in Children's Services and Adult Social Care, largely due to complex project requirements and construction delays.

3.8 The programme is reporting £0.726m of spend in advance. The majority comes from the CET programme, mainly due to resumed works on the Eastbourne Town Centre Phase 2a scheme, which faced earlier delays and unexpected issues such as a sinkhole and an asbestos pipe.

3.9 The programme is reporting a £5.180m overspend, driven mainly by the Queensway Gateway Road, where redesign requirements, unexpected issues (including utility diversions and poor ground conditions), and a decade of construction inflation have significantly increased costs.

3.10 A £0.212m underspend is forecast within the Capital Programme relating to The Keep in CET. Costs originally planned as capital for equipment replacement have been classified as revenue due to the nature and value of the works.

4. Progress against Council Priorities

Driving sustainable economic growth

4.1 The Council has spent £416m with 1,280 local suppliers over the past 12 months. This equates to 62% of our total procurement spend, which is above our target 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. 5 contracts, with a value of £13.2m, were agreed in quarter 3 and as part of these we secured £1.7m in social value commitments. This equates to 13% of the contract value, and will include apprenticeship opportunities, work experience for local students, supporting habitat restoration and tree planting with local schools (Appendix 4).

4.2 Work on our highways has continued, with 4,828 potholes repaired in quarter 3, 3,531 of these were carriageway potholes and the remainder primarily footway potholes. We completed 2 road improvement schemes to improve the condition of the roads (Appendix 6).

4.3 There were several achievements relating to adult skills in quarter 3. The Construction Task Group worked with East Sussex College Group to launch a new roofing apprenticeship. The Health and Social Care Task Group, alongside the University of Brighton and Pharmacy Teams launched the Boosting Skills Pathway project, to promote careers in pharmacy. 12 Bootcamps were delivered with 178 participants. The Bootcamps helped people increase their skills in areas such as digital, horticulture, leadership and health and social care (Appendix 6).

4.4 158 businesses in East Sussex were supported through business support programmes during quarter 3. 156 of these were supported through the Growth Hub and 2 through Rural Business Grants (Appendix 6).

4.5 The percentage of 3 and 4-year-olds taking up some or all their free education has decreased slightly and at 93.3% is just above the national average of 93.1%. This is partly driven by the fact that there are fewer Early Years places available for this age group this year. A low

birth year moving through the system also makes the figures more volatile. However, despite these challenges we have seen an increase in the percentage of 3- and 4-year-old children in working families, taking up some or all their free education. (Appendix 5).

4.6 Final data for the average Attainment 8 score for pupils at state-funded schools in academic year 2024/25 shows that the average Attainment 8 score in East Sussex was 43.1 compared to a national average of 46.0. This is below our target of 44.0. The average Attainment 8 score for disadvantaged pupils in East Sussex was 30.3 compared to the national average of 34.9. This is just below our target of 30.5. There have been improvements in Key Stage 4 performance this year, but further improvement is needed particularly in some of our coastal academies which account for a high proportion of the secondary pupils in the county. A number of actions are in place to improve attainment for the 2025/26 academic year (Appendix 5).

4.7 The final validated results for the percentage of children achieving a good level of development at the Early Years Foundation Stage were published by the Department for Education in quarter 3. The East Sussex result was 70.4% compared to a national figure of 68.3%. There is an increased gap between the East Sussex and national figure when compared to the 2024/25 outcome (Appendix 5).

Keeping vulnerable people safe

4.8 The number of children with a Child Protection Plan has increased to 571 at the end of quarter 3, up from 532 at the end of quarter 2. The increase is attributable to a high level of referrals during quarter 3, with 367 Family Assessments started in October alone. The number of Looked After Children (Children We Care For) also increased, to 704 at the end of quarter 3, up from 689 at the end of quarter 2. There has been an increase in the number of care proceedings, emergency orders and children accommodated under Section 20 of the Children Act, while the number of discharges from care has decreased (Appendix 5).

4.9 Three of the Council's Residential Children's Homes were inspected in quarter 3. Brodrick House was inspected in October 2025 and received an 'Outstanding' judgement. Hazel Lodge was inspected in October 2025 and Homefield Cottage in November 2025; both homes were found to be 'Good' (Appendix 5).

4.10 We continue to commission and provide services to support adults and older people across the county. There is a greater complexity of need amongst people accessing support, along with an ongoing increase in demand for our services. There has been a 6.3% increase in the number of people receiving residential and nursing care, and a 4.4% increase in the number receiving Long Term Support in a community setting at the end of quarter 3 2025/26, compared to the end of quarter 3 2024/25. There has also been an 8.1% increase in contacts handled by Health and Social Care Connect, and 8.0% increase in the number of assessments completed, and a 35.8% increase in Mental Capacity Assessments completed between April to December 2025, compared to the same period in 2024 (Appendix 3).

4.11 Trading Standards made 51 interventions during quarter 3 to protect vulnerable people who had been the target of rogue trading or financial abuse. The team have investigated and worked alongside Sussex Police on scam interventions which involved over £1.5m of financial risk to the vulnerable people involved, with one scam alone involving £1.2m. 72 businesses received training or advice from Trading Standards during quarter 3 (Appendix 6).

Helping people help themselves

4.12 There continues to be challenges around the timeliness of issuing new Education, Health and Care Plans caused by late statutory advice from partners and increasingly high demand. Late statutory advice from partners and increasingly high demand has reduced the number of plans that can be issued on time. However, backlogs have started to reduce in quarter 3. The cumulative performance for quarters 1 to 3 is that 32.2% of plans, including exception cases, and 33.5%, excluding exception cases, were issued within the 20-week statutory timescale, significantly below last year's figures which were over 72% (Appendix 5).

4.13 The Council runs courses aimed at giving children and adults the skills they need for riding their bikes on the road. We delivered 92 Bikeability courses to 579 individuals in quarter 3. 74 'Wheels for All' sessions were also delivered to 1,561 attendees. A number of Bikeability sessions were cancelled in December due to the wet weather, with schools aiming to rebook these sessions in the summer, which will make it more challenging to achieve the target of delivering courses to 4,000 individuals this year. Further level 2, balance bike and immersive training sessions are planned for quarter 4 (Appendix 6).

4.14 Alongside the East Sussex Healthcare NHS Trust, we have established a Regional East Sussex Pulmonary Service smoking cessation pathway, to provide patients with 2 weeks of Nicotine Replacement Therapy and an onward referral to One You East Sussex. We ran a Stoptober campaign in October 2025, which saw 289 people set a quit date through One You East Sussex, compared to a normal monthly average of 218. We have also launched an AI Quit Coach which provides residents with 24/7 smoking cessation support in any language (Appendix 3).

4.15 The Stronger for Life in Hospital scheme, which is funded by Public Health and managed with the ASC Partnership Team, at the Bexhill Irvine Unit won the President's Award at the Community Hospitals Association Innovation and Best Practice Awards during quarter 3. The scheme, which was supported by strong collaboration between the Council, Active Rother, Active Sussex and East Sussex Healthcare Trust, supports hospital patients, particularly those recovering from strokes, to maintain and regain physical conditioning both during their stay and after discharge. The sessions are now being livestreamed to other hospital departments (Appendix 3).

4.16 During quarter 2 (reported a quarter in arrears) 239 people attended at least 2 sessions as part of a One You East Sussex weight management intervention. Of these 239 people, 52 (22.2%) achieved at least 5% weight loss, against a target of 25.0% for the year. The service continues to monitor weight loss outcomes across its range of programmes and implement relevant actions to maximise ongoing engagement and retention, which should subsequently positively impact on weight loss outcomes (Appendix 3).

4.17 Public Health played a key role in a local authority consortium, led by Lewes District Council, that secured an additional £880,000 in quarter 3 for delivery of the Warm Home Local Grant in 2025/26. This funding is on top of the £3.9m originally awarded for 2025-2028 and doubles the amount for delivery in the first year of the scheme (Appendix 3).

Making best use of resources now and for the future

4.18 Throughout quarter 3 the Leader, Group Leaders and Chief Executive continued to raise issues and priorities for the county with our local MPs, focused on the stark financial position of the Council. In letters and individual meetings, MPs have been kept regularly updated on financial planning for 2026/27, and the negative impact that the outcome of the Fair Funding Review 2.0 has on the Council's funding, resulting in the Council needing to request Exceptional Financial Support from Government. Lobbying has highlighted the acute need for services in the county due to the older than average population, the nature of the county's economy, and the level of deprivation in parts of the county which are unlike those seen in the wider South East. In doing so, the Council has received the support of MPs in impressing on Ministers the severity of the Council's financial position and the Council's urgent need for additional funding. (Appendix 7).

4.19 The Council has continued to work with a range of partners to develop and deliver carbon reduction and climate change adaptation work in quarter 3. We completed 6 energy efficiency schemes which included roof insulation being installed at 4 properties, 1 window replacement programme, and solar panels being installed (Appendix 4). We also published the corporate climate emergency progress report for 2024/25. Work was undertaken in quarter 3 to establish the potential to lease a closed landfill site to a third party for development as a solar farm (Appendix 6).

4.20 The sickness absence figure for the whole authority (excluding schools), for quarters 1 to 3, is 7.10 days lost per Full Time Equivalent (FTE) role, an increase of 3.2% when compared to the

same period in 2024/25. The year end estimate for 2025/26 (based on nine month's data) is 9.51 days per FTE, so the target of 9.10 days per FTE is predicted to be missed. Absence levels have increased sharply in quarter 3, with the main reasons being absences for flu-like symptoms, coughs and colds, and a further rise in stress-related absence. Our wellbeing programme is offering targeted workshops and expanding the Mental Health First Aiders network to help support staff. We are also exploring how to use the new occupational health provider to offer a workshop to support staff through organisational change (Appendix 4).

4.21 The Council continued work to ensure its office hubs are used efficiently during quarter 3, with purchasers identified to acquire Sandbanks in Hailsham, and the former swimming pool adjacent to the old Freda Gardham School in Rye. Sales were also concluded for 3 premises at Hye House Crowhurst. New lettings and lease renewals were also agreed at Pacific House in Eastbourne (Appendix 4).

4.22 Alongside our local partners we have worked to ensure that we will be best placed to secure the maximum possible benefits for our residents from the Government's reforms to the structure of local government. We submitted our response to the Ministry of Housing, Communities and Local Government's consultation on the different models for unitary government put forward for the Sussex area during quarter 3, reiterating the strong case for the One East Sussex model. We also encouraged local people and organisations to respond. We have worked with our partners during quarter 3 to support the creation of the Sussex and Brighton Mayoral County Combined Authority. Together with partners we are working to ensure that the new authority remains in the best possible position to access funding and use its devolved powers to address challenges faced by residents and businesses across Sussex (Appendix 7).

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 Treasury Management Prudential Indicators
- Appendix 3 Adult Social Care and Health – (ASCH)
- Appendix 4 Business Services (Department) – (BSD)
- Appendix 5 Children’s Services (Department) – (CSD)
- Appendix 6 Communities, Economy and Transport – (CET)
- Appendix 7 Governance Services – (GS)
- Appendix 8 Strategic Risk Register

Cover report, Appendix 1 and Appendix 2

The cover report, Appendix 1 and Appendix 2 provide a concise corporate summary of progress against all our Council Plan Targets (full year outturns at quarter 4), Revenue Budget, Savings Targets, Capital Programme and Treasury Management Prudential Indicators.

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 now and for the future.

More information on each of these topics is provided in the relevant departmental appendix referenced in brackets, e.g. (Appendix 3). More detailed performance and finance data is also available in the departmental appendices.

Departmental Appendices 3-7

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 8

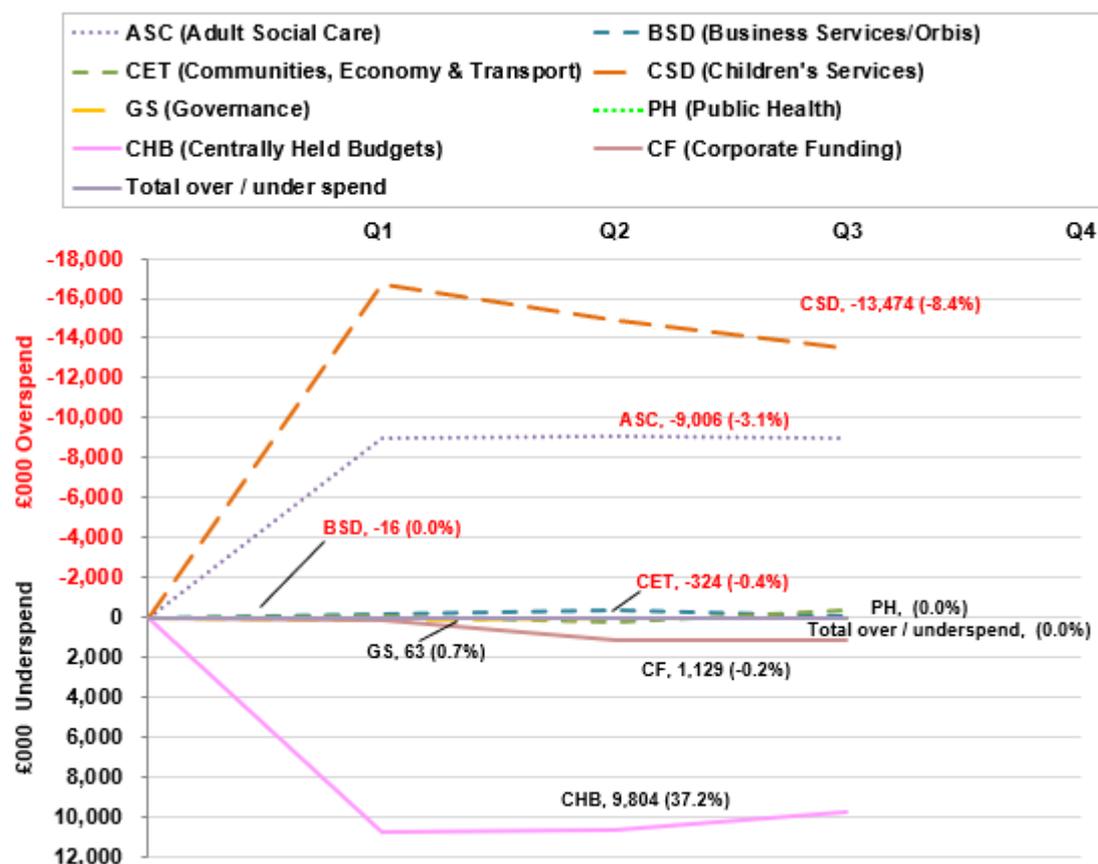
Appendix 8 contains commentary explaining mitigating actions for all Strategic Risks.

Council Monitoring Corporate Summary – Q3 2025/26

Council Plan performance targets

Priority	Red	Amber	Green	AD
Driving sustainable economic growth	2	3	18	1
Keeping vulnerable people safe	1	1	14	0
Helping people help themselves	1	2	7	0
Making best use of resources now and for the future	2	0	5	0
Total	6	6	44	1

Performance overview Q3 2025/26	Measures off target by department
<p style="text-align: center;"> Green, 44, 77% Amber, 6, 11% Red, 6, 11% Amend/Delete, 1, 2% </p>	<p>There are 57 measures in the Council Plan. In Q3, 4 departments had measures that were off target.</p> <p>ASCH – 1 amber measure BSD – 2 red measures CET – 1 measure proposed for amendment, and 1 amber measure CSD – 4 red measures and 4 amber measures</p>

Revenue budget outturn (net £000)**Revenue budget summary (£000) 2025/26****Services:**

Divisions	Planned Gross	Planned Income	Planned Net	2025/26 Gross	2025/26 Income	2025/26 Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net
Adult Social Care	451,452	(165,299)	286,153	460,408	(165,249)	295,159	(8,956)	(50)	(9,006)
Public Health	38,295	(38,295)	-	38,354	(38,354)	-	(59)	59	-
Business Services / Orbis	65,576	(33,403)	32,173	66,440	(34,251)	32,189	(864)	848	(16)
Children's Services	628,421	(467,972)	160,449	656,837	(482,914)	173,923	(28,416)	14,942	(13,474)
Communities, Economy & Transport	174,799	(98,379)	76,420	177,946	(101,202)	76,744	(3,147)	2,823	(324)
Governance Services	10,136	(634)	9,502	10,091	(652)	9,439	45	18	63
Total Services	1,368,679	(803,982)	564,697	1,410,076	(822,622)	587,454	(41,397)	18,640	(22,757)

Centrally Held Budgets (CHB):

Divisions	Planned Gross	Planned Income	Planned Net	2025/26 Gross	2025/26 Income	2025/26 Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net
Treasury Management (TM)	21,680	(6,900)	14,780	24,341	(10,562)	13,779	(2,661)	3,662	1,001
Capital Programme	1,450	-	1,450	-	-	-	1,450	-	1,450
Pensions	4,702	-	4,702	4,764	-	4,764	(62)	-	(62)
General Contingency	5,650	-	5,650	-	-	-	5,650	-	5,650
Provision for Budgetary Risks	5,010	-	5,010	1,693	-	1,693	3,317	-	3,317
Reserves Movements	639	(6,749)	(6,110)	639	(6,748)	(6,109)	-	(1)	(1)
Apprenticeship Levy	772	-	772	877	-	877	(105)	-	(105)
Levies, Grants and Other	124	(11)	113	189	(223)	(34)	(65)	212	147
Debt Impairment	-	-	-	1,593	-	1,593	(1,593)	-	(1,593)
Total Centrally Held Budgets (CHB)	40,027	(13,660)	26,367	34,096	(17,533)	16,563	5,931	3,873	9,804

Corporate Funding (CF):

Divisions	Planned Gross	Planned Income	Planned Net	2025/26 Gross	2025/26 Income	2025/26 Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net
Business Rates	-	(102,987)	(102,987)	-	(104,402)	(104,402)	-	1,415	1,415
Revenue Support Grant	-	(4,452)	(4,452)	-	(4,452)	(4,452)	-	-	-
Service Grant	-	-	-	-	-	-	-	-	-
Council Tax	-	(399,222)	(399,222)	-	(398,742)	(398,742)	-	(480)	(480)
Social Care Grant	-	(72,437)	(72,437)	-	(72,561)	(72,561)	-	124	124
New Homes Bonus	-	(517)	(517)	-	(587)	(587)	-	70	70
Total Corporate Funding (CF)	-	(579,615)	(579,615)	-	(580,744)	(580,744)	-	1,129	1,129

Divisions	Planned Gross	Planned Income	Planned Net	2025/26 Gross	2025/26 Income	2025/26 Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net
TOTAL SERVICES, CHB & CF	1,408,706	(1,397,257)	11,449	1,444,172	(1,420,899)	23,273	(35,466)	23,642	(11,824)
Planned one-off Use of Reserves 2025/26	-	(11,449)	(11,449)	-	(11,449)	(11,449)	-	-	-
Use of LGR Reserve to cover operational overspend	-	-	-	-	(4,200)	(4,200)	-	4,200	4,200
Use of Capital Reserve to cover operational overspend	-	-	-	-	(4,124)	(4,124)	-	4,124	4,124
Additional use of Insurance Reserve	-	-	-	-	(2,000)	(2,000)	-	2,000	2,000
Use of Collection Fund surplus	-	-	-	-	(1,500)	(1,500)	-	1,500	1,500
FINAL TOTAL	1,408,706	(1,408,706)	0	1,444,172	(1,444,172)	0	(35,466)	35,466	0

Revenue Savings Summary 2025/26 (£'000)

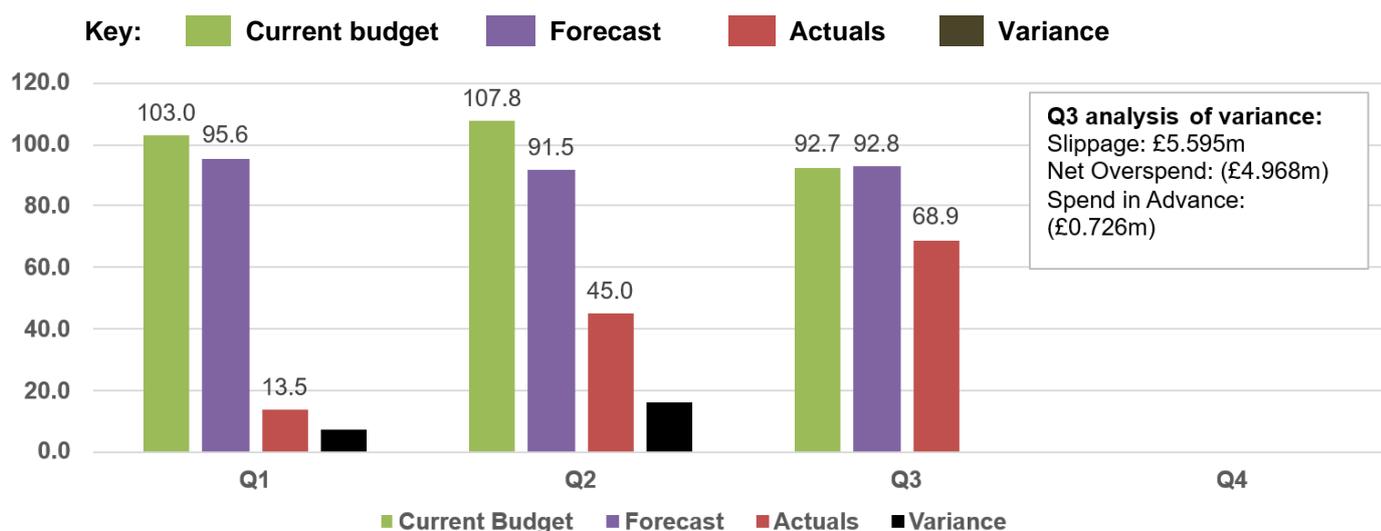
Service description	Original Target for 2025/26	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved
ASCH	7,420	7,420	7,208	157	55
BSD/Orbis	1,060	1,060	980	-	80
CS	3,239	3,239	2,598	539	102
CET	1,553	2,298	1,111	1,187	-
GS	233	233	233	-	-
Total Savings	13,505	14,250	12,130	1,883	237
ASCH			55	-	(55)
BSD / Orbis			-	80	(80)
CS			102	-	(102)
CET			-	-	-
GS			-	-	-
Subtotal Permanent Changes ¹			157	80	(237)
Total Savings & Permanent Changes	13,505	14,250	12,287	1,963	0

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding ²	Part of reported variance ³	Total
ASCH	157	-	157
BSD / Orbis	-	80	80
CS	-	539	539
CET	-	1,187	1,187
GS	-	-	0
Total	157	1,806	1,963

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 2025/26 (£'000)**

	Budget 2025/26	Forecast 2025/26	Variation (Over) / under 2025/26 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance
Adult Social Care	1,868	1,808	60	-	60	-
Business Services	35,790	32,642	3,148	(5)	3,191	(38)
Children's Services	2,789	2,609	180	-	180	-
Communities, Economy & Transport	52,222	55,709	(3,487)	(4,963)	2,164	(688)
Gross Expenditure (Planned Programme)	92,669	92,768	(99)	(4,968)	5,595	(726)
Corporate Slippage Risk Factor	(2,176)	-	(2,176)	-	(2,176)	-
Net Expenditure	90,493	92,768	(2,275)	(4,968)	3,419	(726)
Developer Contributions	4,848	4,809	(39)			
Other Specific Funding	23,715	23,275	(440)			
Capital Receipts	1,288	1,288	-			
Formula Grants	30,714	30,875	161			
Recycled Loans	274	274	-			
Reserves and Revenue Set Aside	5,380	5,330	(50)			
Borrowing	24,274	26,917	2,643			
Total Funding	90,493	92,768	2,275			

Treasury Management

The Treasury Management Strategy, which provides the framework for managing the Council's cash balances and borrowing requirement, continues to reflect a policy of ensuring minimum risk, whilst aiming to deliver secure realistic investment income on the Council's cash balances. Cash investment balances as at 31 December 2025 have fallen by 50% in 1 year, from £114.2m at Q3 2024/25 to £57.1m at Q3 2025/26.

The average level of Council funds available for investment purposes during Q3 was £78.1m. The total amount received in short term interest for Q3 was £834k at an average rate of 4.24%, compared to £1.339m at an average rate of 4.50% for Q2 2025/26.

The Bank of England Base Rate was cut by 0.25% on the 18 December 2025, the rate at 31 December 2025 was 3.75% with no further reductions in 2025/26 forecasted. During Q3, no fixed term deposits with local authorities or banks were placed.

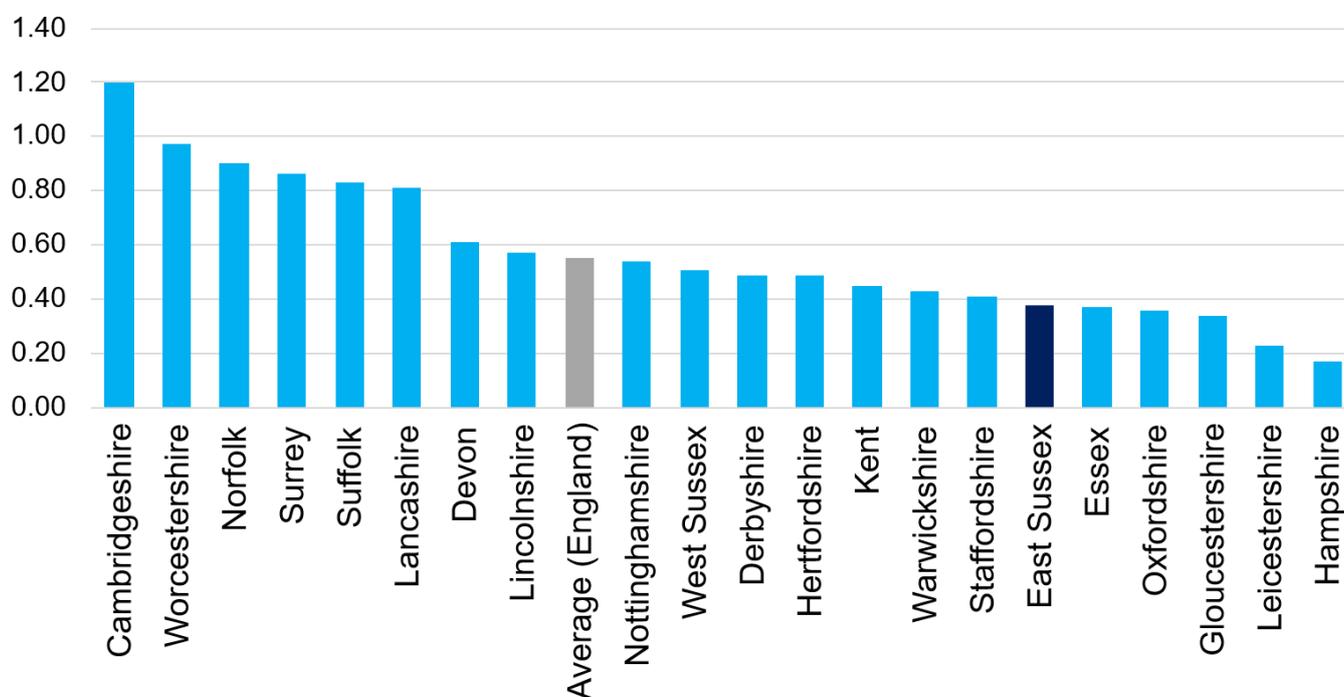
The investment strategy approach in previous quarters to 'ladder' deposits has created a steady maturity profile. However, from late December short term borrowing was required to cover cashflow into early January.

The borrowing was sourced from the local authority market via an approved broker. £15m was required in total and was fully repaid by the 14 January, the average rate of this borrowing was at 4.40%.

Cashflow is monitored through a rolling 18 month forecast. Current projections assume that once our existing investments mature these will not be reinvested for a fixed term, with funds instead remaining instantly accessible, which will help manage cashflow. The forecast also indicates that additional short-term borrowing may be required at the end of each month during Q4.

The Council's external debt, totalling £200.1m at Q3, is held as long-term loans and is now fully with the Public Works Loan Board. No long-term borrowing was undertaken in Q3. The graph below shows that East Sussex's borrowing remains lower than the average per population for shire counties.

Total Borrowing (£'000) per population as at 31 March 2025 - Shire Counties



The Treasury Management budget is currently forecast to underspend by £1.0m. This is based on the position outlined above with regard to balances held and investment returns. A reduced in-year capital borrowing requirement alongside an ongoing strategy to delay borrowing in a falling interest rate environment has meant that the Council has delayed new external longer-term borrowing; and returns on investments in year were greater than anticipated as the Base Rate did not fall as fast as originally anticipated.

The performance of the Council's treasury management activity, against benchmarks and the key indicators set in the Treasury Management Strategy, as approved by Full Council on 11 February 2025, are set out at Appendix 2.

Reserves and Balances 2025/26 (£000)

Reserve / Balance	Balance at 1 Apr 2025	Forecast net use at Q2	Forecast Net use at Q3 *	Movement	Balance at 31 Mar 2026
Statutorily ringfenced or held on behalf of others:					
Balances held by schools	16,043	-	-	-	16,043
Public Health	3,998	(2,891)	(2,891)	-	1,107
Other	5,491	(1,414)	(1,414)	-	4,077
Subtotal	25,532	(4,305)	(4,305)	-	21,227
Service Reserves:					
Corporate Waste	19,844	(5,109)	(5,109)	-	14,735
Capital Programme	9,060	(9,060)	(9,060)	-	-
Insurance	7,678	(4,000)	(4,000)	-	3,678
Local Government Re-organisation	-	-	-	-	-
Subtotal	36,582	(18,169)	(18,169)	-	18,413
Strategic Reserves:					
Priority / Transformation	5,187	(786)	(786)	-	4,401
Financial Management	11,276	(5,226)	(5,226)	-	6,050
Subtotal	16,463	(6,012)	(6,012)	-	10,451
Total Reserves	78,577	(28,486)	(28,486)	-	50,091
General Fund	10,000	-	-	-	10,000
Total Reserves and Balances	88,577	(28,486)	(28,486)	-	60,091

* Currently excludes any movements in transfers relating to Q3 variances.

Changes to Fees & Charges

Changes over 4% during Q3 were reported to Cabinet on 27 January 2026, as part of the Reconciling Policy, Performance and Resources report.

Outstanding debt analysis (£ millions)

The value of debt aged over 5 months at Q3 has increased by £4.035m to £13.390m compared to the 2024/25 outturn position of £9.355m.

The majority £12.964m (96.82%) of all debt over 5 months old relates to Adult Social Care and Health (ASCH), which has increased by £4.028m compared with the 2024/25 outturn position of

£8.936m. A significant factor contributing to this increase is over £2.6m of income due where Discretionary or Non-Discretionary Funding was being provided and has ended during the current financial year. While the local authority was providing funding, this could not be recovered due to the absence of a legally authorised individual to settle the charges. Following the appointment of a deputy or attorney, or after the individual has sadly passed away recovery is now being pursued. Often the amounts due are high value as they relate to charges for residential or nursing care. Additionally, £0.514m of the increase relates to income due from the NHS and £0.442m relates to income due from the Estate where the Council's Appointee and Deputyship were managing finances prior to adults passing away.

Adult Social Care client contribution income accounts for the majority of the Council's debt collection activity. The recovery process in this area is often protracted due to the sensitive and complex nature of individual circumstances. Nevertheless, the increasing level of debt remains a key priority for 2025/26.

To address this challenge, a strategic review was undertaken to evaluate the end-to-end income collection and debt recovery processes. The objective was twofold: to reduce existing debt and to implement measures that prevent further debt accumulation. As part of this initiative, a six-week pilot was conducted in Q3 to streamline recovery for non-payment cases. The pilot delivered positive outcomes and valuable insights.

In addition, work has commenced on the potential implementation of a paperless Direct Debit solution. This initiative aims to simplify the setup process for service users, enhance customer experience, and increase adoption of this payment method. By enabling timely payments, the approach is expected to support more efficient debt recovery and mitigate the risk of future arrears.

Treasury Management Prudential Indicators – Q3 2025/26

The Chartered Institute of Public Finance and Accountancy published the revised Treasury and Prudential codes in 2021, which requires quarterly reporting of performance against forward looking prudential indicators. The performance of the Council's treasury management activity, against benchmarks and the key indicators in the Council's Treasury Management Strategy, as approved by Full Council at its meeting of 11 February 2025, are set out below.

Investments

Cash investment balances as at 31 December 2025 have fallen by 58% in one year, from £114.2m at Q3 2024/25 to £57.1m. The average investment return over Q3 was 4.24% performing above the benchmark rate by 31 basis points (or 0.31 percentage points). Performance has reduced marginally because of maturing investments being placed in a lower interest rate environment and for a shorter duration, due to cashflow.

	Average Investment Balance £m	Average Investment Return	Average Benchmark Rate*	Difference
Quarter 1 2025/26	151.972	4.74%	4.32%	+0.42%
Quarter 2 2025/26	117.976	4.50%	4.07%	+0.43%
Quarter 3 2025/26	78.072	4.24%	3.93%	+0.31%

*the Benchmark rate used is the Standard Overnight Index Average (SONIA); a rate administered by the Bank of England based on actual transactions of overnight borrowing by financial institutions.

During Q3 we have monitored the security of the Council's investments, to assess the risk of those investments losing their value. These risks were assessed using the financial standing of the groups invested in, the length of each investment, and the historic default rates. Our investment strategy sets an allowable risk level of 0.050% (i.e. that there is a 99.95% probability that the Council will get its investments back). The actual indicator ranged between 0.007% and 0.009%, reflecting the high proportion of investments held in highly secure and/or very liquid investments.

Investment Risk Benchmark	0.050%
Maximum Investment Risk Experienced Q3	0.009%

Borrowing

The table below shows the Council's total external borrowing and average rate as at 31 December 2025. Short term borrowing was required to cover a temporary cashflow shortfall towards the end of December. This was sourced from the Local Authority Market via the Council's approved brokers; the loans will be repaid in early January. No further debt maturities occurred in Q3.

	Balance as at 31 December 2025 £m	Average Rate
PWLB	200.142	4.38%
Short Term Borrowing (Local Authority)	15.000	4.40%
Market Loans	-	-
Total Borrowing	215.142	4.38%

The table below shows the Q3 forecast of the Capital Financing Requirement (CFR) compared to the estimate within the 2025/26 strategy approved in February 2025. The CFR is expected to

give rise to new borrowing required of £113.110m by the end of the year, compared to the original estimate of £70.000m following an increased capital programme borrowing need in 2024/25 carried forward. The strategy currently forecasts that the level of reserves and balances in the medium term allows for internal borrowing (using internal resources such as useable reserves or temporary working capital) of at least £75.000m in 2025/26. It is therefore expected that new borrowing of £38.110m may be required to support the capital programme during 2025/26, although the timing of borrowing will be considered in the context of the wider treasury management position and economic environment.

Capital Financing Requirement (CFR) (Underlying Borrowing Need)*	Original Estimate 2025/26 £m	Revised forecast as at 31 December 2025 £m
Opening CFR	268.971	292.380
Borrowing Requirement	15.812	29.276
Minimum Revenue Provision	(8.111)	(8.404)
Closing CFR	276.672	313.252
Long Term External Borrowing as at 31 December 2025	-	200.142
Forecast Under borrowing (if no action taken)	-	113.110

*The CFR underlying borrowing need excludes PFI and lease arrangements.

The table below shows that the Council is operating within the Operational Boundary and Authorised Borrowing Limits set within the Treasury Management Strategy and has sufficient headroom to cover any unforeseen borrowing need arising from the year's capital programme.

Borrowing Limits for external debt	Operational Boundary £m	Authorised Borrowing Limit £m
Limit set for 2025/26	362.000	382.000
Less: PFI & Leases	(76.000)	(76.000)
Limit for Underlying Borrowing	286.000	306.000
Actual External Borrowing at 31 December	215.142	215.142
Headroom*	70.858	90.858

*Authorised Borrowing headroom cannot be less than zero

The maturity profile of the Authority's borrowing is within the limits set within the strategy.

Maturity Structure of Borrowing	Lower Limit Set	Upper Limit Set	Actual as at 31 December 2025
Under 12 months**	0%	25%	10%
12 months to 2 years	0%	40%	2%
2 years to 5 years	0%	60%	5%
5 years to 10 years	0%	70%	21%
Over 10 years	0%	90%	62%

**Includes Short Term Local Authority borrowing

Adult Social Care and Health – Q3 2025/26

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

Adult Social Care (ASC)

Demand for care and support services

In accordance with the Care Act 2014, ASC commission and provide a range of services to support adults and older people across East Sussex. There is an increasing complexity of need amongst people accessing support, with demand for services exceeding pre-pandemic levels and continuing to increase. Some examples include:

- There has been a 35.8% increase in Mental Capacity Assessments completed between April to December 2025 compared to the same period in 2024.
- There has been a 6.3% increase in the number of people receiving bedded care (residential and nursing care), and a 4.4% increase in the number receiving Long Term Support in a community setting at 31 December 2025 compared to the same point in 2024.
- There has been an 8.0% increase in the number of assessments completed between April and December 2025 compared to the same period in 2024 as well as increased levels of contacts handled at Health and Social Care Connect (HSCC) Access (8.1%).

Prevention strategy

The ASC prevention strategy is currently focused on 3 priority areas of its prevention framework – building personal resources (the knowledge, skills, motivation, connections and other resources people need to help themselves in order to live the lives they wish to live and are capable of living), maintaining/improving physical wellbeing, and building community capacity to support individual wellbeing and independence.

The key initiative to building personal resources is the development of a new ‘prevention portal’ which is an online hub to enable people to identify and take preventative action to maintain their wellbeing and independence. In Q3, further steering group discussions involving staff from across the Council as well as representatives from the Voluntary, Community and Social Enterprise (VCSE) and citizen representatives have taken place, and the group has designed and agreed a feasibility study for this portal, which is now being progressed.

Key initiatives on physical wellbeing include confirmation of a c.£350,000 development award from Sport England for a ‘Place Expansion Programme’ in Hastings, which will be delivered in partnership with Active Sussex (lead partner), Hastings Borough Council, and other organisations. This work will focus in part on building system capacity to improve the physical wellbeing of older people (physical wellbeing is the primary driver of presentations into ASC). Other work includes progressing new initiatives on improving physical wellbeing in care homes and extra care settings.

Work on community wellbeing has focused on identifying new volunteering roles that will support ASC staff and services (directly provided and commissioned) to support peoples’ wellbeing and independence. Resource has been identified to help develop this capacity by recruiting, training, and supporting volunteers alongside other organisations in the VCSE, and these roles will be developed in 2026.

Adult Social Care Strategy

The ASC strategy action plan for 2025/26 contains 23 actions. Highlights of work progressed in Q3 includes the continued delivery of training to over 200 staff and partners on key topics such as safeguarding, Mental Capacity Act, health and safety, communication skills, and resilience. The Mental Health Prevention Strategy (led by Public Health) was progressed, with a focus on addressing the impacts of trauma, and developing peer support. Targeted campaigns were run aimed at increasing take up and receipt of benefits income alongside continuing public campaigns

and other work to reduce loneliness. We also supported implementation of the Carers' Partnership Plan, focusing on peer support and supporting volunteering through the Tribe platform, with growth in awareness of and activity on the platform.

The existing ASC action plan runs to the end of 2025/26. From 2026/27, the ASC Strategy (What Matters To You) priorities will be integrated with the prevention strategy work programme.

Health and Social Care integration

The Government's national 10-Year Health Plan, published in July 2025, sets out a move to Neighbourhood Health services that deliver joined-up, proactive community-based care through patient-centred teams. In East Sussex, this is being implemented through our shared Integrated Community Teams (ICTs), working in local footprints aligned to the five East Sussex borough and district areas. This is supported by NHS Sussex ICB commissioning plans for 2026/27, and our participation in the National Neighbourhood Health Implementation Programme focussed on Hastings and Rother.

To strengthen Health and Wellbeing Board (HWB) oversight of this whole system work, an informal session on mental health and wellbeing was held in early January 2026. This forms part of a wider programme of development sessions to build a shared understanding of population health and care needs, with [briefing notes and key messages](#).

To help embed new ways of working and aid multi-agency leadership team development, organisational development sessions have been planned and joint leadership groups in each of the 5 ICT footprints have completed a self-assessment to identify development needs. Each group is also co-producing a joint work plan for 2026/27 to set out opportunities for local collaboration in relation to local population health and care challenges and alignment with shared system priorities.

Work is progressing to establish local multi-disciplinary teams (MDTs) to deliver more coordinated care for people with complex health and social care needs, starting with older and frail people and those over 65 with multiple long-term conditions. A new risk-stratification tool, the Johns Hopkins Adjusted Clinical Group (ACG) System, is now in use to identify those who would benefit the most from proactive support, with the aim of improving independence and care experiences and reducing avoidable hospital use. Current work focuses on building a shared understanding of identified groups and designing more integrated health and social care, and the learning will be used to extend the approach to other age groups with growing health risks.

Whole-system efforts have also continued to help to improve hospital discharge processes and to reduce the number of people remaining in hospital unnecessarily due to complex onward care needs. In addition to existing initiatives, the use of funding for additional beds for people to be discharged to recover and be assessed (D2RA), was jointly agreed until the end of January 2026, to support the increased pressure that we would naturally expect to see over the winter period. This was augmented by joint multi-agency discharge events (MADE) prior to Christmas to resolve complex discharge issues.

Third Sector support

During Q3 the Community and VCSE Development Programme providers across the county worked to build engagement with local groups and organisations, identifying the support required to strengthen their roles in supporting communities and working alongside the public sector. In the west of the county Sussex Community Development Association launched the Lewes District Community Action Network, bringing together over 50 groups and organisations to begin the journey of creating an action plan for the local VCSE sector. In the east of the county Hastings Voluntary Action has continued working with local groups and organisations to build the Hastings Aging Network, which is going from strength to strength and celebrated its fifth year in December.

Public Health

Weight Loss

During Q2 (reported a quarter in arrears), 239 service users attended at least two sessions and completed a One You East Sussex weight management intervention (**ref i**). Of these 239 people, 53 (22.2%) achieved at least 5% weight loss. Weight management interventions are 12-14 weeks and so data also includes service users who started a weight management intervention during the previous quarter, Q1, but completed their intervention during Q2. The service continues to monitor weight loss outcomes across its range of programmes and implement relevant actions to maximise ongoing engagement/retention (which should subsequently positively impact on weight loss outcomes). The full data for the year to date is 489 service users attended at least two sessions and completed a One You East Sussex weight management intervention. Of these 489 people, 119 (24.3%) achieved at least 5% weight loss. We anticipate that we will meet the target of 25% at year-end even though we are very slightly under at Q2.

Smoking Cessation

The launch of AI Quit Coach, an artificial intelligence smoking cessation pathway, provides residents with 24/7 smoking cessation support in any language. We have also established a Regional East Sussex Pulmonary Service smoking cessation pathway with the East Sussex Healthcare NHS Trust where patients are provided with two weeks of Nicotine Replacement Therapy and an onward referral to One You East Sussex. Our Stoptober campaign, in October 2025, saw 289 people set a quit date through the One You East Sussex, against a normal monthly average of 218.

Stronger for Life in Hospital

Stronger for Life in Hospital, which is funded by Public Health and managed with the ASC Partnership Team, is part of the wider work to embed physical activity across Adult Social Care and Health. The scheme recently won the President's Award at the Community Hospitals Association Innovation & Best Practice Awards. This collaborative initiative supports hospital patients, particularly those recovering from strokes, to maintain and regain physical conditioning both during their stay and after discharge. The project, which is co-ordinated by Active Sussex, East Sussex Healthcare NHS Trust and Active Rother, was delivered by health instructors from 20/20 Health at the Bexhill Irvine Unit, and is now expanded through livestreamed sessions to other hospital departments as part of the second phase. It has received outstanding feedback for improving recovery, independence, and wellbeing, while setting a strong example of innovation and partnership in tackling hospital deconditioning.

Stay Strong, Stay Steady, Stay Independent

A Stay Strong, Stay Steady, Stay Independent falls prevention campaign was launched for Falls Prevention Awareness week and the Full of Life festival that ran in September and October 2025. This campaign was targeted in Hastings and Bexhill due to the high rates of emergency admissions in these areas for the over-65s following a fall. Inappropriate footwear is a contributory factor to falls and 300 pairs of non-slip slippers were distributed to reduce this risk, along with falls prevention advice and signposting to local strength and balance classes. Additionally, there were over 10,000 unique visits during Q3 to the dedicated webpage for the campaign which included links to local classes in Hastings and Bexhill and exercises that could be carried out at home.

East Sussex Housing Partnership Strategy

In December 2025, all five District and Borough housing authorities and our Lead Member for Adult Social Care and Health approved the first East Sussex Housing Partnership Strategy. The strategy has been co-produced with partners to sit alongside and complement the individual strategies in each of the district and borough areas to provide a framework for services working together. The strategy includes priorities for preventing homelessness and ending rough sleeping,

working together to reduce health inequalities, improving housing management and standards, delivering the homes we need, tackling climate change, and private rented homes.

Housing Retrofit Programme

Public Health played a key role in an East Sussex local authority consortium, led by Lewes District Council, which during Q3 secured an additional £880,000 for delivery of the Warm Home Local Grant in 2025/26, due in part to the strong partnership working developed through the housing retrofit strategy. This is on top of the £3.9m originally awarded for 2025-2028. The additional allocation almost doubles the amount for delivery in the first year of the scheme, with this success being facilitated by the pipeline of potential beneficiaries built up by the Council's Warm Home Check service.

Prevent Community Engagement and Support

Community Outreach during Q3 included engaging with members of the Eastbourne Cultural Involvement Group and providing specialist advice at the School Safeguarding Conference. Collaboration with Sussex Police involved five joint activities focused on faith, worship, and youth engagement.

In Q3, Prevent awareness and training sessions were delivered to over 120 professionals working across schools, Council libraries and district and borough councils to strengthen referral processes for vulnerable groups. 14 school assemblies on Challenging Hate, Cyber Responsibility and Personal Safety were delivered to over 600 children and young people. A small number of educational support sessions were held with young people at risk of developing extremist views.

Revenue Budget Summary

ASC and Safer Communities

The net ASC and Safer Communities budget of £286.153m for 2025/26 includes a 4% inflationary uplift of £10.724m to support the care market across the Independent Sector. This uplift is in addition to £9.626m to fund growth and demographic pressures and service demands, with the costs of the increases being partially funded by £7.515m raised through the 2% ASC Care Precept. The department has savings targets of £7.420m for 2025/26.

The net forecast ASC outturn for 2025/26 is £295.159m, which is an overspend of £9.006m. This largely relates to the Independent Sector, where the overspend is £9.435m.

This is due to a 7.4% increase in demand compared to Q4 2024/25 and periods before, which informed the modelling for 2025/26 budget setting in November 2024 and therefore would not have captured the growth in demand. More people are being supported but at a lower average cost compared to Q4 2024/25 (a decrease of 3.4%) because we are working closely with the market, being prudent with packages of support and reviewing more people.

There is a net underspend across the rest of the directorate of £0.429m due to delays in recruitment and staff vacancies in Directly Provided Services, offset by increasing costs and demand for equipment services to support people in their homes. Legal costs have also increased due to an increased volume and complexity of cases and an increased need to instruct barristers to provide specialist legal advice and representation.

ASC has a savings target of £7.420m this year of which £7.365m will be achieved. The savings for Linden Court will partially be achieved following the decision to continue providing the service at a reduced level. The remaining saving will be achieved through projects currently underway that will increase operational income.

Public Health

The Public Health budget of £38.295m comprises of the PH grant allocation of £32.679m, additional grants of £3.903m and a planned draw from reserves of £1.713m.

The projected outturn position is for a £0.059m overspend.

The General Public Health Reserve of £2.171m is projected to reduce to £0.399m by the end of 2025/26. The Health Visiting reserve of £1.827m is projected to reduce to £1.727m.

Homes for Ukraine

HFU Grant Funding	Funding b/fwd £'000	Expected Funding £'000	Total Funding £'000	Planned Usage £'000	Funding c/fwd £'000
Tariff Funding	4,767	218	4,985	2,581	2,404
Thank you Payments	-	820	820	820	-
Total	4,767	1,038	5,805	3,401	2,404

Capital Programme Summary

The ASC Capital programme budget for 2025/26 is £1.868m, with the Supported Living Project forecasting £1.808m and slipping £0.060m to 2026/27. At Greenacres, the NHS are in the process of securing alternative care settings, so this budget has been slipped to 2026/27. Construction works on the Supported Living Project are complete and the buildings have been handed back to the Council, with work now focussed on some minor improvements and getting the buildings into operational usage in Q4.

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

Priority – Helping People Help Themselves

Performance measure	Outturn 24/25	Target 25/26	RAG Q1 25/26	RAG Q2 25/26	RAG Q3 25/26	RAG Q4 25/26	Q3 outturn	Note ref
The percentage of people who achieve 5% weight loss as part of a One You East Sussex intervention		>25%	G	G	A		24.3%	i

Savings exceptions 2025/26 (£'000)

Service description	Original Target For 2025/26	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	Note ref
Older People's Directly Provided Services	712	-	712	-	-	
Learning Disability Directly Provided Services	804	-	662	87	55	
Vulnerable Adults Supported Accommodation	129	-	129	-	-	
Adults with Mental Health needs Supported Accommodation	178	-	178	-	-	
Housing Related Floating Support	1,937	-	1,937	-	-	
Substance Misuse Contracts	641	-	641	-	-	
Learning Disability Commissioning	50	-	50	-	-	
Strategy	180	-	180	-	-	
Operations	770	-	700	70	-	
Community Development	500	-	500	-	-	
Planning, Performance and Engagement	425	-	425	-	-	
Public Health	1,094	-	1,094	-	-	
Total Savings	7,420	0	7,208	157	55	
			-	-	-	
Operations			55	-	(55)	
Subtotal Permanent Changes ¹			55	0	(55)	
Total Savings and Permanent Changes						

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding ²	Part of reported variance ³	Total	Note Ref
Learning Disability Directly Provided Services	87	-	87	
Operations	70	-	70	
	-	-	-	
Total	157	0	157	

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 2025/26 (£'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
Physical, Sensory and Memory and Cognition Support	203,984	(112,849)	91,135	211,063	(109,429)	101,634	(7,079)	(3,420)	(10,499)	
Learning Disability Support	102,085	(10,584)	91,501	103,070	(11,776)	91,294	(985)	1,192	207	
Mental Health Support	44,285	(19,570)	24,715	43,106	(19,248)	23,858	1,179	(322)	857	
Subtotal	350,354	(143,003)	207,351	357,239	(140,453)	216,786	(6,885)	(2,550)	(9,435)	

Adult Social Care – Adult Operations

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
Assessment and Care Management	37,415	(2,913)	34,502	38,601	(3,308)	35,293	(1,186)	395	(791)	
Directly Provided Services - Older People	18,524	(6,323)	12,201	17,785	(6,417)	11,368	739	94	833	
Directly Provided Services - Learning Disability	9,959	(618)	9,341	8,937	(472)	8,465	1,022	(146)	876	
Subtotal	65,898	(9,854)	56,044	65,323	(10,197)	55,126	575	343	918	

Adult Social Care- Strategy, Commissioning and Supply 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
Commissioners, Commissioned Services and Supply Management	10,675	(4,129)	6,546	10,183	(4,014)	6,169	492	(115)	377	
Supporting People	4,252	-	4,252	4,252	-	4,252	-	-	-	
Equipment and Assistive Technology	8,917	(4,487)	4,430	9,428	(4,742)	4,686	(511)	255	(256)	
Carers	2,387	(1,693)	694	2,385	(1,659)	726	2	(34)	(32)	
Subtotal	26,231	(10,309)	15,922	26,248	(10,415)	15,833	(17)	106	89	

Adult Social Care- Planning, Performance and Engagement and Other:

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
Planning, Performance and Engagement	6,223	(1,131)	5,092	6,528	(1,389)	5,139	(305)	258	(47)	
Service Strategy	752	(160)	592	1,283	(160)	1,123	(531)	-	(531)	
Safer Communities	1,994	(842)	1,152	3,787	(2,635)	1,152	(1,793)	1,793	-	
Subtotal	8,969	(2,133)	6,836	11,598	(4,184)	7,414	(2,629)	2,051	(578)	

APPENDIX 3

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	451,452	(165,299)	286,153	460,408	(165,249)	295,159	(8,956)	(50)	(9,006)	

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	3,795	-	3,795	3,731	-	3,731	64	-	64	
Health Visiting	8,556	-	8,556	8,556	-	8,556	-	-	-	
Risky Behaviours and Threats to Health	16,812	(3,903)	12,909	16,681	(3,903)	12,778	131	-	131	
Communities	774	-	774	772	-	772	2	-	2	
Central Support and One-off funding	3,977	-	3,977	4,143	-	4,143	(166)	-	(166)	
Recovery & Renewal	12	-	12	12	-	12	-	-	-	
Funding/Savings to be released	3,055	-	3,055	3,235	-	3,235	(180)	-	(180)	
Projects - Reserve	1,314	-	1,314	1,224	-	1,224	90	-	90	
Public Health Grant Income	-	(32,679)	(32,679)	-	(32,679)	(32,679)	-	-	-	
Draw from General Reserves	-	(1,713)	(1,713)	-	(1,772)	(1,772)	-	59	59	
Total Public Health	38,295	(38,295)	0	38,354	(38,354)	0	(59)	59	0	

Capital programme 2025/26 (£'000)

Approved project	Budget: total project all years	Projected: total project all years	Budget 2025/26	Actual to date Q3	Projected 2025/26	Variation (Over) / under 2025/26 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance	Note ref
Supported Living Projects	6,460	6,460	1,868	1,660	1,808	60	-	60	-	
Greenacres	2,598	2,598	-	-	-	-	-	-	-	
Total ASCH	9,058	9,058	1,868	1,660	1,808	60	0	60	0	

Business Services – Q3 2025/26

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

Key cross cutting programmes

Carbon

In line with the annual delivery plan in our current Climate Emergency Action Plan 2025-2030, a further 6 energy efficiency projects were completed in Q3, bringing the total for Q1-Q3 to 13. The 6 projects completed in Q3 were:

- 4 Insulation (roofing with insulation): All Saints, Motcombe, Pashley Down and Stone Cross schools
- 1 window replacement improving energy efficiency -Mayfield Primary School
- Solar PV scheme as part of roofing works at Hookstead.

Our annual target of 10 energy efficiency projects has been met by the end of Q3.

The Property team continues to provide energy efficiency best practice advice for building managers who run sites with high or unusual energy use patterns, to help them identify savings. An 'Ask the Expert' energy saving workshop took place in November 2025, where 28 site managers were able to obtain advice from a qualified mechanical engineer at no charge, as part of a social value benefit commitment from a Council contract.

The total Council carbon emissions (including Scope 1 'direct emissions' and 'Scope 2' indirect emissions from purchased utilities) for Q1 and Q2 2025/26 (reported a quarter in arrears) saw a 23% reduction compared to Q1 and Q2 2024/25, and a 52% reduction compared for the same period of the baseline year 2019-20. At this stage it is not possible to accurately forecast the annual emissions for 2025/26, as it will largely depend on whether we have a cold winter compared with previous years and, consequently, how much gas is required for heating. We do not expect to achieve the current target of a 57% cumulative reduction against the 2019/20 baseline. A Scrutiny review will consider the target for the CO₂ arising from County Council operations measure as recommended by Cabinet on 16 December 2025.

During Q1 and Q2 2025/26, gas consumption fell by 20%, and oil consumption by 34% compared to the same period in 2024/25 (there can be a data lag for oil due to the nature of deliveries). Comparatively warmer weather will have contributed to reduced heating demand. Electricity consumption fell by 11% for buildings and 6% for street lighting.

The UK grid carbon emission factor changes from year to year to reflect the change in fuel mix in UK power stations (i.e. between renewables, nuclear, natural gas, oil and coal) and the proportion of imported electricity. The carbon emission factors used for reporting in 2025/26 are based on the fuel mix used in 2023, this is due to the time it takes to collate and analyse the data (more information can be found on the [gov.uk conversion factors 2023 website](https://www.gov.uk/conversion-factors-2023)).

The carbon emission factor for electricity fell by 14% between 2024/25 and 2025/26, having increased in 2023/24 and remained at that level last year. The reduction in the electricity carbon emissions factor made a positive contribution to the year-on-year Q2 emissions reduction.

The reduction in carbon emissions has a positive impact on consumption and spend, in both the schools and non-schools portfolios. The table below shows that during Q1 and Q2, there has been a reduction in spend of £196,416 for the Council's utilities when compared to the same period last year, which is equivalent to a 13% reduction. It is important to note, the heating is mostly required in Q3 and Q4, where the bulk of the costs will be incurred. This significant reduction in cost reflects estate changes, investments made in renewable energy (e.g. solar photovoltaic), energy efficiency measures and training for staff managing buildings.

<u>Financial Year (Q1 & Q2 period)</u>	<u>Spend at 2024/25 Unit Rates</u>	<u>Consumption - MWh</u>
2019-20	£2,093,372	9,642
2024-25	£1,498,953	6,728
2025-26	£1,302,537	5,316

Note: To help with the yearly comparisons, the spend figures in the table have been estimated using the Q1 and Q2 consumption figures from 2019/20, 2024/25 and 2025/26, and then price-corrected against the average unit rates from 2024/25. The spend figures are based on consumption only (i.e. not including standing charges or any other non-commodity costs).

Oracle Implementation

The Council's current Payroll and Finance system SAP will no longer be supported from 2027 and, following an extensive procurement process, the Oracle Fusion system was chosen to replace SAP.

The Oracle programme is being delivered in a phased 'adopt not adapt' approach, feeding in learnings from implementations in other organisations. Phase one, the implementation of Enterprise Performance Management (EPM), went live with the first module in September 2024. All other modules for EPM in the Council are now live and have been well received by the finance team.

Phase 2, covering Finance, Recruitment and Procurement (c.1,500-2,000 users), successfully went live in April 2025, and has now transitioned into business-as-usual activity. Whilst there were some issues on go live, these have now been resolved and the Council's implementation compared favourably to other organisations and the Council is now looking to make the most out of the new system's capabilities.

Phase 3 (HR and payroll – c.10,000 users) is the most complex element of the programme and the most important to deliver to a high level of quality. This phase is currently in testing phase and, subject to the necessary quality standards being met, is anticipated to go live later in the year. Extensive communication and engagement is being undertaken in the run up to go-live, and support provisions will be put in place to resolve any queries or issues that staff may have in using the new system.

Orbis

The Council currently operates a shared service model ('Orbis') across Surrey County Council (SCC), East Sussex County Council (ESCC) and Brighton & Hove City Council (BHCC) for its Internal Audit, IT & Digital, Procurement, Insurance and Treasury Management functions.

Due to Devolution and Local Government Reorganisation (including SCC being scheduled to split into 2 new organisations on an accelerated timeframe), the increasing need for AI and digital innovation, the departure of the former Chief Digital and Information Officer, as well as service specific challenges such as the implementation of Oracle; there has been a need to undertake reviews of each of the current Orbis arrangements.

As a consequence, reviews of each of the three main Orbis functions (IT & Digital, Procurement and Internal Audit) have been undertaken in conjunction with BHCC and SCC to assess the ability of the Orbis services to meet the current and emerging requirements of the 3 partners.

The reviews found that the Orbis partnership has produced benefits and all Orbis services provide value; however, it also identified some issues and determined that the current operating models do not fully address the increasingly different strategic needs of the three authorities. Proposals for how to move forward with the Orbis partnership are due to be considered within each council in Q4 and in Q1 2026/27.

Human Resources and Organisational Development (HROD)

Following an extensive procurement process, 2 new contracts for key services have been awarded to People Asset Management in Q3. Firstly, the provision of Occupational Health services covering approximately 10,000 staff including Schools. Secondly, our Employee Assistance Programme contract covering all Council staff, which is available for Schools and Academies to purchase.

The Redeployment Policy has been updated following engagement with the local trade unions. The update enables relevant staff to have access to the redeployment register and appropriate redeployment opportunities at the earliest opportunity. This should help support greater numbers of redeployments where necessary.

Attendance Management and Wellbeing

The 2025/26 Q1 – Q3 sickness absence figure for the whole authority (excluding schools) is 7.10 days lost per Full Time Equivalent (FTE) role, an increase of 3.2% since the same period last year. The year end estimate for 2025/26 (based on nine month's data) is 9.51 days per FTE, so the target of 9.10 days per FTE is predicted to be missed.

Absence levels increased sharply in Q3. The main contributors were flu-like symptoms, coughs and colds, and a further rise in stress-related absence. The rise in stress-related absence is particularly visible in Adult Social Care and Children's Services. A review of the cases shows a mix of factors. Several long-term cases are linked to complex employee relations issues and are being closely managed. In Adult Social Care, service changes and the pressure created by ongoing vacancies are also likely to be influencing higher stress levels.

Compared with the same Q1 – Q3 period last year, stress-related absence has risen by 1,366 days (from 3,113 to 4,479 days) and flu-like symptoms by 413 days (from 2,272 to 2,685 days). These trends highlight the need for continued focus. Targeted support is already in place and teams are working closely with services to manage the underlying issues, but we recognise there are challenges that will require sustained attention.

Strategic actions underway:

- HR Review: Continued focus on stress and mental health-related absences to understand drivers and support earlier resolution.
- Manager Guidance: Improvements underway to simplify access to guidance, helping managers respond consistently.
- Wellbeing Programme:
 - Targeted workshops
 - Proposals shaped by evaluation (including Time to Talk feedback)
 - Expansion of the Mental Health First Aiders network
 - Ongoing Menopause Cafés

We are also exploring how to use the new occupational health provider to offer a workshop to support staff through organisational change. Adult Social Care is forming a working group to examine the causes of stress in more depth and develop a targeted plan to mitigate them.

Procurement

Procurement, contract and supplier management activities

The Council has spent £416m with local suppliers over the past 12 months. This equates to 62% of our total procurement spend, which meets our target of 60%. 1,280 local suppliers were used. 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.

Social Value

In Q3, a total of 10 contracts commenced, of which 5 were out of scope of the Social Value Measurement Charter, which quantifies the economic, social and environmental benefits of the procurement. 4 contracts accessed existing pre-approved list of suppliers (Frameworks) with predefined contractual terms and 1 contract was included in the Adult Social Care and Health Social Value trial, which uses a qualitative rather than quantitative approach to social value, so financial proxy figures are not used to calculate the social value commitment. The five in-scope contracts had a total contract value of £13.19m and secured £1.72m in social value commitments, which equates to an outturn of 13% against a target of 10%.

The Social Value commitments for Q3 included:

- Apprenticeship opportunities
- work experience placements for local students
- local job opportunities for priority groups, including long term unemployed
- support for local charity or community events
- hosting a Carbon Reduction Workshop for local SMEs
- supporting habitat restoration and maintenance
- tree planting with local schools

Procurement policy

The Procurement Policy Team has been focused on the following activities during Q3:

- incorporating carbon reduction and social value requirements into several significant Council contracts, including Hastings Phase 2 Construction and Dry Mixed Recyclables
- preparing the Council's Modern Slavery Statement, reporting on actions taken to address modern slavery in supply chains during the 2025/2026 financial year
- continuing to work with Equality, Diversity and Inclusion colleagues to support training
- continuing to work with Finance and other stakeholders on the remaining transparency notices under the Procurement Act 2023
- working on the implementation of the East Sussex Social Value model, with guidance material, briefings and initial project support all underway

Contract and Commercial Advisory

The Contract and Commercial Advisory team continues to engage with colleagues in Legal to design and agree processes to ensure the Council is compliant with the Contract Management obligations as prescribed in the Procurement Act 2023, specifically with regard to the publishing of Contract Details Notices. The team have been supporting a number of procurements, most notably the Schools Catering and the Dry Mixed Recyclables Off-Take contracts to shape commercially robust approaches, develop meaningful Key Performance Indicators and review draft contracts to ensure they are clear, proportionate and operationally deliverable. The team have also provided ongoing commercial and contractual support across different services including Adult Social Care, IT&D and Library Services, advising on implementation, potential disputes, exit planning and general best practice in contract management.

Internal Audit

Through the delivery of sufficient audit coverage in Q3, the Chief Internal Auditor continues to be able to provide assurance over the adequacy and effectiveness of governance, risk management and control for the Council.

Internal Audit have continued to focus on delivery of the Annual Internal Audit Plan and were able to complete 75.4% of the plan to draft report stage by the end of Q3, against a Q3 target of 67.5% (90% target for the year).

All high priority actions agreed with management as part of individual audit reviews are subject to action tracking, whereby we seek written confirmation from services that these have been implemented. As at the end of Q3, it was confirmed that 6/6 (100%) of the high-risk actions due to be implemented on a 12-month rolling basis had been actioned (against a target of 97%).

Property

The Property Team is committed to making best use of the Council's land and buildings, as outlined in the Strategic Asset Plan 2020-2025. During Q3, work began to develop an interim Strategic Asset Plan for 2026-2028 for consideration by Place Scrutiny Committee in Q1 2026/27. It is anticipated that the interim plan may require further review to reflect the decision of central Government on the outcome of Local Government Reorganisation and developments through Devolution.

Following successful marketing of surplus assets, the Property Team is working with preferred bidders to sell the freeholds for Sandbanks, Hailsham and the former swimming pool adjacent to the former Freda Gardham School in Rye. In addition, sales have been completed for 3 premises at Hye House, Crowhurst in December 2025, generating capital receipts for the Council.

A proposal to relocate the Registration Services from Hastings Town Hall to Hastings Library was approved by the Lead Member for Transport and Environment on 10 November, and approval was granted to a prospective tenant at the Phoenix Centre, Lewes by the Lead Member for Resources and Climate Change on 5 December. In addition, there were new lettings and lease renewals at Pacific House, Eastbourne.

The Council's planned maintenance programme for schools and non-schools was progressed in Q3, including a number of projects improving energy efficiency. Property worked with a wide range of site managers and bursars to share best practice to reduce energy consumption via a number of workshops. A programme of in-depth audit review of energy use at sites has reaped benefits including at The Keep, where the costs were reduced by £44,000. The Property Team further expanded its role in the rollout of the Area Controller of Premises Support services to all directorates, with a full model scheduled to be in place by the end of Q4.

Property's Facilities Management Team commenced work assisting the Children's Services department with their service transformation, bringing early years and family teams together at St. Mary's House, Eastbourne.

The re-procurement of the School Meal contract continued, with evaluation of bids completed in Q3, and the contract award due in Q4. The contract will begin in 2026/27.

Property continue to manage a number of capital projects for services including the Special Educational Needs (SEN) project at Acre Wood, Crowborough where significant ground works and foundations were constructed in Q3. Other SEN satellite provisions were completed in Q3, including at Uckfield College. Further SEN projects at Chailey, St Peters and Ocklynge are due to complete in Q4. New feasibility studies for SEN provision & facilities were commenced for 4 schools in Q3.

Construction works at Hollington Youth Hub, which is funded by central Government, continued with the main structure being constructed in Q3 and internal works planned for Q4.

IT and Digital

A business case for Microsoft Copilot was completed in Q3, which has informed the Council's scaled and responsible approach to exploring AI, focusing on tools that demonstrably improve productivity and service quality. Building on the structured pilots (which covered 33 use cases and deployed 150 Microsoft Copilot licences across departments), a further 150 licences were recommended for high-impact areas.

Alongside this, with Copilot Chat now available to all staff at no additional cost, an 'AI for All' approach was endorsed. This aims to accelerate routine tasks, reduce mental workload, and improve quality and consistency. Therefore, purchasing of paid-for Copilot licences will only be where there is a genuine need for the enhanced functionality.

This work is underpinned by a new dedicated AI Policy, developed in Q3, which sets out clear ethical, privacy and governance standards. The Policy was approved by the Lead Member for Resources and Climate Change on 22 January.

The Windows 11 device refresh project completed during Q3. Managed entirely in-house, this initiative has modernised our digital workspace, strengthened security and compliance and delivered considerable cost savings. With Microsoft support for Windows 10 ending in October 2025, the project operated across all Orbis partners to a strict deadline, completing on time and under budget. The Council refreshed 5,264 devices and raised £212,000 through recycling.

Revenue Budget Summary

The 2025/26 Business Services net revenue budget is £32.173m. There are £1.060m planned savings in BSD this financial year (**ref i**), of which £0.080m relating to the planned reduction in the cost of the Digital Postal Hub is not expected to be realised in this financial year, but the shortfall is planned to be covered within the directorate.

The current outturn forecast is a £0.016m overspend (**ref v**) and this position assumes that all other savings are achieved.

The £0.289m overspend forecast within Finance and Business Admin (**ref ii**) relates to loss of traded service income following academy conversions and the higher than budgeted cost of the annual External Audit.

IT&D are reporting an underspend of £0.299m (**ref iii**) as the renewal of several of the IT&D contracts have been secured at a lower cost than anticipated at budget setting, including the cost of Microsoft Licences. There are also small underspends across the service contributing to the overall position.

In Property there is a forecast overspend of £0.026m (**ref iv**). This is a reduction from the Q2 overspend position and has arisen following a reduction in staff costs across the service and budgeted consultant costs that were expected to support surplus property disposals that are not anticipated to materialise this financial year. The Joint Use budgets are also forecasting a combined underspend of £0.085m. The underspend is offsetting the pressure of losing income from a courier service contract to East Sussex Fire and Rescue Service which has now ended, increased service charges and additional stamp duty costs in various properties.

Capital Programme Summary

The 2025/26 capital budget is £35.790m. At Q3 there is a net £3.148m underspend (**ref x**) comprising the following variances:

IT & Digital Strategy Implementation - Reporting slippage of £0.275m (**ref vi**) relating to eCasefile, Server 2016, M365 Governance and Security and Power BI projects due to a combination of procurement timelines and capacity. There is further risk of slippage on the LAN Upgrade projects, also due to procurement capacity and timelines. This does not impact systems or security.

Capital Building Improvements (Corporate) - Non Schools Building Maintenance is forecasting slippage of £0.500m (**ref vii**) due to a Project Surveyor leaving in November, with no replacement being appointed, that has impacted capacity. Consequently, numerous projects are now on hold. Delays are further compounded by the additional procurement controls within the newly implemented Oracle system and the resource required to maintain them.

Special Educational Needs & Disabilities Provision – Acre Wood forecasts slippage of £1.688m (**ref viii**). After lengthy delays with mitigating environmental impacts on site and budgetary concerns, work has progressed, though weather and on-site conditions have slowed down

progress recently, meaning that some of the activity will slip to 2026/27. The budget is currently on track overall.

Finally, there is further slippage of £0.728m on the Hollington Youth Centre (**ref ix**). Onsite conditions and weather have slowed the programme. Budget is on track overall.

Performance exceptions Q3:

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

Performance measure	Outturn 24/25	Target 25/26	RAG Q1 25/26	RAG Q2 25/26	RAG Q3 25/26	RAG Q4 25/26	Q3 2025/26 outturn	Note ref
Number of working days lost per FTE (Full Time Equivalent) employee due to sickness absence in non-school services	9.21	9.10	G	G	R		7.10 days lost per FTE employee	

Savings exceptions 2025/26 (£'000)

Service description	Original Target For 2025/26	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 Property	254	-	174	-	-	
Planned savings – BSD IT&D	26	-	26	-	-	
Planned savings – Finance	142	-	142	-	-	
Planned savings – BSD	638	-	638	-	-	
Total Savings	1,060	0	980	-	0	
			-	-	-	
Savings met from underspending in Department			-	80	-	
Subtotal Permanent Changes ¹			-	-	-	
Total Savings and Permanent Changes	1,060	0	980	80	0	i

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding ²	Part of reported variance ³	Total	Note Ref
Planned savings – BSD Property	-	80	80	
	-	-	-	
	-	-	-	
Total	0	80	80	

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 2025/26 (£'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 and Bus Admin	11,665	(5,697)	5,968	11,725	(5,468)	6,257	(60)	(229)	(289)	ii
HR & OD	3,667	(1,108)	2,559	3,667	(1,108)	2,559	-	-	-	
IT & Digital	14,062	(4,155)	9,907	13,805	(4,197)	9,608	257	42	299	iii
Procurement	-	-	-	-	-	-	-	-	-	
Property	29,688	(20,290)	9,398	29,932	(20,508)	9,424	(244)	218	(26)	iv
Oracle	2,548	(2,153)	395	3,365	(2,970)	395	(817)	817	-	
Contribution to Orbis	3,946	-	3,946	3,946	-	3,946	-	-	-	
TOTAL BSD	65,576	(33,403)	32,173	66,440	(34,251)	32,189	(864)	848	(16)	v

Capital programme 2025/26 (£'000)

Approved project	Budget : total project all years	Projected: total project all years	Budget 2025/26	Actual to date Q3	Projected 2025/26	Variation (Over) / under 2025/26 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance	Note ref
IT & Digital - Utilising Automation	24	24	24	24	24	-	-	-	-	
IT&D Strategy Implementation	71,234	71,234	4,144	2,847	3,869	275	-	275	-	vi
IT&D Strategy Implementation (ORACLE)	26,513	26,513	7,710	5,269	7,710	-	-	-	-	
Capital Building Improvements (Corporate)	45,482	45,482	4,400	1,538	3,900	500	-	500	-	vii
Capital Building Improvements (Schools)	40,401	40,401	4,800	3,593	4,800	-	-	-	-	
Disabled Children's Accommodation	24	24	14	19	19	(5)	(5)	-	-	
Schools Basic Need	61,874	61,874	664	508	664	-	-	-	-	
Special Educational Needs & Disabilities Provision	3,673	3,673	2,659	799	2,697	(38)	-	-	(38)	
Special Educational Needs & Disabilities Provision - Acre Wood Academy	17,120	17,120	6,621	2,641	4,933	1,688	-	1,688	-	viii
Westfield Lane	17	17	17	8	17	-	-	-	-	
Youth Investment Fund	7,003	7,003	1,745	2,253	1,745	-	-	-	-	
Hollington Youth Centre	3,037	3,037	2,992	1,264	2,264	728	-	728	-	ix
Total BSD Gross	276,378	276,378	35,790	20,763	32,642	3,148	(5)	3,191	(38)	x

Children's Services – Q3 2025/26

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

Early Help and Social Care

Family First Consultation Advice Line Launch

As part of our Family First programme, the Family First Consultation Advice Line was launched in Q3 to help professionals provide early support to families across East Sussex. The service aims to encourage a joined-up approach among professionals to improve outcomes for vulnerable children and reduce pressure on services. It further serves as an approach to better manage demand coming into the service.

It is available for professionals in education, health, early years, police, and voluntary/community sectors. Families themselves can also call the advice line. It offers general advice and guidance, reflection on family challenges, access to specialist support and signposting to community resources. Through the advice line professionals can access Level 2 (Early Help) advice and support from Senior Keyworkers and Team Around the Family Coordinators. If needs exceed Level 2 referrals are passed to our Single Point of Advice (SpOA).

Youth Justice Service Celebration Evening

The Youth Justice Alternative Awards evening was established in 2024 to celebrate the positive achievements of young people involved with the criminal justice system. It aims to demonstrate that these children are valued for their efforts and accomplishments, helping to reduce the stigma of a criminal identity and promote a positive sense of self-worth and future aspirations.

The 2025 event was bigger and more successful than the previous year, reflecting the growing impact of this initiative and its importance in fostering positive change.

Many of the children supported by the Youth Justice Service face challenges within education or are currently disengaged from school. Education is a significant protective factor against reoffending, and we have a responsibility to support young people in re-engaging with learning. As part of this commitment, we place a strong emphasis on AQA Awards to recognise milestones and achievements. The awards evening serves as a culmination of this hard work, providing formal recognition of the dedication and resilience shown by these young people. A parent said:

‘It makes you realise you didn’t fail your child because they got in trouble, there’s loads of children here with their parents who have had a bump in the road and are turning it around. I find that a huge comfort and reassuring his life isn’t over’.

Children in Care Awards

The 2025 Achievement Awards (Children in Care) was held at Bede’s School. 109 children were nominated in the categories of educational achievement, positive contribution, personal achievement and skills and talents. The awards were presented by the author Dame Jaqueline Wilson and Councillor Bob Bowdler, Lead Member for Children and Families. The children and young people were joined by parents, carers, and social workers as well as governors and managers from the service. The award ceremony commenced with an inspirational talk from one of our care experienced young people and contributions from 2 of children in care who spoke positively about the difference that their social workers and carers had made to their lives. The event was a celebration of all that our young people achieve and as one attendee said, ‘a real reminder of why we do what we do.’

Children in Care Council National Awards

The East Sussex Children in Care Council won first place for their My Things Matter project in the Campaign Award category at the National Voice Awards 2025 in October. They attended the event along with children in care councils and care leaver forums from across the UK, to share experiences, connect and celebrate the incredible work they all do. In addition to first place, they

were also announced as the winners of the People's Choice 'All Star Award', voted as the most inspiring group or project of the day.

Residential Homes – Ofsted inspections

All East Sussex County Council Residential Children's Homes continue to be rated 'Good' or 'Outstanding' by Ofsted. Brodrick House, was inspected in October 2025 and received an 'Outstanding' judgement. The judgement found that:

- children receive exceptional care from adults committed to their well-being
- the manager and adults provide them with warmth and nurture, as a result, these children thrive
- all children attend school daily. This is a significant achievement for some children. The adults have positive working relationships with the school professionals and there is a strong sense of working together for the benefit of the children
- children have exceptional experiences; adults encourage them to take part in a range of activities that help them to develop their individual interests and talents
- adults keep the children safe, and professionals are confident about this

In total 3 homes had Ofsted inspections in Q3; in addition to the Brodrick House judgement reported above, Hazel Lodge was inspected in October 2025 and Homefield Cottage in November 2025. Both homes were found to be 'Good'.

Heading Home

We launched our Heading Home strategy at a conference on 20 November, the strategy aims to support children in care to return safely to their families through a holistic and considered process. It was particularly powerful to hear from parents at the conference who have experienced their children returning to their care and highlighted the important role of social care practitioners and foster carers in this process, bringing home to everyone why this work is so important. The strategy is supported by the Valuing Care approach previously implemented in Children's Services and will enable more of the children we support to live and grow up with their own families.

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

Following a drop in the rate of Child Protection Plans at Q2 (51.3, 532 children), there has been an increase to similar levels seen at Q1 with 55.1 (571 children) at Q3. This is above the target of 51.6 (535 children). The outturn for Q3 includes 14 pre-birth plans which do not become an active plan until the child is born, so the number of active plans is 557 for Q3. The increase is attributed to the high level of front door activity during October and November, particularly in October with 367 Family Assessments started. This measure is kept under scrutiny and is subject to on-going review, with leads meeting monthly to review all plans over 18 months. One of the key priorities is to safely reduce the volume of children subject to Child Protection Plans and Child in Need plans over time, through ensuring earlier intervention, high quality assessments and plans and effective multi-agency working. Additionally, the service is undertaking work with partners focused on how risk can be managed differently, following a recent peer audit and building on the work we are already doing around 'Safe Uncertainty' (widely used in systemic practice, to help social workers think about how they can balance risk) as part of the Family First programme.

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

Q3 saw an increase in the number of Children in Care to 704 (rate 67.9) an increase on both Q1 (695 children) and Q2 (689 children), this is due to a rise in the number of care proceedings, emergency orders and Section 20's, including several large sibling groups, and a lower discharge rate. During Q3, 61 children were admitted into Council care (an increase of 12 compared to Q2). 30 children were accommodated through Section 20 of the Children Act, 6 of these were separated migrant children. 11 children were admitted through emergency orders, and 20 through planned care proceedings. 39 children were discharged from care, the majority through turning 18,

with 15 being supported to return to their family network. Whilst Q3 has seen a reduction in discharges from care, the overall numbers for Q1-3 show a significant improvement compared to the same period in 2024/25, with 154 discharges compared to 87. The demand regarding adolescents with complex needs across mental health, special educational needs and social care continues to be the most challenging pressure, from both a practice and cost perspective. There is continued focus on scrutiny of children entering care, work to support them to return home or back into their network where possible.

Education

Children being permanently excluded

Work continues with schools to reduce the number of children being permanently excluded. We have seen a continued reduction in Q3. In the first two terms of this academic year (September – December) we have had 25 permanent exclusions compared to 39 for the same period last year, across all schools. Our new Alternative Provider, the East Sussex Academy continues to provide outreach to schools to support their work with children who are risk of being excluded which is having a positive impact alongside support from Council teams. The Inclusion Partnerships, where pupil referral from schools are discussed and multi-agency support for pupils is agreed, has helped prevent exclusions with 94% of the referrals made not resulting in a permanent exclusion. Feedback from schools on these meetings is very positive: ‘This is a great opportunity to hear from multi agencies’; ‘This meeting made a real difference. To feel supported was invaluable’; ‘Thank you for your ongoing support and encouragement. It was good to hear that we were doing the right things as well as suggesting more ideas’.

Early Years Foundation Stage Outcomes

The Department for Education (DfE) published the final validated Early Years Foundation Stage results for summer 2025 in November. The percentage of children achieving a good level of development in East Sussex in 2025 was 70.4% compared to the national figure of 68.3%. This is an increased gap between the East Sussex and National figures compared to the previous year. The Council continues to work closely with early years settings and schools to deliver these improved outcomes. In response to the government’s policy paper ‘Giving every child the best start in life’ we have been working across Children’s Services, with settings and other key partners to draft our ‘Best Start in Life Strategy for East Sussex’ which will set out how we will work to deliver our ambitions and strategic plans for children aged 0-5 years old.

Special Educational Needs and Disabilities (SEND) Change Programme

East Sussex is part of the Department for Education South East Change Programme Partnership which has been testing out different approaches to improving provision and support for children and young people with SEND. In advance of the anticipated Schools White Paper in early 2026 this has included work on key elements of SEND reform. We have been working with schools to develop a vision for inclusion and piloting the Local Inclusion Support Offer with a group of secondary and primary schools. As part of the Early Language Support for Every Child programme we have purchased Little Links for all our early years settings which provides resources and support to deliver speech language and communication development. An Assistive Learning Technology Lending Library has been set up which provides schools access to technology to support learners with speech communication and language difficulties.

iCAN Careers Event

In November 2025, the East Sussex Careers Hub delivered two iCAN events supporting young people, particularly those with SEND and neurodivergent need, and their families to explore post-16 education, employment, and training options. Across both events, more than 450 attendees engaged with 28 providers and employer led workshops, feedback from the young people that attended was highly positive with young people reporting increased confidence about their progression routes post-16. Funded through the ‘Internships Works’ grants, the events continue to grow as a vital, practical ‘one-stop shop’ for post-16 guidance in East Sussex.

Proportion of all new Education, Health and Care (EHC) Plans issued within 20 weeks

Cumulatively for Q1 – Q3 2025/26 performance on issuing new Education, Health and Care (EHC) Plans within the 20-week statutory timescale was 32.2% (Including Exception Cases) and 33.5% (Excluding Exception Cases), significantly below last year's figures of over 72%.

The major factors contributing to the decrease in performance are both late statutory advice from partners and increasingly high demand which has persisted since Q3 2024/25. EHC Needs Assessment referrals have risen 63% in three years, placing substantial strain on SEND services.

The Educational Psychology Service is experiencing particular pressure, with delays of 2–3 weeks before allocating new assessments, which slows the return of advice and impacts statutory timelines. Social care has begun to improve timeliness through additional staffing, but delays in health advice - especially from CITES - continue to affect overall performance, although backlogs there are starting to reduce.

Because of the 20-week statutory process, improvements resulting from current mitigations are unlikely to be seen until 2026/27. Significant ongoing pressure on partners due to rising assessment demand and increased need for therapeutic provision increases the risk on achieving targets for this measure.

The percentage of eligible 3 and 4-year-olds who take up a place with an eligible early year's provider (Ref iii)

The percentage of 3 and 4-year-olds taking up some or all of their free education remains just above the national average of 93.1% at 93.3%, a decrease of 2.9 percentage points. There are fewer Early Years places available for this age group this year, as additional funded hours are now available for working families with children aged 9 months and over. A low birth year moving through the system also makes the figures more volatile, as a small number of cases can have a larger impact on the percentage figure. However, despite these challenges we have seen an increase in the percentage of 3- and 4-year-old children in working families, who are also entitled to additional funded hours on top of the universal provision, taking up some or all of their free education. This cohort now makes up 53% of all 3- and 4-year-olds taking up free education.

Average Attainment 8 Score for state funded schools (ref iv and ref v)

Final data for the average Attainment 8 score for pupils at state-funded schools in the academic year 2024/25 shows that the:

- average Attainment 8 score in East Sussex was 43.1 compared to a national average of 46.0, this is below our target of 44.0
- average Attainment 8 score for disadvantaged pupils in East Sussex was 30.3 compared to the national average of 34.9, this is just below our target of 30.5

Further improvement in attainment is needed particularly in some of our larger coastal schools. There have been improvements this year, although they have come from a low base. The young people attending these academy schools account for a significant proportion of all secondary pupils in Year 11. Where schools do not perform as well, especially larger schools, this has a significant impact on the overall average for East Sussex. Attendance rates also impact on these outcomes, and this remains a key area of focus. At county level, we have seen improvement this year in the proportion of young people achieving grades 9-4 in English and Maths. We have narrowed the gap with the national average for all pupils and disadvantaged pupils on this measure, which is a key outcome for progression to post 16 learning and employment. Actions we are taking to improve secondary school attainment for the academic year 2025/26 include:

- The secondary academies in East Sussex with the highest levels of historic underperformance are in the process of transferring to new multi-academy trusts; we continue to work closely with the DfE to bring stronger trusts into the county.

- Targeting school improvement resources through the Secondary Board. This includes using our external adviser programme to deliver bespoke support as needed.
- Focusing on improving outcomes for disadvantaged pupils. We are embedding a programme of 'Study Visits' to provide Continuing Professional Development for Headteachers and Senior Leaders. For example, so far this year we have had a Study Visit to the Chiltern Learning Trust and visit to the BETT (British Educational Training and Technology) event.
- Attendance is a critical factor when considering attainment and progress outcomes for all key stages and pupil groups. We continue to support all secondary schools to implement the statutory guidance 'Working together to improve school attendance'.

For children we care for, we continue to offer tutoring in English and Maths to all our cohort but with a focus on Year 10 and 11 students. Personal Education Plans cover the importance of revision and young people and carers are given revision advice. We are dedicated in our support for our Year 11 students, providing intensive assistance to remove obstacles that could impact their exam success. Many of our Year 11 cohort have experienced challenging circumstances which will impact on their performance. Final academic year 2024/25 average Attainment 8 scores of children we care for are expected to be available in May 2026.

The percentage of Looked After Children (Children We Care For) participating in education, training or employment at academic age 16 (Year 12) & age 17 (Year 13) (ref i and ii)

Final outcomes are reported at Q3 for both participation measures, these capture participation at academic age 16 (Year 12) and academic age 17 (Year 13). Due to the small cohort, which can mean that outturns are changeable and less predictable, these measures were reported as amber at Q2. However, targets have been exceeded for 2025/26 with 93.43% of children we care for in education, training or employment for age 16, and 74.75% for age 17. The service continues to work closely with individuals who are not currently in education, training or employment, in partnership with the Youth Employability Service to secure appropriate provision.

The percentage of young people who are in Not in Education, Employment or Training (NEET) at academic age 16 and 17, including unknowns (refs vi and vii)

Due to unreliability of data the service does not report on NEET data at Q3. This is due to significant changes taking place in the autumn term, new starters in education/movement of learners and recording of the September guarantee. Final data will be reported at Q4.

Revenue Budget Summary

Based on current financial modelling, the Q3 predicted outturn for the end of 2025/26 is £173.923m. This is a forecast year-end overspend of £13.474m (ref xxiii). It is a £1.379m improvement since Q2.

In 2025/26 CSD has a net budget of £160.449m. There has been £13.301m additional budget given for growth and inflation, however £3.239m has been removed for permanent savings (ref xvi). This equates to a net increase of £10.062m. This year, all £3.239m of savings have been achieved.

The main financial pressure continues to come from the statutory demand-driven areas of children we care for, child protection, and Home to School Transport.

Not included in the figures reported above is the position of the Dedicated Schools Grant (DSG), which, in accordance with the Schools and Early Years Finance (England) Regulations 2020, is required by local authorities to be shown on their balance sheets. As of 31 March 2025, East Sussex has a cumulative surplus of £2.837m. However, there is an in-year forecast deficit of £26.421m on the DSG, which will result in an overall deficit by the end of 2025/26. £20.131m of the deficit is related to costs of provision for children with Education, Health and Care Plans. The statutory override has been extended until March 2028, at which point the deficit will then be offset against any remaining useable Council reserves. Recent long-term financial modelling indicates a

£90.289m cumulative DSG deficit by the end of March 2028, which is unsustainable for the Council.

Commissioning and Transformation overspend of £11.722m (ref xx)

Commissioning and Transformation is the division in which all children we care for placement expenditure sits. It has a budget of £70.055m and forecast expenditure of £81.777m at the end of 2025/26, based on current financial modelling.

£1.593m savings have been approved to come from the division this year and it is set to achieve them (**ref ix**). This is down to the early intervention workstreams Valuing Care and Connected Coaches. Both programmes have aimed to step down children we care for from high-cost placements into placements which meet their needs at a lower cost, or where possible, to reunify children with their families.

Children We Care For (Looked After Children) placements

For 2025/26 a budget of £64.188m has been set for children we care for placements. £1.000m of this budget is being transferred to pay for the Connected Families teams in Specialist Services, which are focused on prevention activity to support children to remain living with their families. A further £0.100m budget has been transferred to the South-East Regional Care Co-operative (RCC), which has been established to enhance regional commissioning, improve market shaping, and ensure there are sufficient placements to meet the needs of children in care.

Children we care for placements remain the largest financial pressure within Children's Services, with a Q3 forecast overspend of £11.301m for 2025/26. This is a decrease in the overspend of £0.224m since Q2. This improvement has been achieved through a sustained and rigorous focus on commissioning activity, robust and targeted contract negotiations, ensuring that all placement and support packages are appropriately sized to meet children's needs, and strengthened oversight to hold providers to account for cost, quality and outcomes.

An £18.474m overspend is forecast on agency residential and secure placements, with £0.005m underspend forecast on agency foster carers, a £6.358m underspend on agency semi-independent living, and a £0.627m underspend forecast on in-house East Sussex foster carers.

The financial picture nationally continues to be very challenging, and East Sussex is experiencing significant cost increases in agency residential placements in common with other local authorities. This has been highlighted in recent reports published by the National Audit Office and the Local Government Association. A further report was published in January 2026 by the Public Accounts Committee on the financial sustainability of children's care homes. The Public Accounts Committee's inquiry raised concerns about the high levels of profits made by some private providers of children's social care. The report also noted that rising costs have resulted from a dysfunctional market where the need for homes in certain areas, particularly for children with complex needs, has exceeded the number of places available. The report notes that with outcomes for children not improving, and the financial costs of residential care having almost doubled over five years to £3.1 billion in 2023–24, the system is unsustainable and this layers further pressures on local authorities' finances which are already strained.

The service continues to experience challenges in relation to placements for children with a high complexity of need and this includes:

- Increase in the number of children in residential provision, from 112 in Q1 2024/25, to 120 in Q3 2024/25, to 127 in Q3 2025/26. This relates to the needs of the children but also the lack of sufficiency in foster carers meaning that children who are suitable for foster care are in some cases having to be placed in residential provision.
- Increase in cost and complexity of the top 20 highest-cost placements in the past 12 months. These placements are for adolescents with a high complexity of need across social care, health and education. Many children have emotional/mental health concerns, increasing numbers have a neurodiverse profile, and behaviours that challenge. A number require deprivation of

liberty orders to ensure appropriate levels of safeguarding. The service has a small number of children currently placed in Care Quality Commission (CQC) registered settings due to the level of need, with no Ofsted registered provision being able to meet needs. The children in the top 20 highest cost placements are forecast to cost £15.691m this year, meaning that they make up 3% of the total children we care for in numbers (excluding Separated Children), but will make up 21% of the total children we care for in placement spend in 2025/26 (£75.489m).

- Increase in the average price of all placements. This is particularly significant in relation to placements costing over £10,000 per week. In Q3, we have had a decrease in the number of children in placements costing over £10,000 per week from 22 in Q2 to 18. The general increase in the number of high-cost placements is a national trend as recently highlighted in a report by the Local Government Association.

The rationale for the projected decrease in the forecast during Q3 is provided below:

- Whilst there was an increase in the cost of 59 agency placements (totalling £4.001m) relating to a small number of children requiring high-cost placements or an increase in their package of care, these increases were offset by a decrease in costs of £2.070m related to 5 agency placements. 4 of these reductions were related to children previously living in high-cost placements where they either moved home or to lower cost placements including some significant reductions in costs.
- The growth and churn figure was recalculated and reduced by £1.433m.
- There were additional health contributions of £0.535m agreed in the quarter. Total income is now £1.677m for the year.
- An increased amount of the Supported Accommodation Reform grant of £0.178m was drawn down.
- Other small movements meant there was a total reduction in the children we care for placement forecast of £0.224m.

In addition to the activity described in the sections above to try to reduce demand for statutory social care services, the following action is being undertaken to mitigate costs and reduce pressure within the children we care for budget.

- Connected Coaches – In 2025/26, Connected Coaches [edge of care] has delivered cost avoidance of £1.725m. The children we care for placement forecast would be worse off over the course of a year by this figure, if these children had not been supported to remain living with their families through the work of the service.
- Maintained delivery of successful Foundations programme (aimed at avoiding repeat care proceedings for parents/carers who have had children previously removed from their care), Family Group Conferencing and support for Kinship carers.
- Further embedding the Valuing Care approach. This has achieved £3.999m of savings to date through step downs and reunifications. Further workforce development and integration into care planning and fostering assessment is underway. Valuing Care panels focus on plans for children and multi-disciplinary working to remove barriers to transition to placements that will better meet children's needs, or to return home to live with their family if this is the right plan for the child.
- New 'Heading Home' strategy launched to support reunification planning and monitoring.
- A home finding and commissioning service was established in 2024/25, with increased capacity. The service is focused on improved market management, challenging provider costs and working at a regional level with the Regional Care Cooperative to improve placement sufficiency and management across the South East. It is engaged in local frameworks which are being strengthened through the Regional Care Cooperative. The Regional Care Cooperative published a Sufficiency Statement for the South East region in November 2025;

this provides a shared understanding of what children in our region need, where the pressures lie and how we can work together to ensure every child has the right home and the right support. Development work is underway through the Regional Care Cooperative with Integrated Care Boards regarding integrated commissioning models to establish consistency.

- Income from NHS Sussex has been included in the forecast to jointly fund placements that support the health needs of a small number of children we care for. Based on current joint funding agreements in place with the ICB, the service is currently forecasting receiving health contributions of £1.677m in 2025/26 towards placement costs for young people with complex needs and is working hard to continue to increase this amount. This compares to £0.355m received from health to support placement spend in 2024/25.

The Commissioned Services budget is forecast to underspend by £0.068m this year due to a reduction in local authority contributions of £0.240m to the NHS required to meet increasing spend on therapeutic provision for cared for children. The CAMHS (Children and Adolescent Mental Health Services) adoption service will also be delivered in-house and funded from this budget at a cost of £0.100m (a reduction from £0.112m when provided externally).

Localities Placements will overspend by £0.490m, which is an increase in spend of £0.336m since Q2. This is due to new placements being agreed and current placements being extended within the Children's Disability and Parent & Baby services.

Early Help and Social Care overspend of £1.833m (ref xix)

Early Help and Social Care has a budget of £46.515m and forecast expenditure of £48.348m at the end of 2025/26.

£0.100m savings were approved to come from the division this year and it is set to achieve them (ref xiv).

The Early Help service is reporting a £0.101m overspend due to Keyworker staffing. A recruitment freeze is in place in order to alleviate the pressure, which has resulted in an improvement of £0.060m since Q1.

The Locality Social Work and Family Assessment service is forecasting a £0.957m overspend. This is an increase in spend of £0.044m since Q2.

Following assessment, 3 young people were accommodated through the Youth Homelessness pathway, which increased spend by £0.079m. Annual reviews were carried out of Family and Friends Allowances, which increased the forecast by £0.126m.

These pressures were mitigated by a £0.056m reduction in staff costs, and a £0.100m reduction in support packages funded under Section 17. There were also £0.005m other small mitigations.

The Connected Families Intervention Practitioners (CFIP) team works with social care teams to safely reduce the number of children subject to Child Protection and Child in Need plans and entering care. CFIP has delivered cost avoidance of £1.699m in 2025/26 through their interventions with families. The Localities forecast spend for a year would be worse off by this figure if the service had not prevented these cases from escalating or being readmitted to the service. This service is considered essential in delivering cost avoidance and savings through preventive interventions and supporting reunification with families. It is also key to the Government's social care reforms through the Families First Programme.

There is a £0.744m pressure within Specialist Services. This is an increase in forecast spend of £0.041m since Q2. £0.108m of this movement is within Youth Justice with 2 new children being remanded. The Council will receive grant funding from the Ministry of Justice towards these remands 2 years in arrears. To offset this, there was a £0.067m mitigation in small staffing movements.

There is £2.929m set aside within the Medium-Term Financial Plan for the Localities/Specialist Services pressures in 2026/27. This will help towards the known pressures within the area. In the

meantime, there is a plan in place to reduce staffing overspends through natural wastage and staff turnover and some reshaping.

The Children We Care For staffing budget is forecast to be £0.164m overspent, which is an improvement of £0.087m since Q2.

The Separated Children forecast has reduced by £0.049m meaning there is now a £0.166m underspend. This is due to a recalculation of the placement income forecast following feedback from the Home Office after the year's first two data returns.

Communication, Planning and Performance (including Home to School Transport) overspend of £0.888m (ref xxii)

Communication, Planning and Performance has a budget of £33.612m and forecast expenditure of £34.499m at the end of 2025/26.

£0.957m savings were approved to come from the division this year and it is currently set to achieve £0.468m in 2025/26 and £0.489m in future years. An array of cost reduction measures is taking place within Home to School Transport (see below), which will increase the achieved savings figure throughout the year.

Outdoor Education is forecast to overspend by £0.006m. As part of the proposed transfer of Buzz Active to Bedes the saving (**ref xi**) was deducted from the budget at the beginning of the year. Buzz Active will now be retained by the Council. In year mitigations are being sought including staffing structures and management of activity equipment in relation to both sales and purchasing. There has also been some additional income agreed over winter, which has led to a £0.013m reduction in the overspend since Q2.

There were forecast reductions in spend of £0.003m in Equalities and Participation and E Business. These were offset by forecast increases in spend of £0.071m within Planning and Performance, Safeguarding, Organisational Development, and Miscellaneous CPP.

Home to School Transport has a forecast overspend of £1.050m. This is a decrease in spend of £0.386m since Q2, due to a reduction in SEND solo client numbers, increased route optimisation, and additional Dedicated School Grant income for eligible SEND pupils requiring transport.

The year-on-year growth in pupil numbers and the average pupil cost of providing transport are the key factors in the increasing cost of HTST provision. Between 2021/22 and 2024/25 there was an average year on year growth of eligible pupils by 14%.

Over the same period, the average cost of transport provision increased by over 40%. Despite these year-on-year increases, the rate of increase of the average unit cost per pupil has reduced from 15% in 2023/24 down to a 5% increase in 2024/25. This reduction in the rate of increase directly correlates to cost avoidance activities.

The Home to School Transport forecast is calculated based on an extrapolated model of current and previous clients, with a growth figure added for recent applications, and an assumption made about unrecoverable income owed by other Local Authorities. The forecast was refreshed in November when all the invoices relating to the cohort of children in this new academic year had been processed.

Of the forecast £29.223m spend, 77% relates to clients with SEND. Spend on these clients is set to increase by 12% since 2024/25. This is linked both to EHC Plan numbers and unit costs increasing.

Significant work has gone into implementing cost reduction measures within the Home to School Transport service. Routes optimised for the new academic year are underway, with 60% of new pupils having been added to existing transport routes. The focus has been on the 25 schools where 75% of SEND pupils are being transported. The savings on taxis have been calculated at £0.200m per year (**ref xii**), and work is ongoing to quantify the results of the rest of the work which is why we anticipate increasing the amount of savings.

A new Personal Transport Budget strategy has been rolled out and 184 families were contacted with the enhanced offer. To date, a small number of families have accepted and been transferred from a solo taxi contract, resulting in £0.218m annual saving (also included in **ref xii**). This is combined with the £0.200m saving mentioned above to produce the total reported saving of £0.418m. In Q3, the overall number of Personal Travel Budgets increased from 214 to 240.

Education underspend of £0.937m (ref xxi)

Education has a budget of £153.643m and forecast outturn expenditure of £152.706m at the end of 2025/26.

£0.360m savings were approved to come from the division this year and it is set to achieve them (**ref x**). This has been achieved through a review of staffing and resources across several education teams, along with a reduction in spend on external consultants.

SEND and Safeguarding is showing an overspend of £0.205m. This has remained the same since Q2.

Inclusion and Partnerships is showing an underspend of £0.228m. This increased by £0.053m since Q2 due to some minor staffing changes.

Participation and Planning is showing an underspend of £0.914m. A small legal fees pressure (£0.002m) within School Organisation was offset by: £0.110m staffing mitigations within Admin, £0.100m staffing mitigations in senior management and consultancy, and the retention of £0.800m additional Early Years Dedicated Schools Grant.

Central Resources underspend of £0.031m (ref xviii)

Central Resources has a budget of £1.404m and forecast expenditure of £1.373m at the end of 2025/26. The underspend has reduced by £0.146m in Q3, due to the part-year impact of the 23% increase in the cost of counsel fees.

Whilst savings of £0.229m were approved as part of budget-setting (ref xiii), the division has been able to identify savings of £0.107m this year and £0.122m in future years. £0.102m of this year's savings are down to planned underspends in the new attendance function (ref xvii). An additional saving related to the consolidation of back-office functions is taking place, but the restructures required will not occur until after 2025/26.

Within this area, £0.177m academisation reserve funding and £0.040m Supported Families funding is being drawn down in year.

Capital Programme Summary

The total capital budget for 2025/26 is £2.789m and the forecast spend is £2.609m, an underspend of £0.180m (ref xxvi).

There is £0.116m underspend within Housing Adaptations for Disabled Children's Carers, due to some expected projects being slipped into 2026/27 (ref xxiv).

There is £0.064m underspend within the Essential System Developments project (ref xxv). As part of the drive to bring the project back into budget, one of the posts has been made redundant, and £0.064m of the license costs have been slipped into 2026/27.

All other projects are forecast to be on budget.

Performance exceptions

Priority – Driving sustainable economic growth

Performance measure	Outturn 24/25	Target 25/26	RAG Q1 25/26	RAG Q2 25/26	RAG Q3 25/26	RAG Q4 25/26	Q3 outturn	Note ref
The percentage of LAC participating in education, training or employment at academic age 16 (Year 12)	85.25%	80%	G	A	G		93.43%	i
The percentage of LAC participating in education, training or employment at academic age 17 (Year 13)	78%	70%	G	A	G		74.75%	ii
The percentage of eligible 3 and 4-year-olds who take up a place with an eligible early year's provider	95.7% Nat Av: 94.9%	Equal to or above the national average	G	G	A		ESCC: 93.3% Nat AV: 93.1%	iii

Average Attainment 8 Score for state funded schools	Ac Year 2023/24 ESCC: 43.1 Nat Av: 46.0	Ac Year 2024/25: 44.0	G	G	R		Ac Year 2024/25 ESCC: 43.0 Nat Av: 45.9	iv
Average Attainment 8 score for disadvantaged pupils	Ac Year 2023/24 ESCC: 30.1 Nat Av: 34.9	Ac Year 2024/25: 30.5	G	G	R		Ac Year 2024/25 ESCC: 30.3 Nat Av: 34.9	v
The percentage of young people who are in Not in Education, Employment or Training (NEET) at academic age 16, including unknowns	4.2%	Equal to or below 5%	G	G	A		Final data shared at Q4	vi
The percentage of young people who are in Not in Education, Employment or Training (NEET) at academic age 17, including unknowns	5.7%	Equal to or below 7%	G	G	A		Final data shared at Q4	vii

Priority – Keeping Vulnerable People Safe

Performance measure	Outturn 24/25	Target 25/26	RAG Q1 25/26	RAG Q2 25/26	RAG Q3 25/26	RAG Q4 25/26	Q3 outturn	Note ref
Rate of children with a Child Protection Plan (per 10,000 children)	59.3 (614 children)	51.6 (535 children)	G	G	A		55.1 (571 children)	viii

Savings exceptions 2025/26 (£'000)

Service description	Original Target For 2025/26	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	Note ref
Children We Care For	1,593	1,593	1,593	-	-	ix
Education	360	360	360	-	-	x
Buzz Active	107	107	-	107	-	xi
Home to School Transport	728	728	418	310	-	xii
All divisions	229	229	5	122	102	xiii
Supporting Families programme	100	100	100	-	-	xiv
Communication, Planning and Performance	122	122	122	-	-	xv
Total Savings	3,239	3,239	2,598	539	102	xvi
Attendance			102	-	(102)	xvii
All divisions			-	-	-	
Subtotal Permanent Changes ¹			102	0	(102)	
Total Savings and Permanent Changes	3,239	3,239	2,700	539	0	

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding ²	Part of reported variance ³	Total	Note Ref
Savings underachieved in-year	-	539	539	
Total	0	539	539	

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 2025/26 (£'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	3,563	(2,159)	1,404	3,242	(1,869)	1,373	321	(290)	31	xviii
Early Help and Social Care	58,862	(12,347)	46,515	64,561	(16,213)	48,348	(5,699)	3,866	(1,833)	xix
Commissioning and Transformation	75,889	(5,834)	70,055	91,824	(10,047)	81,777	(15,935)	4,213	(11,722)	xx
Education	303,931	(150,288)	153,643	308,928	(156,222)	152,706	(4,997)	5,934	937	xxi
Communication, Planning and Performance	37,861	(4,249)	33,612	39,967	(5,468)	34,499	(2,106)	1,219	(887)	xxii
Schools	148,315	(148,315)	-	148,315	(148,315)	-	-	-	-	
DSG Non Schools	-	(144,780)	(144,780)	-	(144,780)	(144,780)	-	-	-	

Total CSD	628,421	(467,972)	160,449	656,837	(482,914)	173,923	(28,416)	14,942	(13,474)	xxiii
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Capital programme 2025/26 (£'000)

Approved project	Budget: total project all years	Projected: total project all years	Budget 2025/26	Actual to date Q3	Projected 2025/26	Variation (Over) / under 2025/26 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance	Note ref
Housing Adaptations for Disabled Children's Carers' Homes	1,521	1,521	430	187	314	116	-	-	116	xxiv
Schools Delegated Capital	32,255	32,255	1,150	976	1,150	-	-	-	-	
Conquest Centre redevelopment	342	342	-	-	-	-	-	-	-	
Hastings & Rother Skills LUP	1,000	1,000	93	84	93	-	-	-	-	
Youth Investment Fund	193	193	-	-	-	-	-	-	-	
Youth Service Resource Bus LUP	53	53	53	52	53	-	-	-	-	
Children's Services Essential System Developments	1,461	1,461	1,063	740	999	64	-	-	64	xxv
Total CSD	36,825	36,825	2,789	2,039	2,609	180	0	0	180	xxvi

Communities, Economy & Transport – Q3 2025/26

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

Economy and environment

Employability and Skills

230 Industry Champions were supporting schools and colleges with activities such as career talks and Open Doors workplace visits, at the end of Q3. In May 2025, the Government changed the way Gatsby Benchmarks are measured within schools. These new criteria began in September 2025 and mean that the target previously set for the average benchmarks achieved by schools is no longer applicable. As a result, it is recommended that the element of the 2025/26 target relating to the benchmarks is deleted. Data on what schools achieved during the 2025/26 academic year will not be available until Q2 2026/27, which means we will also be unable to set a target for the benchmarks in the 2026/27 financial year **(ref i)**.

The construction task group's roofing working group has developed a roofing apprenticeship in partnership with East Sussex College Group, and this was rolled out from 26 September 2025. The Health and Social Care Group has instigated the Boosting Skills Pathway project, with the University of Brighton and Pharmacy Teams to promote careers in pharmacy. 12 Bootcamps were delivered in Q3, to help people increase their skills in areas such as digital, horticulture, leadership and health and social care. 178 people participated in Bootcamps during Q3 **(ref ii)**.

The Department for Work and Pensions (DWP) has tasked the Council, alongside our partners West Sussex County Council and Brighton & Hove City Council, with creating a Get Sussex Working Plan 2025-2035. The plan will aim to ensure that 80% of working age residents are economically active by 2035. A Partnership Group, including the Integrated Care Board, the DWP, Sussex Chamber of Commerce and the 3 authorities, oversaw the development of the plan. During Q3, the draft plan was approved by Members from the 3 authorities and the DWP, and a formal launch event is scheduled to take place in the spring.

Apprenticeships

By the end of Q3, 130 members of staff have enrolled onto an apprenticeship in 2025/26. This exceeds the uptake in all the previous years since the introduction of the Apprenticeship Levy, and we anticipate over 150 members of staff will have started an apprenticeship by the end of Q4. The current figure includes significant numbers of management and professional staff enrolling on Level 7 programmes ('high value' Master's degree equivalent programmes) before they were withdrawn at the end of 2025.

In order to replace the loss we will see from being unable to take up any more level 7 apprenticeships, a wide range of other apprenticeships have been promoted to all staff which is likely to be a factor in the higher numbers being reported in Q3. These apprenticeships include systems thinking degrees, coaching, youth work degrees, Safeguarding and, within Council schools, undergraduate teaching degrees.

From April 2025 the Apprenticeship Levy transitioned into the Skills and Growth Levy. The Government's aim is to provide greater flexibility to fund a wider range of training programmes including shorter courses and upskilling initiatives. From April 2026, the Levy can be spent on shorter courses in high-demand areas like digital and AI, enabling us to address critical skill needs by offering targeted training. This greater flexibility only extends to areas of recognised skills shortages, with Health and Social Care due to follow sometime in 2026/27.

The Autumn Budget made a number of adjustments to the Growth and Skills Levy. The most significant was halving the time employers can draw down money paid into the Levy (from 24 months to 12 months) before it is claimed by government. This comes into effect for funds paid in from April 2026, and means the Council now has only 12 months to draw down the approximately

£1.3m it will pay in during 2026/27. Currently, we have over £2m in our Digital Services Account, much of which is accounted for with upcoming training. However, anything left will need to be spent on apprenticeships before the Council is eligible to start drawing down the monies paid in for 2026/27. As such, a significant amount of this funding is expected to be taken by Government.

The Transform Project, which is a joint project between the apprenticeship team and the Communities, Economy and Transport department, continues to make a sizeable contribution to our levy spend and in supporting local businesses within the county. Currently we are working with Wealden District Council through the Transform service to support some of their staff to enrol on an AI focused apprenticeship, funded via our unspent levy.

Cultural investment and recovery

As part of the [Experience Sussex](#) tourism digital marketing plan, 4 campaigns were delivered in Q3, focusing on autumn events, wine tourism, the run up to Christmas, and Nordic markets. During Q3, the website saw 19,871 views of listings, leading to 9,797 business leads.

Business Support

158 businesses in East Sussex were supported through business support programmes in Q3. 156 of these were supported through the Growth Hub and 4 through Rural Business Grants.

Environment and climate change

We continue to work both across the organisation and with partners on a range of environment and climate change areas. During Q3 this included:

- publishing the corporate climate emergency progress report for 2024/25
- working with Property colleagues to establish the potential to lease a closed landfill site to a third party for development as a solar farm
- working with partners across Sussex to develop a briefing on energy and climate change for the new Mayoral Combined County Authority
- providing environmental advice to local planning authorities in East Sussex on over 900 planning applications
- completing the procurement of a new specialist consultancy to manage air quality data for all local authorities across Sussex
- completing the public consultation on the draft Local Nature Recovery Strategy for East Sussex and Brighton & Hove

Planning

100% of County Matter applications were determined within the statutory determination period during Q3. 100% of County Council development applications were determined within 8 weeks or within an agreed extension of time during Q3.

Highways, transport and waste

Highways improvements and road condition

4,828 potholes were repaired in Q3, with 3,531 of these being carriageway potholes; the remainder were primarily footway potholes. The carriageway works programme has been completed, so only 2 road improvement schemes were completed in Q3.

Road safety

3 road safety infrastructure schemes were delivered during Q3. The Council runs courses aimed at giving children and adults the skills they need for riding their bikes on the road. We delivered 92 Bikeability courses to 579 individuals in Q3. 74 'Wheels for All' sessions were delivered to

1,561 attendees in Q3. A number of Bikeability sessions were cancelled in December due to the wet weather, with schools aiming to rebook these sessions in the summer. Training sessions planned for Q4 are expected to achieve the target, however they are weather dependent (**ref iii**).

Transport and parking

£18.5m of capital funds were allocated to bus priority measures in East Sussex as part of the Government's Bus Service Improvement Plan (BSIP). 5 bus priority schemes in Eastbourne, Newhaven and Peacehaven were identified, and a public consultation on all schemes took place in summer 2023. The Council has allocated the 2025/26 BSIP capital funding to the Newhaven bus priority scheme. However, to meet Department for Transport programme targets the scheme has been split into 2 phases, the Drove phase and the Denton Corner phase. During Q3, the Department for Transport agreed to extend the completion date for the Seaside and St Anthony's Avenue scheme, the Eastbourne Station scheme, and the Newhaven Denton Corner scheme until late 2026 / early 2027. The Drove phase is still to be scheduled. The Project team aim to deliver the Telscombe Cliffs to Peacehaven bus priority scheme at the earliest opportunity if future BSIP funding is available.

Following approval from the Department for Transport and the Office for Zero Emission Vehicles, the Council has received the full £4.441m allocated to East Sussex from the Government's Local Electric Vehicle Infrastructure (LEVI) Fund. This funding will support the rollout of on-street electric vehicle charge points across the county. The Council ran a procurement process in the Q2 to appoint a Chargepoint Operator. During Q3, the bids received were evaluated, and a preferred supplier selected. This proposal has been approved by both LEVI and the Department for Transport. A mandatory standstill period is in place, which is due to end in Q4, following this the Council will be able to formally award the contract and begin delivery of the scheme.

Waste

The Q2 outturn (reported a quarter in arrears) for the amount of waste re-used, recycled or composted or used beneficially was 54%, a reduction from the Q1 outturn of 55%. There has been a reduction due to a significant drop in green waste. Residual waste and dry recycling levels have remained stable.

Rights of Way (RoW) and Countryside Sites

We completed 96% of high priority maintenance work on schedule in Q3. Planned seasonal countryside work, as well as a relatively quiet period of weather, has resulted in an increase in the amount of high priority work completed on schedule during Q3.

Communities

Trading Standards

Trading Standards made 51 interventions to protect vulnerable people who had been the target of rogue trading or financial abuse in Q3. The team have investigated and worked alongside Sussex Police on scam interventions which involved over £1.5m of financial risk to the vulnerable people involved, with one scam alone involving £1.2m. 72 businesses received advice and support from Trading Standards in Q3. The advice included work on toy safety in the lead up to Christmas, and fireworks and fancy dress safety as we approached bonfire night and Halloween.

Libraries

561 It for You sessions were attended in Q3. Work continues to grow the volunteer team at locations with the greatest need and demand. There were 112 enrolments on Family Learning Programmes in Q3, to help people develop their English, maths and language skills. Forest Row

library reopened on 6 October 2025 after a refurbishment, with an improved children's library, new furniture and the library being redecorated.

Revenue Budget Summary

The CET revenue budget is £76.420m and is forecast to overspend by £324k. The largest overspend is in Highways. This reflects the higher than expected cost of damage to the highway primarily due to accidents and oil and fuel spills. The Council fixes these issues and then attempts to recover these costs from the perpetrator's insurance, however where this isn't possible the cost falls to us. These costs have increased in 2025/26 due to a number of large costly incidents. In addition, in the absence of additional Council funding for highway maintenance the weather is taking its toll on road conditions, resulting in additional costs arising from larger pothole repairs, additional jet patching, temporary repairs and emergency defects, on top of increased electricity costs for street lighting and contract inflation as reported at Q2 **(ref v)**. The largest underspend is in the Waste area of Transport & Operations where the in-year waste tonnage forecast, based on data to September, shows a 2.6% reduction in waste volumes compared to the budgeted tonnage, and 2% lower than last year. This is mainly due to the dry summer reducing garden waste, and low levels of landfill use. The Waste underspend is partially offset by an overspend in the Bus Service Improvement Plan Passenger Transport budget due to the excess cost of the current capped bus fare scheme. These enhancements will cease from 1 February 2026 **(ref iv)**. The underspend in Planning and Environment is in Transport Development Planning where there are staff vacancies and additional s278/s38 income contributions **(ref vi)**. Underspending across other services is due to staff vacancy and general spending controls.

Capital Programme Summary

The CET capital programme has a gross budget of £52.222m and there is an overspend of £5.175m, a spend in advance of £688k, a slippage of £2.164m, and an underspend of £212k. The large overspend is mostly due to the Queensway Gateway Road which has suffered from significant scheme redesign, and unexpected challenges such as utility diversions and ground conditions **(ref viii)**. The Eastbourne Town Centre scheme has spent in advance for a number of reasons including the discovery of a sink hole and an asbestos pipe **(ref ix)**. A number of schemes are slipping. The largest slippage is on the Exceat Bridge scheme. A dormouse licence is in place but has delayed vegetation clearance and groundworks **(ref xii)**. The assessment framework for the Emergency Active Travel School Streets scheme has only just been finalised, and schemes will commence in 2026/27 **(ref xi)**. Community Match schemes approved at the Lead Member for Transport and Environment meeting in October will be completed in 2026/27 **(ref x)**. The Broadband team are working with Cityfibre to fill gaps in broadband coverage, particularly in rural areas, most likely through a voucher scheme, and initial proposals are still being worked up **(ref vii)**. There are a number of smaller variations across the CET programme.

Performance exceptions (Q3 – RAG status Red, Amber, and amendment)**Priority – Driving sustainable economic growth**

Performance measure	Outturn 24/25	Target 25/26	RAG Q1 25/26	RAG Q2 25/26	RAG Q3 25/26	RAG Q4 25/26	Q3 outturn	Note ref
East Sussex Careers Hub	Schools supported to achieve an average of 5.8 benchmarks 211 Industry Champions are in place	Target proposed for amendment: East Sussex Careers Hub to support schools to achieve an average of 5 national benchmarks 215 Industry Champions support schools and colleges in the county	G	G	AD		230 Industry Champions in place	i
Deliver East Sussex Skills priorities for 2021-2026	a) Delivered seven interventions that meet the Skills East Sussex priorities b) Delivered fourteen embedded numeracy interventions	a) Deliver six interventions that meet the Skills East Sussex priorities b) Eight Level 3 sector related Skills Bootcamp courses delivered (subject to funding)	A	A	G		a) 3 interventions delivered b) 12 Bootcamp interventions delivered	ii

Priority – Helping people help themselves

Performance measure	Outturn 24/25	Target 25/26	RAG Q1 25/26	RAG Q2 25/26	RAG Q3 25/26	RAG Q4 25/26	Q3 outturn	Note ref
Road Safety: Deliver targeted cycle training activities to vulnerable road users	476 Bikeability Courses delivered to 4,085 individuals 474 Wheels for All sessions delivered to 5,823 individuals	Deliver Bikeability Training to 4,000 individuals and 350 Wheels for All sessions	G	G	A		92 Bikeability Courses delivered to 579 individuals 74 Wheels for All sessions delivered to 1561 individuals	iii

Savings exceptions 2025/26 (£'000)

Service description	Original Target For 2025/26	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	Note ref
Trading Standards	94	94	94	-	-	
Road Safety	18	18	18	-	-	
Registration Service	119	119	119	-	-	
Library – Adult learning	92	92	92	-	-	
Library - Stock	100	100	100	-	-	
Parking – on Street	110	855	106	749	-	
Parking - Other	410	410	-	410	-	
Parking - Rother DC	28	28	-	28	-	
Waste – Booking system	50	50	50	-	-	
Waste	65	65	65	-	-	
Rights of Way and Countryside Sites	48	48	48	-	-	
Highways	50	50	50	-	-	
Economy Division (Service-Wide)	369	369	369	-	-	
Total Savings	1,553	2,298	1,111	1,187		
Subtotal Permanent Changes ¹						
Total Savings and Permanent Changes						

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding ²	Part of reported variance ³	Total	Note Ref
Parking – on Street		749	749	
Parking - Other		410	410	
Parking Rother DC		28	28	
Total		1,187	1,187	

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 2025/26 (£'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	6,182	(3,186)	2,996	6,140	(3,175)	2,965	42	(11)	31	
Customer and Library Services	9,865	(4,075)	5,790	9,908	(4,333)	5,575	(43)	258	215	
Communities	3,334	(940)	2,394	3,213	(1,038)	2,175	121	98	219	
Transport & Operational Services	124,776	(79,780)	44,996	123,852	(79,835)	44,017	924	55	979	iv
Highways	22,163	(4,993)	17,170	25,577	(6,365)	19,212	(3,414)	1,372	(2,042)	v
Economy	2,519	(926)	1,593	3,422	(1,885)	1,537	(903)	959	56	
Planning and Environment	5,960	(4,479)	1,481	5,834	(4,571)	1,263	126	92	218	vi
Total CET	174,799	(98,379)	76,420	177,946	(101,202)	76,744	(3,147)	2,823	(324)	

Capital programme 2025/26 (£'000)

Approved project	Budget: total project all years	Projected: total project all years	Budget 2025/26	Actual to date Q3	Projected 2025/26	Variation (Over) / under 2025/26 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	212	-	-	212	212	-	-	
Gypsy and Traveller Site Refurbishment	700	700	137	89	137	-	-	-	-	
Peacehaven Library	-	-	-	-	-	-	-	-	-	
Alder Close Heating	188	188	188	26	141	47	-	47	-	
Libraries	5,139	5,139	442	79	442	-	-	-	-	
Broadband	33,800	33,800	338	41	66	272	-	272	-	vii
Bexhill and Hastings Link Road	126,247	128,347	-	35	137	(137)	(137)	-	-	
BHLR Complementary Measures	1,800	1,800	132	4	4	128	-	128	-	
Economic Intervention Fund	8,884	8,884	-	-	-	-	-	-	-	
Economic Intervention Fund - Loans	3,000	3,000	-	41	-	-	-	-	-	
Growing Places Fund	6,913	6,913	650	-	650	-	-	-	-	
Community Focused Road Safety Interventions	750	750	131	55	131	-	-	-	-	
Safer Roads Fund A2101	840	840	28	27	28	-	-	-	-	
Climate Emergency Works	6,154	6,165	242	105	253	(11)	(11)	-	-	
Flood and Coastal Resilience Innovation	4,891	4,891	910	550	1,001	(91)	-	-	(91)	
Flood Management SuDS	890	890	445	(25)	333	112	-	112	-	
Solar Panels	-	-	-	3	-	-	-	-	-	
Newhaven Port Access Road	23,271	23,271	28	14	28	-	-	-	-	
Local Electric Vehicle Infrastructure	4,541	4,541	-	-	-	-	-	-	-	
Real Time Passenger Information	3,181	3,181	199	32	199	-	-	-	-	
Bus Service Improvement Plan	11,372	11,372	1,231	608	1,231	-	-	-	-	
BSIP Passenger Transport	4,370	4,551	804	1,170	985	(181)	(181)	-	-	
PAX Software System	37	37	5	3	5	-	-	-	-	

APPENDIX 6

Approved project	Budget: total project all years	Projected: total project all years	Budget 2025/26	Actual to date Q3	Projected 2025/26	Variation (Over) / under 2025/26 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance	Note ref
Queensway Gateway Road	3,313	8,159	470	4,105	5,316	(4,846)	(4,846)	-	-	viii
Hastings and Bexhill Movement & Access Package	9,583	9,583	735	730	743	(8)	-	-	(8)	
Eastbourne/South Wealden Walking & Cycling Package	6,936	6,936	183	109	181	2	-	2	-	
Hailsham/Polegate/Eastbourne Movement & Access Corridor	2,251	2,251	150	41	110	40	-	40	-	
Eastbourne Town Centre Movement & Access Package A	6,936	6,936	2,290	1,417	2,862	(572)	-	-	(572)	ix
Eastbourne Town Centre Movement & Access Package B	5,454	5,454	4,328	4,107	4,328	-	-	-	-	
Other Integrated Transport Schemes	66,646	66,646	2,995	1,441	2,748	247	-	247	-	
A22 Corridor Package	6,092	6,092	6,092	5,074	6,092	-	-	-	-	
A22 North of Hailsham	118	118	272	198	272	-	-	-	-	
Community Match Fund	780	780	451	44	150	301	-	301	-	x
Emergency Active Travel - Tranche 2	438	438	403	17	17	386	-	386	-	xi
Area-wide traffic management scheme – Schools Streets	200	200	154	-	-	154	-	154	-	
ATF 5 School Streets	61	61	61	-	-	61	-	61	-	
ATF Eastbourne Liveable Town Centre	274	274	80	77	97	(17)	-	-	(17)	
Hastings Town Centre Public Realm and Green Connections	9,689	9,689	1,024	596	1,000	24	-	24	-	
Exceat Bridge	21,719	21,719	2,587	843	2,197	390	-	390	-	xii
Queensway Depot Development	1,956	1,956	1	1	1	-	-	-	-	
Urban Tree Challenge	262	262	15	8	15	-	-	-	-	
Core - Highways Structural Maintenance	499,175	499,175	16,875	17,796	16,875	-	-	-	-	
Visibly Better Roads	5,800	5,800	248	164	248	-	-	-	-	
Core Programme - Bridge Assessment Strengthening	38,785	38,785	3,480	2,793	3,480	-	-	-	-	
Core Programme - Street Lighting - Life Expired Equipment	39,248	39,248	2,396	1,545	2,396	-	-	-	-	
Core - Street Lighting - SALIX scheme	2,961	2,961	-	-	-	-	-	-	-	
Core Programme - Rights of Way Surface Repairs and Bridge Replacement	10,417	10,417	810	516	810	-	-	-	-	
Total CET Gross (Planned Programme)	987,158	994,296	52,222	44,479	55,709	(3,487)	(4,963)	2,164	(688)	

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Governance Services – Q3 2025/26

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

Reconciling Policy, Performance and Resources (RPPR)

The provisional Local Government Finance Settlement, received in Q3, provided the first multi-year settlement for councils in a decade. However, the Fair Funding Review 2.0 has changed how funds for councils are distributed. This has had a significant negative impact on the funding for East Sussex, despite the high levels of need for services in significant parts of the county and growing demand that is not reflected in the financial allocations the Council received. The Council responded to the Ministry of Housing, Communities and Local Government's (MHCLG) consultation on the provisional settlement which closed earlier in January. We have continued work to identify further savings in 2026/27 as part of efforts to bridge the funding gap. We recognise that additional savings will have further significant impacts on local people, staff and partners and may increase the need for and cost of services in future years. However, with very limited options remaining we are faced with hard, short-term choices which do not reflect how we would want to approach evidence-based, longer term planning. We have also submitted an indicative request for up to £70m of capitalisation to MHCLG under the Exceptional Financial Support scheme. This includes a £12.5m contingency, which has been earmarked to cover emergent financial pressures, as well as investment aimed at bringing the Council back into financial balance over the Medium Term Financial Planning period

We continued to develop the draft Council Plan and Portfolio Plans during Q3, in conjunction with our budget proposals. The Council Plan sets out key activities that we will deliver to help achieve our Priority Outcomes. These are influenced by national policy reforms and the need to respond to our challenging financial position. It includes our planned work to meet the challenges of the increased number and costs of vulnerable children the Council is responsible for, the increasing complexity of need and demand in Adult Social Care, and work to grow the local economy. The Council Plan has been informed by consultation and engagement events on our budget and business plans with youth groups, wider strategic partners, Trade Unions, and business representatives.

Devolution and Local Government Reorganisation

Together with our local partners we have responded, at pace, to Government's reforms to the overall structure of local government, ensuring that we will be best placed to secure maximum benefits for our residents. We submitted our response to MHCLG's consultation on the different models for unitary government put forward for the Sussex area, reiterating the strong case for the One East Sussex model. We also encouraged local people and organisations to respond.

Alongside this we continued to work with partners to support the creation of the Sussex and Brighton Mayoral County Combined Authority. Together with partners we are working to ensure that the new authority remains in the best possible position to access funding and use its devolved powers to address challenges face by residents and businesses across Sussex.

Corporate Lobbying

Throughout Q3 the Leader, Group Leaders and Chief Executive continued to raise issues and priorities for the county with our local MPs, focused on the stark financial position of the Council. In letters and individual meetings, MPs have been kept regularly updated on financial planning for 2026/27, and the negative impact that the outcome of the Fair Funding Review 2.0 has on the Council's funding, resulting in the Council needing to request Exceptional Financial Support from Government. Lobbying has highlighted the acute need for services in the county due to the older than average population, the nature of the county's economy, and the level of deprivation in parts of the county which are unlike those seen in the wider South East. In doing so, the Council has received the support of MPs in impressing on Ministers the severity of the Council's financial position and the Council's urgent need for additional funding.

We continue to draw on broader partnerships and networks at the local, regional and national level to lobby on current priorities, including through the Local Government Association, County Councils Network and South East 7. Chief Officers also continue to influence service specific national policy developments through national professional associations and networks and responses to specific Government consultations within their service areas.

Supporting democracy

During Q3 we supported 44 meetings including: 1 County Council meeting; 3 Cabinet meetings; 11 Lead Member meetings, 15 Scrutiny Committees and Review Boards and 14 other committees and panels. We also despatched agendas for a further 6 committees and panels and supported 1 Whole Council Forum meeting. The webcasts of meetings were viewed 2,807 times in Q3. The most viewed meeting was the Cabinet meeting on 21 October 2025 which received 408 views, either live or as a recording.

In Q3 the Member Training and Development programme continued to deliver a range of courses and briefings in support of Members and their roles. Courses delivered included sessions on Substance Misuse including the Alcohol Strategy, Independent Sector Care Provision, Special Educational Needs and Disabilities and Mainstream Home to School Transport, Children's Mental Health and Emotional Wellbeing, and a further Climate Change Update and Q&A session. Most training sessions continue to be delivered remotely with resources, such as slides from training sessions, being saved to the Councillors' area of the intranet for future reference.

The Council's scrutiny committees have continued to undertake a range of work to ensure timely scrutiny input on current issues. The joint Place and People Scrutiny Committee Reference Group on Devolution and Local Government Reorganisation met in November to consider and comment on the latest position with both programmes, including the draft Governance and the proposed Local Assurance Frameworks of the new combined authority. The Place Scrutiny Committee met in Q3 and scrutinised issues including the introduction of the Council's Social Value Model, the roll-out and management of Electric Vehicle charge points across East Sussex, and the call-in of the decision to relocate Hastings Registry Office. The Committee established a Review Board to examine the coordination and management of street works, which met twice in Q3 and will report to the Place Scrutiny Committee in Q4. Place Scrutiny Members also received briefings on Artificial Intelligence and the Local Cycling and Walking Infrastructure Plan. The People Scrutiny Committee considered reports on the East Sussex Safeguarding Children's Partnership Annual Report, findings from the recent Care Quality Commission assessment of Adult Social Care and the Ofsted focussed visit of Children's Services, and a report on the impacts of savings implemented by Adult Social Care in 2025. The People Committee also began a scrutiny review of Personal Travel Budgets and Independent Travel Training in School Transport, which will report later this year, and held a Reference Group meeting to consider process with health and social care integration. Both People and Place Committees held their annual RPPR Boards, as part of ongoing scrutiny engagement in the RPPR process and agreed comments for Cabinet's consideration in Q4. The Health Overview and Scrutiny Committee also met in Q3 where it considered and commented on reports on winter planning for the health system for 2025-26, reports from East Sussex Healthcare Trust on its cardiology transformation programme, estates works and proposals for the reprovision of Uckfield Day Surgery Unit.

The Health and Wellbeing Board met in Q3 to consider reports on the East Sussex Health and Social Care Programme, East Sussex Safeguarding Children Partnership, Sussex learning from lives and deaths and the Joint Strategic Needs Assessment.

Q3 saw significant work undertaken by the East Sussex School Appeals Service. 52 appeals were received during Q3. In total 43 appeals were heard across 14 days, of which 11 were successful and 32 were dismissed by an Independent Appeal Panel. Of the remaining 9 appeals, 1 is due to be heard during Q4 and 8 were either withdrawn by the families or were not needed because a place became available at a preferred school before the hearing. 1 school exclusion review

request was also received during Q3. This will be heard in Q4 along with 1 school exclusion review request received during Q2.

Legal Services

During Q3, Legal Services successfully applied for an injunction under the Town and Country Planning Act 1990 to restrain an individual from breaching planning law by using his own property to operate a waste business and to store scrap metal without permission. Breach of the injunction carries a sentence of up to 2 years. The Council was awarded costs of £2,153. In Q2 we reported on the successful prosecution of a rogue trader who was expected to be sentenced in Q3, this has been adjourned to Q4. In Q3, the Service assisted Income Recovery in securing the recovery and repayment of debts totalling £195,096.

The Service provided advice on 2 judicial review applications issued in Q3. The first challenged the Special Educational Needs and Disabilities Travel Panel's refusal to provide home to school transport to a young person (16+) with special educational needs on the basis that the parents had the flexibility to provide transport themselves. The decision as to whether permission to judicial review is granted has not yet been made by the court. The second judicial review challenges the Council's alleged failure to discharge its duty under s.19(1)(a) Education Act 1996 to arrange suitable education for a young person who has been unable to attend school due to illness. Permission to judicially review has been granted. A substantive hearing has yet to be listed.

During Q3 the Service advised in relation to 64 Court of Protection cases compared to 59 in Q3 2024/25. The Service also advised in relation to 86 Community Deprivation of Liberty Safeguards applications compared to 51 in Q3 2024/25. The sharp increase in these applications has stemmed from developments in case law in this area. Authorisation for a deprivation of liberty is required in care homes, hospitals, community settings and in a private home where arrangements amount to a deprivation of liberty, a person lacks mental capacity and the arrangements are imputable to the state. The Service also advised on matters relating to safeguarding vulnerable adults, continuing health care, and inquest hearings. In addition, the Service gave legal advice on 52 adult social care matters compared to 22 in Q3 2024/2025. This increase similarly relates to case law developments and an increased complexity of issues arising in relation to adult social care matters. Efforts are being made to meet the increase in demand for legal resource, set out above, from within existing resources, but it is placing significant pressure on capacity.

The Service continues to work closely with Children's Service's providing advice and representation, including in pre-proceedings and court applications for care proceedings. Our priority is 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. At the end of Q3 2025/26, there were 35 families in ongoing pre-proceedings, this is 1 more family than at the end of Q3 2024/25. At the end of Q3 2025/26, there were 52 ongoing care proceedings for 110 children compared to 55 cases for 111 children at the end of Q3 2024/25. In Q3 2025/26 concluded proceedings took on average 40 weeks to conclude per child compared to an average of 44 weeks per child in Q3 2024/25.

During Q3, the Service completed agreements to secure financial contributions to the Council of over £224,479, together with the delivery of additions and improvements to the highway network across the county. The Service also advised on 30 new property matters compared to 39 in Q3 2024/25. In addition, the Service has completed one academy conversion in Q3 alongside completing the various property elements of a transfer of an existing academy to an alternative provider. The Service also completed a complex disposal of a capital asset worth £1m. During Q3 2025/26, the Service also advised on 54 new contract and procurement matters, which was the same number of new matters as in Q3 2024/25.

Coroner Services

The Council provides staff and accommodation to the East Sussex Coroner in undertaking the judicial role of investigating violent, un-natural or sudden deaths of unknown cause and deaths in

custody. Accommodation includes the provision of mortuary, pathology, histology, toxicology and body removal services, as well as court and office accommodation and relevant hardware, software and information technology support. On 1 December 2025, Laura Bradford commenced in the role as Senior Coroner. With the new Coroner's Office and courtrooms all under one roof at Westfield House at County Hall, the new Senior Coroner will have the opportunity to build on a service which provides key information and support to families, often at a time of significant vulnerability.

As an independent judicial officer holding office under the Crown, the Coroner operates entirely independently to the Council in making decisions about post mortems and inquests.

During Q3 2025/26, 387 deaths were reported to the Coroner, compared with 437 in Q3 2024/25, averaging 129 deaths per month. Of those deaths, 64% (249) went on to have a post mortem, compared to 61% (266) in Q3 2024/25. 78 Inquests were opened during Q3 2025/26, compared to 78 inquests opened during Q3 2024/25. 108 Inquests were closed in Q3 2025/26, compared to 81 closed in Q3 2024/25. 21 Inquests were held in writing during Q3 2025/26, which do not require court bookings, compared to 12 in Q3 2024/25. 5 Inquests were held with a jury in Q3 2025/26, compared to 2 in Q3 2024/25. At the end of Q3 2025/26 there were 232 open inquests, compared to 262 at the end of Q3 2024/25. At the end of Q3 2025/26 there were 39 inquests over 12 months old, compared to 38 at the end of Q3 2024/25.

Regulation of Investigatory Powers Act (RIPA)

There were no Authorisations under RIPA during Q3.

Local Government Ombudsman complaints

The Ombudsman issued 24 decisions in Q3. 11 of these cases related to Adult Social Care (ASC), 9 related to Children's Services (CS) and 4 to Corporate Services. 14 cases were closed before a full investigation for a variety of reasons. This included insufficient evidence of fault, complaints being out of the Ombudsman's jurisdiction, because the complaint had not been through our internal complaint process or because the Ombudsman had sufficient information to uphold the complaint.

Of the 10 cases that were fully investigated 3 related to ASC, 5 related to CS and 2 related to Corporate Services. 7 were closed with the complaint partly or fully upheld as follows:

ASC – The client's son complained that the Council failed to send its standard letter about care and support services and their cost before assessing his mother, wrongly found that she had capacity to make decisions about her care and support needs, and failed to secure his mother's written agreement to the care and support package.

The Ombudsman found the Council at fault for avoidable delays in responding to a voicemail message from the client's family requesting a conversation about reducing the number of care visits, which caused the client avoidable frustration. The Council has agreed to waive 55 days of the client's care costs and send her a written apology, in recognition of the avoidable frustration caused. The Council has also agreed to review its procedures for transferring cases between its hospital discharge and neighbourhood support teams and write to relevant staff to remind them of the importance of timely responses to telephone messages, particularly when transferring cases between teams.

ASC – The client complained about the way the Council dealt with a review of his direct payments, a delay in completing a review of his sensory impairment needs, and a failure to adhere to reasonable adjustments. He also complained about the way in which the Council dealt with his complaints. The Ombudsman found the Council at fault for failing to properly assess his care needs in 2024 leading to a wrongful reduction in his support package. Consequently, the client missed out on services to which he was entitled to receive. The Council also delayed in dealing with complaints about this.

The Council has agreed to apologise to the client, pay him £1,250 in acknowledgement of his time and trouble pursuing the complaint and to acknowledge the distress and risk of harm caused. The Council has also agreed to consider any training needs of officers completing or overseeing needs assessments under the Care Act.

CS – The client’s mother complained that the Council caused significant delays deciding her daughter’s special educational needs support. The client’s mother said this should have been done by April 2024, but the support was not finalised until February 2025. The Ombudsman found the Council was at fault for the delay. The Council also caused a delay in sending a copy of the support plan to the client’s mother. The Council has agreed to make a symbolic payment to the client’s mother of £150 to recognise her likely distress from its delays in amending and sending the Education Health and Care Plan.

CS – The client’s mother complained that the Council failed to deliver the content of her child’s Education Health and Care Plan, delayed them viewing this plan and failed to provide alternative education provision when her child was too unwell to attend school from September 2023. The Ombudsman found fault with the Council as there was a delay in completing two annual reviews and the Council accepted that it did not do enough to ensure the client was receiving suitable education. The Council has agreed to apologise to the client’s mother for the fault identified and make a payment of £5,100 to recognise the distress caused as a result of the delays in reviewing the Education Health and Care Plan and the two terms of missed educational provision.

CS – The customer complained on behalf of a provision about the way the Council dealt with an application to join its alternative provision directory. The Ombudsman found the Council at fault for failing to properly explain its decision and failing to follow its policy, causing avoidable frustration and uncertainty. The Council has agreed to apologise, properly explain its decision and the customer’s rights and amend its policy.

CS – The client’s mother complained the Council failed to make educational provision after her son was permanently excluded from school and had still not found a school place for him. The Ombudsman found fault with the Council as it failed to provide education in the statutory timescale after the exclusion and failed to meet the section 42 duty to meet his special educational needs. The Council has agreed to apologise to the client’s mother, make a payment of £3,000 to recognise the failure to offer alternative provision for a month after the client was excluded from school and the failure to meet the section 42 duty for the period from February to October 2025. The Council has also agreed to continue to update the client’s mother every fortnight and ensure the reassessment of the client’s needs is completed within the 14-week timescale from the date it agreed to carry out a reassessment.

Corporate Services – The homeowner complained the Council failed to act following her report of flooding in her street. She said rainwater run-off from a nearby car park flows into an adjacent street before running into her own, risking damage to her home. The Ombudsman found no fault in the Council’s decision not to take further action and undertake remedial works around the homeowner’s report of water flooding on her street. The Council was at fault for delays in carrying out site inspections and for failing to inform her of its decision not to take further action. The Council agreed to apologise to the homeowner.

Web activity

During Q3, there were almost 68,000 page views on our new booking page to reserve a slot at household waste sites. This was more than double the next most visited page (the homepage with just under 30,000 views). At the same time, a project to refine and improve our household waste web pages to make them as easy as possible to use saw the number of pages reduced from 53 to 18. Our *Your East Sussex* site, which features lifestyle and wellbeing content in support of Council priorities, had almost 33,000 page views in Q3 – an increase of 57% compared to Q3 2024/25.

Media and information work

There were 523 media stories about the Council in Q3, including 38 stories on TV or radio. The press office dealt with 117 media enquiries and issued 36 press releases which generated 99 stories.

A press release about the launch of the new waste-site booking system generated a significant amount of media coverage with 15 different media outlets running the story. The Secretary of State's decision to grant legal orders allowing the Exceat Bridge project to progress received some media attention in October including a BBC Sussex interview with the Director of Communities, Economy and Transport. Local Government Reorganisation and Devolution also continued to get coverage, with a number of local, regional and national media outlets reporting on the Government's consideration of requests for a delay to the May 2026 elections.

Effective publicity and campaigns

Visits to our website directly from publicity or marketing campaigns tripled in the last year, from 105,000 (3% of all site visits) in the 12 months to December 2024, to almost 350,000 (10% of all site visits) in the 12 months to December 2025. This reflects more effective campaigns, and better tracking and evaluation of advertising and marketing work. Major drivers of the increase were publicity of improved bus services and fare offers and promotion of the start of a booking system for waste sites.

South East 7 (SE7)

SE7 Leaders met jointly with Chief Executives in Q3 and received a presentation on the Council's Connect to Work pilot from the Assistant Director for Economy. This included learning on working with partners in the voluntary sector to deliver employment support, common barriers to starting work, and the benefits of Connect to Work for local small businesses. SE7 welcomed these opportunities and the strong infrastructure for regional collaboration, including through the best practice network established by the Council. The Board also considered wider issues and priorities, discussing LGR proposals, the ongoing challenges of NHS reforms, and significant shared budget pressures in Adult Social Care and Children's Services. SE7 Chief Executives also continue to meet regularly, and in Q3 discussed progress with implementing artificial intelligence across services as well as responding to the evolving programme of mayoral devolution.

Revenue Budget Summary

Governance Services' has a net budget of £9.502m and at Q3 is forecast to underspend by £63k. There is an overspend in Legal Services, mostly due to the cost of locum cover for maternity leave. This is more than offset by staff vacancies and cost reductions across other services.

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

Performance measure	Outturn 24/25	Target 25/26	RAG Q1 25/26	RAG Q2 25/26	RAG Q3 25/26	RAG Q4 25/26	Q3 outturn	Note ref
None								

Savings exceptions 2025/26 (£'000)

Service description	Original Target For 2025/26	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	Note ref
Member Services	32	32	32	-	-	
Performance, Research and Intelligence	99	99	99	-	-	
Communications	62	62	62	-	-	
Coroners Offices	40	40	40	-	-	
Total Savings	233	233	233	0	0	
			-	-	-	
			-	-	-	
Subtotal Permanent Changes ¹			-	-	-	
Total Savings and Permanent Changes	233	233	233	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 2025/26 (£'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 Support	4,088	(386)	3,702	4,214	(372)	3,842	(126)	(14)	(140)	
Corporate Governance	6,048	(248)	5,800	5,877	(280)	5,597	171	32	203	
Total Governance	10,136	(634)	9,502	10,091	(652)	9,439	45	18	63	

Capital programme 2025/26 (£'000)

Approved project	Budget: total project all years	Projected: total project all years	Budget 2025/26	Actual to date Q3	Projected 2025/26	Variation (Over) / under 2025/26 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 – Q3 2025/26

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
5	<p>RECONCILING POLICY, PERFORMANCE & RESOURCE</p> <p>There is ongoing uncertainty in relation to future funding allocations and the impact of national reforms, particularly across Children’s Services and Adult Social Care. Ongoing high inflation/cost of living is leading to higher demand for Council services and has increased the direct cost of providing services. Together with increased need related to demographic changes these factors create a risk of insufficient resources being available to sustain service delivery to meet the changing needs of the local community.</p> <p>Our revenue budget for 2025/26 includes a draw from reserves to provide a balanced budget alongside implementing savings. Total strategic reserves are projected to be £5.2m by 2030, which excludes any additional draws required to balance budgets in 2025/26 or beyond. This compares with a cumulative deficit of £111.1m by 2028/29. The Fair Funding Review 2.0 has had a significant negative impact on the funding available for East Sussex over the next three years. Our Core Spending Power increase over the settlement period, as indicated by the Provisional Financial Settlement is expected to be 11%, below the national average of 15%. This includes assumed Council Tax increases of 5% per annum. Additionally, there are risks and uncertainties regarding the capital programme over the current Medium Term Financial Plan (MTFP) period and beyond, which could impact on the ability to deliver the Council’s priorities and set a balanced budget. Funding uncertainty (including capital grants, receipts and developer contributions), inflation, supply chain issues and high interest rates could all constrain our ability to implement our Capital Strategy and increase the pressure on the revenue budget via increased borrowing costs.</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>The Council reviews and updates its 20-year Capital Strategy annually as part of the RPPR process, which sets the framework in which the capital programme is planned and allows the Council to prioritise investment to support its objectives. The development and delivery of the capital programme is overseen by a Capital Strategic Asset Board (CSAB), which is a cross departmental group, who also hear from Departmental Capital Board/Sub Boards who oversee priority areas.</p> <p>Our plans take account of known risks and pressures, including social, economic, policy and demographic changes and financial risks. 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 ongoing challenges as a result of the persistent legacy of Covid, the increased cost of living and other national and international factors. We will continue to use the latest information available on these challenges to inform our business planning. The resilience and governance review undertaken by CIPFA in the summer confirmed we have effective processes and governance structures in place. We have implemented actions to address the recommendations made by CIPFA to further strengthen our resilience.</p> <p>We will also continually review our performance targets, priorities, service offers and financial plans, and will update these as required. As part of this we will continue to take action wherever we can to mitigate financial and service delivery pressures – making best use of new technology, investing in our workforce, seeking efficiencies, and checking that our services are effective and provide value for money.</p> <p>We lobby, individually and in conjunction with our networks and partners, for a sustainable funding regime for local government in general and for children’s social care and adult social care specifically, to meet the needs of the residents of East Sussex. However, in order to address the deficit in funding expected for 2026/27 we have had to apply for Exceptional Financial Support, submitting an indicative request for up to £70m of capitalisation to MHCLG. This includes a £12.5m contingency, which has been earmarked to cover emergent financial pressures, as well as investment aimed at bringing the Council back into financial balance over the MTFP period.</p>	Red

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12	<p>CYBER ATTACK</p> <p>The National Cyber Security Centre (NCSC) has highlighted the enduring and significant threat to UK infrastructure. From ransomware attacks to AI-enabled intrusion, malicious actors are looking to maximise their disruptive and destructive efforts in an increasingly connected world.</p> <p>Cyber-attacks are growing more frequent, sophisticated, and damaging when they succeed. Ransomware remains the most significant cyberthreat to the UK, primarily driven by financially motivated organised crime groups.</p> <p>The UK's Strategic Defence Review acknowledges daily cyber-attacks as a persistent threat and emphasises a shift towards digital warfare capabilities. Amid a rise of state aligned groups, whilst the UK is not disproportionately targeted, there is an increase in aggressive cyber activity and ongoing geopolitical challenges. There is an accelerated need to keep pace with the dynamic threat landscape.</p> <p>Furthermore, while AI presents huge opportunities, it is also transforming the threat landscape. Cyber criminals are adapting their business models to embrace this rapidly developing technology - using AI to increase the volume and impact of cyber attacks against citizens and organisations. Meanwhile the proliferation of advanced cyber intrusion tools is lowering the barrier for entry to criminals and states alike.</p>	<p>Most attacks leverage software flaws, gaps in boundary defences or social engineering-based insertion methods (such as legitimate looking emails which trigger viral payloads or impersonation of Service Desk support). These are becoming harder to identify and filter and rely on user security vigilance in tandem with technical controls.</p> <p>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; and 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>Services hosted in ISO 27001 accredited Orbis Data Centres.</p> <p>The Council plans to undertake an assessment against the Cyber Assurance Framework in order to determine whether further actions to strengthen the Council's cyber security could be put in place, subject to the Council's resource constraints.</p> <p>As well as mitigations against attack, the following measures are currently in place to minimise the impact should there be a successful attack:</p> <ul style="list-style-type: none"> • Behavioural analysis systems defend against hostile activity. • Resilient systems enhanced with immutable backups enable quick recovery. • Robust protocols for response escalation and communication. 	Red
22	<p>DELIVERY OF ORACLE IMPLEMENTATION</p> <p>There is a risk that the overall implementation of Oracle (across phases 1 to 3) may not achieve the outcomes planned which results in:</p> <ul style="list-style-type: none"> • higher delivery costs • longer timescales • a reduced quality of back office services from a substandard technical implementation 	<p>Phases 1 and 2 of the implementation, covering Enterprise Performance Management, Finance, Procurement, Oracle Helpdesk and Recruitment, are now live and have successfully exited the period of 'hypercare' (effectively the warranty period for the build quality of the system). These areas of Oracle functionality are now in Business As Usual (BAU) and the operational risks are therefore being managed on a day to day basis through the functional areas and through the Oracle system support team, with the support from the Oracle programme where required. This includes keeping documentation and training materials up to date, managing the Oracle quarterly updates and resolving any queries or issues that may arise, as for any other BAU type activity.</p>	Red

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	<ul style="list-style-type: none"> • risk of not meeting statutory or contractual requirements such as payments of Pay as You Earn (PAYE) / National Insurance (NI), pensions, suppliers and employees • general organisational issues • an inadequate control environment • lack of user buy-in and adoption due to a lack of organisational readiness impacting on core business processes • additional pressure on business as usual capacity from high resource demands during delivery • risk to employee wellbeing from high workloads and delivery timescale <p>Failure to implement would result in the use of an unsupported and unlicensed system (or subject to ransom charges on some level of support) as the SAP system passes its expiry date and would miss out on efficiencies that can be gained through the new system.</p>	<p>Phase 3 (payroll, and employee and manager self-service) is currently in its testing and planning stage. An earliest realistically achievable go-live date for this phase is currently being considered, the delivery of which will include appropriate governance (including risk identification and mitigation, as well as audit), technical implementation, organisational readiness and plans for post go-live support.</p> <p>To complete the phase 3 implementation, it is necessary to ensure that sufficient programme resource is in place, and this is therefore kept under constant review. In addition, a positive ongoing working relationship with our implementation partner, Infosys, needs to be in place and Infosys need to have the necessary capacity and capability within their teams in order to deliver to the timeframes and quality level required. The programme lead and other key stakeholders therefore have regular conversations with Infosys senior staff and escalate issues where necessary. This includes gaining confirmations from Infosys on the resources available for the ESCC programme.</p> <p>It is also necessary for the organisation to prioritise programme activity at key points in time and this is also therefore kept under constant review through regular engagement with DMTs.</p>	
15	<p>CLIMATE</p> <p>Mitigation: the Council needs to play its part in meeting both the international agreement to keep the average global temperature increase under 1.5°C above pre-industrialisation levels, as well as the legally binding national target to reach 'net zero' by 2050.</p> <p>Adaptation: the Council needs to adapt relevant services to the predicted impacts of climate change in East Sussex, including more frequent and intense flooding, drought, episodes of extreme heat, and accelerated coastal erosion. If services are not sufficiently adapted to climate change this will lead to an increase in heat related deaths (particularly amongst the elderly), damage to essential infrastructure, property damage from flooding, and disruption to supply chains and service delivery.</p>	<p>Climate change mitigation: the Council has a science-based target to reduce Scope 1 and 2 carbon emissions. The focus is on buildings, as they contributed 79% of carbon emissions in 2020/21. Currently, there is not sufficient funding available for the Council to be able to keep pace with the science-based target.</p> <p>The target for 2025/26 is for the delivery of a further 10 capital schemes, as part of business-as-usual asset management work. In Q1 and Q2 a total of 13 capital schemes were completed. There is a pipeline of a further 12 capital schemes that may be completed by the end of 2025/26.</p> <p>Climate change adaptation: the Council is working to ensure that all relevant Council service areas will integrate adaptation into their service planning by 2030 (within the constraint of the resources available). In addition, the Council has some direct responsibilities for county-wide climate change adaptation, for example as the Lead Local Flood Authority.</p> <p>The target for 2025/26 is to develop service-based guidance and tools on integrating climate adaptation and trial these with 3 services. There is a delay in identifying the initial 3 services, consequently the target for 2025/26 is unlikely to be met.</p> <p>The corporate Climate Emergency Board oversees progress for both mitigation and adaptation.</p> <p>Ultimately there is not sufficient funding available for the Council to be able to keep pace with the science-based target to halve emissions every five years. Although grant funding will be sought to mitigate against this, it is unlikely to be sufficient. The council will continue to work on what it can to</p>	Red

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		reduce emissions with the funding it has available, including working with its supply chain on Scope 3 emissions.	
20	<p>PLACEMENTS FOR CHILDREN AND YOUNG PEOPLE IN OUR CARE</p> <p>Inability to secure sufficient high quality placements for children in our care, suitable accommodation for care experienced young people and respite provision, leading to significant financial pressure and poorer outcomes for children/young people.</p> <p>The risk of the failure of one or more key providers in the independent sector is an increasing concern, set against necessary regulatory tightening of profit which might further impact the market.</p>	<p>A number of strategies have been put in place to manage demand. Work being undertaken includes:</p> <ul style="list-style-type: none"> • Delivery of the Family Hub programme - providing earlier support and intervention, Information, Advice and Guidance, Start for Life. • Comprehensive Early Help offer in place - helping to manage demand at Level 3, reducing escalation. • Robust caseload management. • Focus on reduction in Child Protection Plans, through delivery of Connected Coaches/Connected Families Intervention Practitioners (CFIP) interventions. • Family Help Teams, Multi-agency Child Protection Teams, Family Network and Kinship support. Careful consideration of transfer of Care Proceedings to the Children We Care For Service after initial hearing. • Enhancing Family Network approach - Family Group Conference offered to all families pre proceedings, full exploration of kinship carers opportunities/Special Guardianship Orders. • Placement and Commissioning team - holding providers to account, utilise frameworks, scrutiny, and challenge re of all provider process. • Participation in South East Regional Commission Cooperative - aims to improve quality/efficiency for children in care through increasing collaboration, enhancing regional commissioning, improved market shaping-building in some protections regarding market failure. • Strengthening marketing of foster care, increase in rates for East Sussex foster carers, partnership with Brighton & Hove and West Sussex County Council. Delivery of Mockingbird programme - improving retention of carers. • Focus on securing health contributions to Children We Care For placements - challenging 'Continuing Care' (CC) outcomes where appropriate and development of frameworks for integrated commissioning beyond CC. 	Red

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19	<p>SCHOOLS AND INCLUSION, SPECIAL EDUCATIONAL NEEDS AND DISABILITIES (ISEND)</p> <p>For Children with Special Educational Needs. Inability to secure statutory provision due to lack of availability of specialist placement within the county and increasing demand for placements in this sector. This would put the Council at risk of judicial review and/or negative Local Government Ombudsman judgements for failing to meet our duties within the Children and Families Act 2014, with associated financial penalties and reputational damage.</p>	<p>A number of strategies have been put in place to mitigate this risk. Work being undertaken includes:</p> <ul style="list-style-type: none"> • Effective use of forecasting data to pre-empt issues. • Work with statutory partners to develop contingency plans. • Work with the market to increase provision where needed. • Expanding internal interim offer for children. 	Red
1	<p>ROADS</p> <p>Extreme weather events over recent years, including the last winter, have 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>The changing climate is now influencing the rate of road deterioration, with more extreme events such as warmer wetter winters; and drier summers punctuated by unseasonal heavy downpours (drying and shrinking the substructure of roads). Additional funding over the last few years has helped maintain road condition, however, the latest condition and funding modelling showed the potential for continued deterioration over the next 10 years.</p> <p>The highway’s maintenance budget for 2025/26 only includes government grant. In previous years we have increased spend through borrowing. We no longer have the flexibility to borrow because of the broader revenue pressure on Council services. This means the level of funding available is below the £25 million needed each year to keep our roads in a steady condition. This funding shortfall, alongside rising costs, presents a considerable challenge in maintaining current standards across the whole network. As a result, we are now taking a more targeted approach to managing network condition—prioritising routes of highest importance to ensure we maintain a safe and resilient core network.</p> <p>This means making difficult decisions about where limited resources can have the greatest impact. In East Sussex, we are focusing on A and B roads and key non-principal routes that form part of our resilient network, because they are vital for emergency services, public transport, and the local economy. Mitigations include encouraging road users to report potholes so we can intervene as soon as possible in accordance with our policies; closely managing the operational performance of the highway contractor; and lobbying Government for additional investment as, without it, it will be increasingly difficult to manage the risks of further decline.</p> <p>New technologies and materials are being trialled to improve efficiency and resilience. Our new Asset Management System, introduced in September 2025, is enhancing how we plan and prioritise maintenance, using better data to model funding needs and target investment for greatest impact. It also strengthens transparency and accountability in decision-making. We are also future-</p>	Red

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		proofing assets, such as street lighting, to adapt to changing technologies and deliver long-term value.	
4	<p>HEALTH</p> <p>Failure to secure maximum value from partnership working with the National Health Service (NHS). If not achieved, there will be impact on social care, public health and health outcomes and increased social care operational and cost pressures, as well as shared Integrated Care System objectives for jointly managing patient flow through our System.</p> <p>An increase in activity and complexity in the presentation of patients through our acute hospital sites, has resulted in an increase in the NCTR (No Criteria to Reside) numbers and presents a system risk in respect of adequate patient flow.</p> <p>Integrated Care Board (ICB) operating costs and programme funding were required to reduce by 50% by Q3 2025/26 as per a national mandate. For NHS Sussex this means a reduction of 53% which presents a risk to the way ESCC works with the NHS to jointly commission services locally and get the best value out of the collective resources available for our population, including potential transfers of current Continuing Healthcare, SEND and safeguarding functions, all of which would need primary legislation to enact (and would therefore be post cost reductions). It could also have implications for the Sussex Integrated Care System (ICS) which would impact on alignment with the Mayoral County Combined Authority Devolution plans.</p>	<p>The system is working collaboratively to improve hospital discharge and reduce delayed stays for patients with complex care needs. Additional funding in place to support Winter Pressures, this is seen through funding an additional 10 Discharge to Recover then Assess (D2RA) beds and 5 SPOT beds, this is in place until the end of January 2026 and will be reviewed at that point. Funding initiatives include keeping patients active in hospital, creating care coordination hubs, deploying two Social Work Teams for 'discharge to recover and assess' beds, and commissioning a scheme to support self-funded care. Multi-Agency Discharge Events (MADE) have been in place prior to Christmas, these efforts have led to a sustained decrease in the number of patients with no clinical need to remain in hospital (NCTR), though continued success depends on adequate community bed capacity and suitable post-hospital support for increasingly complex needs. The Additional Discharge Funding is now fully integrated into the Better Care Fund pooled budget (no longer ring-fenced). It covers Home First pathways and Discharge to Assess beds, with capacity balanced through a multi-agency approach. A small portion of the fund is reserved to maintain flexibility and support patient flow, especially over winter.</p> <p>Collaborative work is underway to create multi-disciplinary neighbourhood teams serving populations of 30,000–50,000, building on joint leadership in each Integrated Community Team (ICT) area. These 'one-team' approaches aim to deliver more proactive, coordinated care for people with complex needs and reduce unplanned hospital admissions, especially over winter. Participation in the National Neighbourhood Health Implementation Programme (NNHIP) - starting in Hastings and Rother - will accelerate local ICT and proactive care plans, supporting the shift from hospital-based to community-focused care and more sustainable use of existing resources overall.</p> <p>After a delay national agreement has now been reached to fund the reform of ICBs and reduced operational costs by 50%. To support this, NHS England has agreed that NHS Sussex will merge with NHS Surrey to form a single Integrated Care Board (ICB) from 1 April 2026, with further restructure taking place to deliver reduced running costs in 2026/27. The new ICB will serve 3 million people (including 1.7 million in Sussex). To prepare, the two ICBs now share a Chair and Chief Executive Officer, and a single shared Board has been appointed. The four upper tier Local Authorities across Surrey and Sussex have agreed to be represented collectively on the new single clustered ICB Board through four senior roles (Chief Executive, Director of Adult Social Care, Director of Children's Services, and Director of Public Health). ESCC also continues to work with ICB and local NHS partners to adapt joint planning and commissioning, with the aim of preserving the collaboration within reducing ICB capacity to deliver the best outcomes for our population within the available collective resources. The possible impact on specific functions currently carried out by ICBs, such as Continuing Healthcare, SEND and safeguarding, is still awaited.</p> <p>In a further reform the Government's 10-Year Health Plan (July 2025) announced proposals to abolish Integrated Care Partnerships (ICPs) required under the current Health and Care Act 2022 - in Sussex this is the Sussex Health and Care Assembly. To maintain local focus amid a move to a larger Surrey and Sussex NHS planning area, the four LAs have proposed keeping the Sussex</p>	Red

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		Assembly on an informal, non-statutory basis to support population health and align with the future Sussex MCCA footprint.	
9	<p>WORKFORCE</p> <p>An inability to attract and retain the high calibre staff needed in key services and roles could lead to a reduction in the expertise and capacity required to deliver statutory services to our residents, including to prevent harm to children, young people and vulnerable adults at the required level and standards, impacting on the achievement of the Council's strategic objectives.</p>	<p>A number of strategies have been put in place to support our recruitment and retention aims. Work being undertaken includes:</p> <ul style="list-style-type: none"> • ongoing use of apprenticeships, traineeships, intern arrangements and more flexible work arrangements etc as a way of bringing in new talent to the Council • an assessment of the changes to the new Growth and Skills Levy, particularly in terms of the flexibilities that have been launched with a view to making training more accessible • ongoing review of our new recruitment website 'East Sussex County Council Careers' to ensure the content remains engaging and interesting and attracts individuals to apply for our jobs • new webpages added to the recruitment site on a pilot basis for future 'job family' content • continued delivery of mentoring to young people in care by Adecco (the Councils Agency supplier) as part of their social value offer • HR support to ASCH workstream for 'under 30s' • continued delivery of inclusive recruitment training to managers • ongoing promotion of guidance to managers on making reasonable adjustments for disabled candidates • guidance on the use of volunteers as a route into the workplace is being developed and is currently being shared with departments. The intention is for such opportunities to support people who are out of work to come back into the workplace through gaining confidence and experience of work • a review of the current leadership development offer following the delivery of our two leadership development programmes: 'Ladder to Leadership' and 'Head of Service Masterclasses'. 	Amber
23	<p>LOCAL GOVERNMENT REORGANISATION AND DEVOLUTION</p> <p>Both the formation of a combined county authority for Sussex and the proposed transition from a two tier local authority arrangement to a unitary government model for East Sussex will have a significant effect on our workforce. These are likely to lead to additional workloads for staff over the next few years. The timescales for implementation are challenging and will place considerable additional pressures on teams. This could result in resources being diverted from the ongoing delivery of services and a consequential deterioration in service delivery</p>	<p>Through our RPPR process we will continue to review the resources required to support Devolution and Local Government Reorganisation and will continue to lobby Government for additional funding to help support the significant additional workload this will place on the Council. We will also continue our work on supporting staff through change and will ensure all staff are aware of the full range of support available to them.</p> <p>Additional mitigations will be implemented as the impact on both the Council and our local area becomes clearer.</p>	Amber

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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. While AI presents huge opportunities, if used inappropriately the risk of data breach is heightened.</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. E-learning and policy delivery mechanism expanded to enhance skills and increase awareness of responsibilities under General Data Protection Regulation legislation.</p> <p>Technical security measures operated by Information Technology and Digital (IT&D), including access control and segregation of duties.</p>	Amber

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6	<p>LOCAL ECONOMIC GROWTH</p> <p>The devolution of powers, responsibilities, functions and funding through a Mayoral Combined County Authority (MCCA) for Sussex will lead to significant changes, impacts and opportunities for East Sussex County Council (ESCC) in enabling and supporting the local economic growth for our residents, businesses and visitors.</p> <p>Possible consequences if the devolution is not managed successfully include:</p> <ul style="list-style-type: none"> • Ineffective structures and mechanisms to position and make the case for local economic growth in East Sussex • Inability to access future investment opportunities if East Sussex priorities are not reflected in MCCA plans/strategies • Lack of pipeline of investment proposals in East Sussex resulting in low levels of investment in East Sussex • Loss of an effective East Sussex 'business voice' (provided through Team East Sussex and sub boards) in determining MCCA priorities 	<p>In July 2025 the Government approved the Sussex and Brighton Mayoral Combined County Authority (MCCA), to cover East Sussex, West Sussex and Brighton and Hove, to be established in 2026.</p> <p>At this stage the details are unclear as to how the devolved functions will operate between the new MCCA and existing upper tier authorities (and then subsequently the unitary authorities, as a result of Local Government Reorganisation in East Sussex). A small MCCA team has been established to work alongside strategic partners in the lead up and formation of the new Authority – a first set of Devolution policy sessions have been delivered in December 2025. Our risk control / response will be adjusted as information becomes available to consider the wider impact / opportunity this will have on the local economy through the development of Sussex-wide strategies and the resulting growth programmes.</p> <p>As part of our initial response to mitigate these risks we are undertaking the following:</p> <ul style="list-style-type: none"> • We are currently developing an investment plan to accompany the 'East Sussex Prosperity to 2050' economic growth strategy to articulate our investment propositions and asks to the new devolved MCCA and Government, whilst also addressing how the strategy contributes to delivering the Government's emerging Industrial Strategy and Sector Plans. • Through the East Sussex Growth Hub service, we are able to keep abreast of the needs of the businesses in East Sussex, which will influence the priorities set by the MCCA. • We will ensure that, through Team East Sussex, the business voice will heavily influence emerging MCCA priorities and plans. <p>The Council is already working with Sussex partners on joint plans, as directed by Government. We have jointly developed the Get Sussex Working Plan with WSCC and BHCC, and as a consequence will be in a good position to develop the anticipated Strategic Skills Plan which is likely to be an early deliverable through the MCCA. We have also worked with the Sussex Chamber of Commerce in developing the 1st Local Skills Improvement Plan (LSIP), and will be working with them to develop the 2nd LSIP.</p>	Amber
21	<p>Annual Care Act reviews and Deprivation of Liberty Safeguarding (DoLS) assessments</p> <p>Demand exceeding capacity for annual Care Act reviews and Deprivation of Liberty Safeguarding (DoLS) assessments</p>	<p>These are known issues for virtually all local authorities with social care responsibilities as this activity falls within our duties under the Care Act 2014 and Mental Capacity Act 2005.</p> <p>As of Q3 2025/26:</p> <p>We are meeting our target for adult reviews (outturn is 3 days against a target of 6 or fewer days) and carer reviews (outturn is -1 day against a target of 6 or fewer days, meaning reviews started on average one day before their proposed start date). We are also meeting our target for the number of people with a Deprivation of Liberty Safeguards (DoLS) episode awaiting allocation of a Best Interest Assessor (outturn is 250 people against a target for 650 or fewer people).</p> <p>Mitigations and actions:</p> <ul style="list-style-type: none"> • We are continuing to increase the number of reviews completed year-on-year to help meet increasing demand, and to prioritise reviews according to people's needs. As of Nov 2025, 69.4% of adult Care Act reviews were completed against a target of 66.6%. 	Amber

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		<ul style="list-style-type: none"> • We have oversight of performance at all levels of the Council to ensure visibility, accountability and grip. Weekly and monthly reporting is sent to Operational Managers at all levels, and then scrutinised by the Waiting Times Steering Group and the Improvement and Assurance Board on a regular basis. • Since October, we have piloted the delegation portal with our strategic partner Care for the Carers, making it easier and quicker for them to process carer reviews. This pilot is now BAU and will be monitored by commissioners and operational services. • Young carers reviews are undertaken by Imago Community, ensuring a timely assessment and review for this cohort. 	