Report to:	**Cabinet**
Date:	**25 June 2024**
By:	**Chief Executive**
Title of report:	**Reconciling Policy, Performance and Resources (RPPR) – State of the County**
Purpose of report:	**To update Members on the issues which need to be taken into account in the priority and budget setting process for 2025/26 and beyond**

RECOMMENDATIONS

Cabinet is recommended to:

1. **note the evidence base on demographics (Appendix 1) and the national and local policy outlook (Appendix 2);**
2. **review the priority outcomes and delivery outcomes (Appendix 3) and agree these as the basis of the Council's business and financial planning, subject to the proposed amendments set out in paragraph 4;**
3. **agree officers update the Medium Term Financial Plan as the basis for financial planning when more information is available, as set out in paragraph 5;**
4. **agree officers identify areas of search for further savings as set out in paragraph 5;**
5. **agree to allocate the additional £5.386m for social care received in the final Local Government Finance Settlement for 2024/25 to support the investments in children's and adult social care within the Council's agreed 2024/25 revenue budget.**
6. **agree officers update the Capital Strategy and programme (Appendix 4) as set out in paragraph 7;**
7. **agree the Productivity Plan at Appendix 5 for submission to the Department for Levelling Up, Housing and Communities; and**
8. **receive reports on more detailed plans for 2025/26 and beyond in the autumn when there is more information about future resources.**

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1. Background

1.1 The State of the County report is a key annual milestone in the Council's Reconciling Policy, Performance and Resources (RPPR) process, our integrated business and financial planning cycle. The report provides an overview of our current operating context to begin the process of more detailed planning for 2025/26 and beyond. In conjunction with the 2023/24 year end monitoring report, it reflects on our achievements over the last year and the challenges we expect in the year ahead arising from both local and national factors. Through this analysis, it starts to refine our plans and to steer our business planning and budget setting processes.

1.2 The County Council continues to make a vital difference every day to health and wellbeing, independence, prosperity, connectivity and community throughout the county. Through our services, employment, purchasing and how we work in partnership with others the Council makes a significant contribution to quality of life for people across East Sussex. The reach of our services is significant. In the past year our Adult Social Care services have supported 27,000 people, our Children's Services have been in contact with over 30,000 families, we maintained over 2,000 miles of road, including repairing over 27,000 potholes, issued over two million items through our libraries and dealt with a quarter of a million tonnes of waste.

1.3 Independent reviews have endorsed the way in which the Council provides its services and has a positive impact on the county. Peer challenges led by the Local Government Association have cast a critical eye over our work and found the organisation to be focused, well managed and effective. Ofsted, following its detailed inspection, has praised the quality of our Children's Services and the outstanding support for looked after children. Our external auditors have endorsed the value for money services provide across the Council. These considered judgements confirm the organisation's many strengths, the commitment of our staff and the immense value of our partnerships. It is clear that East Sussex is a well-run council. But despite doing everything possible to plan and manage well locally, we are not immune to the national pressures weighing heavily on local government.

1.4 The past year has seen growing challenges for the Council, as well as achievements, and we expect these ongoing pressures to have a significant impact on our planning for the future. Many years of prudent management, including making difficult decisions when we had to in order to live within our means, have enabled the Council to provide stability in its service offer in recent years. But the gap between the funding we expect to have and the cost of providing services has now grown unsustainably. We are realistic about the substantial challenges we face, grounded in the evidence of the future needs of the county and the demands this will place on our support. As always, we will be open and honest about the path ahead, including what this may mean for services and the people they support, and we will continue to plan with a clear focus on what the Council wants to achieve for East Sussex with the resources we have.

1.5 This will entail looking again at what we are able to provide in future, and where we may have to step back in order to make ends meet and sustain those services we are required by law to provide. We must also be clear to any new Government that making further reductions in services that help people retain independence, or avoid the need for more intensive statutory support, is not what we would do if we had a choice and will have an impact in the longer term. We know that some of the short term decisions likely to be necessary to balance the books now will only generate more demand for support months or years down the road. Evidence shows that the best investment is in the upstream, preventative services which improve outcomes and ultimately make better use of resources and we will continue to make this case. However, we simply do not have the funding to scale up or even maintain these services to the level we would want, or to invest as we would like in the infrastructure and economy of East Sussex for the future.

1.6 This report contains the normal elements included in the State of the County report: the demographic evidence base; the national and local policy outlook; and updates on the Medium Term Financial Plan and Capital Programme. It provides our latest understanding of how we will need to continue to respond to the wide range of policy, demographic and financial drivers which influence the outlook for the Council in the short and longer term.

1.7 Whilst the elements of this report may be familiar, the outlook it presents differs markedly from that of recent years. Nationally, the imminent general election holds the potential for significant policy change which would impact on the county's residents,

businesses and communities, and the ESCC and partner services which provide them with vital support. Most significantly, we begin our planning for 2025/26 and beyond from an unprecedented financial position with the current year's balanced budget being reliant on the temporary buffer of reserves, creating a pressing need for further action to address the underlying budget gap. The possibility of a further one year financial settlement due to the election, followed by a Spending Review, makes the medium to longer term financial outlook for the Council, and local government more broadly, highly uncertain, although it is clear that any new Government will face very constrained public finances with many competing demands.

1.8 Alongside the high level of both political and financial uncertainty, we continue to see locally the ongoing legacy of the Covid pandemic and increased cost of living manifest in growing need. Our biggest statutory services – social care for children and adults, support for special educational needs and disability (SEND), transport and highways maintenance – continue to face escalating costs and demand arising from factors largely outside our control. This, along with ongoing workforce challenges and new duties arising from national reforms, is placing unsustainable pressures on services across the Council.

1.9 We have honed what we do so that it is lean, focused tightly on where the Council is best placed to act, makes best use of available resources and is underpinned by partnership and One Council principles. But with difficult savings and service changes already delivered, we will not be able to sustain our current service offer in the face of mounting costs and increased demand.

1.10 It remains essential that we focus our resources, in partnership with others, in the most effective way to support our priorities and statutory service provision. The Council spends over £1bn gross each year (in the region of £540m net) on services for the county's residents and businesses. We continue to use our robust RPPR process to ensure our financial and other resources are aligned to delivery of our priority outcomes and that we are informed by a clear understanding of our effectiveness. This report describes the range of action we are already taking and outlines further steps we will need to take to bridge the financial gap if additional national support is not forthcoming.

1.11 We continue to make every effort locally to implement strategies to manage demand and reduce costs. Our productivity plan, requested by Government (of all local authorities) and detailed at paragraph 6 below, summarises the significant work already delivered and next steps, including the national support needed. However, the scope for more efficiency gains is very limited and will go only a small way towards bridging the budget gap. This report sets out the ongoing need for proactive lobbying and communications to help ensure that the next Government is aware of the needs of our county, the urgent requirement for a sustainable funding regime that appropriately reflects local need, and the case for fundamental national reform in key areas to enable more flexible and targeted use of the resources we have.

2. Current Position

2.1 Over the past year the county continued to be impacted by national and international factors leading to a range of pressures on households. The heightened cost of living continued to disproportionately impact on the most vulnerable, the complexity of need amongst vulnerable children and families grew, and we further developed our local response with partners and communities to the multiple aspects of migration. This challenging environment again reinforced the importance of the role the County Council plays for the residents, communities and businesses of East Sussex as we saw increased demand for our services. Our assessments of the ongoing levels of local need arising from recent developments continue to be refined and this modelling of future implications will be built into our planning.

2.2 In developing our medium and longer term plans we will also need to take account of the broader context in which we will be working. There is considerable policy uncertainty as a result of the imminent general election. We are analysing manifesto commitments made by the main political parties nationally and how these would impact on the county, ESCC and our partners. The future of significant reforms to key services brought forward by the current Government which are yet to be fully implemented is unclear, as is the future funding available to support these reforms. Alongside these ongoing medium term service changes, there will be a need for Council departments to respond at pace to any rapid policy shifts post-election. The national and local context includes:

- The developing national economic situation, with inflation falling but impacts from the increased cost of living persisting, and the potential for cuts to interest rates in the coming months. The ongoing pressures on households are likely to continue to influence demand for our services for some time and the costs of providing services will also continue to increase.

- Considerable uncertainty over the future of local government funding. The long planned funding review, covering the formula on which funding allocations to individual local authorities are based, was deferred beyond the general election, and a further one year financial settlement is likely for 2025/26. In addition, major national reforms to Adult Social Care and Children's Services (see below) carry considerable financial risks for local authorities.

- Changes to arrangements for driving economic growth locally as Local Enterprise Partnership functions transition to ESCC and a new East Sussex Economic Prosperity Strategy is finalised. Harnessing the benefits of investment in the county through Levelling Up Partnerships and the Long Term Plan for Towns will also be important.

- Ongoing challenges in the labour market, including the impact of workforce shortages in key sectors on our ability to recruit and retain staff, ongoing pay negotiations and the need for our workforce to adapt to service reforms. Alongside this, the need to take advantage of new opportunities from rapidly developing advances in technology and artificial intelligence which may support capacity and efficiency.

- The future of significant reforms of public services – major reforms to Adult Social Care charging were postponed until 2025 and the way forward will be an early decision for any new Government. National reforms in children's social care and SEND are being progressed following substantial reviews, but are at a relatively early stage and not at the pace needed to address growing demand. We are also continuing to respond to a range of significant national and local developments and pressures in health and social care and taking forward a range of work to manage demand and improve outcomes.

- The growing impact of climate change, adapting to its effects and working towards the national and local commitments to achieve carbon neutrality, including developing the next iteration of the Council's Climate Emergency Plan. Additionally, the introduction of a range of new measures through the Environment Act, including new duties in relation to food waste.

- Significant national policy developments related to planning, infrastructure, and transport and, locally, maximising the value of our new highways contract and additional investment in highways, and taking forward the next stages of our Bus Service Improvement Plan and refresh of our Local Transport Plan.

- The increasing need to respond to a complex picture of migration in light of global conflicts, increased numbers of people seeking asylum, including unaccompanied children, and developments in national policy on immigration.

- Further development of positive work with our public and Voluntary, Community and Social Enterprise Sector (VCSE) partners on financial inclusion and building community wellbeing and resilience, in response to the increased need in our communities and as part of our ongoing work to help people help themselves.

- The ongoing importance of our partnerships in harnessing the collective resources and assets available within the county for the benefit of our communities.

2.3 The local and national policy outlook at Appendix 2 sets out the latest thinking on these and other current issues, although plans will continue to develop over the summer and autumn as more information emerges, particularly once the outcome of the general election is known. As always, Members will continue to be updated on policy developments throughout the RPPR cycle.

2.4 In response to the unsustainable financial position we have set in train several specific strands of work as part of RPPR planning. Steps have already been taken to minimise day to day expenditure wherever possible, to provide additional oversight of workforce issues and to ensure that recruitment to vacant posts is carefully considered. We are also ensuring that increased income offsets increased costs wherever possible and we have reviewed and reduced our office estate and continue to prioritise the sale of assets where appropriate. We are seeking out further opportunities to benefit from advances in new technology, building on work already undertaken to introduce new digital and artificial intelligence approaches and systems which benefit both service delivery and capacity. For example, our ‘digital by default’ approach in Adult Social Care and the development of our universal digital offer in Children’s Services.

2.5 Where resources allow, we have stepped up our long-standing focus on preventative or upstream approaches which improve outcomes and manage demand, supporting people and communities to be independent wherever possible. This includes the investment in family safeguarding and embedding of the Valuing Care approach in Children’s Services, and the further integration of community health and care services and development of health improvement work in Adult Social Care and Health. The delivery of additional patching, drainage and lining works through Cabinet’s previous additional investment in highways maintenance has supported increased future resilience of the roads which the local economy and our communities depend on. However, there is a lack of funding for the scale of investment required in preventative work across a range of areas which would reduce the need for more intensive support in the future. As resources for this work have become increasingly constrained over time, services have become necessarily focused on responding to the most critical needs, creating a negative cycle of growing demand and increased costs.

2.6 We have reviewed the value for money our services provide, ensuring they perform well against our nearest comparator authorities and that we adopt good practice elsewhere where we can. As part of our RPPR planning we will systematically consider any further actions which may reduce the need for support in the short term or increase our capacity to respond. As always, our approach will be evidence-based, draw on best practice and use data and benchmarking to identify where we can improve.

2.7 This ongoing discipline and our culture of continuous improvement will help contain costs as far as we can. However, fundamentally there remains a significant gap between the income we currently expect to receive in the coming years and the costs of providing

services, with significant additional risk arising from service reforms. Without further Government support, changes to the statutory requirements local authorities are expected to fulfil or sustainable reform of local government finances we will not have the funding we need for the future. Further detail on the financial outlook and proposed next steps is provided at paragraph 5.

2.8 In all our activities, and in planning for the future, the County Council will continue to work to our guiding principles that:

- We are effective stewards of public money and deliver good value for money through strong integrated business planning;
- Our activities are transparent and we can be held to account;
- We operate as One Council and focus on agreed priority outcomes;
- We prioritise the investment available for front line service delivery and maximise the resources available, including work to secure sustainable national funding and partnerships with other organisations;
- We carry out all we do professionally and competently;
- We remain ambitious and realistic about what can be achieved with the resources available; and
- We strive to be a good employer and partner.

3. Demographic, Economic and Demand Changes

3.1 Appendix 1 sets out the key factors affecting the county in relation to demography, deprivation, health, housing, the environment and economy, and the impact these are having on demand for our services. This contains more detail on the issues outlined in paragraph 2. Appendix 1 highlights some of the longer-term challenges we face related to the nature of our population and our geography alongside emerging issues. It should be noted that while some factors, such as the continuing challenges around cost of living, impact on residents across the county, each local area is different and some areas are impacted more by particular issues. In addition, some of our communities are impacted by multiple systemic issues that require additional support to address, as has been recognised by the awarding of Levelling Up funding to these areas.

3.2 The main factors highlighted by the report are:

- **Older People** – the latest population projections show that the number of over 65s in the county will continue to grow at a much faster rate than our working age population; we are expecting an increase of 9.9% in the 65-84 age group and an increase of 14.2% in the over 85 age group in the next four years. Proportionately we have high numbers of over 65s and over 85s which has an impact on the demand for services and the Council's finances. Rother has the highest percentage of the population aged 65 years and over in the country.

- **Children and Young People** – there are still higher levels of demand for children's social care and more complex cases than seen pre-pandemic which together have resulted in a higher number of child protection cases. The number of children and young people with Education, Health and Care Plans (EHCPs) continues to increase year on year, which is leading to an increased demand for home to school transport provision.

- **Asylum seekers and refugees** – East Sussex continues to have a higher rate of people receiving asylum support within the county than the national average. Unaccompanied asylum seeking children made up nearly a quarter of those children who began to be looked after last year.

- **Economy** – economic productivity within the county remains lower than the national average. Average wages for those employed within the county also remain lower than the national average. The unemployment rates in Hastings and Eastbourne are higher than the national average.

4. Council Priority Outcomes

4.1 The Council's business and financial planning is underpinned by our four priority outcomes, which provide a clear focus for decisions about spending and savings and direct activity across the Council.

4.2 The current four priority outcomes are:

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

The priority outcome that the Council makes the "best use of resources now and for the future" is a test that is applied to all activities to ensure sustainability of our resources, both in terms of money and environmental assets. It ensures that the future impact of the choices we make about using resources is actively considered across all that we do, as well as the here and now.

4.3 The priority outcomes, and their subsidiary delivery outcomes, are reviewed annually to ensure they continue to reflect the current context, with updates proposed as required. Reflecting our continually evolving operating environment, some specific amendments to delivery outcomes are proposed to ensure the priorities we are working to deliver, and the way we measure the performance of our activities and services, remain appropriate.

4.4 The following changes are proposed to delivery outcomes:

<u>Keeping vulnerable people safe</u>
Two wording amendments are proposed to reflect that the social care sector is moving away from the terminology 'services' as it is not inclusive of the wider range of support that is offered to residents (such as other community assets that help to meet people's needs) and also to reflect the Council's focus on enabling people to live well, beyond simply providing them with a service:

- All vulnerable people in East Sussex are known to relevant local agencies and ~~services are~~ **support is** delivered together to meet their needs
- People feel safe with ~~services~~ **support provided**

<u>Helping people help themselves</u>
The addition of a new delivery outcome is proposed to better recognise that Adult Social Care and Health, and other Council departments, make a contribution to addressing the social determinants of health, beyond simply working with partners (as described in the current delivery outcomes):

- We work to reduce health inequalities and maximise opportunities for our residents to live healthier lives.

4.5 Cabinet is asked to review the current priority and delivery outcomes and agree them as the basis for future business and financial planning, subject to the amendments outlined in paragraph 4.4 above. The full set of priority and delivery outcomes, showing the proposed amendments, is attached at Appendix 3.

5. Medium Term Financial Plan

5.1 When the 2024/25 balanced budget was approved by Full Council on 6 February 2024, the deficit on the Medium Term Financial Plan (MTFP) to 2026/27 was £61.825m. Updating the MTFP for normal factors (such as the latest inflation rates and an additional year), the position is an increased deficit by 2027/28 of £83.601m.

Medium Term Financial Plan	**2025/26 £m**	**2026/27 £m**	**2027/28 £m**
Annual Budget Deficit / (Surplus)	**40.976**	**16.503**	**11.778**
Carry Forward of 2024/25 Deficit	14.344	-	-
Annual Budget Deficit / (Surplus) after Carry Forward	**55.320**	**16.503**	**11.778**
Total Budget Deficit / (Surplus)	**55.320**	**71.823**	**83.601**

5.2 Existing financial pressures that have already impacted in 2023/24, whilst recognised within the additional investment when the budget was set, are expected to continue into 2024/25, particularly in Children's Services (which overspent by £30.42m in 2023/24), where looked after children and home to school transport service demands are significant, and Adult Social Care (which overspend by £1.98m), due to the impact of the national living wage increase and rising levels of debt from client contributions. In addition, emergent pressures are likely in SEND and Adult Social Care independent sector placements.

5.3 At a national level, the Government funding that ESCC will receive between 2025/26 and 2027/28 is yet to be confirmed. The Local Government Financial Settlement was only a one year settlement for 2024/25 and was the last year of the Autumn Statement 2021 Spending Review. There is no indication of the level of funding that will be available from 2025/26 onwards. With all this uncertainty, it is not possible to present a detailed draft MTFP to 2027/28.

5.4 As part of the settlement, the Government announced £500m of additional grant funding to support pressures in social care, of which the Council was allocated £5.386m. The continuation of a range of short-term grants announced in the 2023/24 Settlement was also confirmed. It is proposed to allocate the additional funding for social care to support the investments in children's and adult social care within the Council's agreed 2024/25 revenue budget and reduce the budgeted draw from reserves. However, this funding will not be sufficient to fund the demand and inflationary pressures facing ESCC services in 2024/25 in full and the Council will still require a significant draw on reserves.

5.5 The use of reserves to mitigate budget deficits is not sustainable as they can only be used once. The current level of reserves is set out in the table below. Total strategic reserves are projected to be £16.7m by 2029, which excludes any draws required to set a balanced budget in 2025/26 or beyond. This compares with a cumulative deficit of £83.6m by 2027/28:

Reserve Balances		Full Council February 2024			SoC June 2024	
		(£m)			(£m)	
		01.04.24	31.03.28		01.04.24	31.03.29
		Est.	Est.			Est.
Earmarked Reserves:						
Held on behalf of others or statutorily ringfenced		**32.3**	**32.1**		**31.3**	**30.6**
Named Service Reserves						
Waste Reserve		19.4	8.9		19.5	11.6
Capital Programme Reserve		9.4	0.5		9.9	0.0
Insurance Reserve		7.5	7.3		7.4	7.2
Adult Social Care Reform Reserve		3.1	0.0		3.0	0.0
Subtotal named service reserves		**39.4**	**16.7**		**39.8**	**18.8**
Strategic Reserves						
Priority Outcomes and Transformation		5.9	5.6		7.3	1.5
Financial Management		31.8	19.4		35.8	15.2
Subtotal strategic reserves		**37.7**	**25.0**		**43.1**	**16.7**
Total Earmarked Reserves		**109.4**	**73.8**		**114.2**	**66.1**
General Fund Balance		*10.0*	*10.0*		*10.0*	*10.0*
Total Reserves		**119.4**	**83.8**		**124.2**	**76.1**

5.6 A number of scenarios are currently being considered, which may impact the overall deficit, as set out in the table below.

	2025/26	2026/27	2027/28	Total
	£m	£m	£m	£m
Revised deficit	**55.320**	**16.503**	**11.778**	**83.601**
Scenarios currently being considered				
Continuation of Adult Social Care (ASC) grant funding	(5.386)	0.000	0.000	(5.386)
Proceeds of Business Rates (NNDR) pooling	(2.194)	2.194	0.000	0.000
Council Tax: Premiums on second homes	(3.524)	(0.070)	(0.072)	(3.666)
Reduction in contractual inflation in line with forecasts	(6.481)	0.000	0.000	(6.481)
Council Tax Flexibility: Add a further 3.00% to our current 1.99% assumption to get to **4.99%** (2.99% plus 2.00% ASC Precept) in all years	(11.138)	(12.254)	(13.476)	(36.868)
Deficit/(surplus) after scenarios	**26.597**	**6.373**	**(1.770)**	**31.200**

5.7 As set out above, should all these scenarios materialise there would still remain a deficit of £26.6m in 2025/26. Given the forecast level of strategic reserves is £16.7m by March 2029, which excludes any draws necessary to mitigate future deficits, and that all other avenues have been explored, further steps are required to support the Council in being able to set a balanced budget in the absence of any indications of further national support. It is recommended that officers explore areas of search across all departments to reduce the financial gap, with a focus on:

- Discretionary and non-statutory preventative services
- Directly provided services
- Support services and back office functions
- Income generation

5.8 Making further savings will impact on the Council's ability to maintain its Core Offer - the basic but decent level of services residents should expect. The financial position means that it may no longer be possible to sustain all services at Core Offer levels. Given the need for any savings to take effect as early as possible to impact on the 2025/26 financial position, areas of search will be brought forward for Member consideration at the earliest opportunity.

6. Productivity Plan

6.1 The additional national funding provided for social care in the final Local Government Finance Settlement was accompanied by a new expectation for councils to produce productivity plans as part of Department for Levelling Up, Housing and Communities (DLUHC) efforts to return the sector to sustainability in the future. The plan, although not a requirement of local authorities, summarises how the Council continuously assures itself and others about the appropriate and effective use of public money and the significant steps taken over many years to make best use of available resources. It provides an opportunity to set out to DLUHC the key factors now impacting on sustainability and productivity for ESCC and what we are doing to address these, as well as action we need Government to take. DLUHC is establishing a Long-Term Sustainability Panel, comprising representatives from local government and the technology and transformation sectors, to review common themes and evidence arising from the plans from autumn 2024. The Panel will consider national policy implications, the role of Government in supporting change and the role of the sector itself.

6.2 ESCC's productivity plan is attached at Appendix 5. Although a stand-alone document it signposts, where possible, to the Council's existing and comprehensive business planning and performance framework. It summarises concisely the Council's approach in the areas specified by DLUHC – service development, technology and data and effective use of resources – and responds to its request to set out the barriers that Government can help address. It emphasises the need for investment in preventative approaches as central to a return to sustainability, alongside reform to the statutory requirements placed on local authorities in key areas where current national policy or legislation prevents us from targeting our resources most effectively. Subject to Cabinet agreement, the plan will be submitted to Government and published on the Council's website so that it is easily available to the public.

7. Capital Programme

7.1 The approved programme has now been updated to reflect the 2023/24 outturn and other approved variations, revising the gross programme to £874.5m to 2033/34. The details are set out in Appendix 4, together with the revised programme.

7.2 The 10 year capital programme to 2033/34 and 20 year Capital Strategy 2024/25 to 2044/45 will be updated as part of the RPPR process over the autumn to add an additional year and ensure continued links into, and support of, the Council's other strategies. In addition, a review will be conducted of core Council-funded programmes/projects to consider the implications of a reduced programme that reduces pressure on the MTFP position.

8. Lobbying and Communications

8.1 This report sets out the diverse range of issues the Council must address in planning for the future, and the national factors significantly contributing to these. The medium term outlook is highly challenging - we face a significant financial gap which will necessitate

service reductions, uncertainty in relation to national reforms in major service areas and wider national policy direction, and a lack of clarity on long-term funding arrangements. There are significant risks and planning in this context is not easy, but it is clear that, without further Government support, the financial outlook will require difficult decisions and that these will not be the decisions we would choose to make to address growing demands.

8.2 Through our lobbying, we will make clear to the Government the specific needs of East Sussex and call for sustainable funding for local government that is appropriately reflective of local need and that fully reflects the impact of reforms. We will also proactively suggest things that will help without significant cost - calling for reforms and flexibilities which would help us better target and use our resources – helping us help ourselves. Both will be paramount to ensuring we are able to deliver what will be required to support East Sussex residents, communities and businesses with the services they need, including opportunities to continue positive preventative work that could most effectively manage future demand for services.

8.3 We will continue to work with local, regional and national partners to make this case through all available avenues and seek the support of East Sussex MPs in highlighting the needs of our county and the key role the Council has to play in improving the quality of life for people in our county.

9. Next Steps

9.1 Work will continue over the summer to refine our understanding of the medium term impacts on our services of national reforms, the evolving economic and political context, changing demand for services and the financial resources that will be available to us in the coming years. We will also further develop proposals for closing the financial gap, including potential savings.

9.2 We will report back to Members in the autumn with an updated assessment of our service demand, funding expectations and proposed actions to inform more detailed business and budget planning for 2025/26 and beyond. We will use our RPPR process to plan for the future as best we can in the context of a likely one year financial settlement once again.

9.3 Members will continue to be consulted on plans as they are developed through Cabinet, County Council, Scrutiny Committees, Whole Council Forums and specific engagement sessions throughout the 2024/25 Reconciling Policy, Performance and Resources process.

BECKY SHAW
Chief Executive

Appendix 1

East Sussex
County Council

State of the County 2024

Focus on East Sussex

Version number 1

Publication date August 2024

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Summary

Population – around 558,400 people are estimated to live in East Sussex in 2024. By 2028 we expect that to increase to around 580,300 people, an increase of 3.9%, with just over half of our population aged 18-64 (53%), and over a quarter (29%) aged 65 and over. East Sussex has an older age profile than nationally, with a significantly higher proportion of the population aged 65 or more than both England and the South East. Rother has the highest proportion of people over the age of 85 in the country.

Children and young people – the levels of attainment at Key Stage 2 and at Key Stage 4 (Progress 8 and Attainment 8) in East Sussex are lower than the national average. The rate of children in East Sussex that are absent or excluded from school is higher than nationally, particularly from secondary schools. There continues to be higher levels of demand for children's social care which include more complex cases, and this has resulted in a higher number of Child Protection plans. The number of Looked After Children has also increased. Of those who became looked after last year, 23% were Unaccompanied Asylum Seeking Children. There continues to be increased demand for support for children and young people with Special Educational Needs and Disabilities, including for Home to School Transport.

Health and wellbeing – East Sussex has a consistently higher life expectancy for both men and women than the national average. However, there are challenges to health in the county. Smoking levels are significantly higher in some parts of the county than nationally, and a greater percentage of people have high blood pressure which can lead to serious health conditions. The number of people with multiple long-term conditions in East Sussex is expected to increase over the next ten years which will greatly increase the complexity and costs of providing care services.

Adults – the number of people receiving long term support increased in 2023/24, with the majority aged 65 and over. Projections indicate that the number of people with dementia and other long-term conditions will continue to increase in

the coming years. Fewer people aged 65 and over are admitted to residential care than nationally, and a higher percentage of people are supported to successfully live at home after discharge from hospital than the average in England. A higher percentage of the population were providing unpaid care in 2021 in East Sussex than nationally.

Housing – house prices in East Sussex remain higher than the national average. The ratio of median house prices to median earnings is also higher than the ratio in England, but is the same as the South East ratio. Rented housing makes up a significant proportion of the housing sector in East Sussex, and there were significant rises in the cost of private rented housing between 2019 and 2023.

Deprivation – as a county, East Sussex is ranked 93 out of 151 Upper Tier Local Authorities on the Index of Multiple Deprivation rank. This is a similar level of deprivation as Lincolnshire, Somerset and Kent. However, deprivation varies across the county, with Baird Ward in Hastings in the most deprived 1% of Lower Super Output Areas (LSOA) in the country, while an LSOA in Uckfield is in the least deprived 3%. The Government has identified 4 out of 5 district and borough council areas in East Sussex as having specific locations with priority need for 'levelling up' funding. This funding will be used on projects that address economic recovery and growth, improved transport connectivity, and the need for regeneration.

Economy – employment rates fell in 2023. The challenges that existed pre-pandemic relating to productivity and average wages for those employed within the county remain. Although the unemployment rate in the county is now below the national average, it remains higher than the regional rate. Youth unemployment remains higher than the overall percentage. Qualification levels across the county are broadly in line with the regional and national averages.

Environment – emissions of carbon dioxide have continued to fall in East Sussex over recent years. However, further reductions will be needed to contribute towards keeping the increase in global average temperature below 1.5°C above pre-industrial levels.

Civil Society – There are a diverse range of Voluntary, Community and Social

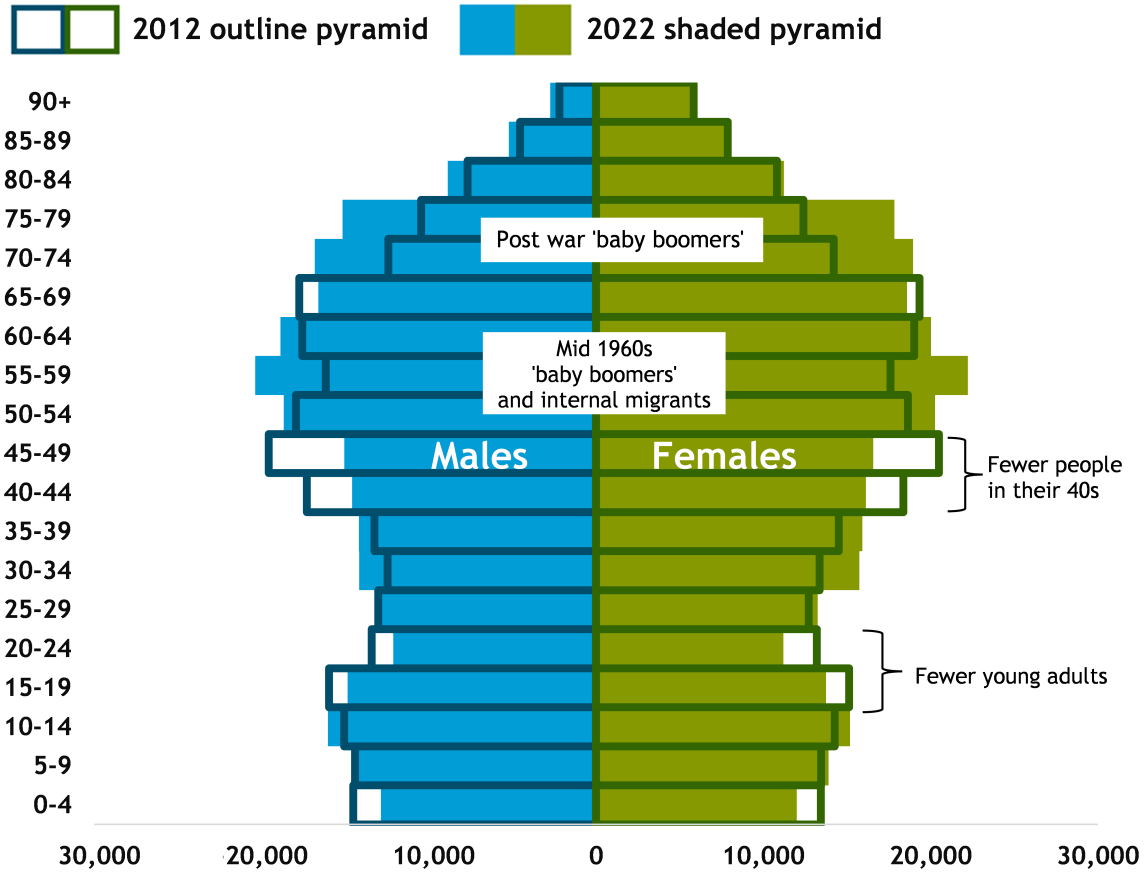
Enterprise organisations working at neighbourhood, town/parish, and district/borough levels in East Sussex. There are over 3,000 not-for-profit groups and organisations providing activities and support to residents and communities.

Community safety – the number of adults in East Sussex in treatment for substance misuse and alcohol use has increased, but at a lower percentage than nationally. In East Sussex in 2023 more potential victims of modern slavery and human trafficking were referred by the local authority and Sussex Police than in the previous year. There was an increase in neighbourhood crime in East Sussex between 2022 to 2023 but the rates are lower than the national average in all categories. There was also an increase in serious violent crime in the county. However, the rate of serious violent crime remains low in East Sussex.

Population

Age and sex

The ONS mid-year estimates 2022 estimated the population of East Sussex to be 550,700. Compared to England and the South East, East Sussex has a much older age profile, with Rother having the highest rate of people over the age of 85 in the country at 4.9%, just ahead of North Norfolk and New Forest, both 4.8%. 26% of the East Sussex population is comprised of people aged 65 or over, compared to 20% for the South East and 19% for England. 3.9% of people in East Sussex were aged 85+ in 2022, higher than nationally, 2.5%, and the South East, 2.8%.



Source: ONS mid-year estimates 2022

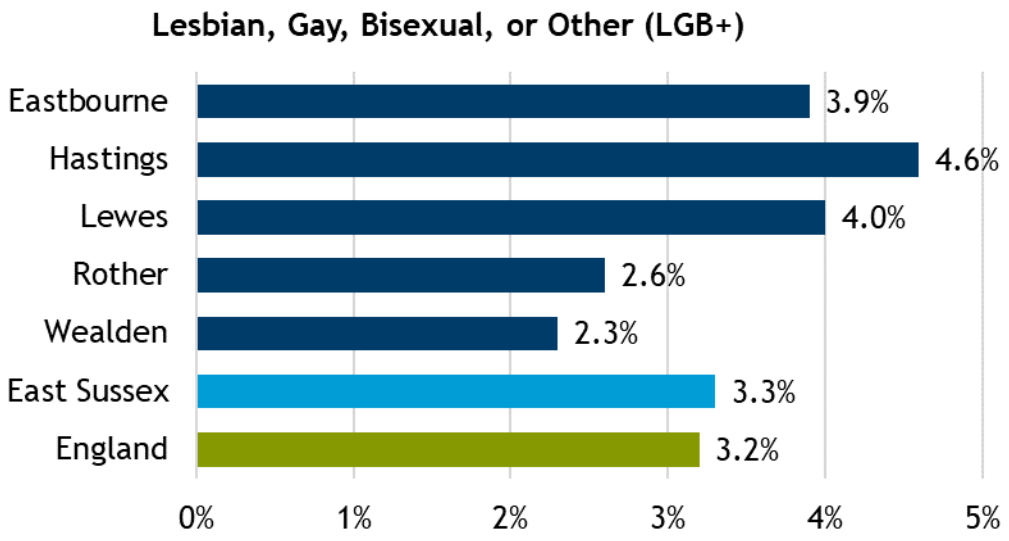
Young people, those aged 0-17, made up 18.7% of the population of East Sussex in 2022. This is lower than in England, 20.8%, and the South East, 20.9%. Working age people, those aged 18-64, made up 54.9% of the population in East Sussex in 2022.

This is lower than England, 59.4%, and the South East, 60.6%.

52% of the county's population was estimated to be female and 48% male, similar to the national split. For those aged 65 and above, it was estimated that 55% of the population was female and 45% male.

Sexual Orientation

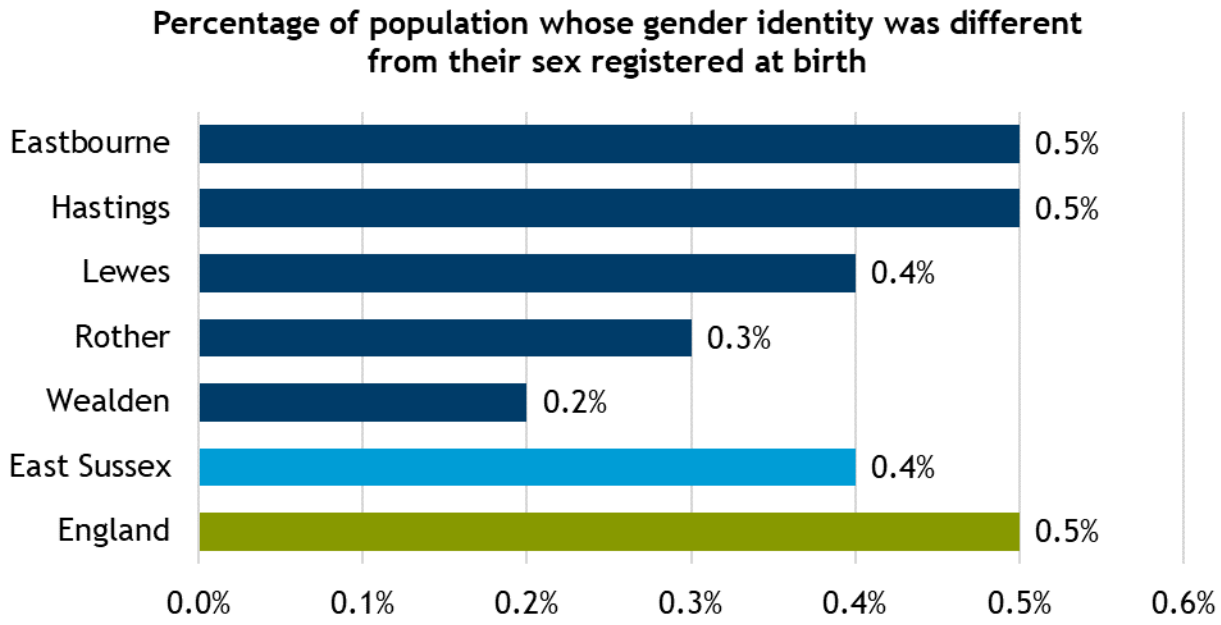
The 2021 Census indicates that 3.3% of the East Sussex population identify as Lesbian, Gay, Bisexual or Other (LGB+). This is similar to the national average of 3.2%. Hastings had the highest percentage of people identifying as LGB+ at 4.6%.



Note: A significant percentage of people across the county provided no response, therefore the percentage of people identifying as LBG+ could be either higher or lower than estimated. Source: Census 2021

Gender identity

Gender identity was included in the national census questions for the first time in 2021. A significant percentage of people did not respond to this question, but this is still the best data we have on this topic. 0.4% of the East Sussex population recorded that their gender identity is different to their sex registered at birth. This equates to 1,640 people.

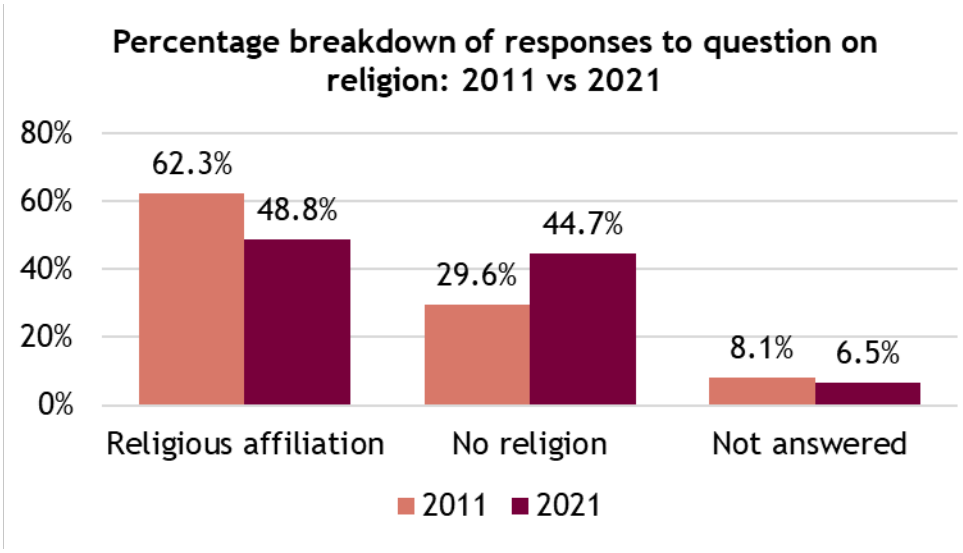


Note: A significant percentage of people across the county provided no response, therefore the percentage of people with a different gender identity to their sex registered at birth could be either higher or lower than shown. Source: Census 2021

Religion

For the 2021 Census, 45.9% of the population in East Sussex stated their religion was Christian, 1.1% stated their religion was Islam, 0.5% as Buddhism and 0.3% as Hindu. 44.7% of the population selected 'no religion' as their response.

The percentage of people who indicated an affiliation to a religion fell between 2011 and 2021, while the number of people who gave 'no religion' as their response grew.



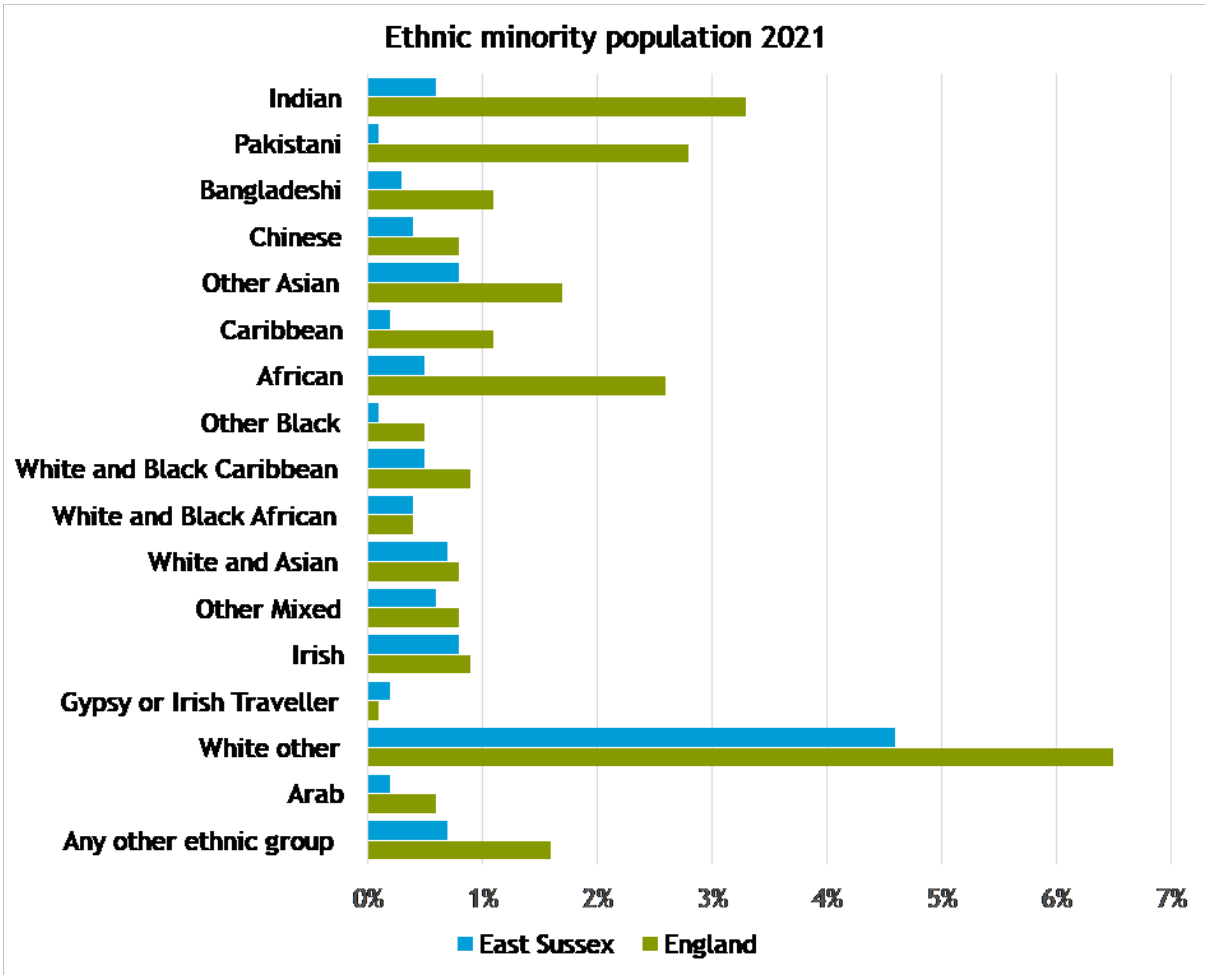
Source: Census 2021

Marital status

Data from the 2021 Census shows that 31.9% of respondents from East Sussex were single and 46.8% of respondents were married or in a civil partnership. 2.3% of respondents were separated from their partners and 11.2% were divorced or had a civil partnership which was dissolved. The remaining 7.7% of respondents were widowed.

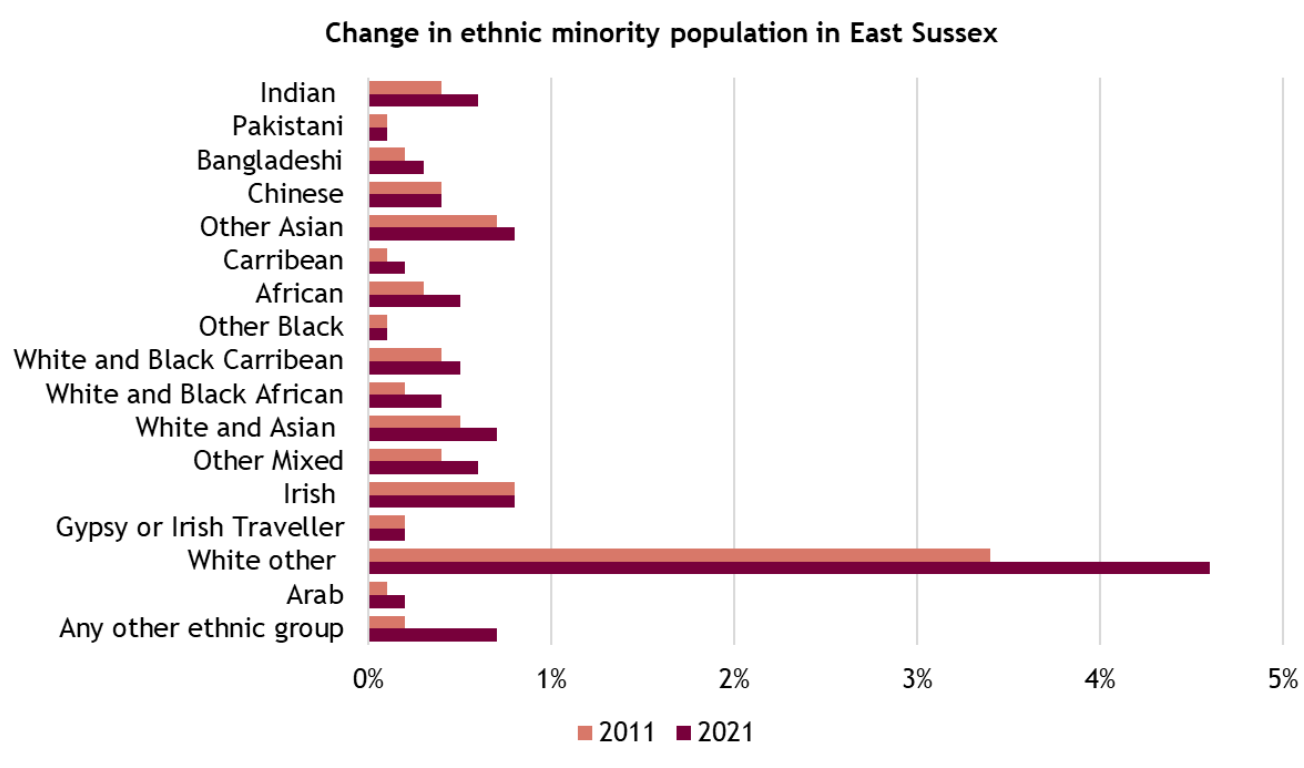
Ethnicity

The latest ethnicity data for the county is from the 2021 Census. 88.3% of the county's population identified as White: British and Northern Irish, compared to the regional average of 78.8% and the national average of 73.5%. A higher percentage of the population in East Sussex identified as Gypsy or Irish Traveller than the national average (0.2% compared to 0.1%).



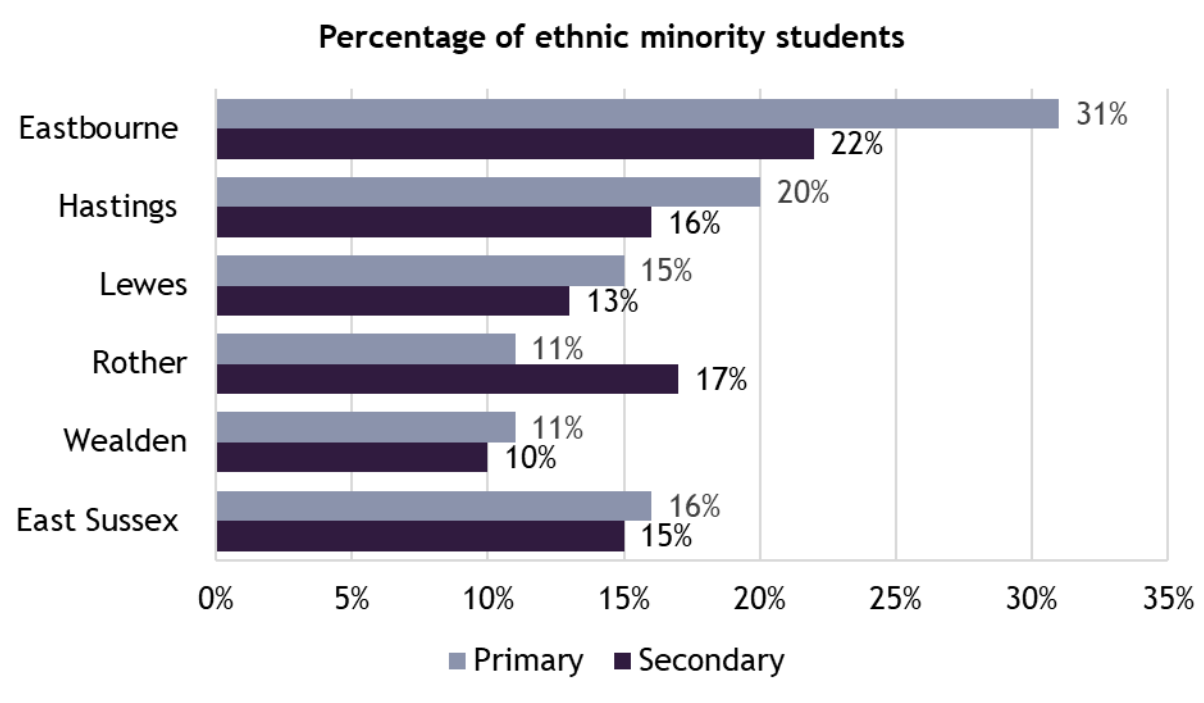
Source: Census 2021

Overall, the percentage of the population in East Sussex in each ethnic minority group has either stayed the same or increased between 2011 and 2021.



Source: Census 2021

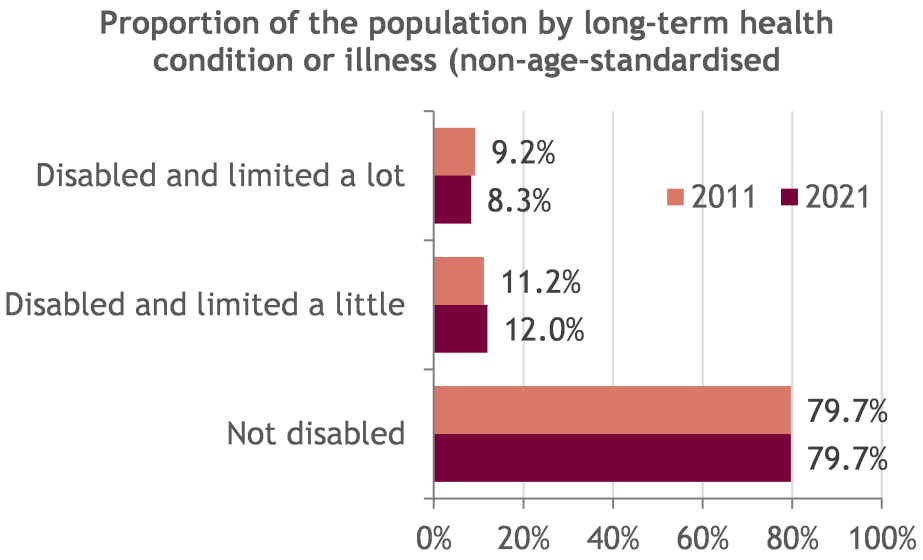
A higher percentage of pupils (15%) are from ethnic minority backgrounds, compared to the adult population. Overall, Eastbourne has the highest percentage of students from ethnic minority backgrounds in the county for both primary (31%) and secondary (22%) schools.



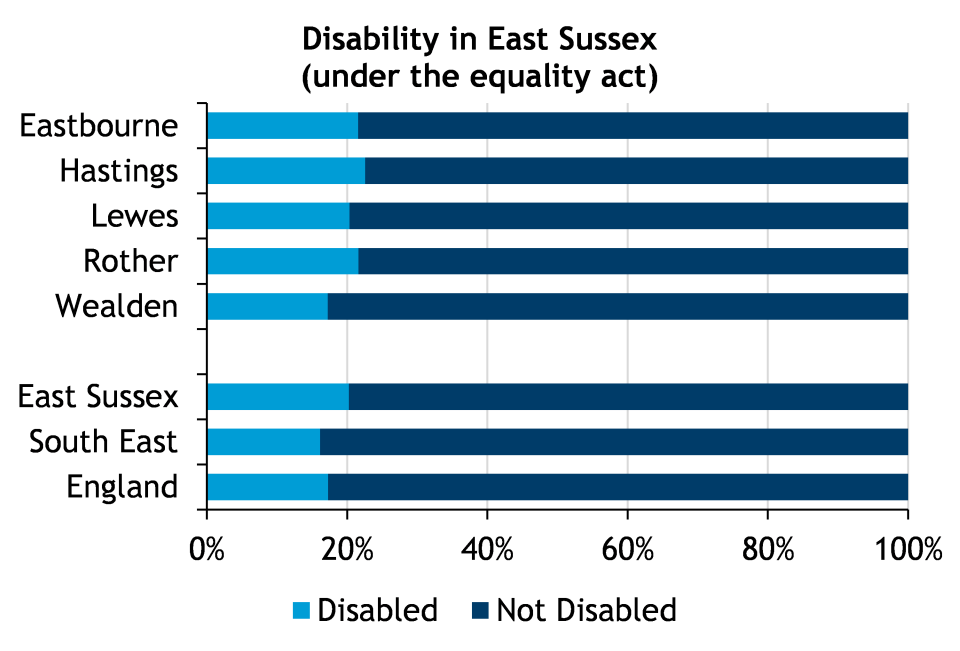
Source: ESCC Schools Census January 2023

Disability

In the 2021 Census, the proportion of the East Sussex population that identified as disabled was 20.3% (110,550). This is the same as the proportion that identified as disabled in the 2011 Census (20.3%, 107,150).

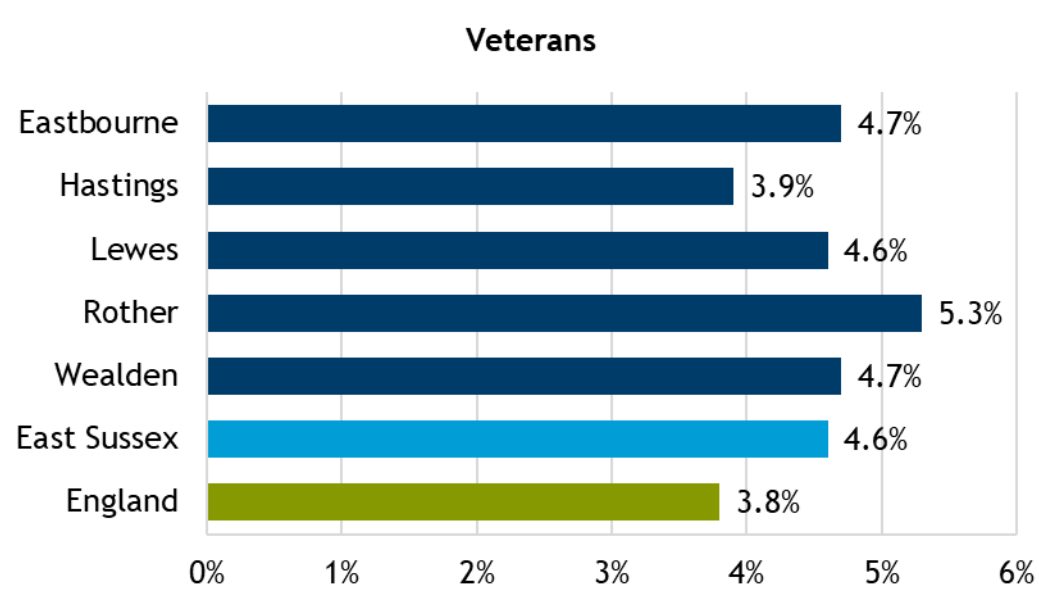


The percentage of people identifying themselves as disabled varied slightly across the district and boroughs, but rates across the county were higher than the South East average.



Veterans

2021 Census data shows that 4.6% of the population in East Sussex were Veterans, compared to the national average of 3.8%. This equates to 21,200 Veterans living in East Sussex.



Pregnancy and maternity

The ONS births data provides an indication of the number of women in East Sussex who may be pregnant or on maternity.

Pregnancy and maternity	East Sussex	Eastbourne	Hastings	Lewes	Rother	Wealden
Live births – 2022	4,519	838	909	769	631	1,372
Births per 1,000 females – 2022	15.4	15.4	19.2	13.7	13.7	15.4

Source: Office for National Statistics

Population change

The latest ONS population estimates suggest that the East Sussex population increased by 0.7% between 2021 and 2022, lower than the increase in England at 1.0% and the South East at 0.9%. Over this period the population grew fastest in Wealden, up 1.4%, and declined slightly in Hastings, down 0.4%. Wealden has seen the fastest population growth over the past 10 years, with an increase of 8.2%, while Hastings has seen the slowest rate of growth, with only a 0.1% increase.

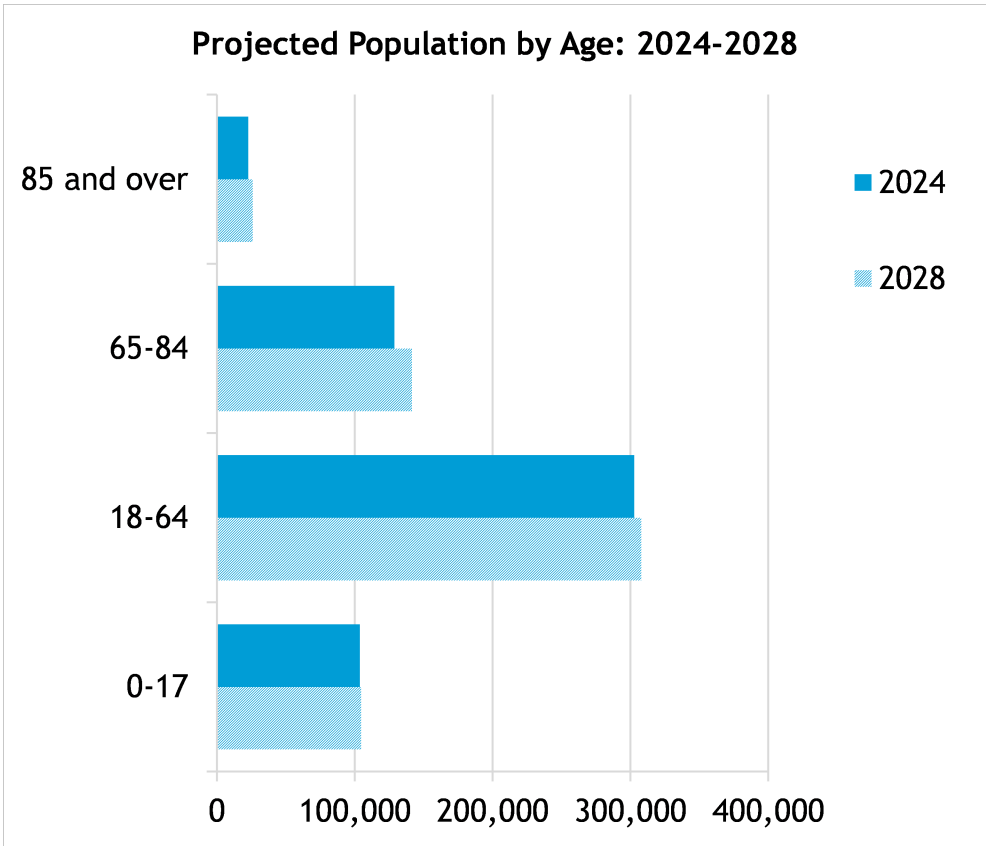
Based on the information currently available we estimate that around 558,400 people live in the county in 2024. We expect that to increase to around 580,300 people in 2028, an increase of 3.9%.

We expect the increase in population to be driven by people moving into the county from elsewhere in the UK. Many of the people who choose to come to East Sussex are older adults, as a result the over 65 age group is growing faster than younger age groups. In 2028 we expect that just over half of our population will be aged 18-64 (53%), with over a quarter (29%) aged 65 and over.

Between 2024 and 2028 we are expecting that there will be around 19,200 births in the county and around 26,500 deaths. This reflects the fact that we have a larger population of older adults in East Sussex. Over the same period, we are expecting around 141,600 people to move into the county, offset by around 112,500 people moving out of the county.

Overall, these changes mean that compared to 2024, we estimate that by 2028 there will be:

- An increase of 0.9% (930 people) in the number of children and young people.
- An increase of 1.6% (4,960 people) in the working age population.
- 9.9% more people aged 65-84 (12,760 people).
- 14.2% more people aged 85+ (3,230 people).



Note: These dwelling-led population projections (sometimes known as policy-based projections) are constrained to reflect the number of extra dwellings being planned for future years by local authorities in East Sussex. They are also based on the latest 2022 data on population estimates and migration released by ONS in November 2023, which included rebased population estimates for the period 2012-2021, which take into account the results of the 2021 Census. These rebased mid-year estimates show that the population in 2020 was more than 14,000 lower than had been estimated by the ONS previously.

Projected Population in 2028

Age Range	East Sussex	England
0-17	18.1%	19.6%
18-64	53.1%	60.6%
65-84	24.4%	17.1%
85+	4.5%	2.7%

Population Change: 2024-2028

Age Range	2024	2028	Actual change
0-17	103,850	104,780	930
18-64	302,970	307,930	4,960
65-84	128,760	141,520	12,760
85+	22,800	26,030	3,230
All people	558,390	580,260	21,870

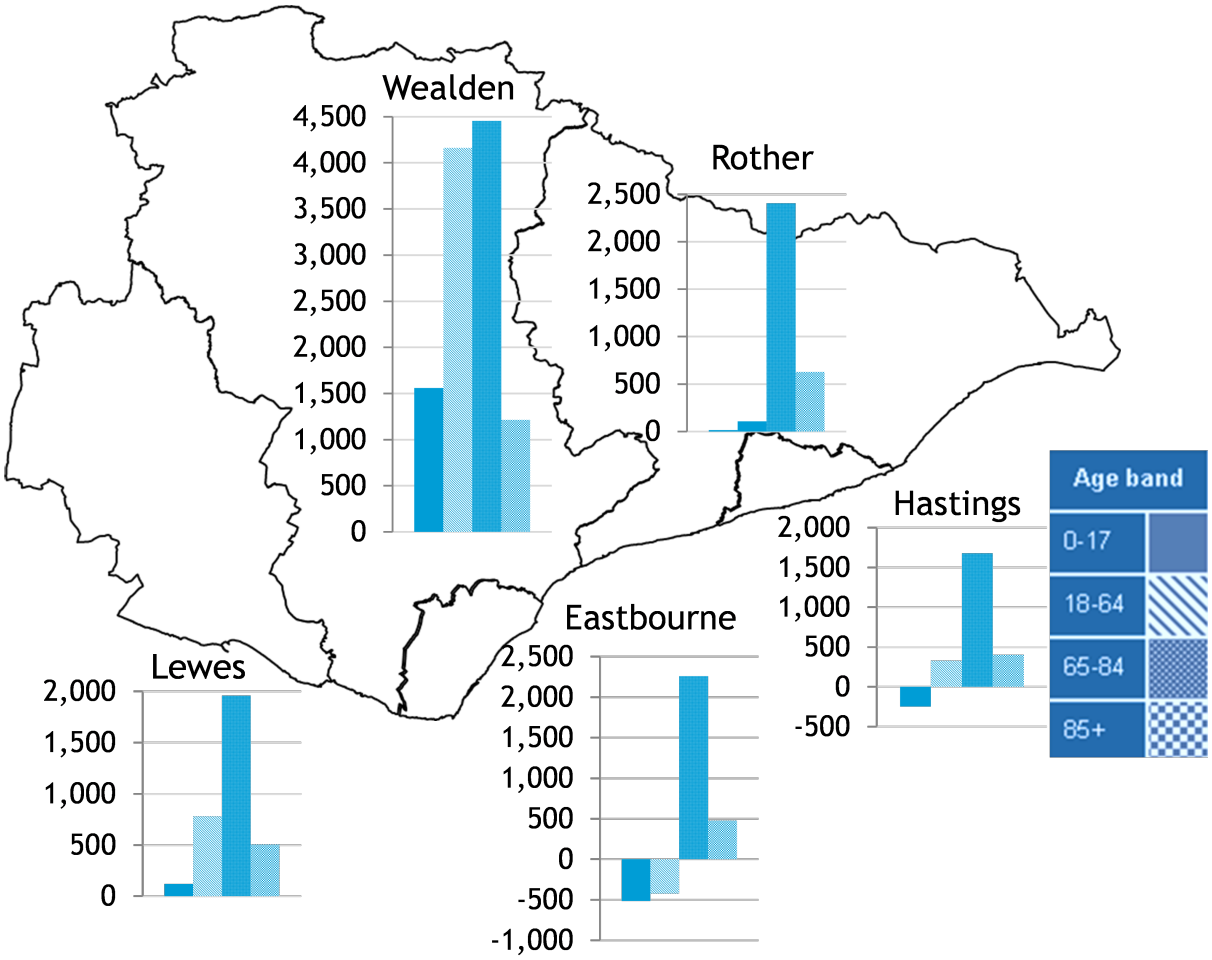
Source: ESCC data, ESCC interim population projections (dwelling led) January 2024. National Data, ONS trend-based projections, from 2021. All figures have been rounded to the nearest 10 and therefore may not sum.

District population change

We expect that how our population changes will be different in different parts of the county. By 2028 our projections suggest:

- An increase of 19% (1,200) more people aged 85+ in Wealden; the smallest increase will be in Eastbourne, 11% (500).
- 11% (4,500) more people aged 65-84 in Wealden, 10% (2,300) more people in Eastbourne, and 8% (2,000) more in Lewes.
- Only Wealden is projected to see a significant increase of 5% (4,200) in the working age population (18-64).
- Eastbourne (down 0.7%, 400 people) is projected to see a fall in the working age population over this period.

District population change 2024 - 2028



Source: ESCC data, ESCC interim population projections (dwelling led) January 2024.

Children and young people

Early Years

East Sussex received 1,612 applications for a funded place for eligible 2-year-olds in the spring 2024 funding period. Of these, 306 children were not eligible to receive funding. 80% (1,045) of the remaining 1,306 eligible children have accessed a place with an early years provider, compared to the England average of 74% (Source: ESCC Children's Services).

Attainment

Early Years Foundation Stage (EYFS)

In early years, children in East Sussex achieve above the national averages for Good Level of Development which is the expected standard for: communication and language; physical development; personal, social and emotional development; literacy and mathematics.

In 2023 the percentage point gap between children eligible for free school meals achieving a good level of development and their peers was -20.5, which is just above the England average gap for this cohort of -19.9.

Key Stage 2 Attainment

The percentage of pupils working at the expected standard in reading, writing and maths combined at Key Stage 2 is 56%, which is below the England average of 60%.

The percentage of disadvantaged pupils working at the expected standard in reading, writing and maths combined at Key Stage 2 is 39%, which is below the England average of 44%.

Key Stage 4: Progress 8

Progress 8 is a measure of students' progress across the Attainment 8 subjects from the end of primary school (Key Stage 2) to the end of secondary school (Key Stage 4). Scores for East Sussex are -0.19 which is below the England average of -

0.03.

Key Stage 4: Attainment 8

Attainment 8 is the students' average achievement across eight subjects: English, mathematics, three English Baccalaureate (EBacc) subjects (from sciences, computer science, geography, history and languages), and three further subjects, from the range of EBacc subjects, or any other GCSE or approved, high-value arts, academic, or vocational qualifications. Overall pupils in East Sussex, including disadvantaged pupils, achieved 43.6%, lower than the England average of 46.4%. Disadvantaged pupils achieved 30.3%, lower than the England average of 35.1%.

Attendance

The pandemic had a significant adverse impact on school attendance, both nationally and locally. The proportion of children persistently absent from school, defined as missing more than 10% of sessions, has doubled. In May 2022, the Government published attendance guidance to clarify responsibilities for local authorities, schools, parents and carers. This outlines the expectation that all councils should strengthen their oversight of attendance through regular individual dialogue with all schools, and provide whole family early help support, free of any charge, to schools and all families of children whose attendance is less than 50%. This guidance will become statutory in August 2024.

Absence for academic year 2022-2023 (Source Department for Education):

School type	Persistent Absence (%)	Overall Absence (%)
East Sussex Primary Schools	16.5	6.1
East Sussex Secondary Schools	30.0	10.4
East Sussex Special Schools	39.9	14.4
East Sussex schools overall	23.1	8.2
England National Primary Schools	16.2	5.9
England National Secondary Schools	26.5	9.0

East Sussex has high levels of suspension and exclusion, and these are rising further in line with national trends. School leaders are experiencing increased levels and complexity of need in their school populations and the demand for support services remains high.

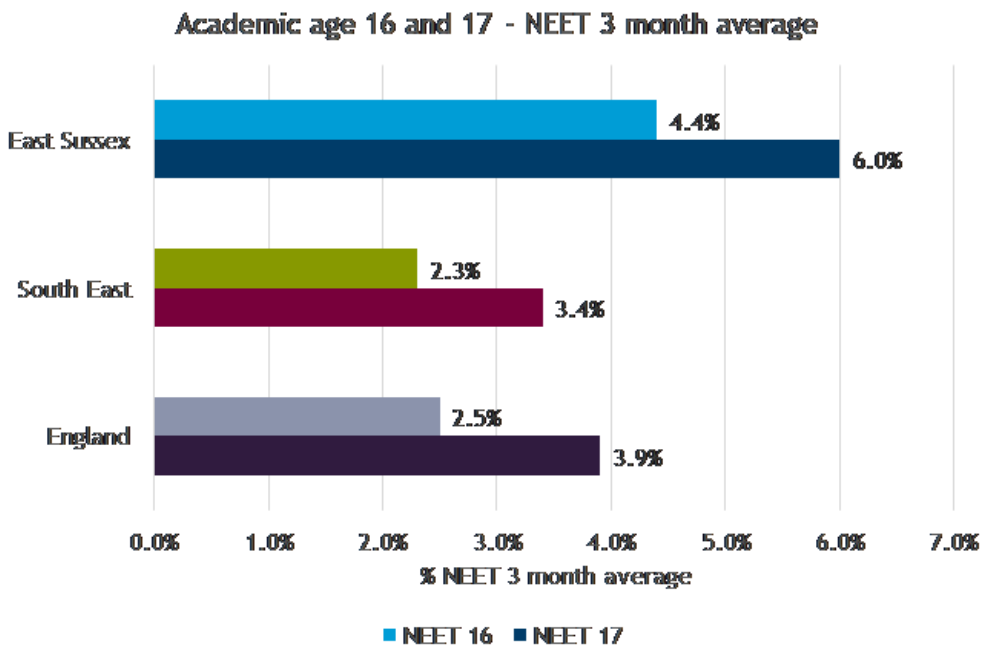
School type	Permanent exclusions	Fixed term exclusions
East Sussex Primary Schools 2022/23	0.08%	1.81%
England National Primary Schools 2021/22	0.02%	1.42%
East Sussex Secondary Schools 2022/23	0.34%	31.58%
England National Secondary Schools 2021/22	0.16%	13.96%

Source: Children's Services Department and Department for Education

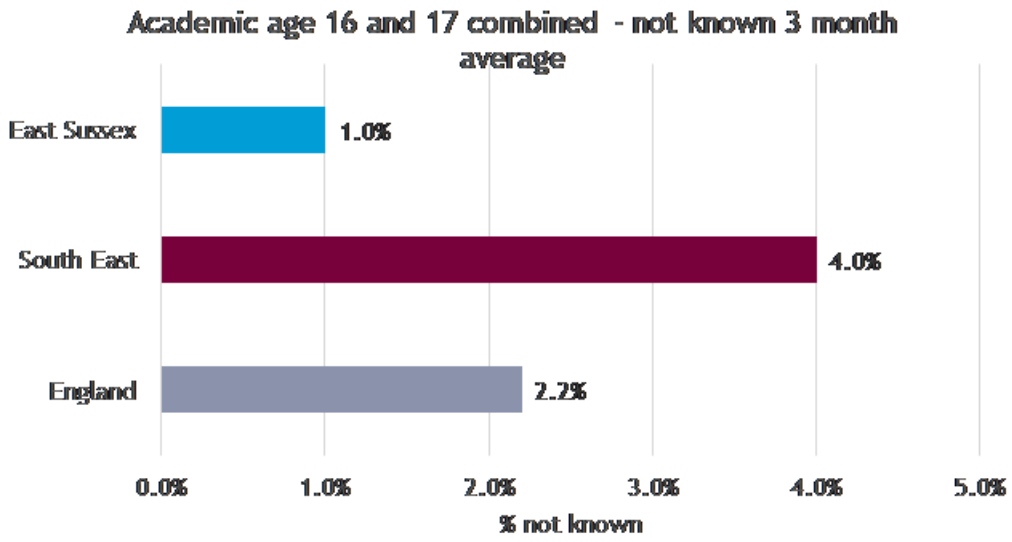
Young people in education, employment and training

At the end of 2023/24 95.6% of 16 years old and 94% of 17 year olds were participating in some form of education, training or employment – this includes those in employment without DfE regulated training or part-time/temporary employment. Local Authority comparisons data indicate East Sussex is slightly above the south east and national averages. There are concerns about the impact for young people of the national Traineeship programme ceasing in summer 2023, as well as European Social Fund not in education, training or employment (NEET) provision.

While the figures for the percentages of young people aged 16 and 17 who are known to be NEET are higher than the regional and national averages these need to be considered alongside the figures for young people whose activities were not known. We have a smaller percentage of young people whose activities were not known and it is likely that a significant proportion of the people across the South East and nationally whose activities were not known were actually NEET.



Source: ESCC Children's Services



Source: ESCC Children's Services

School places

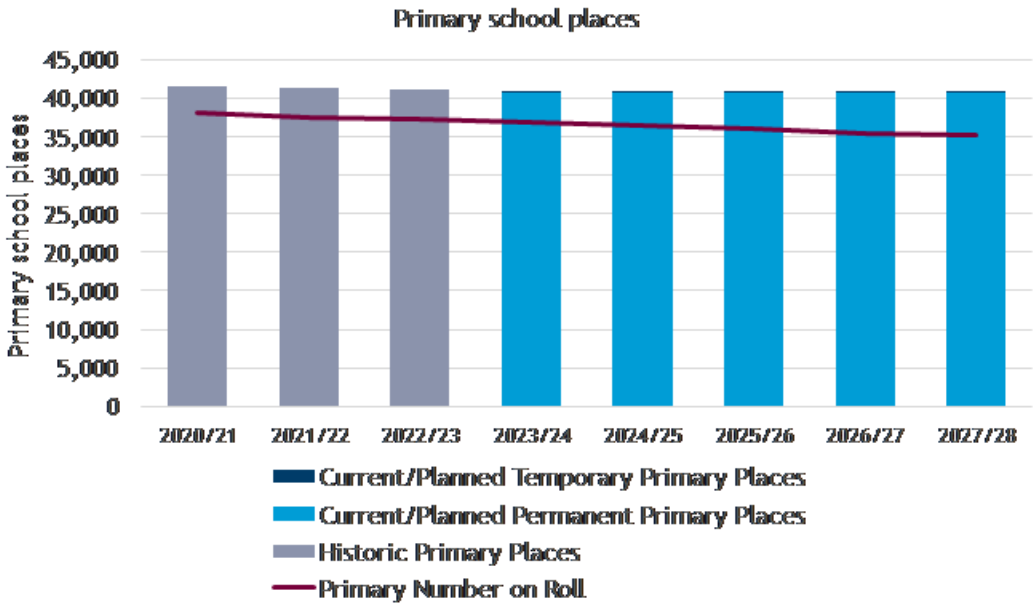
Although our overall population of under 18s is expected to increase slightly over the period 2024 – 2027, the highest rate of growth is expected in those aged 16 – 17, with an expected fall in numbers of children aged 4 – 10. During the period

2028 – 2032 numbers of children aged 11-15 and 16-17 are expected to fall, but the total number of children aged 0-17 are expected to increase slightly.

Age/year	2024	2027	% change 2024-2027	2028	2032	% change 2028-2032
0-3	19,650	20,150	2.5%	20,180	20,840	3.3%
4-10	39,190	38,870	-0.8%	38,770	39,390	1.6%
11-15	31,180	31,390	0.7%	31,160	30,600	-1.8%
16-17	12,280	12,870	4.8%	13,190	12,890	-2.3%

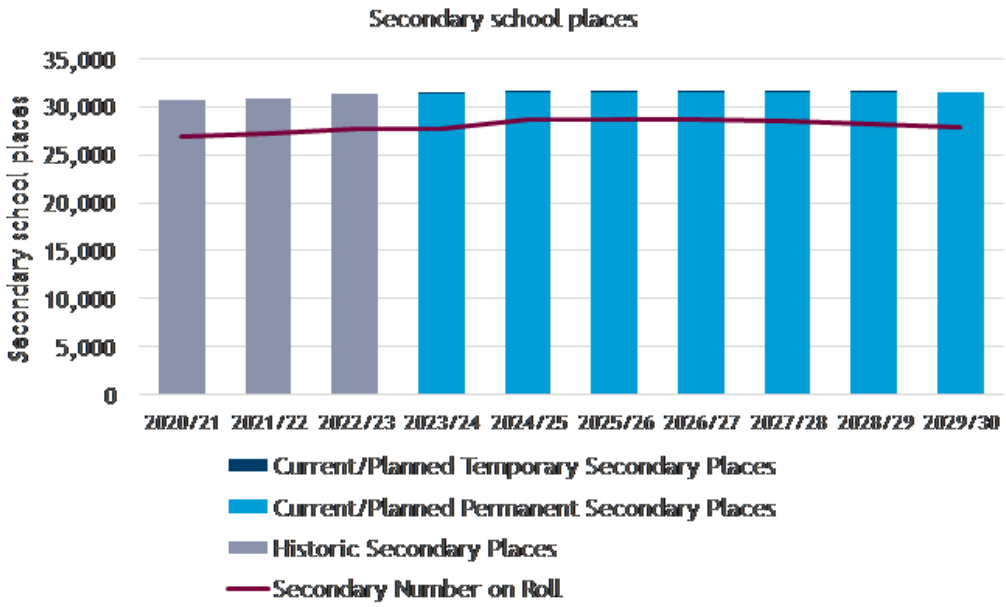
Source: ESCC data, ESCC interim population projections (dwelling led) January 2024, numbers rounded to 10. Note: Care should be taken when using the projected population figures above. Due to ONS revised mid-year population estimates not currently being available these are interim projections based on dwelling-led population projections.

The total number of pupils in primary schools peaked in 2018/19 and are now in decline. As a result, some of the temporary additional capacity in schools that was created to accommodate the peak is being removed. This, together with the closures of Holy Cross CE Primary School on 31 December 2023 and St Pancras Catholic Primary School on 31 August 2024, will lead to a net reduction in capacity of 405 places between the start of the 2023/24 academic year and the start of the 2024/25 academic year.



Source: Pupil Forecasts, July 2023, and Pupil Model, March 2024

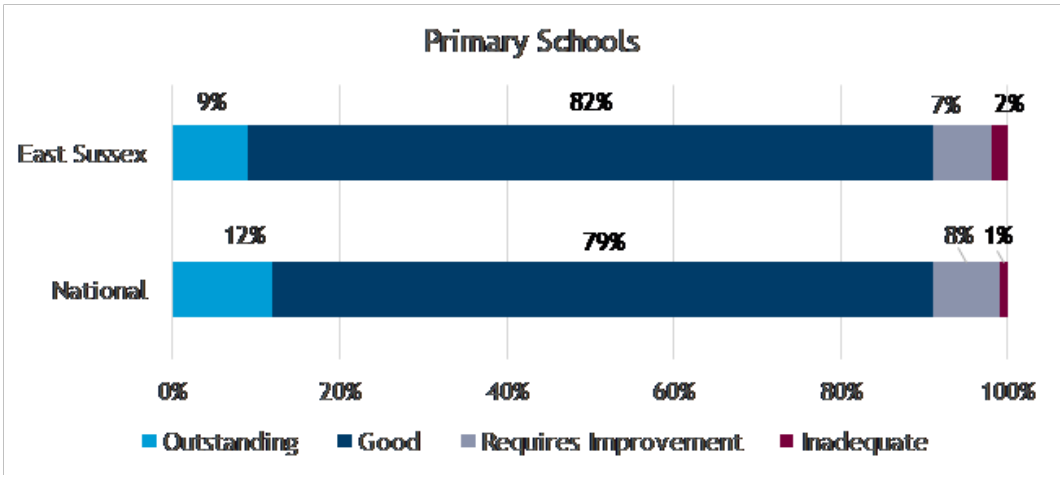
Secondary pupil numbers have been rising and are expected to peak around 2024/25. 105 additional permanent places and 30 additional temporary places will be added between 2023/24 and 2025/26 to meet forecast demand in local areas.

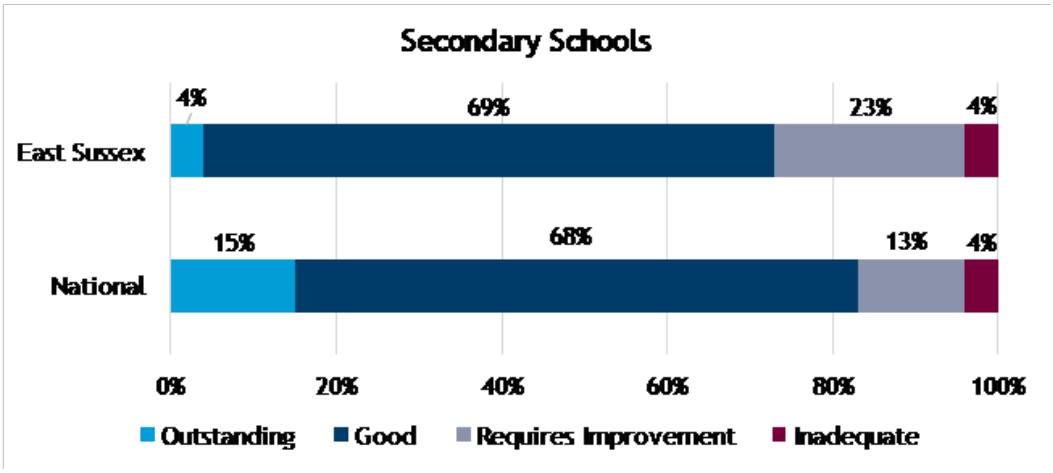


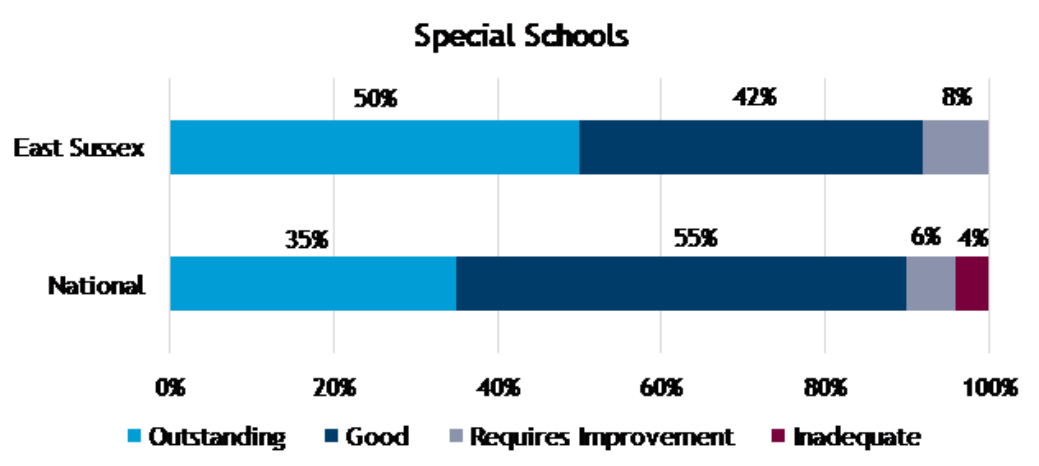
Source: Pupil Forecasts, July 2023, and Pupil Model, March 2024

State funded schools, percentage overall effectiveness Ofsted 2022

The majority of schools in East Sussex are outstanding or good as assessed by Ofsted.





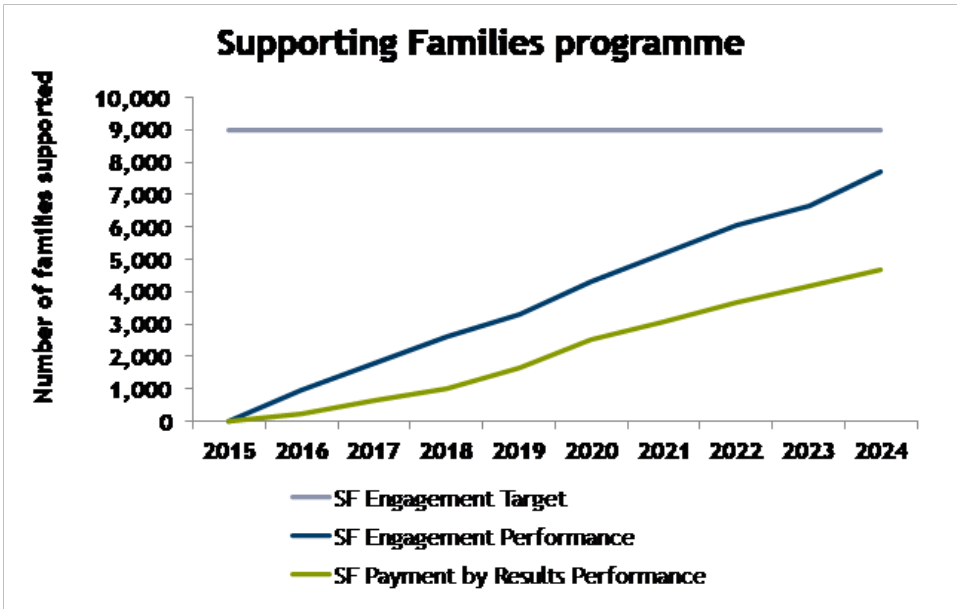


Supporting Families

Our Supporting Families programme supports vulnerable families who are facing multiple challenges to achieve better outcomes. The key outcomes for the programme are:

- Getting a good education.
- Good early years development.
- Improved mental and physical health.
- Promoting recovery and reducing harm from substance use.
- Improved family relationships.
- Children safe from abuse and exploitation.
- Crime prevention and tackling crime.
- Safe from domestic abuse.
- Secure housing.
- Financial stability.

We receive payment from Government for each family that we help to achieve significant and sustained progress across each of the outcomes where they need support. By the end of 2023/24, 8,251 families had received or were receiving support and 4,849 had achieved Payment by Results outcomes.

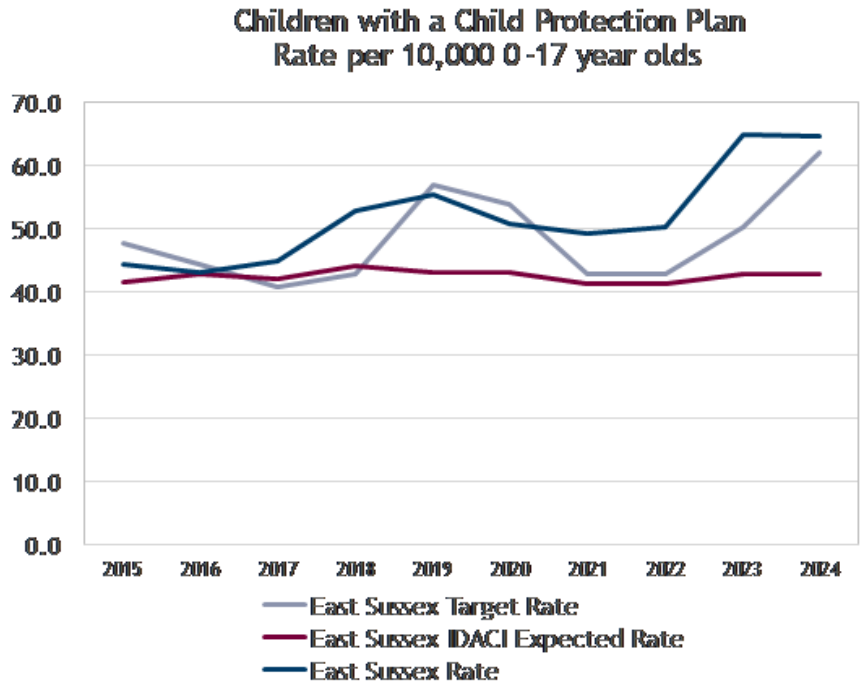


Source: ESCC Children's Services

Child Protection (CP) Plans

At the end of March 2024, the number of CP plans was 688, a rate of 64.6 per 10,000 children aged 0-17. This is significantly above the expected rate benchmarked for child deprivation using the Income Deprivation Affecting Children Index (IDACI).

This reflects the significantly higher levels of demand and complexity seen over the past four years due to the pandemic, the impact of cost-of-living pressures and an increase in child and adult mental health concerns. We have a continued emphasis on enabling children to live safely at home where possible, resulting in relatively lower rates of looked after children.

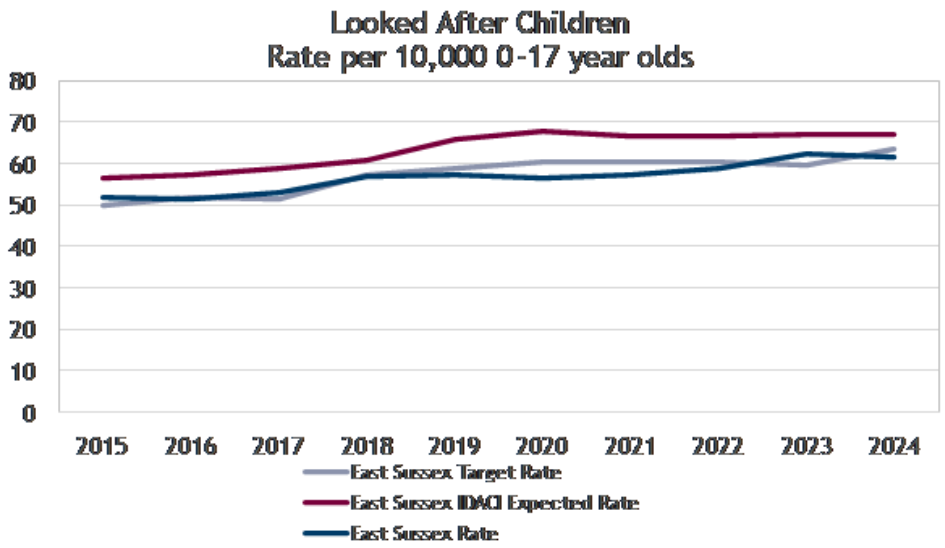


Source: ESCC Children's Services

Looked After Children

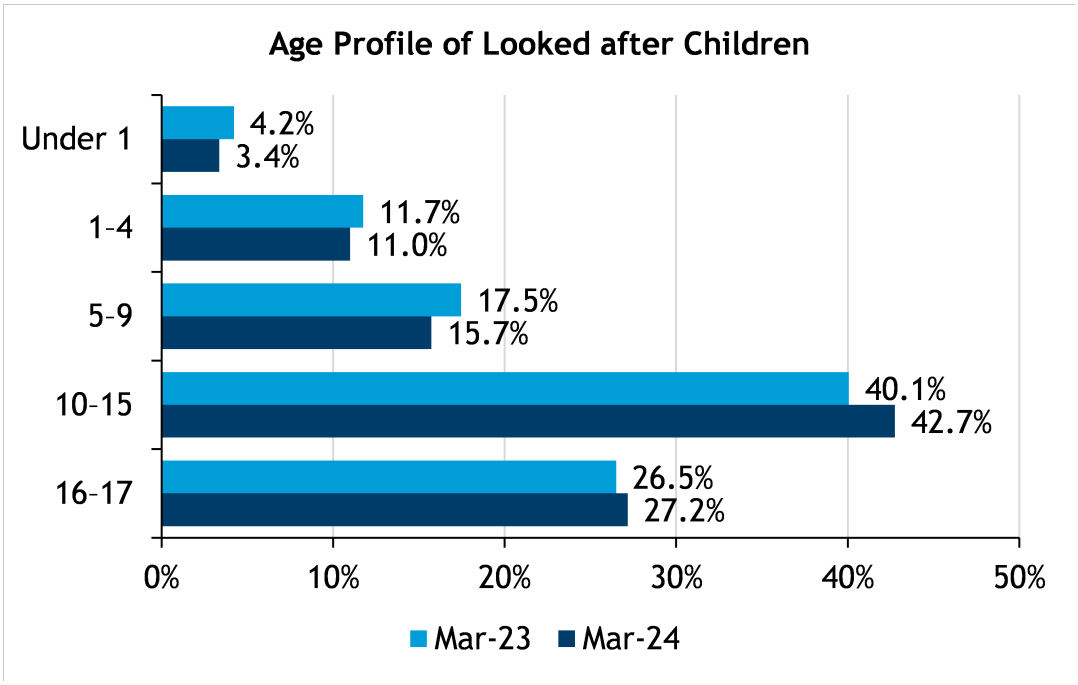
At the end of March 2024, the number of Looked After Children was 655, a rate of 61.5 per 10,000 children. Of the 655 children, 74 were Unaccompanied Asylum Seeker Children (UASC), this group represented 23% of our new entrants to care in 2023-24. The rate of Looked After Children is below the expected rate

benchmarked for child deprivation using the Income Deprivation Affecting Children Index (IDACI) but remains higher than the average rate across those of our statistical neighbours who have been rated as Good and Outstanding (57.3 per 10,000 in 2023).



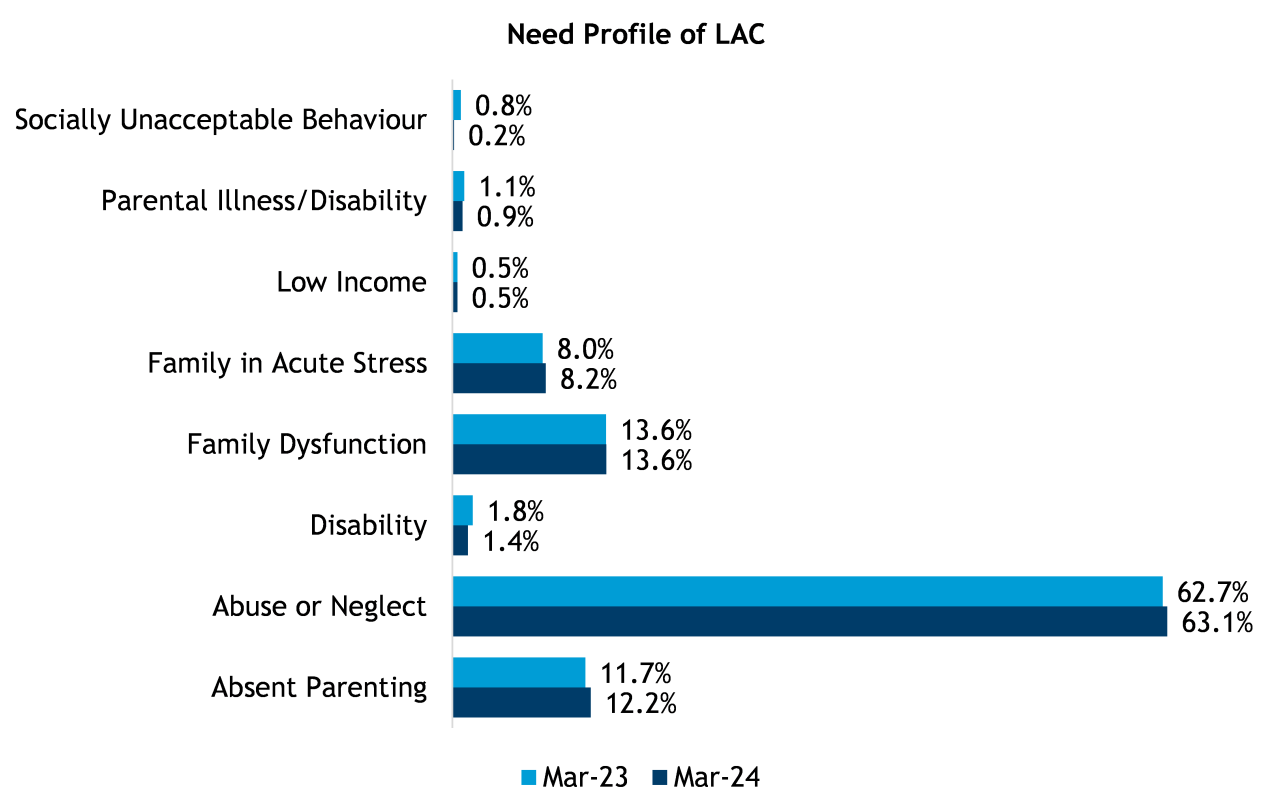
Source: ESCC Children's Services

The age profile of Looked after Children has increased between March 2023 and March 2024, with a higher percentage of children aged 10 and over.



Source: ESCC Children's Services

The 4 categories, Families in Acute Stress, Family Dysfunction, Abuse and Neglect and Absent Parenting accounted for over 97% of Looked after Children in March 2024. The percentage of all Looked After Children in these groups has increased between March 2023 and March 2024. The number of children in the remaining groups is very low in comparison.



Source: ESCC Children's Services

Special Educational Needs and Disability (SEND)

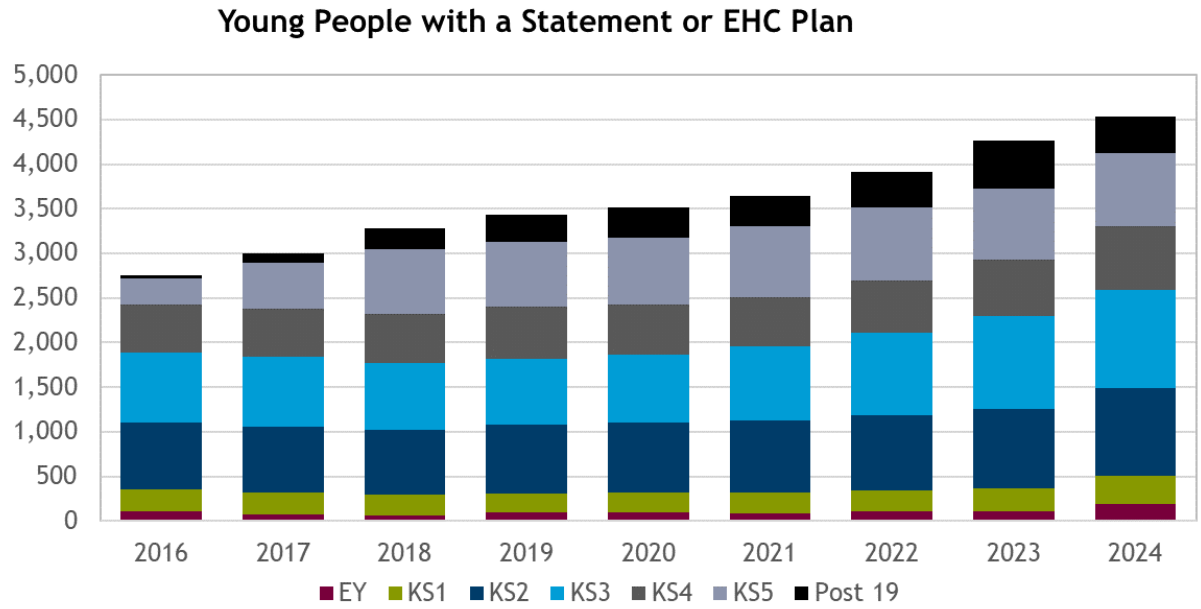
In line with the national picture, East Sussex continues to see significant increases in demands for statutory assessments and specialist provision for children and young people with SEND.

Over 40% of all children and young people aged 0-25 with Education Health and Care Plans (EHCPs) in East Sussex are placed in special schools which is over seven percentage points higher than the England average. 64.3% of all new EHCPs were

placed in mainstream schools, compared to 72.1% nationally. Council funded high-cost placements at Independent and Non-Maintained Special Schools have increased significantly since 2015 and account for 9.8% of all EHCPs – greater than the England average of 6.1%.

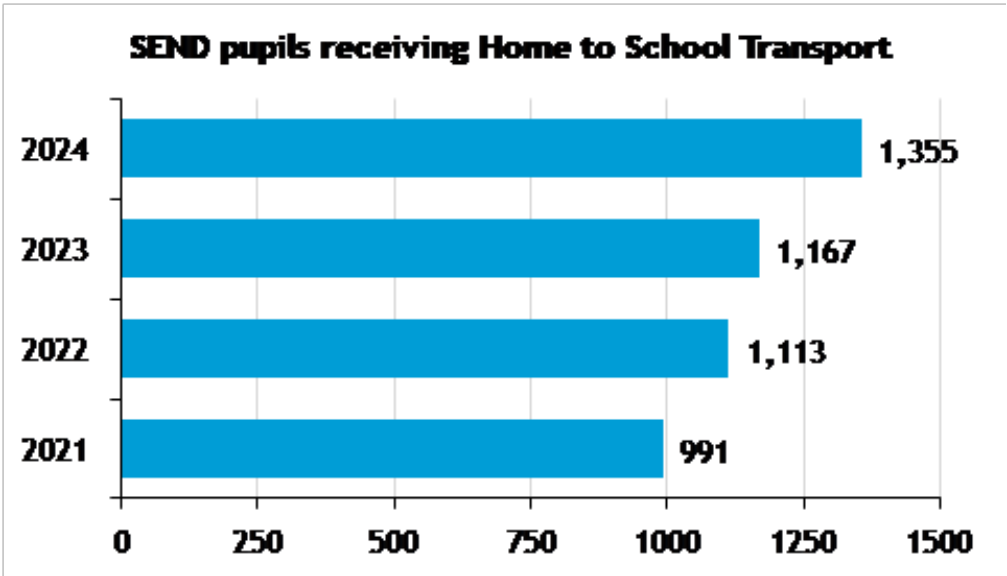
EHCPs of SEND maintained by the Council increased by 68% from 2014 (2,690) to 2024 (4,529). Most of the increase since 2015 has been in the Key Stage 5 and Post 19 groups; this is predominantly due to young people retaining EHCPs Post-16.

The number of school-aged pupils with an EHCP is forecast to rise in East Sussex by 24.2% over the next three years, having increased by 25.7% in the last three years.



Source: ESCC Children's Services

There have been increases in the number of pupils receiving Home to School Transport since 2021. These increases have been particularly acute with regards to children with Special Educational Needs and Disabilities (SEND) with a 36.7% increase in the number of children requiring transport. There have also been significant increases in the cost of providing transport due to inflationary pressures on fuel and staff. The increased number of SEND pupils receiving Home to School Transport and the inflationary pressures has led to a 75% increase in costs of transporting SEND children since 2021.



Source: ESCC Communities Economy and Transport Department

Health and wellbeing

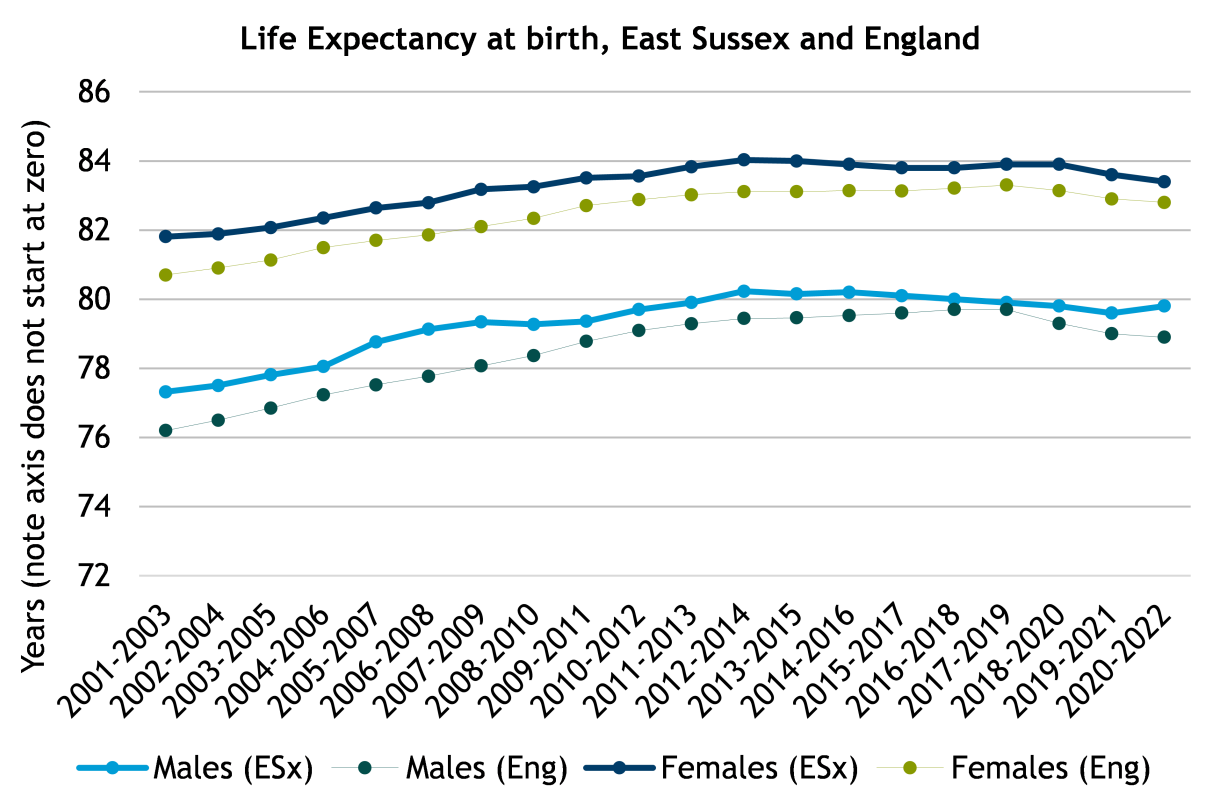
Life course summary

Source: ESCC Adult Social Care and Health department

This chart shows a timeline for the population of East Sussex, from having a good start in life, through living well and ageing well, to a good end of life. This is called a life course approach. It shows the protective factors and risk factors that can influence a person's physical and mental health and well-being throughout their life. There are many indicators that can be measured, but this chart selects a few key ones to paint a picture of the East Sussex population. Each indicator is compared to England where possible. For most indicators in East Sussex where comparison is possible the results are similar to or better than England overall. There are two indicators where the County is significantly worse, educational achievement in English and Maths at GCSE, and admissions to hospital for falls amongst older people.

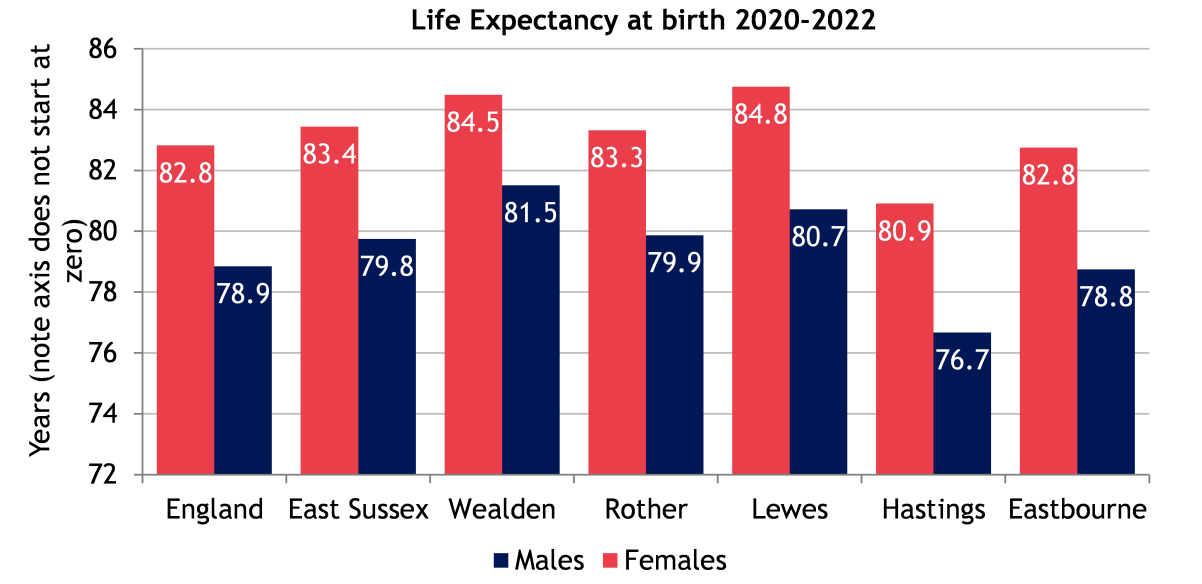
Life expectancy at birth

Life expectancy at birth is an estimate of the average number of years that a person born can expect to live. East Sussex has consistently had a higher life expectancy for both men and women than the national average. Life expectancy has generally increased gradually since the early 2000s, however it has plateaued, or begun to reduce, in recent years.



Source: Office for National Statistics Life expectancy at birth and selected older ages

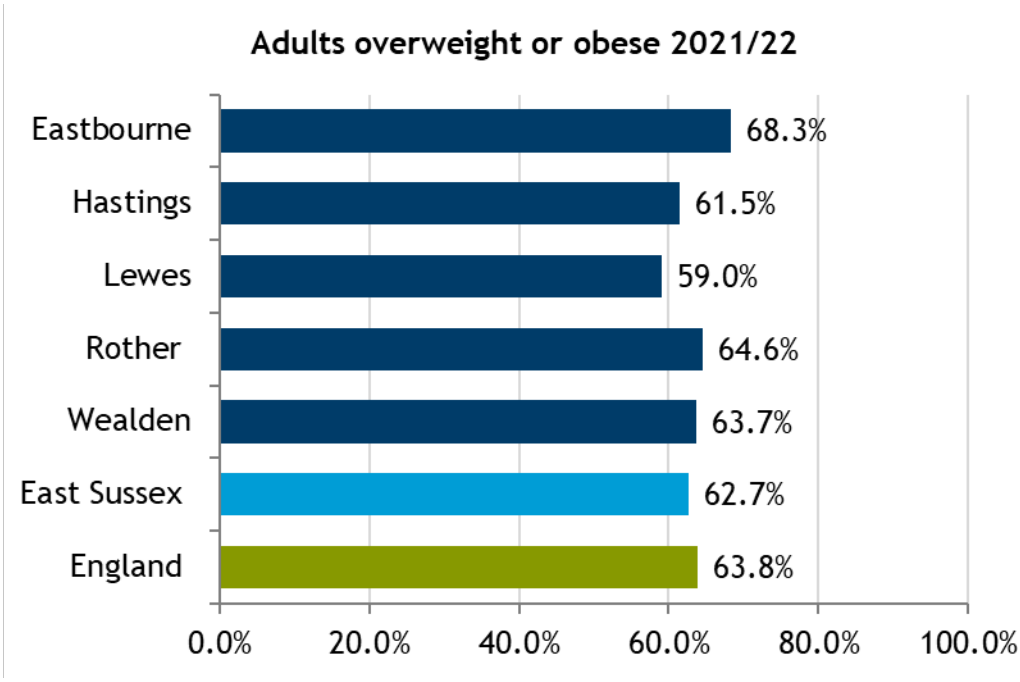
Wealden has the highest levels of life expectancy at birth for men in the county, the highest levels for women are in Lewes. The lowest levels are in Hastings. Countywide life expectancy levels are higher at birth for both men and women than nationally.



Source: Office for National Statistics

Excess Weight

Overall, the percentage of adults in East Sussex who were overweight or obese in 2021/22 was lower than the national average, however the picture varied across the county.

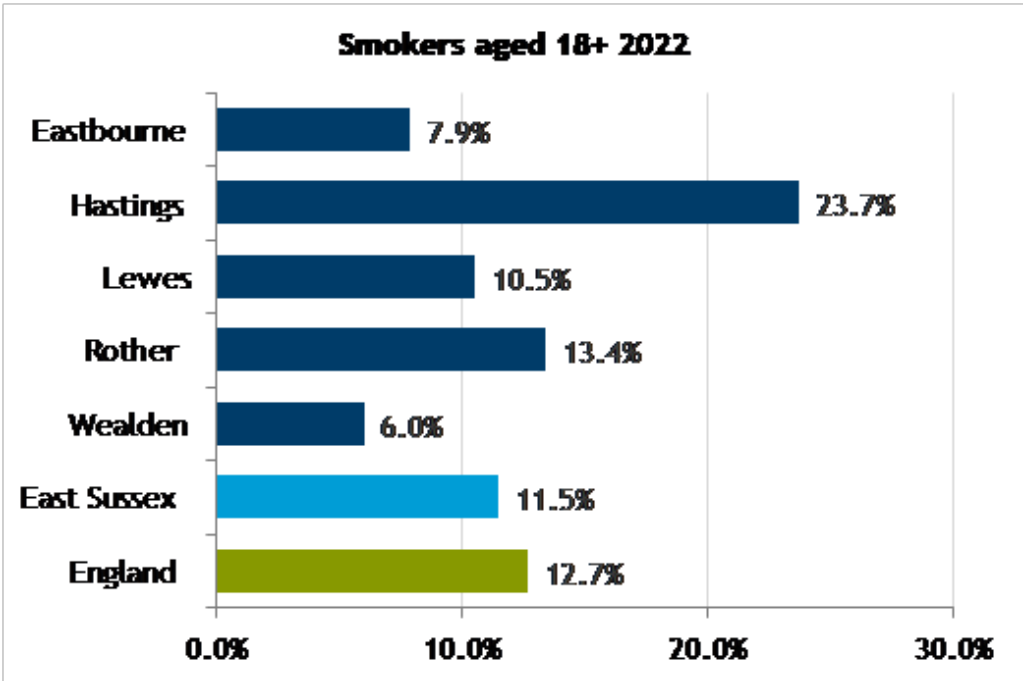


Source: Public Health Outcomes Framework

Eastbourne had the highest percentage of adults overweight or obese in East Sussex in 2021/22, at 68%. The lowest percentage in the county was for Lewes, at 59%.

Prevalence of Smokers

Hastings has the highest proportion of people aged 18 or over who smoke in East Sussex at almost 24% in 2022. The lowest prevalence is in Wealden with 6%.

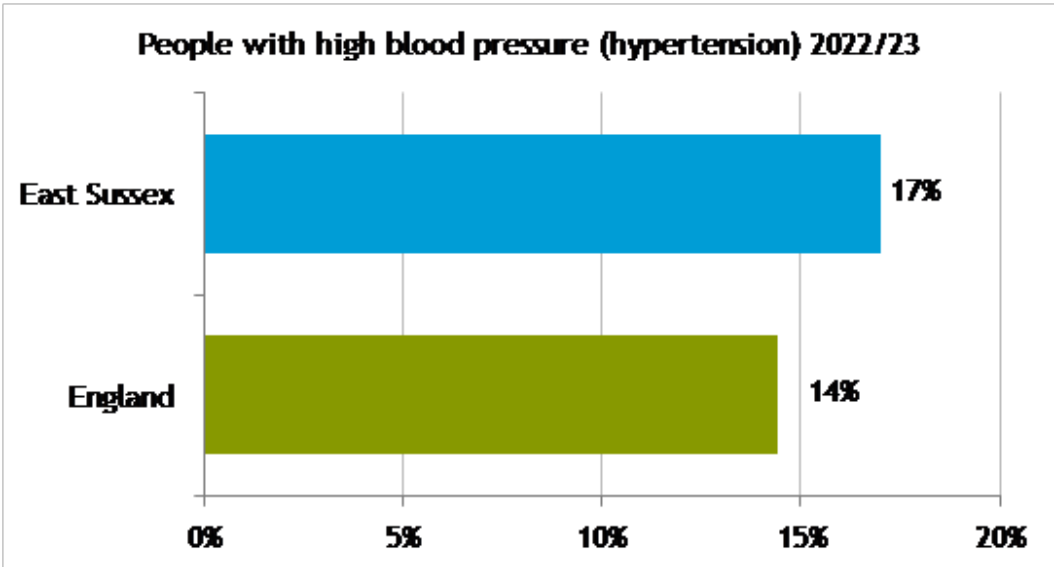


Source: Public Health Outcomes Framework

Prevalence of Hypertension

East Sussex has a higher prevalence of diagnosed high blood pressure (17%) compared to the national average for England (14%). Persistent high blood pressure can increase the risk of developing a number of serious and potentially life-threatening health conditions such as heart disease, heart attacks, strokes and

arterial disease.



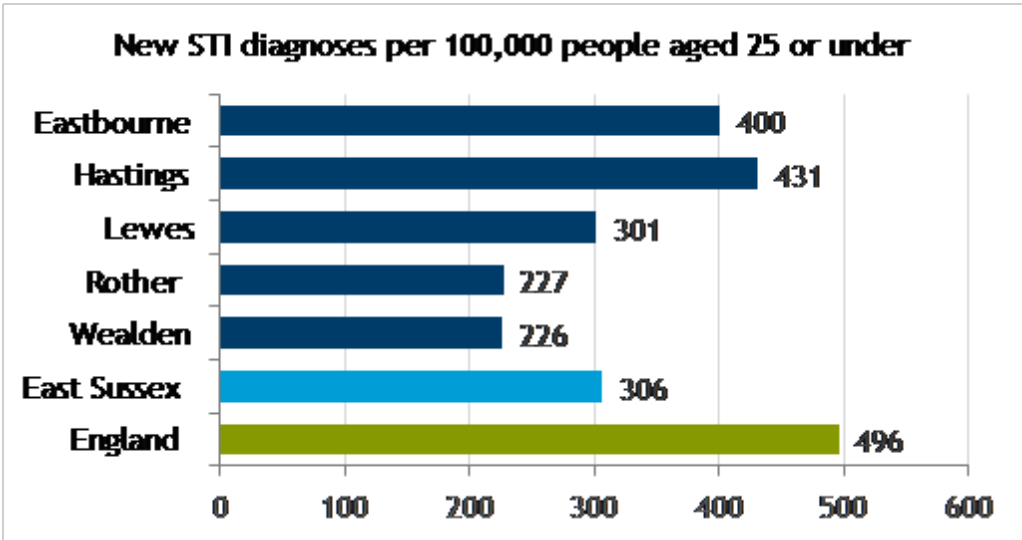
Source: Public Health Outcomes Framework

Physical Activity

Over 70% of people in East Sussex did 150 or more minutes of physical activity per week in 2021/22. Almost 20% did less than 30 minutes per week with the remaining 10% falling in between these categories (source: Public Health Outcomes Framework).

Sexual Health

East Sussex has fewer new Sexually Transmitted Infection (STI) diagnoses per 100,000 population compared to England. Within the county rates are lower than for England in all areas.



Note: This data does not include diagnoses of Chlamydia and only represents people aged 25 or younger. Source: UK Health Security Agency (UKHSA)

Mental health

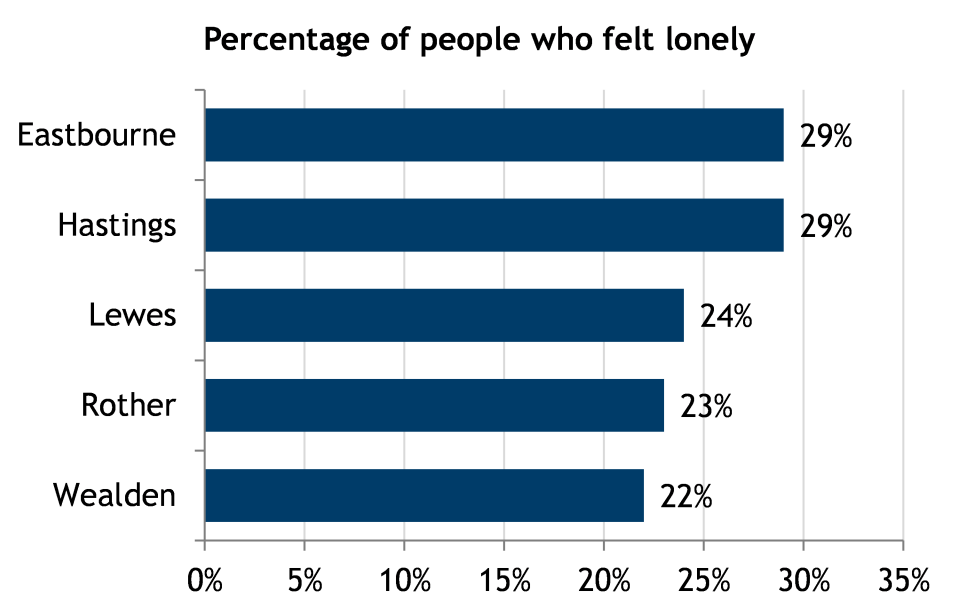
It is estimated that 1 in 6 people will have a mental health condition at any one time. Latest survey figures show a higher percentage of adults in East Sussex reported low happiness, high anxiety and low satisfaction with life compared to the national average.

Indicator (persons aged 16+ years) 2022/23	East Sussex	England
Self-reported low satisfaction with life	7.5%	5.6%
Self-reported low worthwhile score	3.5%	4.4%
Self-reported low happiness score	13.0%	8.9%
Self-reported high anxiety score	24.1%	23.3%

Source: Public Health Outcomes Framework

Loneliness

In East Sussex, 25% respondents reported feeling lonely often (5%) or some of the time (20%), with feelings of loneliness not changing markedly from the 2015 (24%) and 2017 (25%) East Sussex Community Surveys.



Note: Percentages are derived by combining the number of people who answered as feeling lonely often and some of the time. Source: East Sussex Community Survey 2019

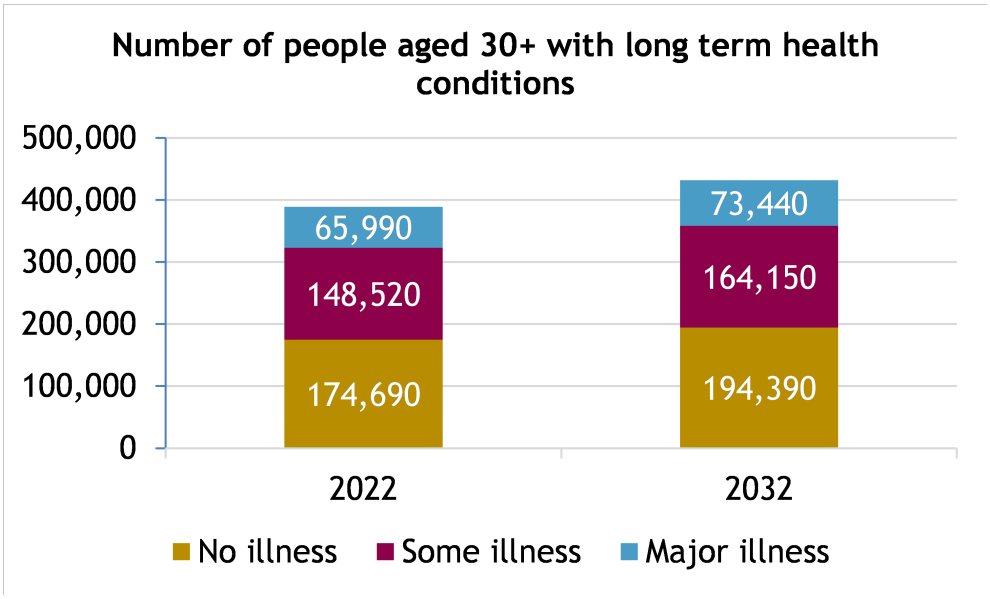
Data from the 2019 survey shows that feelings of loneliness are more prevalent among groups who are more likely to spend more time at home (e.g. due to mobility issues), workless residents (56% vs. 20% of those in work); those in poor health (55% vs. 18% of those in good health); those with a disability (44% vs. 19% of those without); single person households (38%) and single parents (47% vs. 25% overall). Other groups who are more likely to feel lonely include: social tenants (46%) and private renters (39% vs. 20% of owner occupiers); people with no qualifications (34% vs. 25% overall), and women (26% vs. 24% of men). At district and borough level, those in Hastings and Eastbourne are more likely than average to feel lonely often or some of the time (both 29% vs. 25% overall). The population in these areas are more likely to be comprised of the groups listed above. Those living in Rother and Wealden are more likely to say they hardly ever/never feel this way (77% and 78% respectively).

Multiple long term health conditions

The number of people with multiple long-term conditions (multi-morbidity) in the East Sussex population is expected to increase in line with the growth in the

general population over the next ten years. Multi-morbidity is the presence of 2 or more conditions, and therefore greatly increases the complexity and overall costs of managing care for people, families and services.

For the purposes of looking at health problems at a population level these can be classified using the Cambridge Multimorbidity Score into three groups: people with no illness, some illness and major illness.



Source: Ref Watt T, Raymond A, Rachet-Jacquet L, Head A, Kypridemos C, Kelly E, Charlesworth A. Health in 2040: projected patterns of illness in England. The Health Foundation; 2023 (https://doi.org/10.37829/HF-2023-RC03). Population figures based on East Sussex population projections 2022 rounded to the nearest 10.

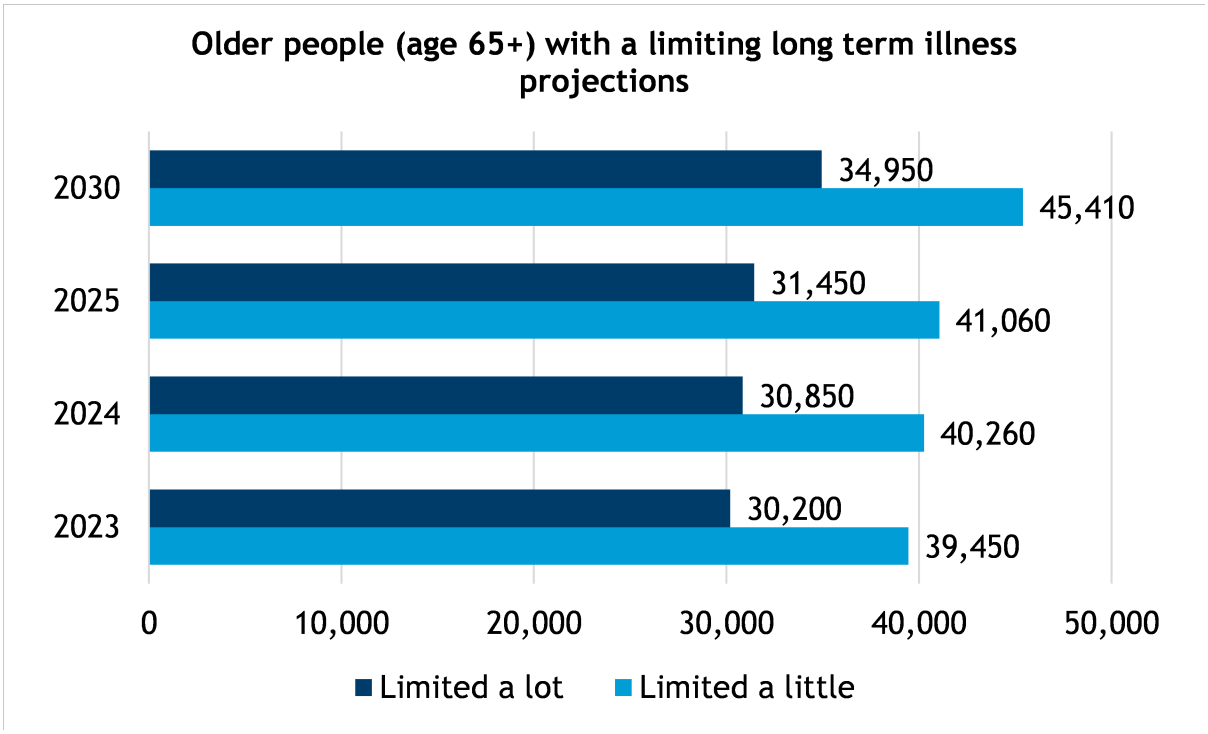
The Cambridge Multimorbidity Score (CMS) assigns a weight (score) to 20 conditions based on how the illness is likely to affect people's use of primary care and emergency health services and the likelihood of their death.

Adults

Long Term Illness

It is estimated that in 2023 there are 69,650 older people (age 65+) in East Sussex who are living with a long-term illness which limits their day-to-day activities. 39,450 of these people are 'limited a little' in their day-to-day activities, while the other 30,200 are 'limited a lot'.

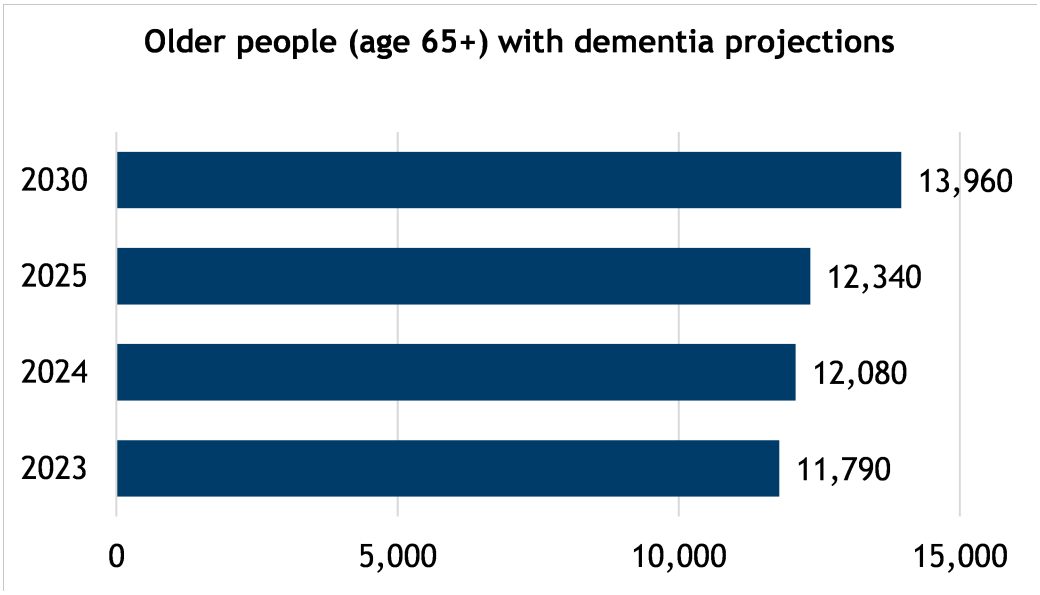
These figures are projected to rise to an estimated 80,360 older people living with a long-term illness which limits their day-to-day activities in 2030, an increase of 15.4% compared to 2023. 45,410 of these people are projected to be 'limited a little' (up 15.1% compared to 2023), and the other 34,950 are projected to be 'limited a lot' (up 15.8% compared to 2023).



Source: POPPI. Note: These figures are based on population projections produced before the latest population figures from the 2021 Census were available

Dementia Projections

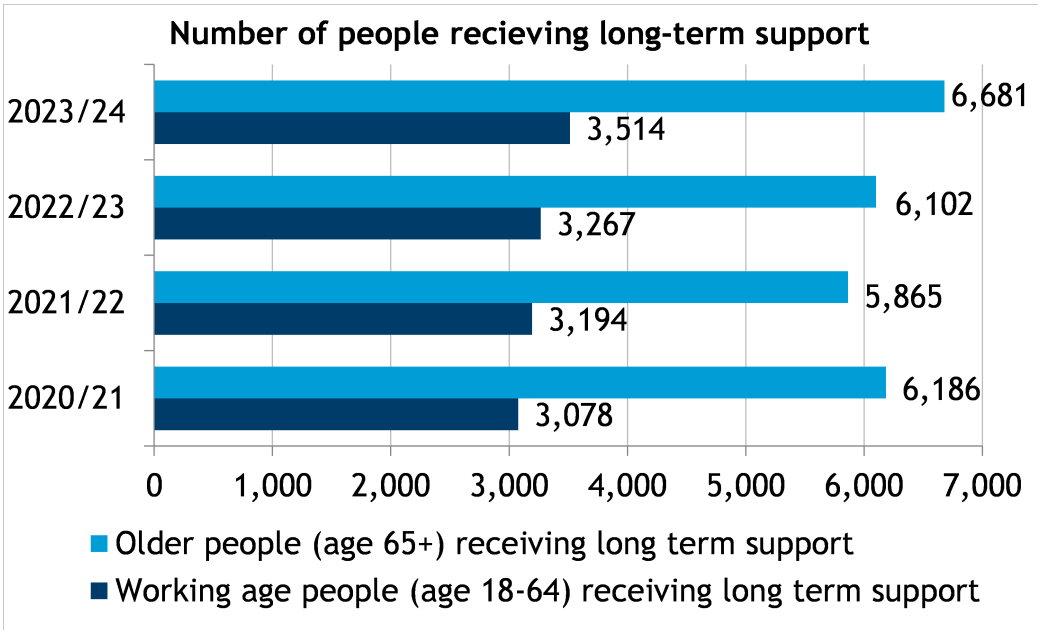
13,960 older people (age 65+) are projected to have dementia by 2030, an increase of 18.4% from 2023.



Source: POPPI. Note: These figures are based on population projections produced before the latest population figures from the 2021 Census were available.

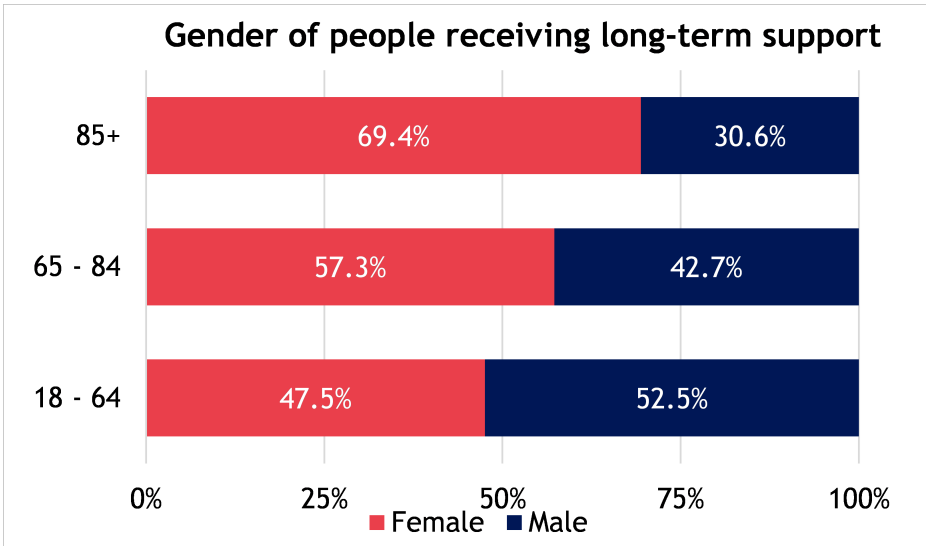
People receiving long term support

The total number of Adult Social Care clients receiving long term support increased by 8.8% in 2023/24 to 10,195. The majority of clients receiving long term support are older adults (those aged 65 and over).



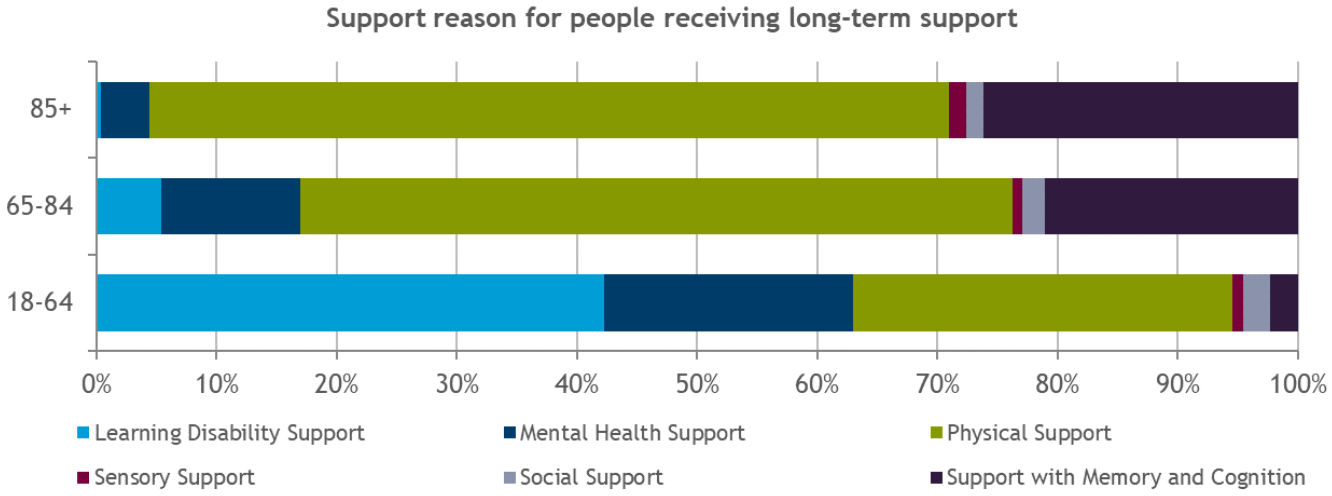
Source: East Sussex SALT Return

The percentage of women receiving long term support is higher than the number of men for older people, especially those above the age of 85. This reflects the fact that women on average have a longer life expectancy than men and make up a higher proportion of the population among older age groups. The percentage of men receiving long term support is slightly higher than women for the working age population.



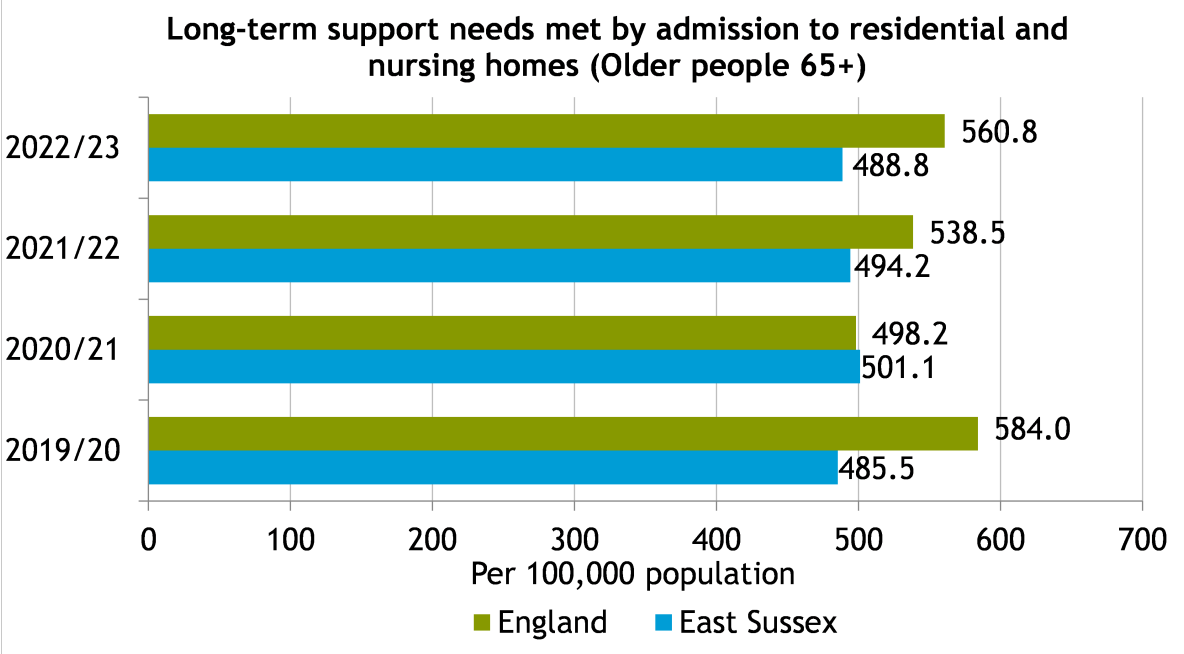
Source: East Sussex SALT Returns

People receive long-term support for a variety of different needs. The percentage of people receiving long term support due to Learning Disability Support and Mental Health Support reduces as you move up the age ranges, whilst the percentage of people needing support for Physical Support, Sensory Support and Support with Memory and Cognition increases.



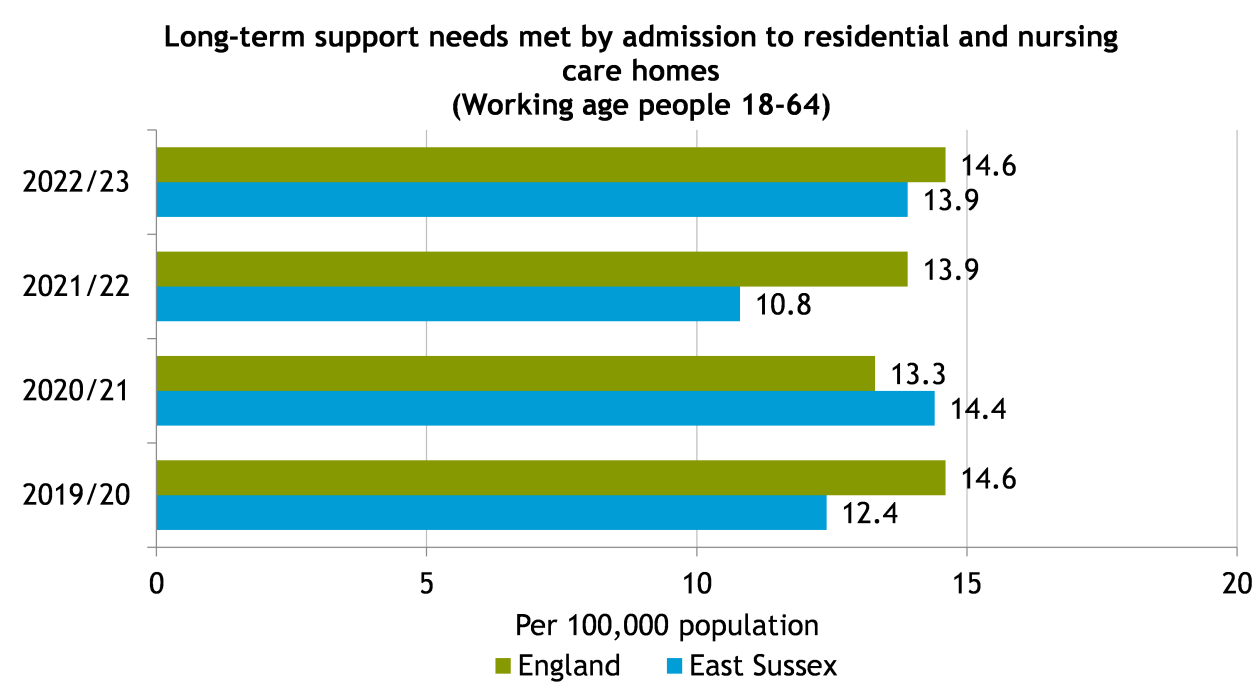
Source: East Sussex SALT Return

Permanent admissions of older people aged 65 and over to residential and nursing homes per 100,000 population aged 65 and over slightly decreased in East Sussex in 2022/23.



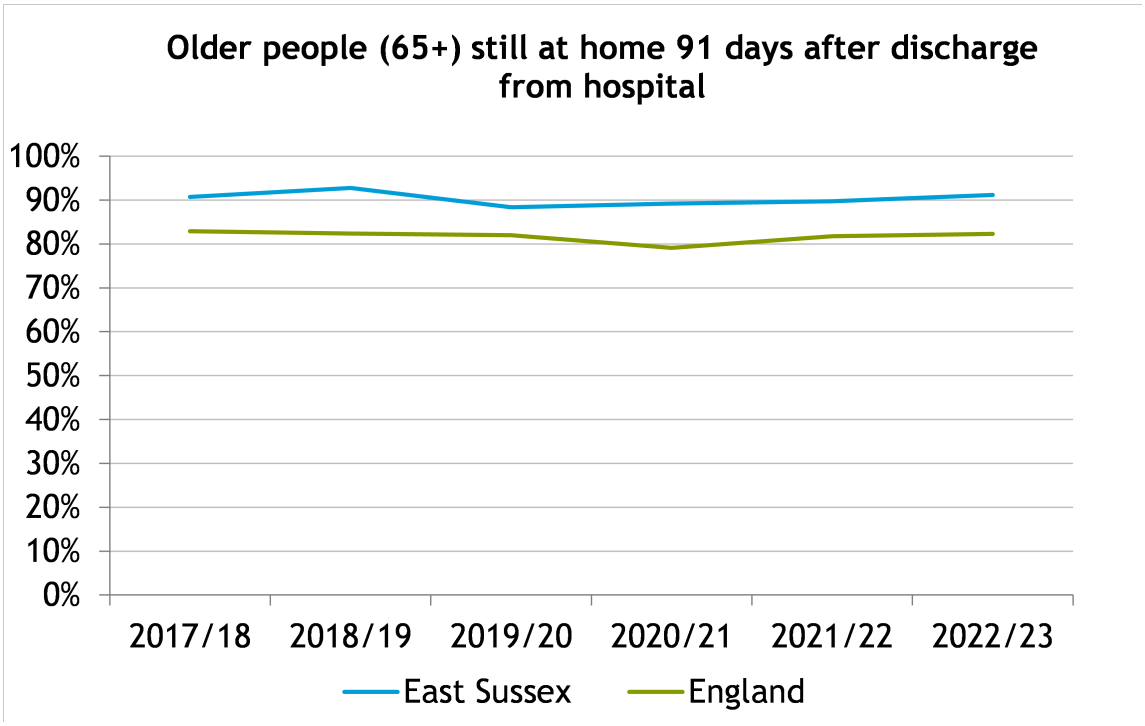
Source: NHS Digital Adult Social Care Outcomes Framework data ASCOF 2A2

Permanent admissions of working age people (18-64) to long term residential care increased in East Sussex in 2022/23 and is now similar to the national rate.



Source: NHS Digital Adult Social Care Outcomes Framework data ASCOF 2A1

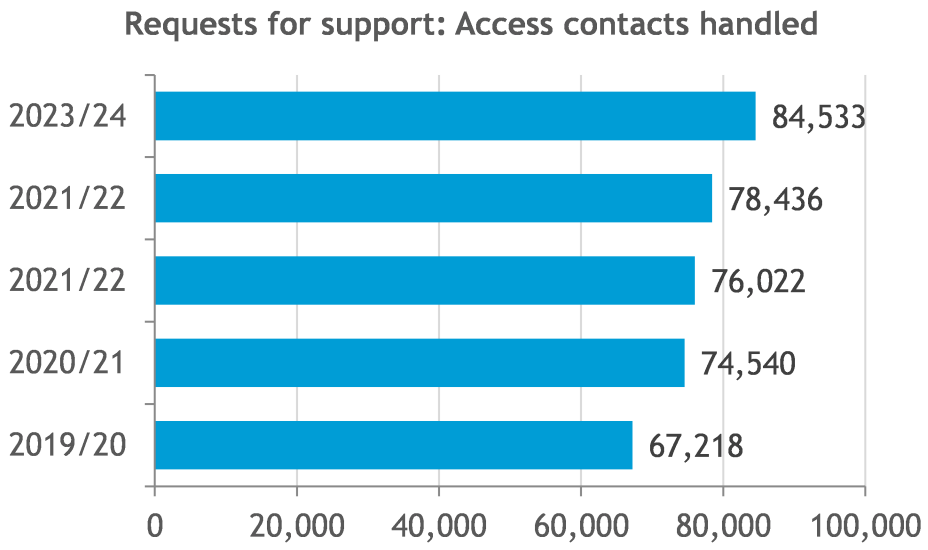
The proportion of older people (age 65+) still at home 91 days after discharge from hospital into reablement/rehabilitation services increased in 2022/23 to 91.2% and remains significantly above the national figure of 82.3%.



Source: NHS Digital Adult Social Care Outcomes Framework ASCOF 2B1

Access contacts

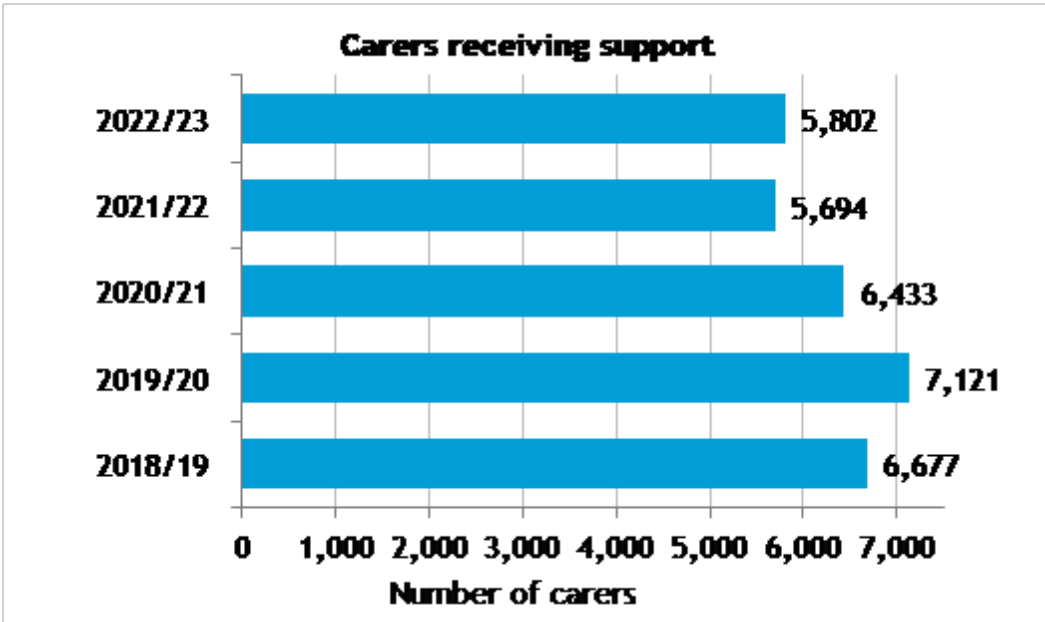
The Access team in Health and Social Care Connect (HSCC) handled 84,533 contacts in 2023/24, an increase of 6,097 (7.8%) compared to 2022/23.



Source: East Sussex Adult Social Care and Health department

Carers receiving support

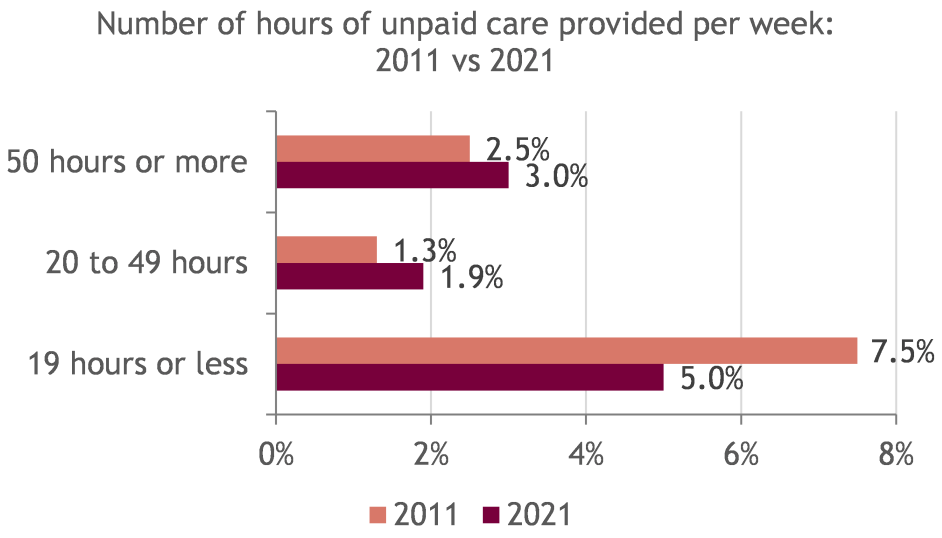
The total number of carers receiving support from Adult Social Care and Health (ASCH) in East Sussex increased slightly in 2022/23, however the numbers are still well below the peak seen in 2019/20. This decrease is partly due to the impact of the pandemic, during which carers were less likely to contact Adult Social Care for help, and also due to an increase in the number of carers being supported by Care for the Carers, a partner organisation who provide support, guidance and information to carers in East Sussex.



Source: East Sussex SALT Return

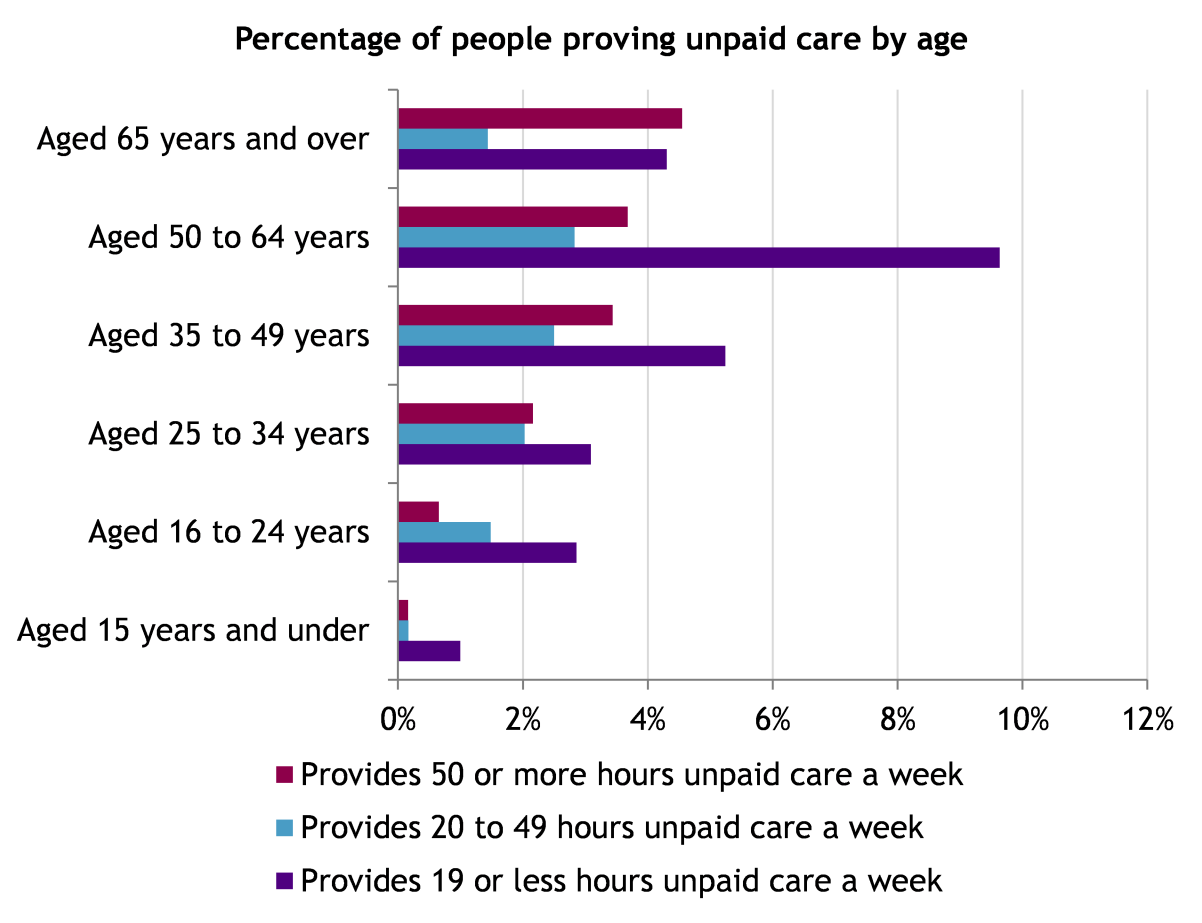
Unpaid Carers

Data from the 2021 Census suggests that 9.9% of the population in East Sussex provides any form of unpaid care, compared to the national average of 8.8%. Compared to the 2011 Census however, the proportion of unpaid carers has decreased by 1.8 percentage points within East Sussex. The proportion of people providing 19 hours or less of unpaid care a week decreased from 7.5% in 2011 to 5.0% in 2021, those providing 20 to 49 hours of unpaid care increased from 1.3% to 1.9% and those providing 50 or more hours of unpaid care increased from 2.5% to 3.0%.



Note: Percentages are representative of the population aged 5 years or above.
Source: Office for National Statistics

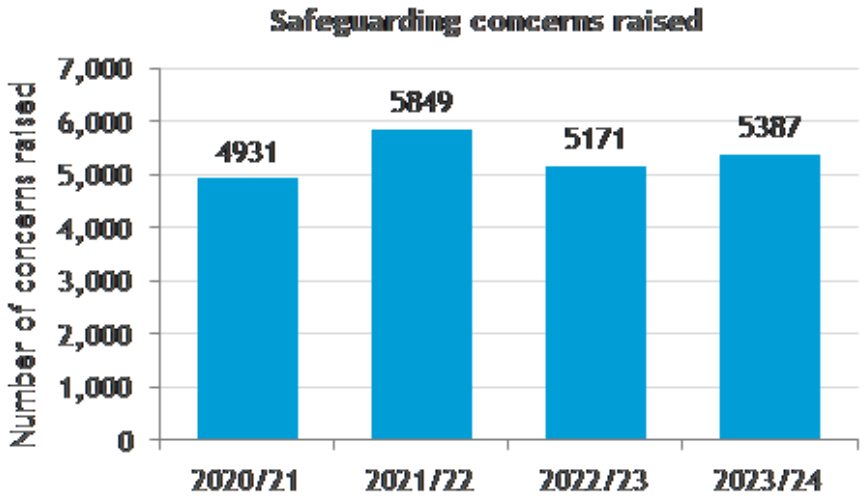
The percentage of people providing unpaid care varies by age. 16.1% of those aged 50 to 64 provided some unpaid care a week, with the majority providing 19 or less hours unpaid care a week. Although the percentage of those aged 65 and over providing unpaid care is lower, people in this age group were more likely to be providing 50 or more hours unpaid care a week.



Note: Percentages are representative of the population aged 5 years or above.
Source: ONS

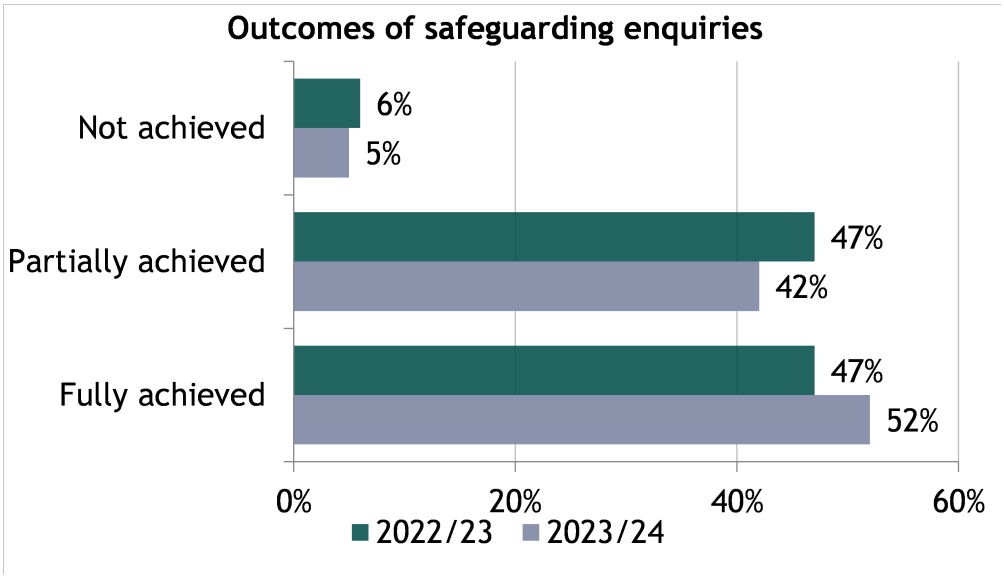
Adult safeguarding

5,387 adult safeguarding concerns were received in 2023/24. This is an increase of 4.2% compared to the 5,171 concerns received in 2022/23, but below the 5,819 received in 2021/22.



Source: East Sussex Adult Social Care and Health department

Part of a safeguarding enquiry is to identify desired outcomes for the adult concerned. In 2023/24, there was an increase of 5 percentage points in the number of safeguarding enquiries where outcomes were fully achieved compared to the previous year. The number of enquiries where outcomes were partially achieved fell by 5 percentage points.

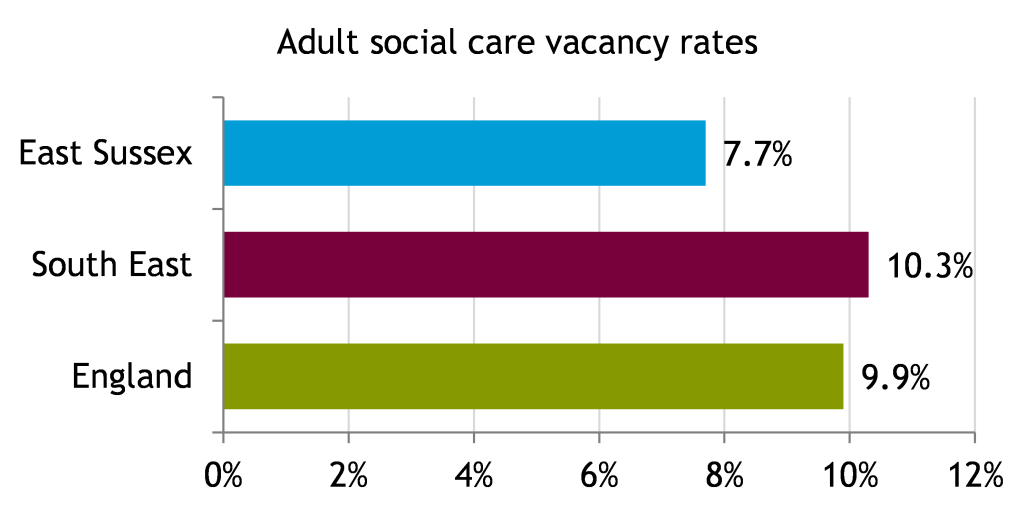


Source: East Sussex Adult Social Care and Health department. Note: Percentages may not sum to 100 due to rounding issues

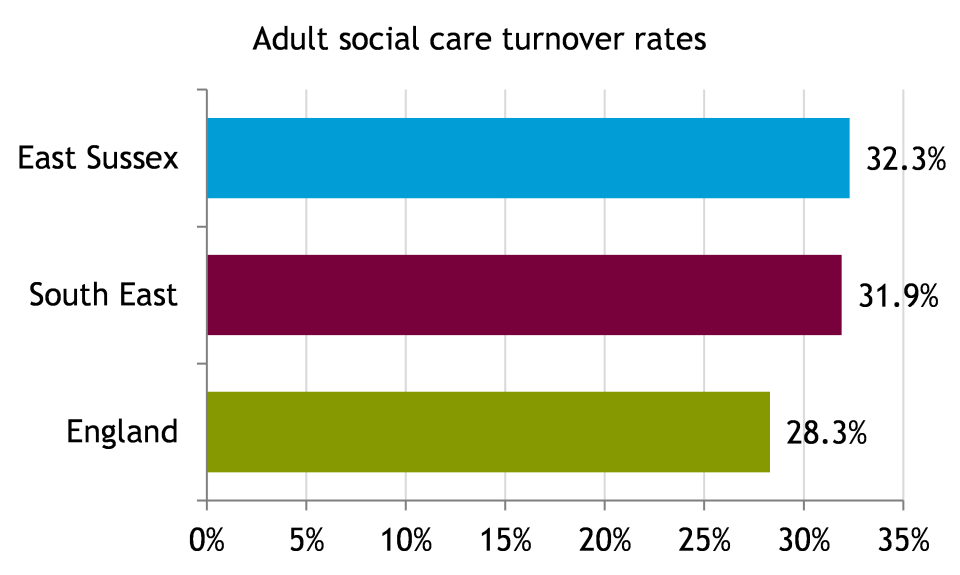
Adult social care workforce

As the demand for support in adult social care increases it is important that we have a sufficient supply of highly skilled workers for the sector. The adult social care workforce includes all staff working in adult social care settings, in both the independent sector and for the Council. There were 17,000 staff in post in the adult social care workforce in East Sussex in 2022/23, with 1,500 posts vacant. Projections show that between 2023 and 2035 the workforce required in the county will grow by 28%.

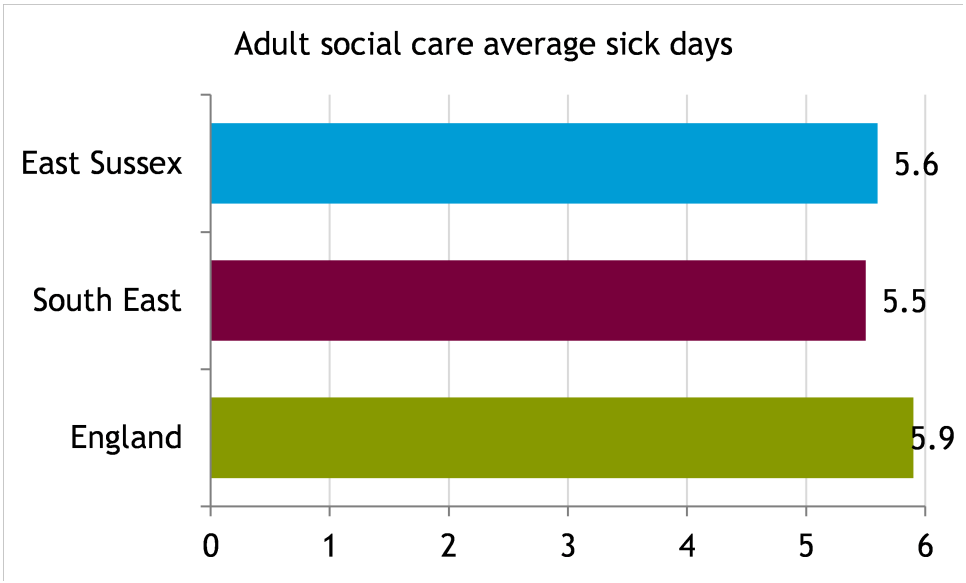
The vacancy rate in the adult social care workforce in East Sussex was lower than both the South East and England averages in 2022/23.



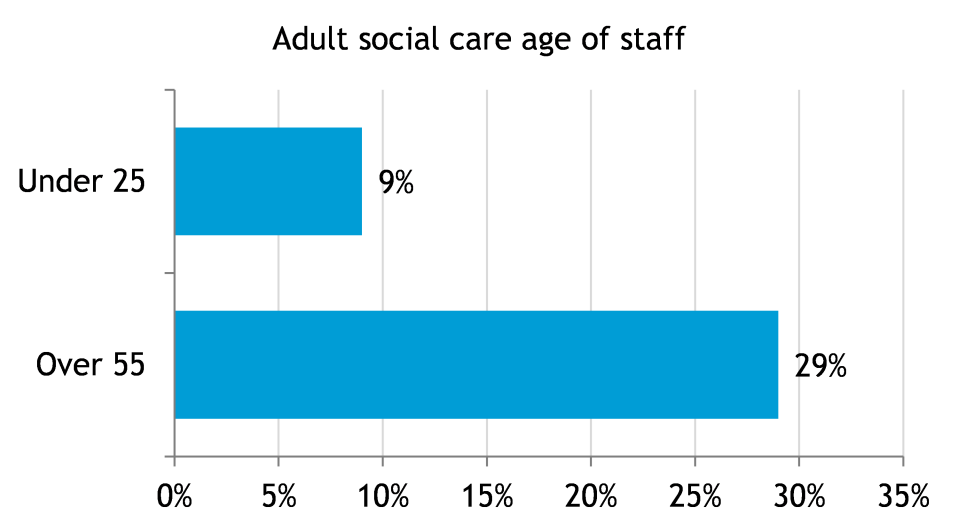
However, the rate of staff turnover was higher than the South East and England averages.



The average number of sick days taken by adult social care staff in East Sussex in 2022/23 was similar to the average across the South East and for England.



Only 9% of people working in the adult social care sector in East Sussex in 2022/23 were under 25, while 29% were over 55. It is expected that 5,000 workers in the sector will reach retirement age in the next 10 years.

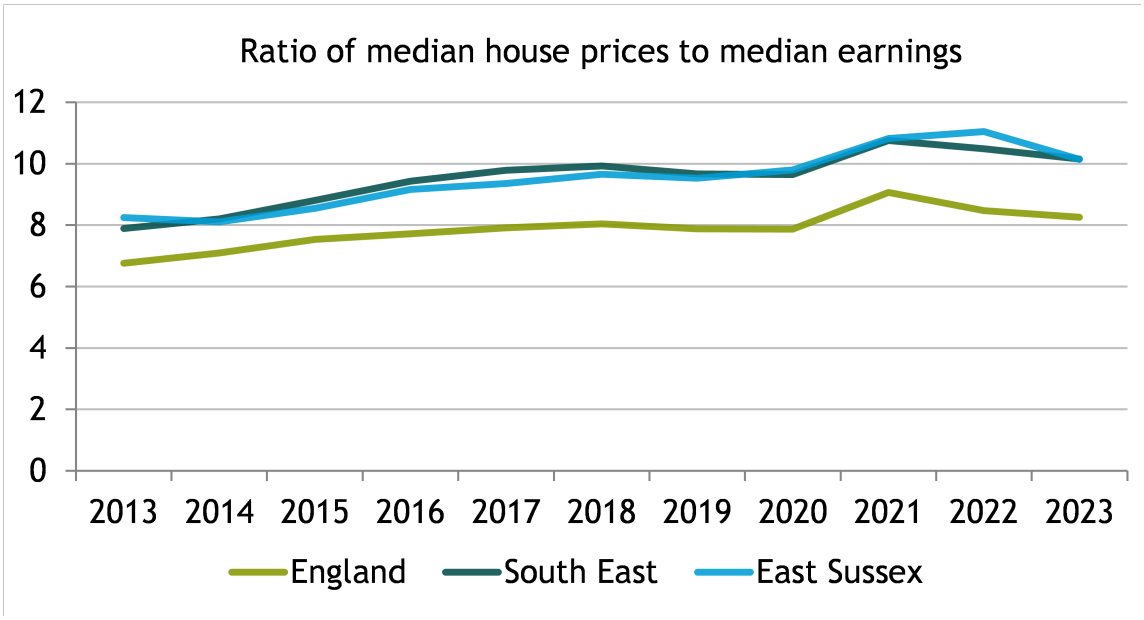


Housing

Housing affordability

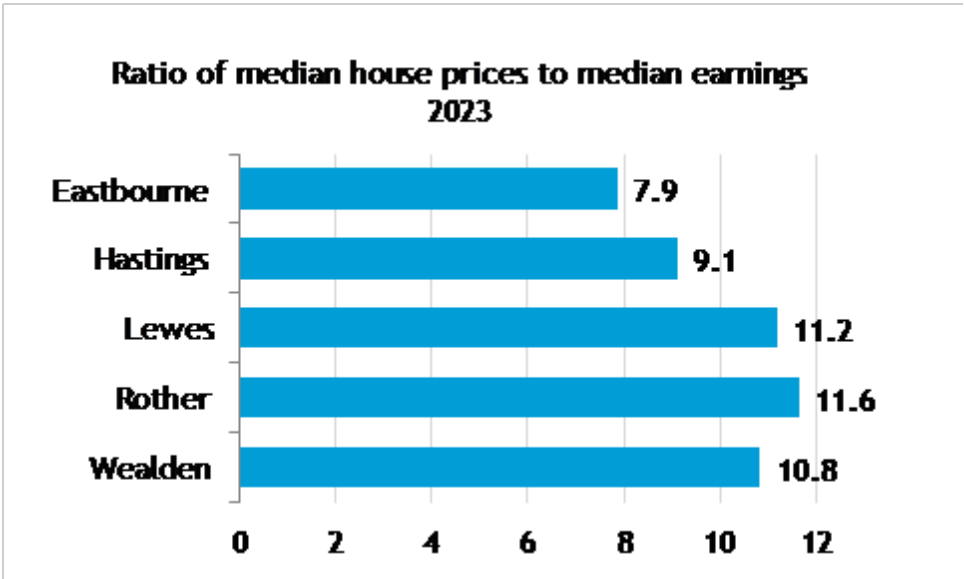
East Sussex is an attractive area to live, however this means that house prices are higher than the national average. In 2023 in East Sussex the average (median) house price was £345,000, 10.1 times the average annual earnings of residents, which were £34,028. In comparison the average house price in England was £290,000, 8.3 times average annual earnings, which were £35,100.

The average ratio of median house prices to median earnings in East Sussex is higher than for England and is the same as the South East average.



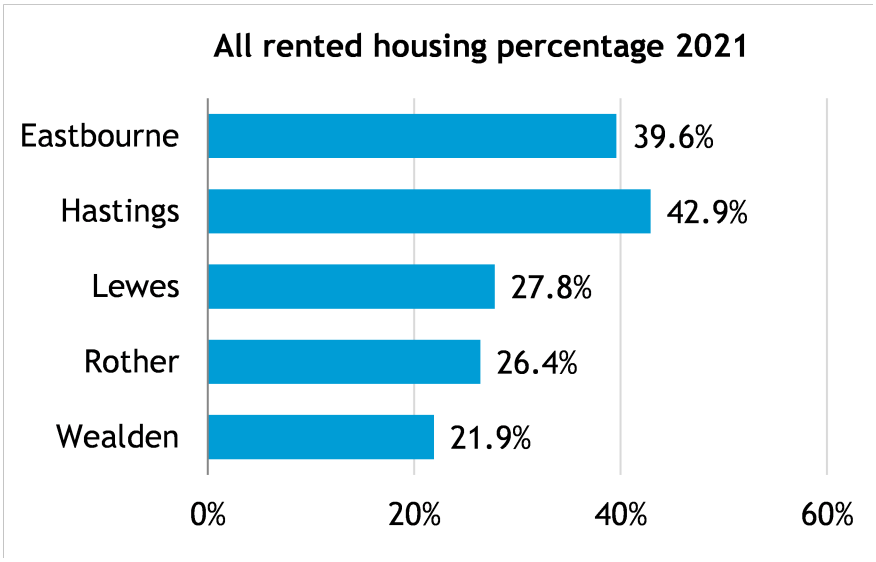
Source: ONS

The median average house prices were over 10 times the average annual earnings of residents in Lewes, Rother and Wealden.



Source: ONS

Rented housing is a significant sector in East Sussex, making up 21.9% of housing in Wealden and 42.9% in Hastings.

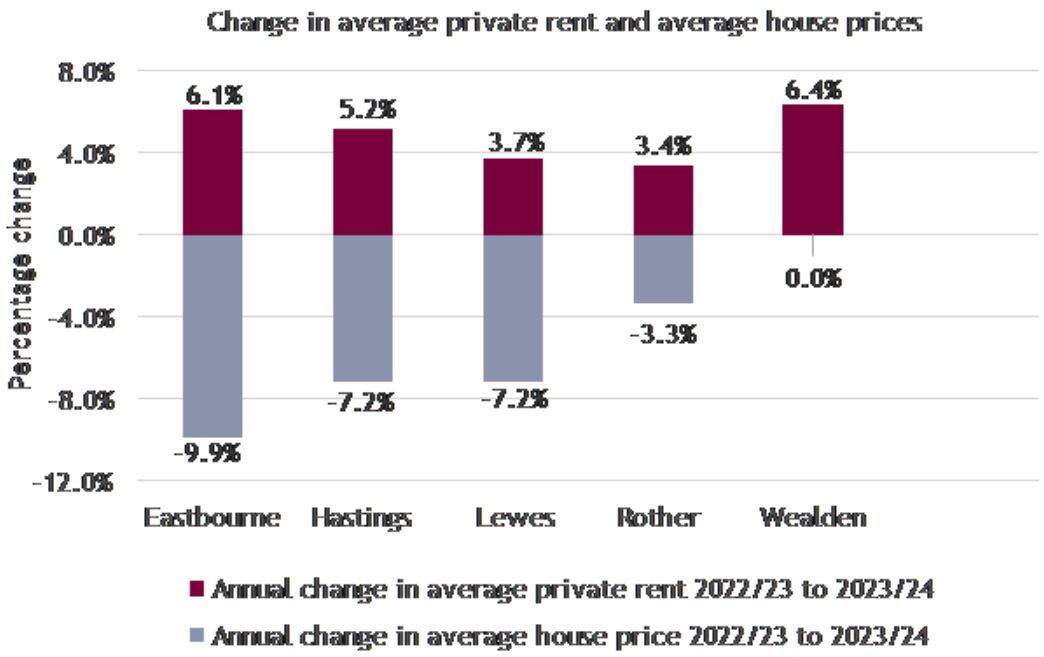


Source: Census 2021.

The cost of private rented housing rose by up to 27% between 2019 and 2023. Average private rents ranged from £167 to £253 a week across districts.

Source: ONS/Valuation Office Agency

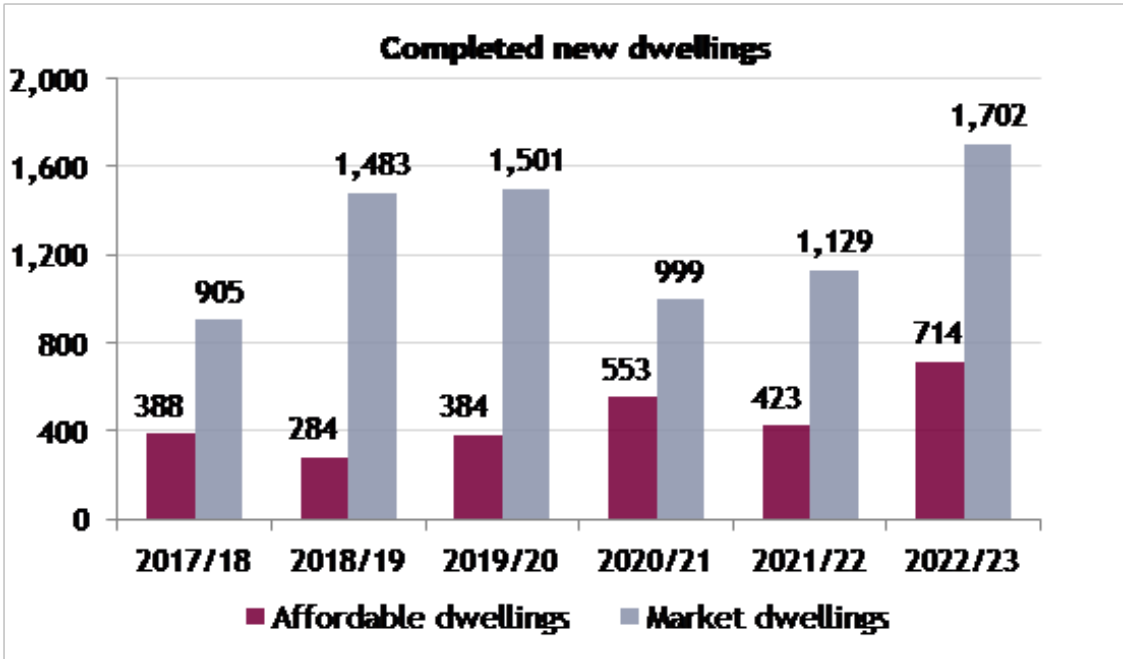
The cost of private rented housing in East Sussex continued to rise during 2023 to 2024, while the cost of house purchases across the county fell by up to 9.9%.



Source: Price index of Private Rents and UK House Prices from the ONS

Households and housing delivery

2,416 new dwellings were completed across the county in 2022/23. Of these, 714 (29.6%) were classed as affordable.



Source: Department for Levelling Up, Housing and Communities

Homelessness

There was an increase in the number of households in East Sussex in temporary accommodation in September 2023 compared to the previous year. The rate of households in temporary accommodation per 1,000 households shows Hastings having the highest rate in East Sussex at 12.16. The highest rate in the country outside of London was for Brighton and Hove at 12.88.

District/Borough	Number of households in temporary accommodation (30 September 2023)
Eastbourne	359
Hastings	532
Lewes	74
Rother	160
Wealden	57

Source: ONS

The Council's Children's Services Department have a duty to help children whose families face destitution. As some immigrant families with children have no recourse to public funds the Council provides assistance to prevent them from becoming homeless. The total number of people assisted with accommodation over the last three years has fluctuated, but the number of households has been consistent.

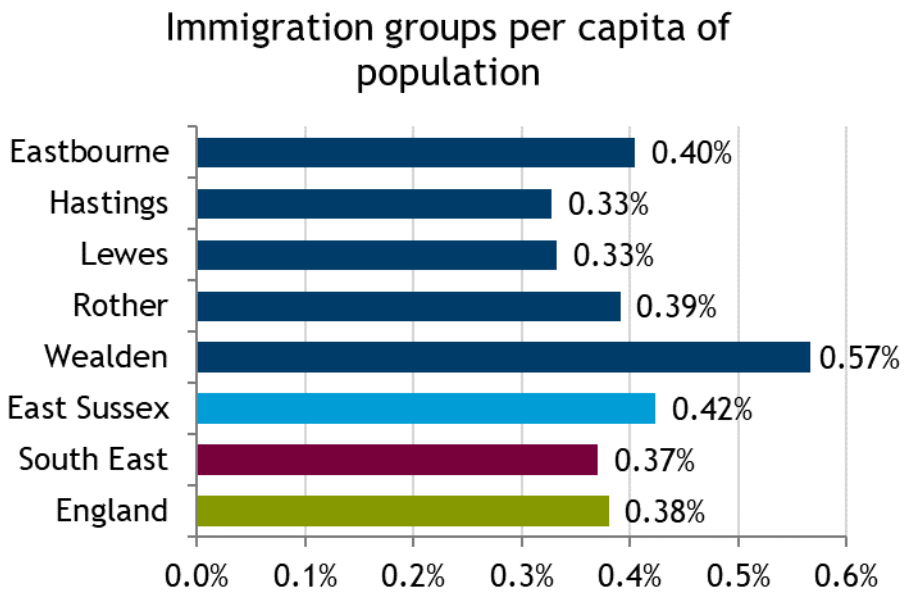
Year	Number of adults	Number of children	Total households
2020/21	23	40	22
2021/22	31	53	22
2022/23	21	34	21
2023/24	38	33	22

Source: ESCC Children's Services department]

Refugees and asylum seekers

The rate of immigrants who have arrived in East Sussex as refugees, asylum seekers or displaced persons of another type as a percentage of the total population shows that East Sussex had a higher rate at the end of 2023 than both the South East and England. The rates differed across the county, with the highest

level in Wealden and the lowest in Lewes and Hastings.



Source: Office for National Statistics. Note: the groups above include those who have arrived as part of the Homes for Ukraine, Afghan Resettlement Programme and as part of Supported Asylum.

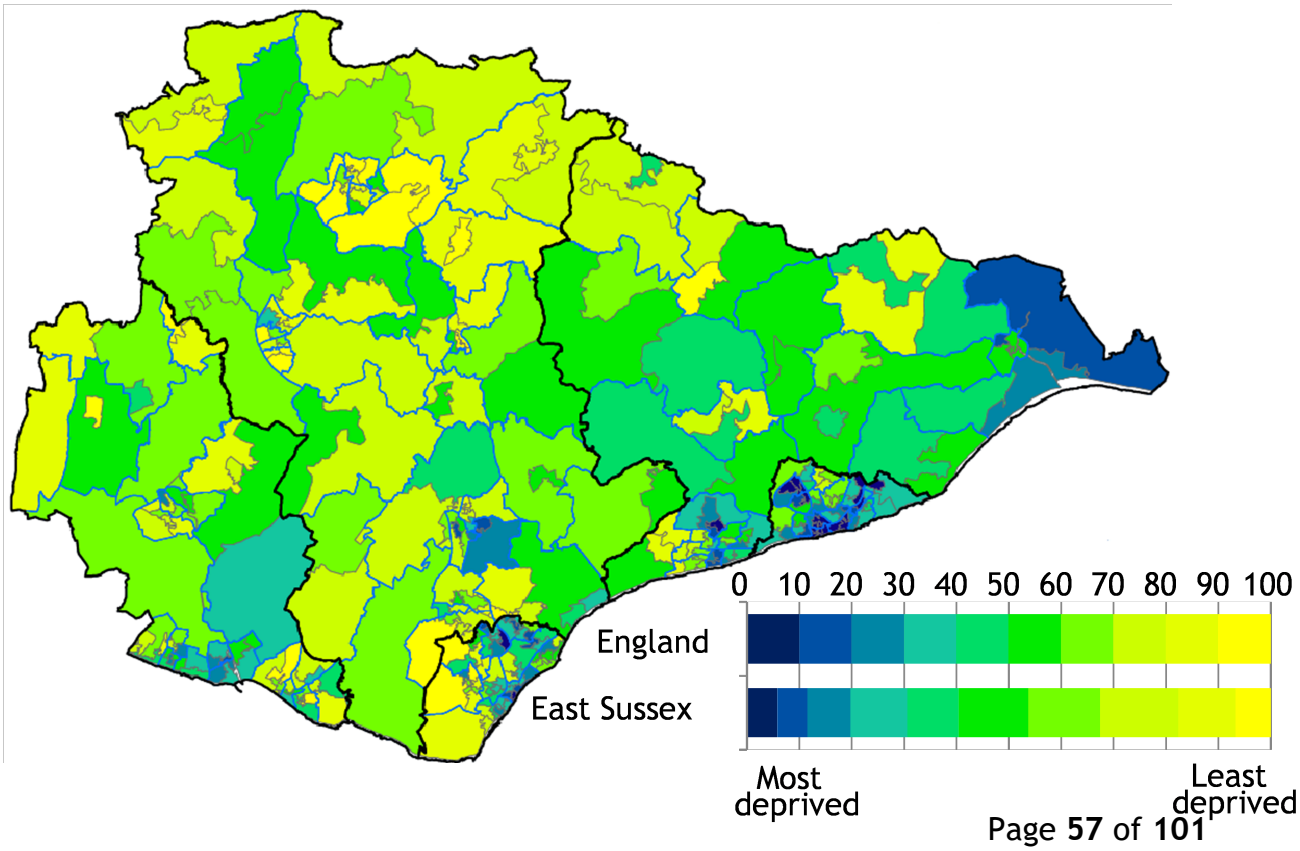
Deprivation

The Index of Multiple Deprivation (IMD) 2019 measures relative deprivation for small areas in England. It takes into account a number of factors including health, access to services, environment, crime and housing, however income and employment have the greatest effect on the deprivation score given to an area.

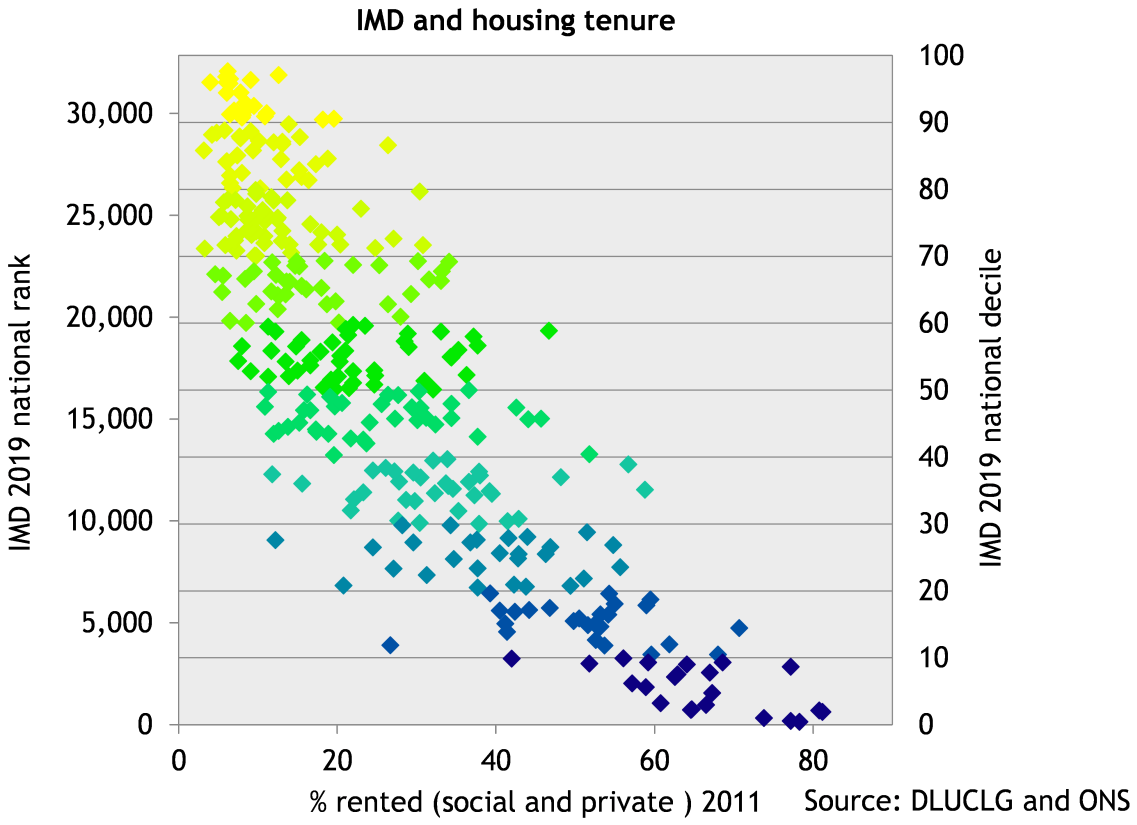
East Sussex has a significant variation across the county in levels of deprivation. Hastings is the 13 most deprived Lower Tier Local Authority (LTLA) out of 317 LTLAs in the country, with similar levels of deprivation as Newham, and Blackburn with Darwen. Wealden is the least deprived LTLA in East Sussex, with a rank of 254, which means it has similar levels of deprivation as Sevenoaks and Hambleton.

Overall, as a county East Sussex is ranked 93 out of 151 Upper Tier Local Authorities (UTLA) on the IMD rank. This is a similar level of deprivation as Lincolnshire, Somerset and Kent. Blackpool is the most deprived UTLA, whilst Wokingham is the least deprived.

The map shows how deprived individual parts of the county are compared to the national average. Map of East Sussex showing LSOA deciles of deprivation



The IMD is calculated for small areas called Lower Super Output Areas (LSOAs), as shown on the map, each of which have approximately 1,500 residents. In East Sussex there are 329 LSOAs. 22 of these are in the most deprived 10% nationally. 16 of these are in Hastings, four in Eastbourne, and two in Rother. 21 LSOAs are in the least deprived 10%, 13 are in Wealden, six in Lewes, and two in Eastbourne.



Areas of high deprivation correlate with some areas of predominately rented housing. This includes concentrations of social rented properties (up to 70%) and private rented properties (up to 68%), and both (up to 81%). Measures of deprivation include the indoor living environment, and in these areas, more properties (excluding social housing) may be in poor condition or without central heating, leading to higher heating costs and other negative outcomes.

People living in more deprived areas often face multiple challenges and therefore may be more likely to access Council and other public services. However, it is important to note that the IMD is based on averages across an area, so it is possible to have people with low levels of deprivation in an area classified as being more deprived and vice versa.

The relationship between multiple deprivation, low income and poor-quality housing means it can be hard to change relative deprivation for people living in an area of predominantly low-cost housing without addressing housing quality.

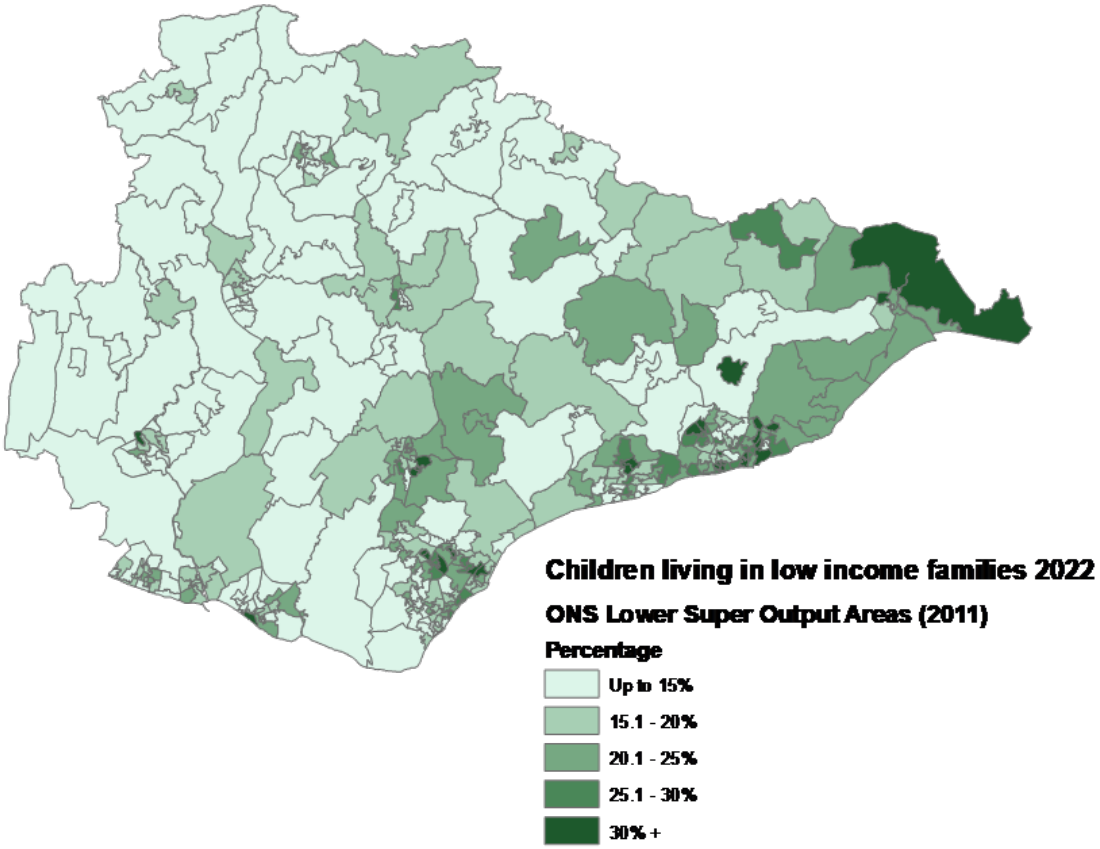
Lower Tier Local Authority	Rank of average rank out of 317 (1=most deprived)
Blackpool	1
Newham	12
Hastings	**13**
Blackburn with Darwen	14
Northampton	105
Eastbourne	**106**
Dover	107
Westminster	133
Rother	**135**
Crawley	136
Exeter	193
Lewes	**194**
Watford	195
Sevenoaks	253
Wealden	**254**
Hambleton	255
Hart	317

At the Lower Super Output Area (LSOA) level the picture across the county is even more nuanced. The most deprived LSOA in the county, Hastings 005A within Baird Ward, is within the most deprived 1% of LSOAs in England. Whereas the least deprived LSOA, Wealden 012D in Uckfield, ranks amongst the least deprived 3%.

	Most deprived LSOA	Least Deprived LSOA
England	1	32,844
Eastbourne	2,352	31,476
Hastings	147	23,407
Lewes	5,233	31,476
Rother	754	28,840
Wealden	4,812	32,075

Some of the data that the IMD is based on is now several years old. However, the latest child poverty data, relating to children living in families with relative low-income, shows a similar pattern in income deprivation across the county.

In 2021/22, there were 20,910 children in East Sussex living in families with relative low-income, which was 18.6% of all children and young people aged 0-19. This is a slightly lower rate than the national average of 19.8%. 87% of all children in relative low-income families in East Sussex were in working families. This compares to the national picture, where 71% of children in relative low-income families were in working families. Only 13% of East Sussex children in low-income families were in families where no-one was in work.

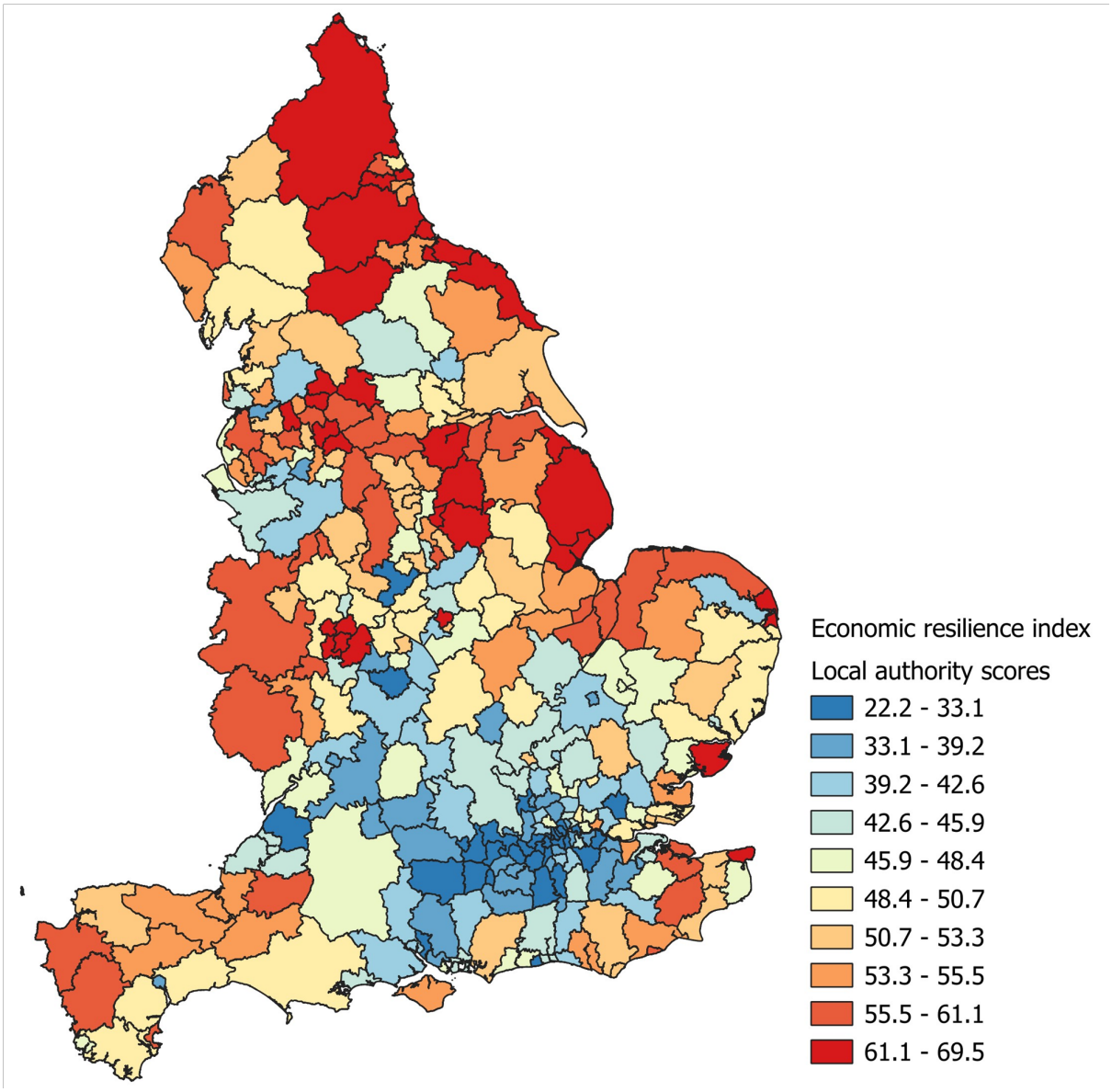


23.5% of East Sussex pupils are known to be eligible for Free School Meals in 2022/23. For England the figure was 23.8% (Source: Department for Education).

The data on deprivation shows some parts of the coastal region of the county face greater challenges. Central Government has established the Levelling Up Fund to

address areas of high need. The Government has identified 4 out of the 5 local authorities in East Sussex as having locations with priority need for 'levelling up' funding, which will be used in projects that address economic recovery and growth, improved transport connectivity, and need for regeneration. Eastbourne, Hastings, Lewes, and Rother have all been identified as having specific locations with the greatest priority need for 'levelling up'.

The allocation of funding from one of the levelling up funding streams, the UK Shared Prosperity Fund, was informed by an economic resilience index. This looked at a range of factors including economic productivity, employment rates, wage levels and skills. The map shows that all of the district and borough areas in East Sussex scored above the national average, indicating higher levels of need for support. The map below also shows most lower tier local authorities in the South East scored lower than the national average.

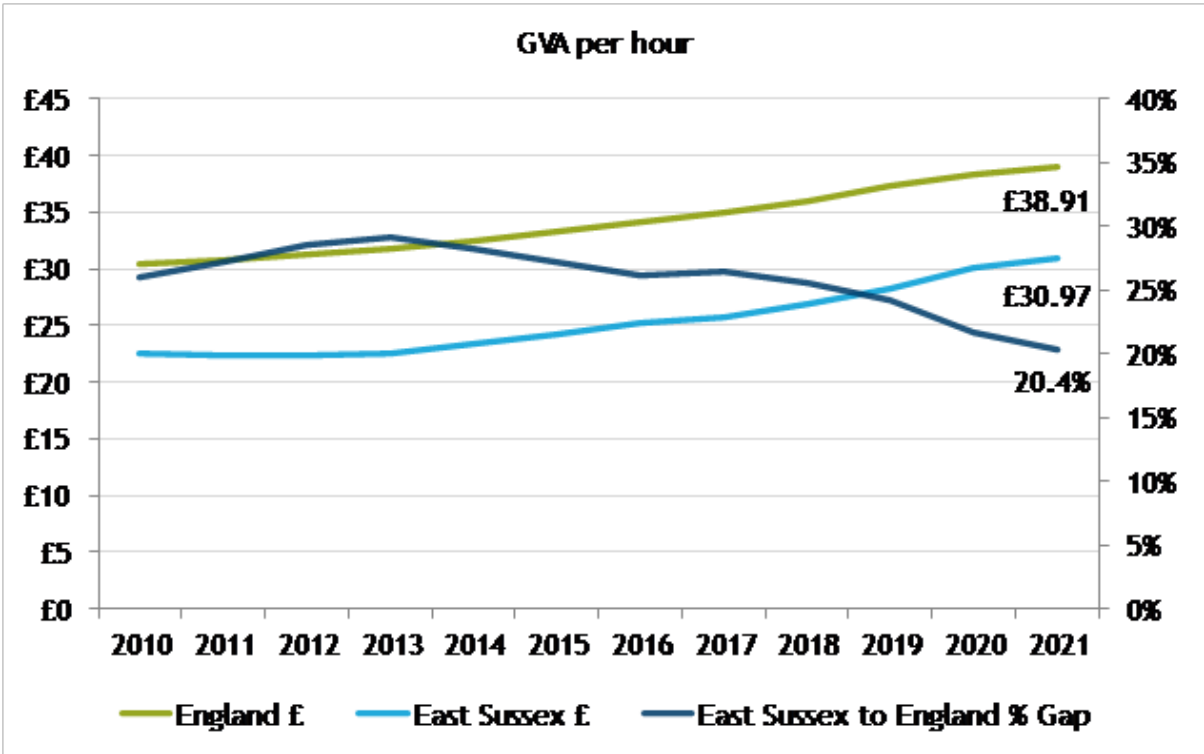


Source: data from DLUHC, Local authority boundary information from Office for National Statistics licensed under the Open Government Licence v.3.0 Contains OS data © Crown copyright and database right 2024. Note that Cornwall and the City of London were not included in the index.

Economy

GVA per hour

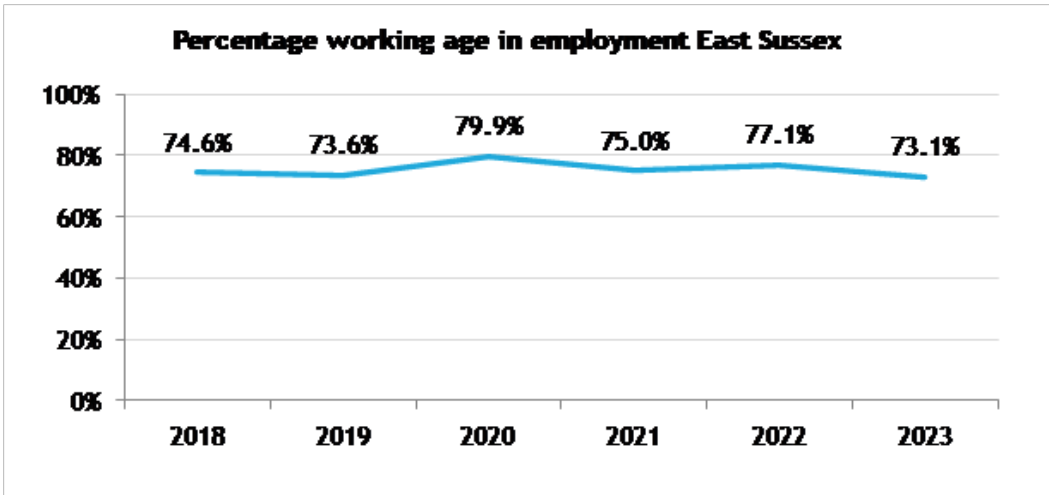
Gross Value Added (GVA) per hour is used to assess the productivity of an area. It measures the value of goods or services produced in an area per hour worked in that area. GVA per hour for East Sussex in 2021 was £30.97, 20.4% below the England level of £38.91. This gap has narrowed from a high point of 29.2% in 2013.



Source: Office for National Statistics

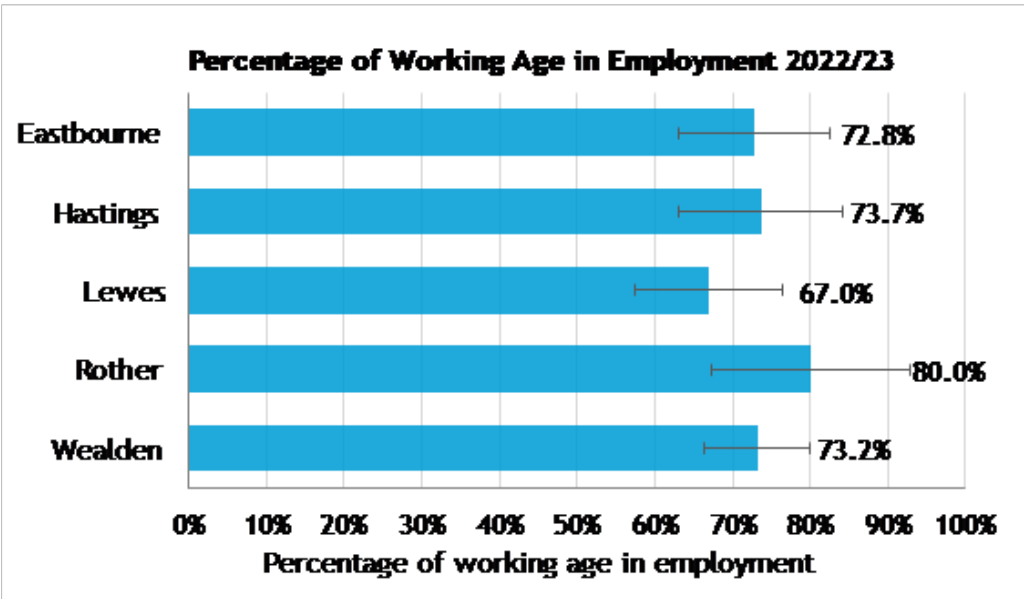
Employment

73.1% of the East Sussex working age population (age 16-64) were in employment between April 2022 – March 2023. This was lower than the national average of 75.7% and the average across the South East of 78.0%.



Sources: Annual Population Survey/Labour Force Survey, NOMIS/ONS

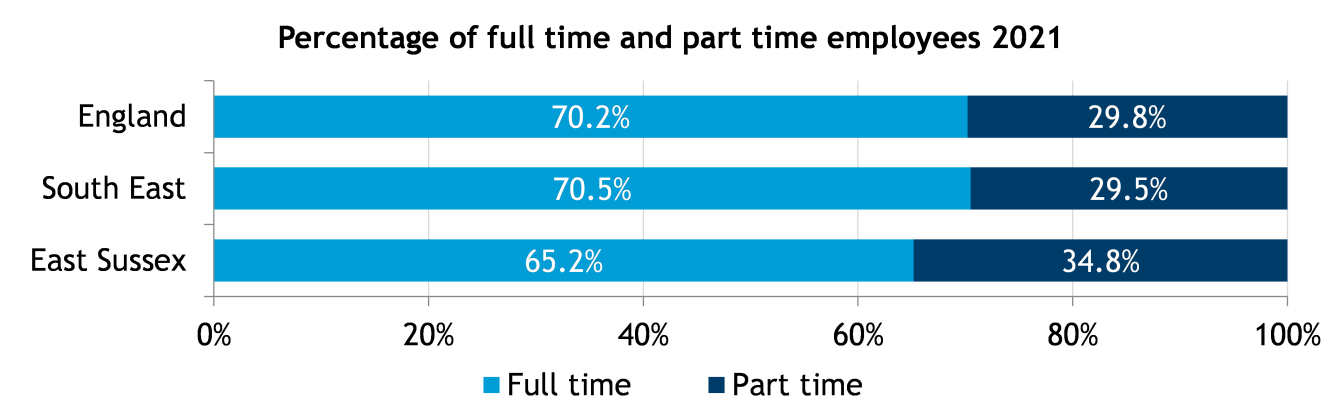
Rother experienced a surge of almost five percentage points since 2022, giving it the highest rate of employment at 80.0%. Meanwhile, Lewes had the lowest at 67.0% following a dip of almost nine percentage points compared to the previous year. However, The Annual Population Survey (APS) can have very small sample sizes at district and borough levels which can result in the data changing significantly year on year and having very broad confidence intervals. The confidence intervals have been added to the chart above, the actual figure may fall anywhere between the lower and higher level.



Sources: Annual National Survey/Labour Force Survey, NOMIS/ONS

Note: The Annual Population Survey (APS) can have very small sample sizes at district and borough levels which can result in the data changing significantly year on year and having very broad confidence intervals. The confidence intervals have been added to the chart above, the actual figure may fall anywhere between the lower and higher level.

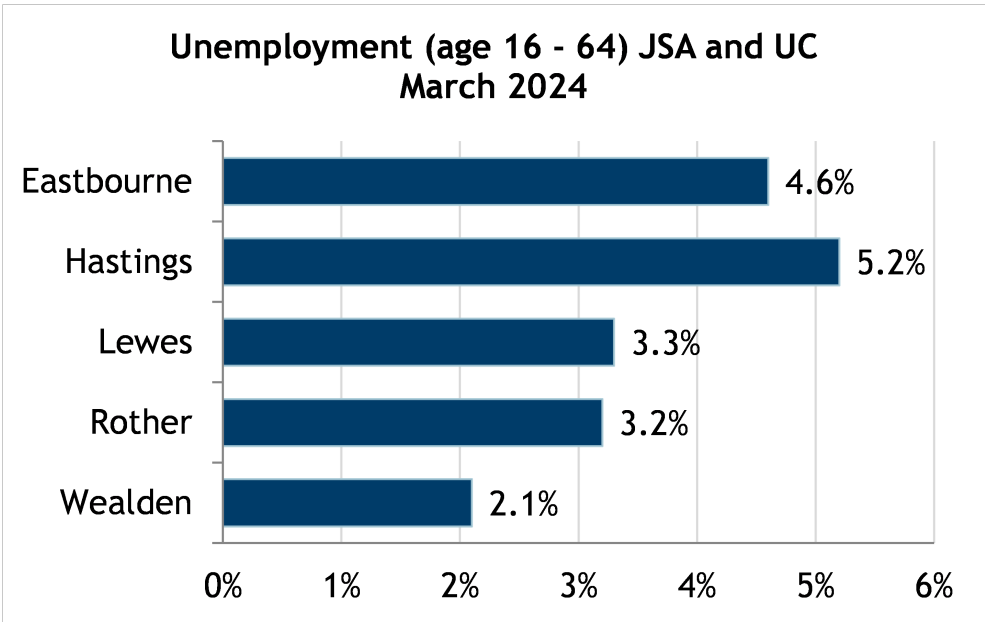
A higher proportion of people work part time in East Sussex (34.8%) than in the South East (29.5%) or England (29.8%).



Sources: Census 2021

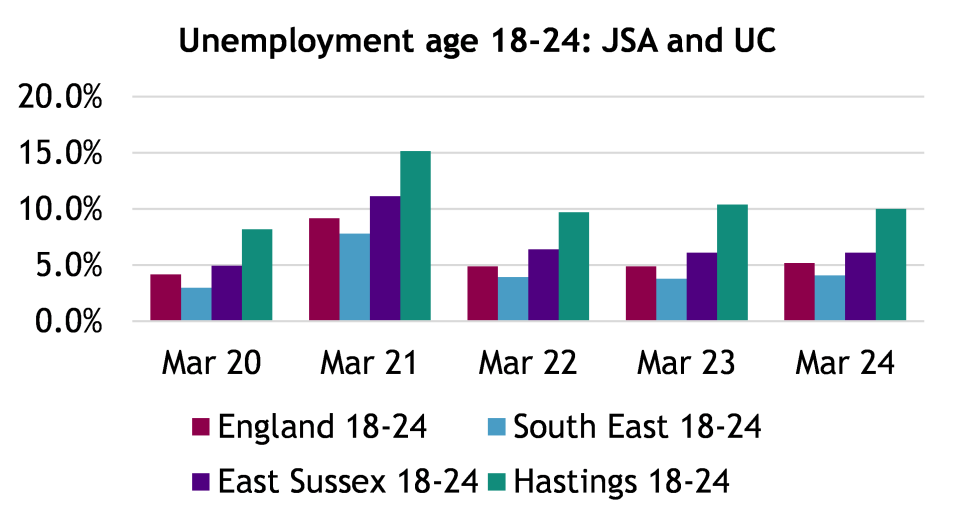
Unemployment

The unemployment rate for March 2024 was 3.5% for East Sussex, lower than the national average of 3.9%, but above the regional average of 3.0%. Hastings had the highest rate of the districts and boroughs at 5.2%.

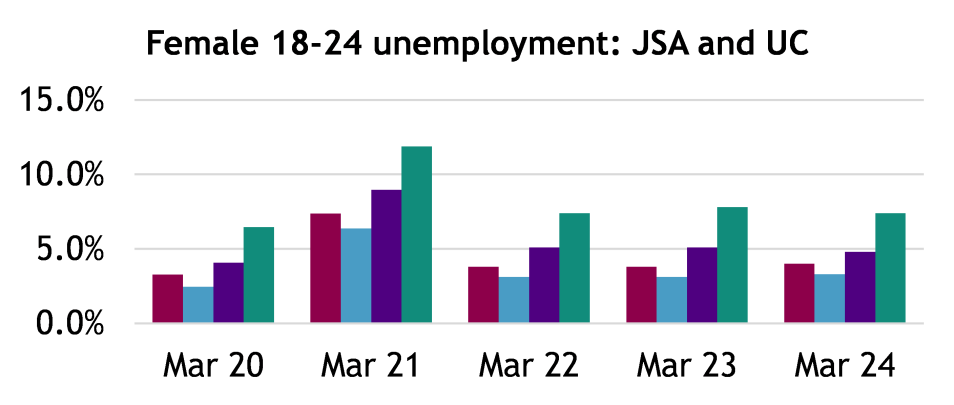


Source: Office for National Statistics/NOMIS - claimants of Job Seekers Allowance (JSA) or Universal Credit (UC) who are searching for work age 16 – 64

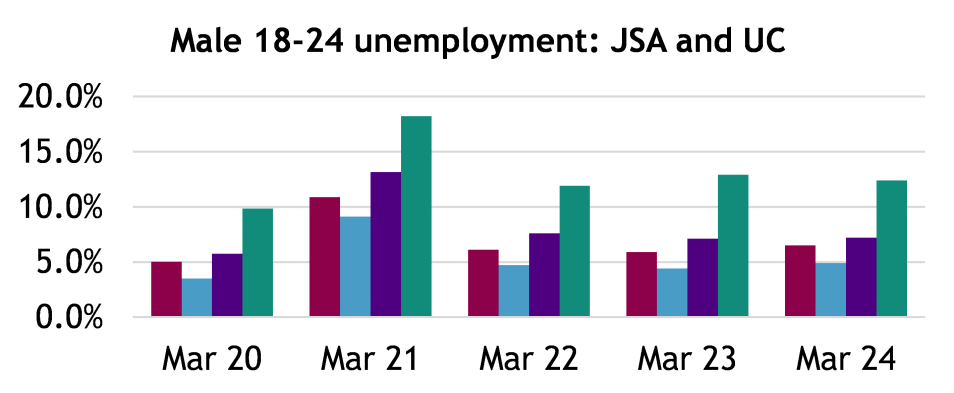
Youth unemployment (age 18-24) is normally higher than the overall rate and this trend is greater at time of economic stress. In March 2023 youth unemployment for East Sussex was 6.1%, whilst the England rate was 4.9%. Hastings had the highest district and borough rate at 10.4%. Rates in East Sussex stayed the same for March 2024 at 6.1%, compared to an increase nationally to 5.2%. Youth unemployment in Hastings fell but remained higher than the county average at 10.0%.



Female unemployment is usually lower than male unemployment. For example, in March 2024 female youth unemployment for Hastings was 7.4%, while the male rate was 12.4%.



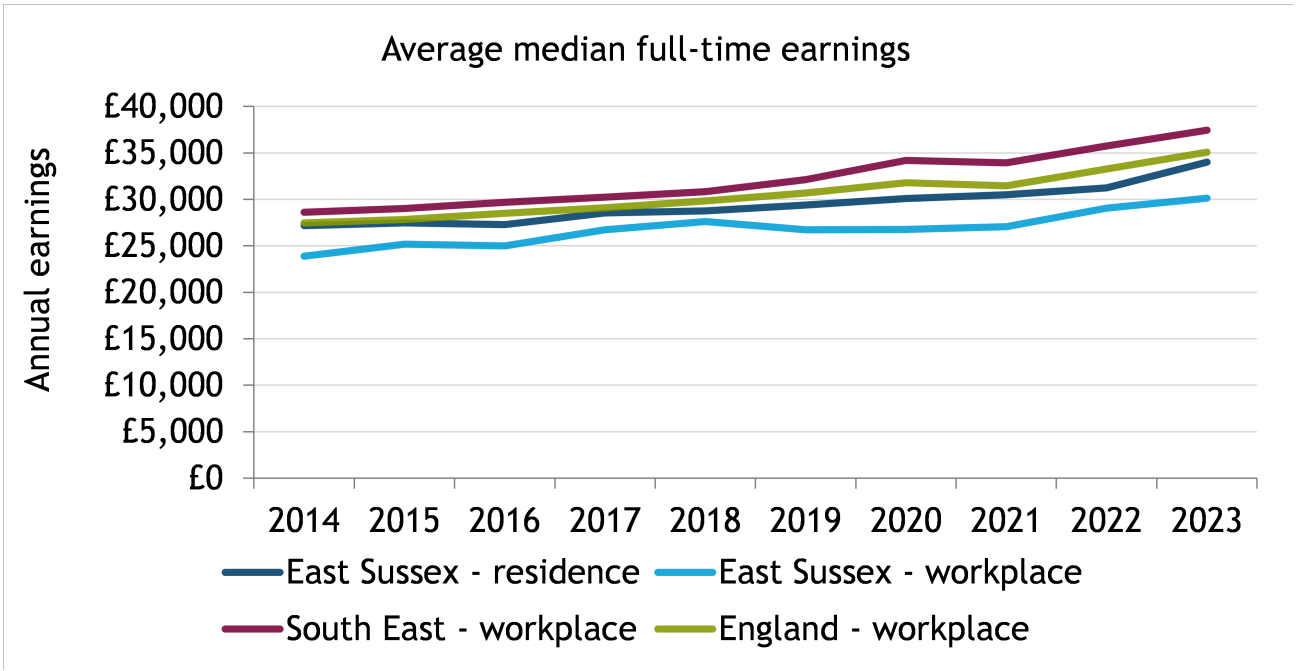
Males are more likely to be economically active, which causes the unemployment rate to result in relatively more unemployed males than the same rate for females. 590 young people were unemployed in Hastings in March 2024, 210 were female and 380 were male.



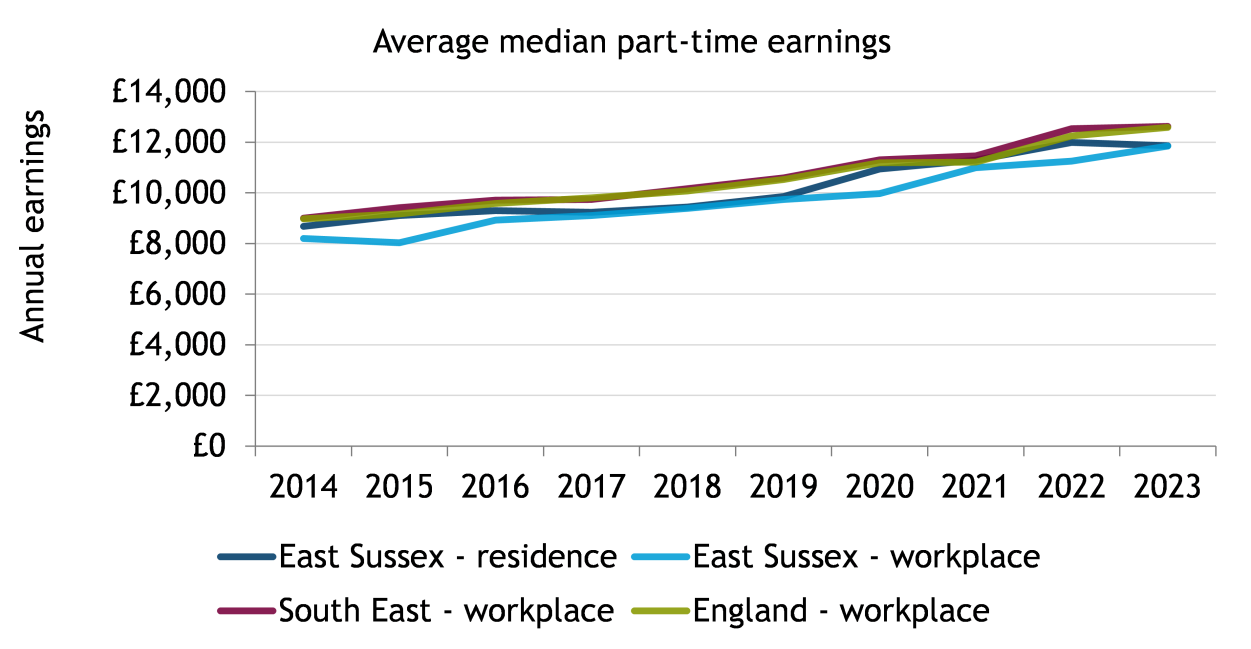
Source all: Office for National Statistics/NOMIS

Earnings

East Sussex residence based earnings increased for full-time employees in 2023, and are now closer to the England average. However, earnings for residence based part-time employees fell in 2023 and are now at a similar level to workplace based employees in the county, and below the average earnings for England and the South East. Residence based earnings are those of people living within East Sussex, some of whom have workplaces outside East Sussex; workplace earnings are those of people whose workplace is within East Sussex.



Source: Annual Survey of Hours and Earnings (ASHE), Office for National Statistics

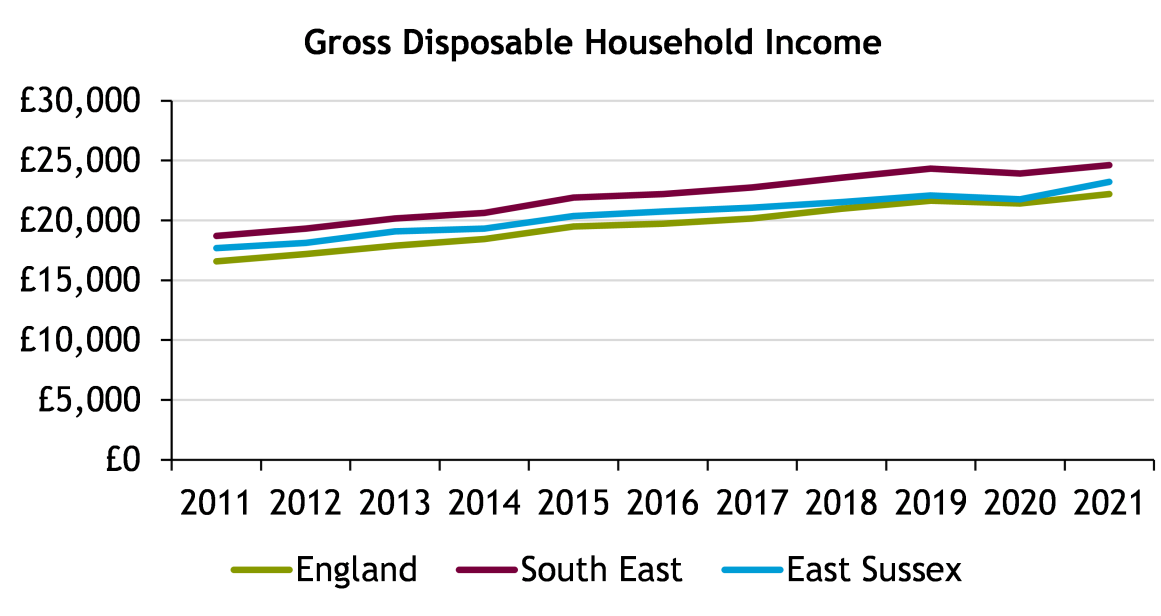


Source: Annual Survey of Hours and Earnings (ASHE), Office for National Statistics.
Note: The ASHE can have very broad confidence intervals, so changes in data year on year may not be reflective of a real change in earnings.

Gross Disposable Household Income

Gross disposable household income in 2021 was close to the average in the South East, and slightly above the England rate. There is a time lag with the release of this data so it is unclear how the inflationary rises over the last few years have

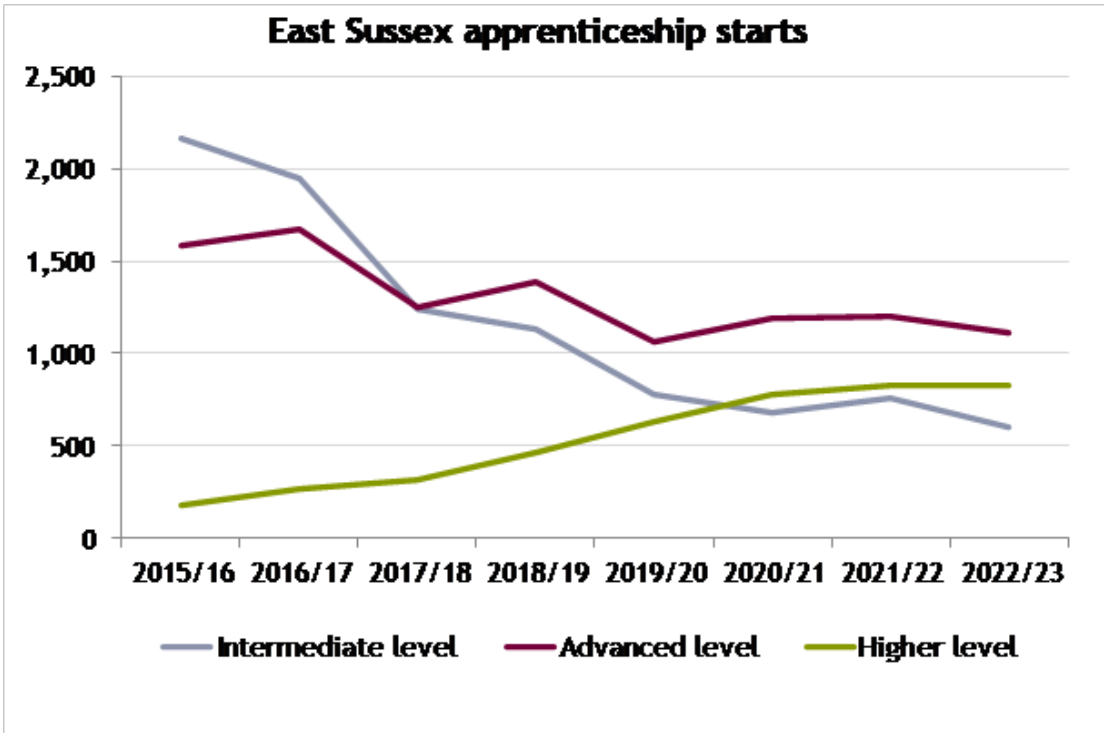
affected current levels of gross disposal household income.



Source: Office for National Statistics

Skills

There were 16,260 apprenticeship starts in East Sussex between 2017 and 2023. Apprenticeship starts in East Sussex in 2022/23 were down 9% on the previous year at 2,540. There were 830 higher level apprenticeship starts in 2022/23, which was the same level as the previous year.



Source: Department for Education further education data library, apprenticeships

Qualification levels across the county are broadly in line with the regional and national averages. Both Lewes and Wealden have a significantly higher proportion of better qualified people compared to the rest of districts and boroughs in the county.

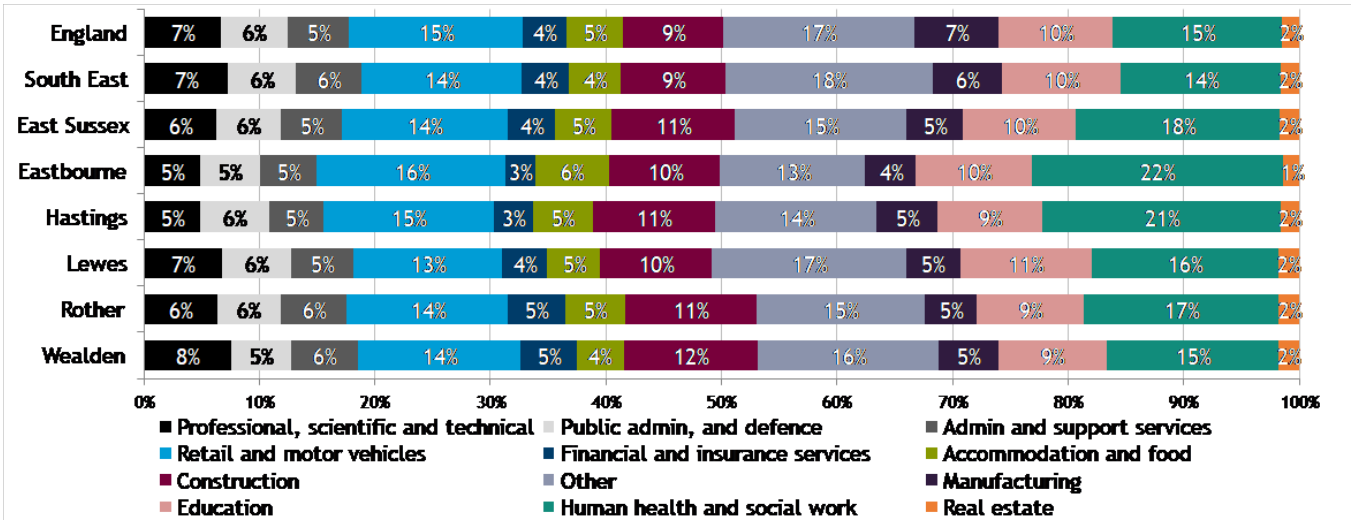
	Qualifications of working age population 2021 (16-64)					
	None	Level 1	Level 2	Level 3	Level 4+	Other
Eastbourne	12.2%	11.6%	16.7%	20.6%	32.2%	6.7%
Hastings	14.1%	11.9%	17.4%	19.8%	30.6%	6.2%
Lewes	9.2%	10.7%	16.5%	20.4%	37.4%	5.7%
Rother	11.0%	11.7%	17.5%	21.1%	32.6%	6.1%
Wealden	8.1%	10.5%	17.9%	22.1%	35.3%	6.0%
East Sussex	10.6%	11.2%	17.2%	21.0%	33.8%	6.1%
SE region	10.0%	9.9%	15.3%	20.1%	38.8%	5.9%
England	12.4%	9.9%	14.8%	19.5%	37.1%	6.3%

Source: Census 2021

Employment by industry

The proportion of people in East Sussex employed in different industries is broadly

similar to the national picture. We have a higher proportion of people employed in human health and social work and a lower proportion employed in professional, scientific and technical, and manufacturing than the national average. However, employment by industry varies significantly across the county. It is interesting to note that the proportion of people employed within the Accommodation and Food industry reduced by half in Rother compared to 2020 (from 10% to 5%), possibly linked to the impacts of Brexit and the Covid-19 pandemic.

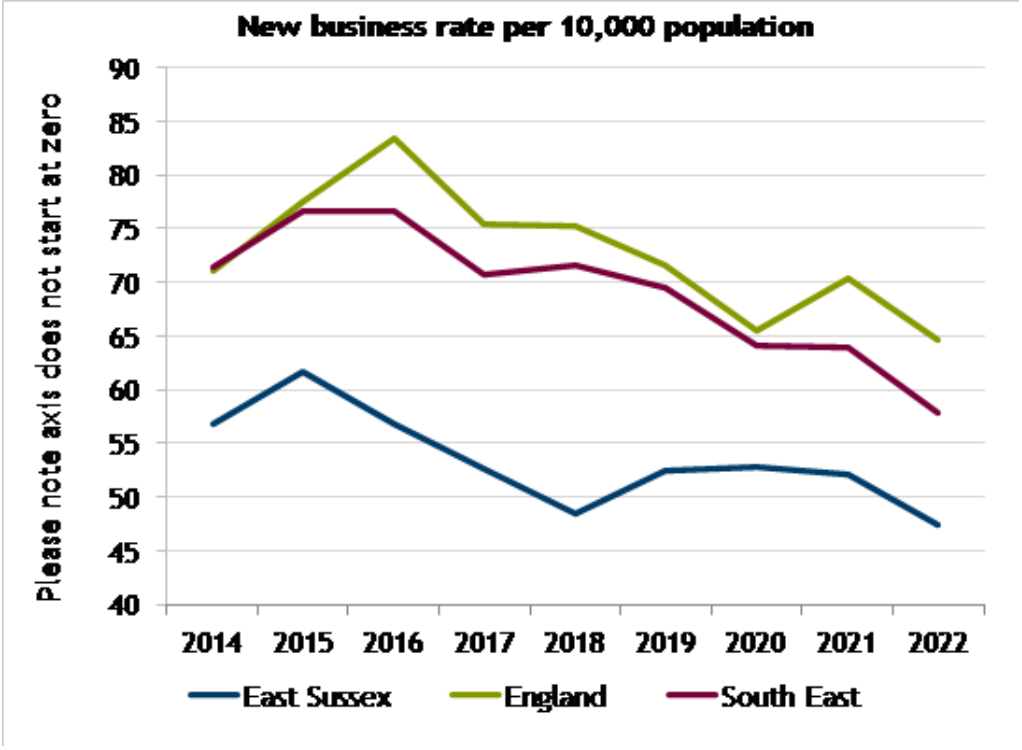


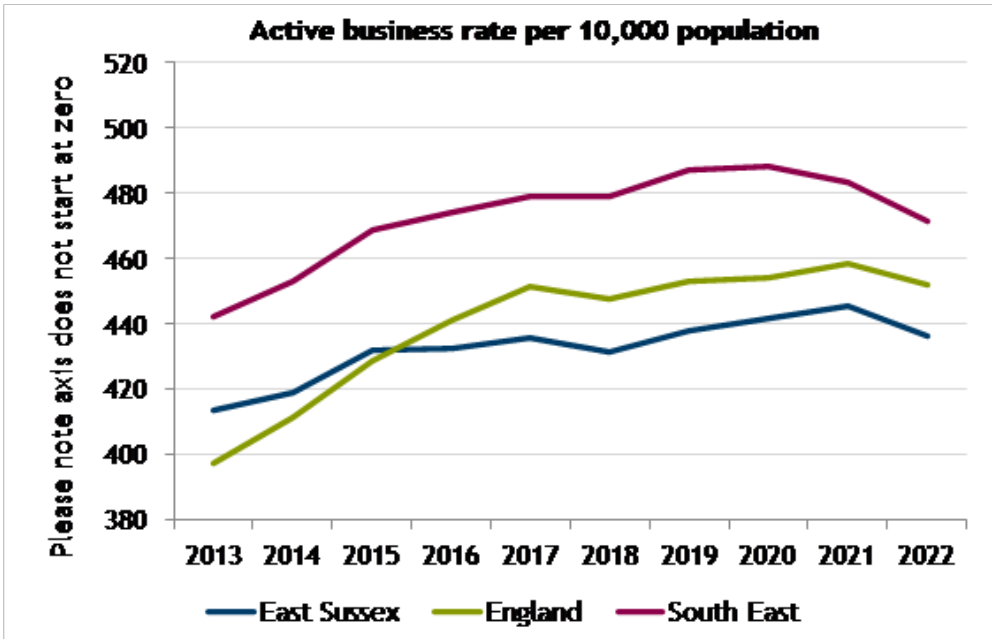
Other includes- Arts, Entertainment and other; Agriculture energy and water, Transportation and storage; and Information and communication.

Source: Census 2021

Businesses

The latest data we have for businesses is for 2022 when the economy was still affected by the impact of the pandemic and there were significant increases in the rate of inflation which will have affected both decisions to start new businesses and business survival rates. In 2022 in East Sussex there were 2,185 business starts and 2,335 business closures. The East Sussex new business registration rate per 10,000 people decreased between 2021 and 2022 to 47.5. The highest rate was in Wealden at 53.3, whilst the lowest was in Rother at 42.3.



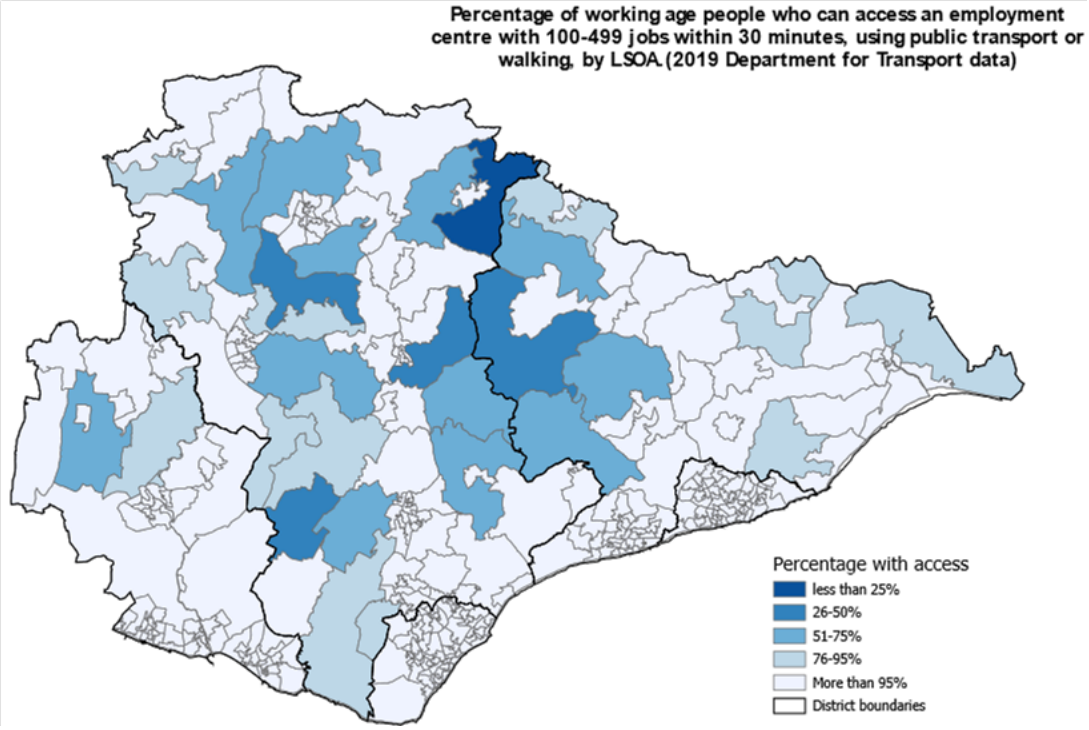


Source for all: Office for National Statistics Business Demography

Infrastructure

The latest Department for Transport data from 2019 shows there was good access to services by car across the county. However, accessing services by public transport or walking can be more challenging in rural areas.

Access to employment centres (100-499 jobs) within 30 minutes by public transport/walking.



Source: Department for Transport

This table details the projects which will improve the infrastructure in East Sussex in the coming years.

Key		
Local Growth Fund	Other Funds	
Area	Project	Value
Countywide	Local Transport Improvements	£20.5m
Countywide	Developing EV infrastructure provision across the county	£4.4m

Key		
Local Growth Fund	Other Funds	
Area	Project	Value
Countywide	Broadband - Superfast coverage (>30 Mbps) 99% Ultrafast coverage (>100Mbps) 68% Building Digital UK (BDUK) has awarded a contract for East & West Sussex, Brighton & Hove, to Cityfibre as part of their Project Gigabit programme. Details tbc.	£100m (please note this is for Sussex overall, not just East Sussex)
Countywide	East Sussex Bus Service Improvement Plan -Bus priority measures in Eastbourne, Newhaven and Peacehaven	£18.5m
Countywide	A259 Major Road Network South Coast Corridor Package	£28m
Countywide	Exceat Bridge Levelling Up Fund Round 1	£7.9m
Countywide	Potential A27 offline solution	N/A
Countywide	A22 Major Road Network Junction Improvement Package	£46.5m
Countywide	Centres of Digital Excellence across Sussex	£2.3m
Countywide	Greener Sussex land management & Decarbonisation Academies	£7.2m
Bexhill	North Bexhill Access Road	£18.6m
Bexhill	Bexhill Enterprise Park North	£1.9m
Bexhill	Bexhill Enterprise Park Development	£46.0m
Eastbourne	Eastbourne Town Centre Movement and Access Package (Terminus Road)	£11.3m
Eastbourne	Eastbourne and South Wealden walking and cycling package	£6.6m
Eastbourne	Hailsham, Polegate and Eastbourne Movement and Access Corridor	£2.1m

Key		
Local Growth Fund	Other Funds	
Area	Project	Value
Eastbourne	Levelling Up Fund (including £4.7m 'Victoria Place' pedestrianisation project)	£19.9m
Eastbourne	Long Term Plan for Towns (over ten years)	£20m
Hastings	Bexhill and Hastings Movement and Access Package	£9.0m
Hastings	Potential HS1 rail extension (also to Bexhill and Eastbourne)	N/A
Hastings	Town Deal (includes the £10m Hastings Green Connections public realm project)	£24.3m
Hastings	Long Term Plan for Towns (over ten years)	£20m
Hastings	Levelling Up Partnership (LUP) (including £2.5m for Queensway Gateway Road infrastructure)	£20m
Lewes	North Street Quarter	N/A
Newhaven	Future High Streets	£5.0m
Newhaven	Town Deal	£19.3m
Newhaven	Levelling Up Fund	£12.7m
Rother	Levelling Up Fund	£19.2m
Rother	Long Term Plan for Towns (over ten years)	£20m
Rother	Levelling Up Partnership (LUP)	£20m
Uckfield	Bus station improvements	£0.7m

N/A = Not Allocated at present

Broadband

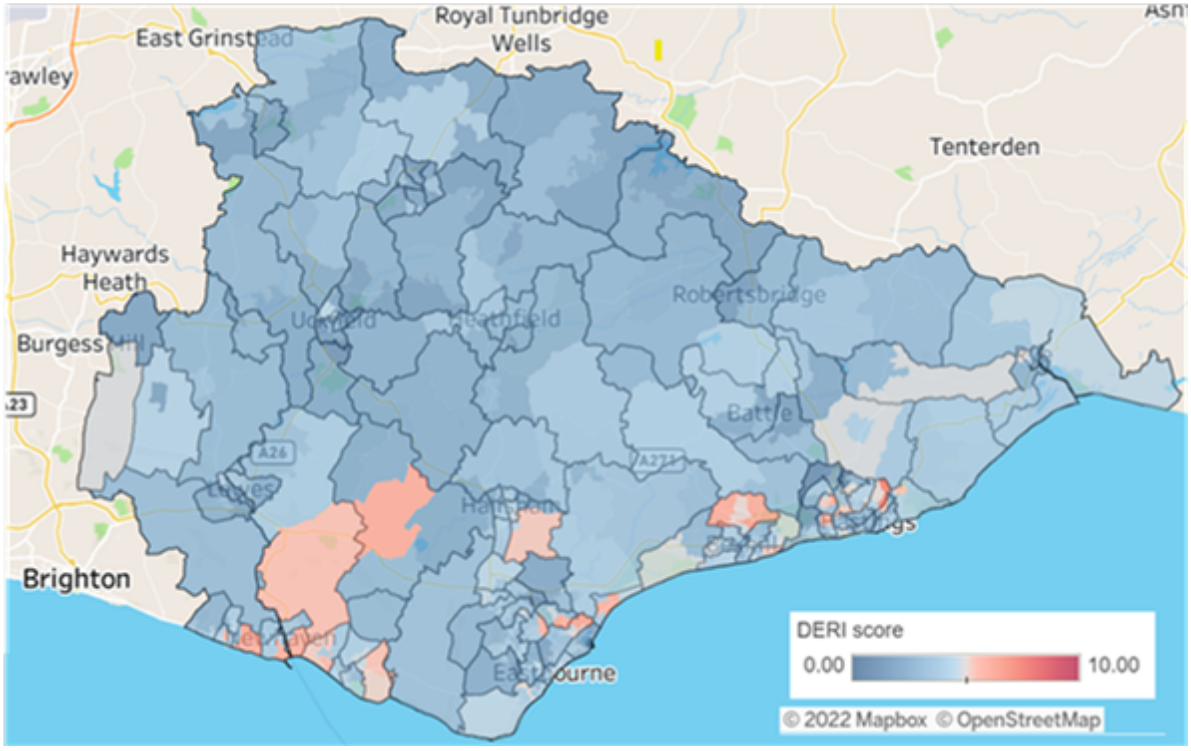
Over 99% of East Sussex premises had access to superfast broadband in 2023, with 68.8% having access to Gigabit capable broadband. 0.42% of properties have less than the Legal Universal Service Obligation (at least 10Mbps).

Digital Inclusion

As more businesses and services use digital channels to engage with residents those

people who are digitally excluded are likely to face increasing challenges. Access to broadband is one part of being able to access digital services. People also need to have the necessary skills and confidence to use digital services, as well as being able to afford the devices and data connections needed for these.

A digital exclusion risk index has been developed by the Greater Manchester Office of Data Analytics that shows where people at higher risk of digital exclusion live. This index is based on a range of data including data on population, relative deprivation and broadband coverage. Areas where people have a higher risk of digital exclusion have a higher score, for East Sussex the areas with the highest risk of digital exclusion scores are in the south of the county. It should be noted that the index includes the proportion of population aged over 65 as one of the risk factors due to national research indicating lower digital skill levels in this age group. We have a large population of over 65s in East Sussex, many of whom will have strong digital skills.



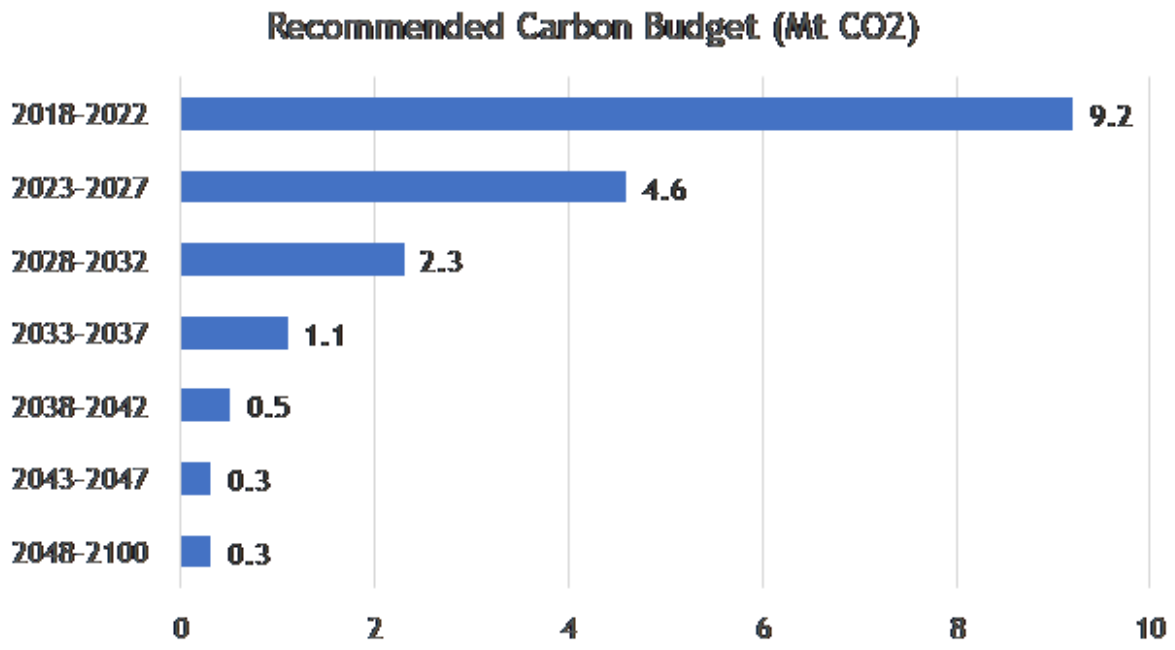
Source: Digital Exclusion Risk Index (Greater Manchester Office of Data Analytics)

Environment

The Cumulative CO_{2e} emissions budget

Emissions of the main greenhouse gas, carbon dioxide (CO2), in East Sussex fell by 42% between 2005 and 2021, while the population grew by about 8%. This excludes emissions that occur outside the area due to demand for goods and services that are consumed in the county. This reduction is similar to the decrease seen nationally and driven by the same changes (e.g. the switch from coal to gas and renewables to generate electricity).

The Tyndall Centre for Climate Change has calculated the emissions reductions necessary for East Sussex (and other local authority areas) to make a fair contribution towards keeping the increase in global average temperature below 1.5°C above pre-industrial levels. This requires cutting emissions from the county area by an average of about 13% per year, which roughly equates to halving total emissions every 5 years.

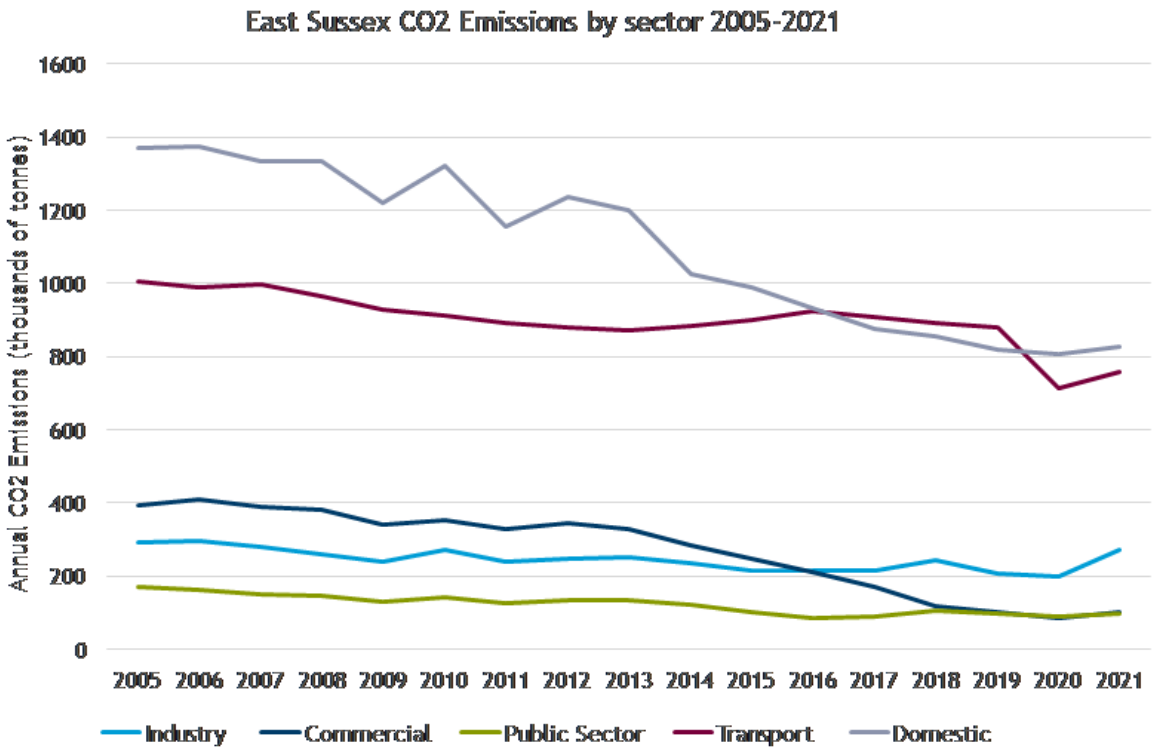


Source: Tyndall Centre for Climate Change, 2022.

Emissions from domestic properties and transport are the greatest contributors to

overall emissions across the county. Domestic emissions fell by 40% between 2005 and 2021. Transport emissions also fell, but at a slower pace. Emissions from all sectors, but especially transport, fell sharply in 2020 due to pandemic impacts, before rebounding in 2021. 2021 also saw a sudden increase in industrial emissions in the Rother district – this may be an error in the data, as we have not been able to match this with any recorded increase in industrial activity.

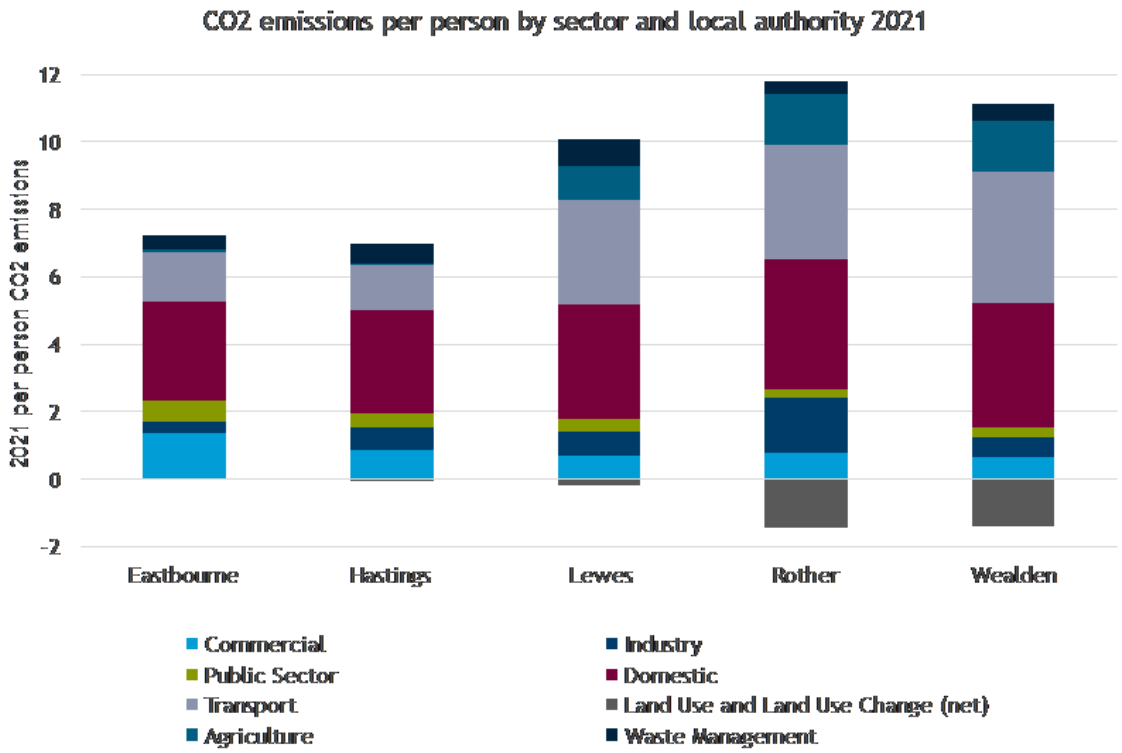
Land use (and land use changes) both absorb and emit carbon, however on an overall (net) basis carbon emissions from land use in East Sussex are negative. Carbon is absorbed by forests and grasslands, while carbon losses occur on existing cropland and when natural land (e.g. grassland) is converted to croplands or settlements. Lewes, Rother and Wealden all have significant (net) negative land use emissions, whilst land use emissions in the urban boroughs of Eastbourne and Hastings are negligible.



Source: Department for Business, Energy & Industrial Strategy

Domestic emissions make up a larger share of emissions in the county's two urban areas – Eastbourne and Hastings - than the three more rural areas, whilst transport emissions are lower. This is due to the smaller road networks in the urban areas,

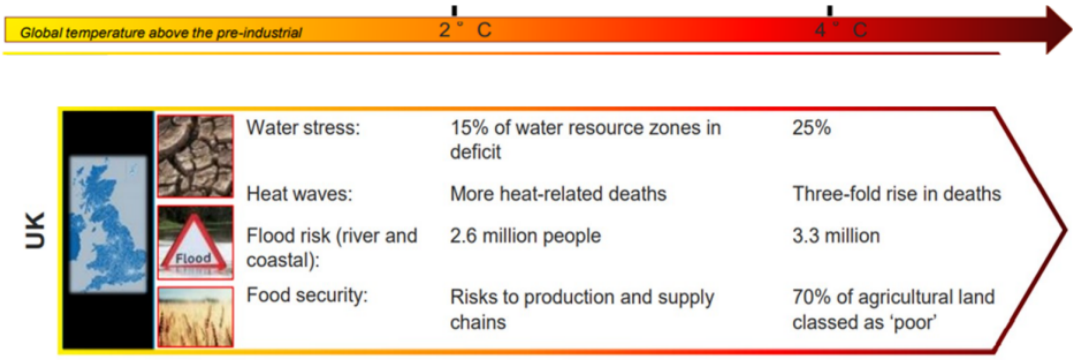
and smaller, higher density housing. Total per capita domestic emissions are higher in the rural areas as houses tend to be larger, and many properties use higher carbon forms of heating such as oil.



Source: Department for Business, Energy & Industrial Strategy

Climate adaptation

Even if global warming can be limited to 1.5°C, significant additional investment will be needed in measures to adapt to the effects of climate change that are already locked in due to past emissions of greenhouse gases.

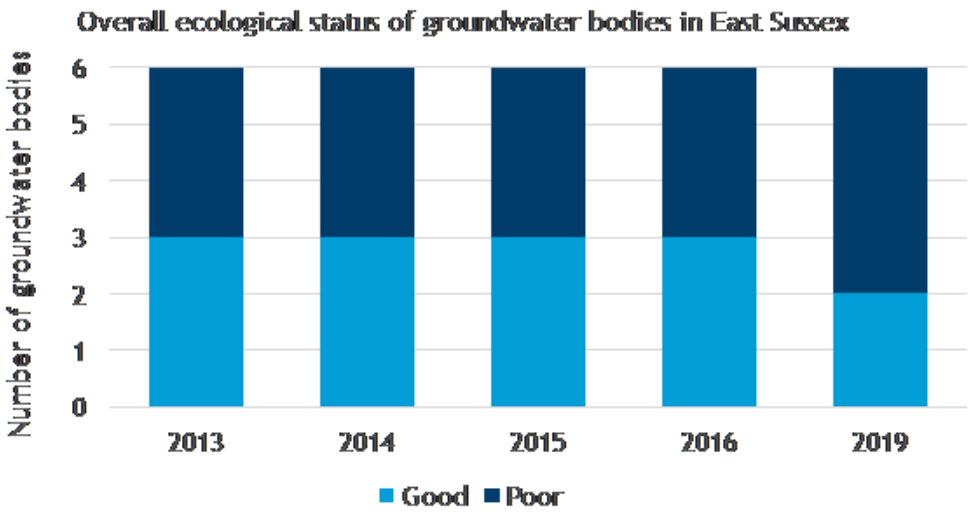


Source: Met Office

UK Met Office predictions of the effects of climate change in East Sussex include hotter and drier summers, milder and wetter winters, more droughts, more flooding, and more intense and frequent storms. This is predicted to lead to an increase in heat-related deaths particularly amongst the elderly, damage to essential infrastructure, increased cost of food, disruption to supply chains and service provision, greater coastal erosion, and impact on coastal habitats.

Water quality

Water pollution is mostly caused by land management practices such as agricultural run-off, wastewater treatment plants, and urban and highway run-off. The most recent data available for groundwater bodies is for 2019. The quality of water bodies in East Sussex has deteriorated slightly in recent years, with the number of groundwater bodies rated as good reduced from three to two between 2016 and 2019. The quality of some ground waters, which provide about 70% of drinking water, have deteriorated due to rising nitrate levels, mostly due to historic farming practices.

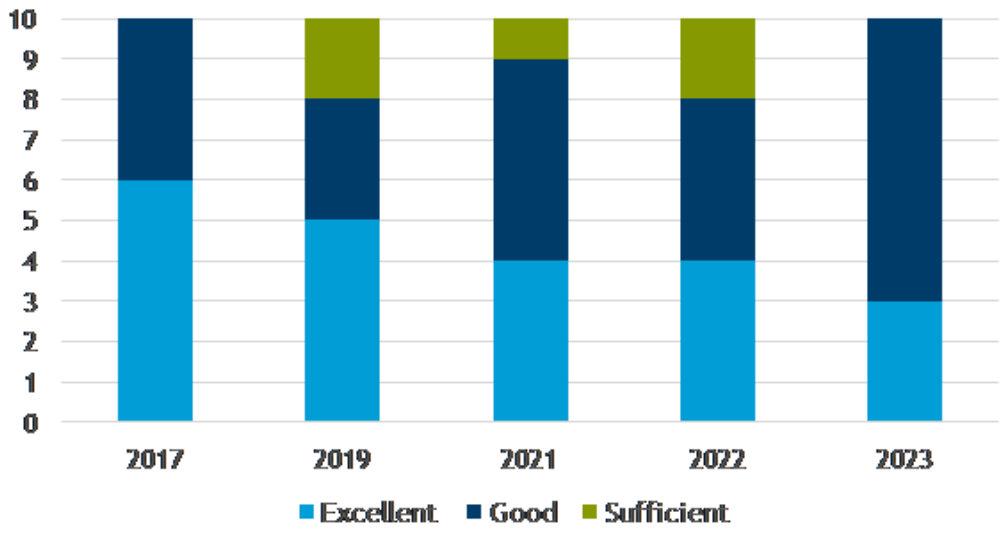


Source: Environment Agency

The quality of bathing waters has deteriorated in recent years. Between 2017 and 2023, the number of monitored beaches rated ‘excellent’ fell from six to three,

although in 2023 no bathing waters were rated below 'good'.

Condition of ten monitored beaches in East Sussex



Source: Environment Agency

Air quality

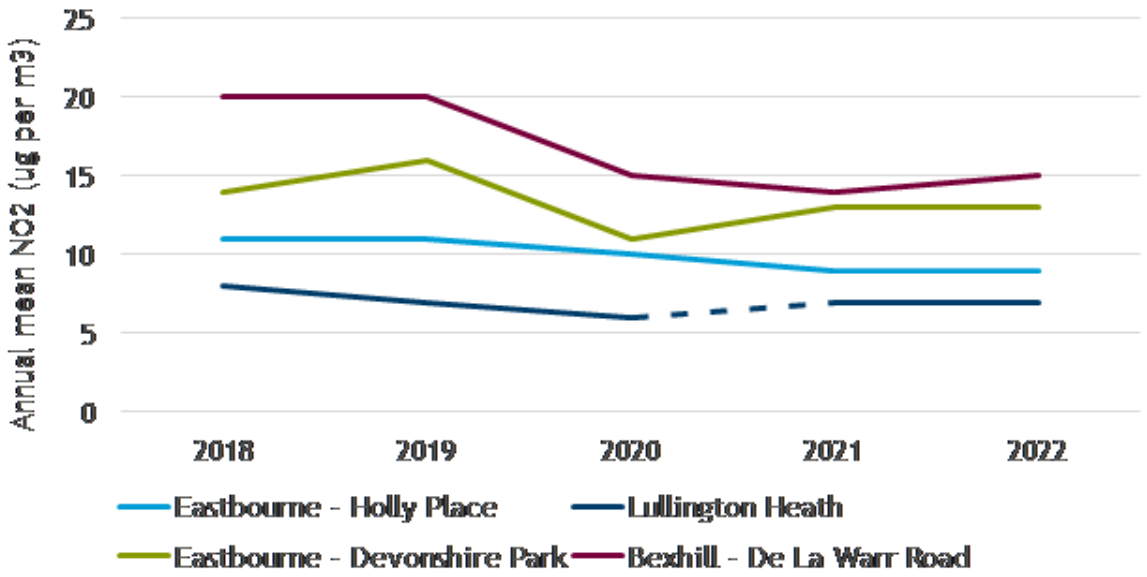
Air quality has improved considerably across most of the UK over the last 30 years. However, up to 36,000 deaths per year in the UK are still attributable to exposure to outdoor air pollution (Public Health England, 2017). This makes air pollution the top environmental risk to human health in the UK, and the fourth greatest threat to public health after cancer, heart disease and obesity. The concentration of pollutants in the air is determined by the emission of air pollutants and factors such as building layout and weather conditions.

In East Sussex, the three main pollutants of concern for health are nitrogen dioxide, particulates and ozone. These are monitored by a small number of automatic monitoring stations in the county and the data are published on the Sussex Air website. The latest available data are from 2022.

Nitrogen dioxide (NO_2)

The main sources of NO_2 are road vehicles and domestic combustion. In 2022 the levels of NO_2 monitored at all sites in East Sussex were compliant with the short and long term health-based national air quality strategy objectives. Annual mean NO_2 has trended downwards over the past 5 years, largely due to effective controls on newer road vehicles.

Annual mean NO2 at four East Sussex monitoring stations



Note that no annual mean was available for Lullington Heath in 2021

Source: ESCC Communities, Economy and Transport

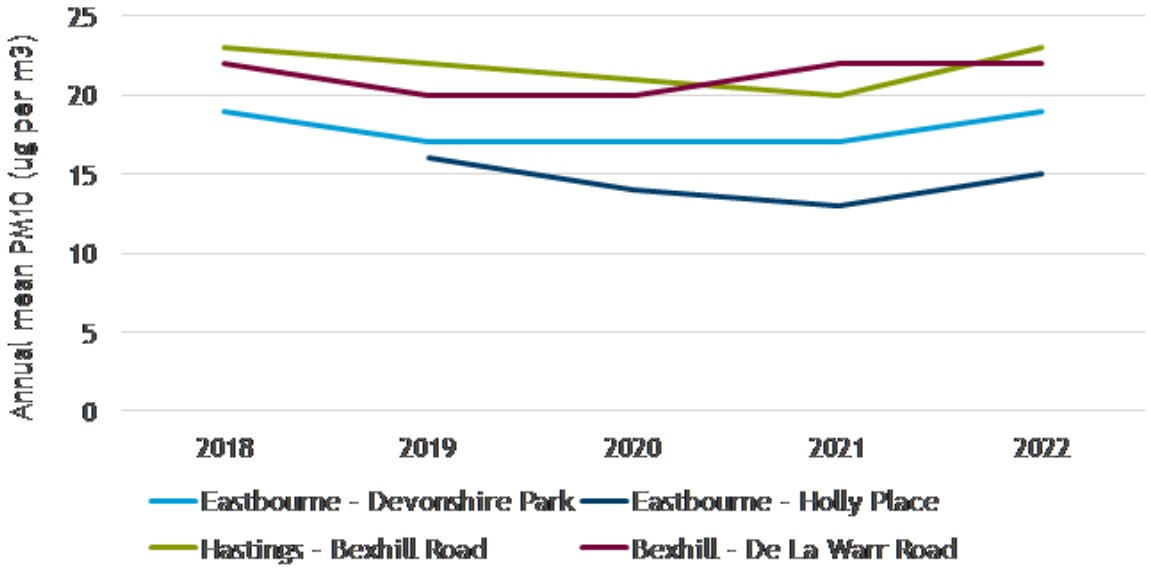
Particulate matter

Particulate matter is everything in the air that is not a gas and so consists of a wide range of chemical compounds and materials. The main sources of particulates are road vehicles and solid fuel combustion, notably wood. Particulates are measured as either 'PM_{10}' or '$PM_{2.5}$', which refers to the diameter of the particulates; the smaller they are the further they can penetrate into the lungs and, potentially, the blood stream. There are no safe levels of particulates.

Figure 6 shows that annual mean PM_{10} fell at most sites between 2018 and 2021 but rose at 3 sites during 2022. Nevertheless, the levels monitored at all sites in 2022

complied with the health-based national air quality strategy objectives, whilst the $PM_{2.5}$ levels complied with the health-based interim standards required to be met by 2028, as set out in the Environment Act of 2021.

Annual mean PM10 at four East Sussex monitoring stations

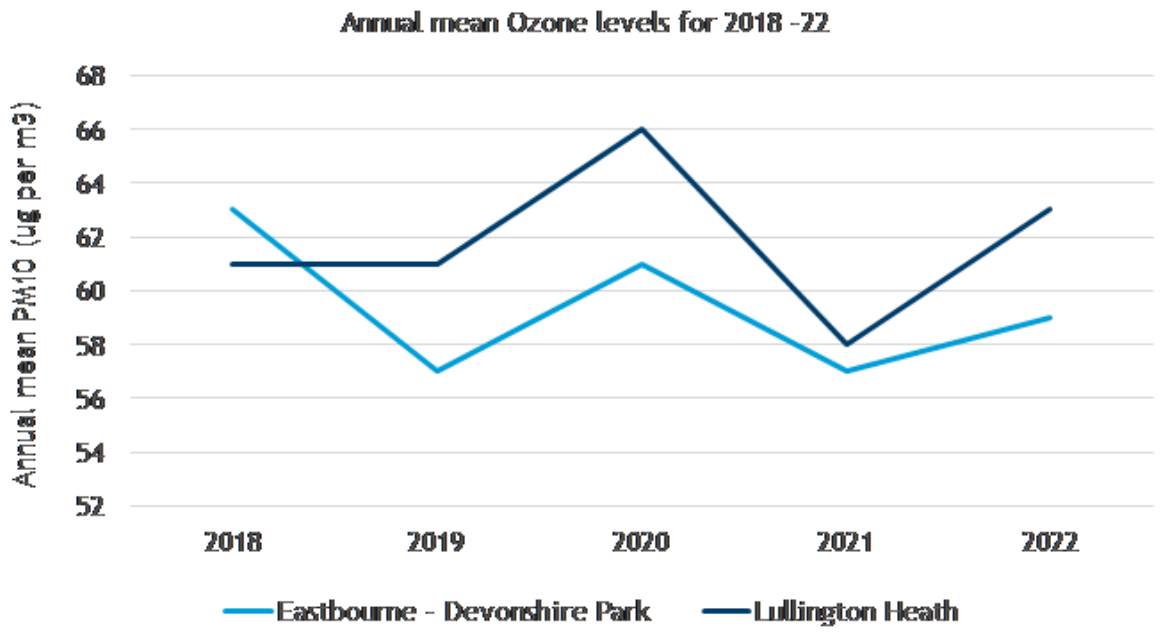


Source: ESCC Communities, Economy and Transport

Ozone (O_3)

Ozone is a secondary pollutant, created when other pollutant gases react in sunlight. It is a long-lived pollutant and tends to affect urban background and rural locations, rather than roadside sites.

Annual mean concentrations of O_3 levels have shown no clear trend between 2018 and 2022, albeit with significant year-on-year variation, largely due to the impact of the weather on O_3 formation.



Source: ESCC Communities, Economy and Transport

The government's Daily Air Quality Index divides air pollution levels into 'low', 'moderate', 'high' and 'very high', based on the potential impact on health. In 2022 there were no days when O_3 levels were measured as being either 'very high' or 'high', and one monitoring site measured 'moderate' levels on 7 days.

Ecology

East Sussex has a rich natural environment, with over two thirds of the county covered by one or more environmental designations. The table below shows how much of the county is covered by which type of designation.

Designated sites and reserves		Area (ha)
International	Ramsar	6,442
	Special Area of Conservation (SAC)	7,193
	Special Protection Area (SPA)	5,546
National	Area of Outstanding Natural Beauty (AONB)	87,980
	National Nature Reserve (NNR)	321
	National Park	24,365
	Site of Special Scientific Interest (SSSI)	15,380
	Country Park	692
	Local Geological Site (LGS)	766

Designated sites and reserves		Area (ha)
Local	Local Nature Reserve (LNR)	1,435
	Local Wildlife Site (LWS)	9,382
	Notable Road Verge	47
Reserve/ Property	Environmental Stewardship Agreement	20,121
	National Trust	1,841
	RSPB Reserve	284
	Sussex Wildlife Trust Reserve	1,118
	Woodland Trust	484

Source: Sussex Biodiversity Record Centre

Habitats

The key habitats in East Sussex are grassland, arable farmland and woodland.

Habitat	% of East Sussex
Water bodies	1.5%
Arable	22.7%
Grassland	40.0%
Heathland	0.9%
Intertidal	0.7%
Coastal	0.4%
Built up Areas and Gardens	9.1%
Woodland	19.9%
Other	4.8%

Ecology

Protected Areas

Over half of the county is designated for its landscape value, either as part of a National Park or an Area of Outstanding Natural Beauty. There are 65 Sites of Special Scientific Interest (SSSI), covering about 8% of the county, which recognises and protects their biological and or geological value. About half of these SSSIs are additionally designated as being internationally important for biodiversity, either as a Special Area of Conservation (SAC) under the Habitats Directive, a Special Protection Area (SPA) under the Birds Directive, or a Ramsar site (an internally

important wetland site).

There are 26 Local Nature Reserves (LNRs), four National Nature Reserves (NNRs) – considered to be the "jewel in the crown" of SSSIs, and 285 Local Wildlife Sites (LWSs). About a third of the county supports priority habitats, which are identified as being of principal importance for conservation.

About three quarters of the SSSIs are in favourable or favourable recovering condition and the rest have either been partially destroyed or are in unfavourable condition. About half of the LWSs are currently known to be in positive conservation management.

Assets at Risk

The 2019 Sussex Nature Partnership Natural Capital Investment Strategy identifies some priority habitats as being at high risk, because they:

a) Are not adequately protected under existing mechanisms.
b) Are fragile or vulnerable and/or already highly fragmented.
c) May be of particular significance in a Sussex context.
d) Are irreplaceable or not easily recreated (either on-site or elsewhere) if destroyed.

The priority habitats most at risk in Sussex are:

- Lowland heath – particularly significant in East Sussex, notably at Ashdown Forest, due to small amounts present in the south of England, the fragmentation of the habitat type (especially outside Ashdown Forest) and it provides a range of benefits, notably clean water.
- Mudflats and saltmarsh – these habitats provide a range of benefits yet are under increasing pressure from climate change, development, and construction of hard sea defences. The national picture is one of medium risk, but the East Sussex context (with high levels of coastal squeeze) increases the risk to these habitats and the benefits they provide. There are small amounts at Newhaven Tide Mills, Cuckmere Estuary and Rye Harbour.
- Vegetated shingle – a globally restricted and internationally important

habitat, for which East Sussex is a stronghold in the UK, mostly at Rye Harbour.

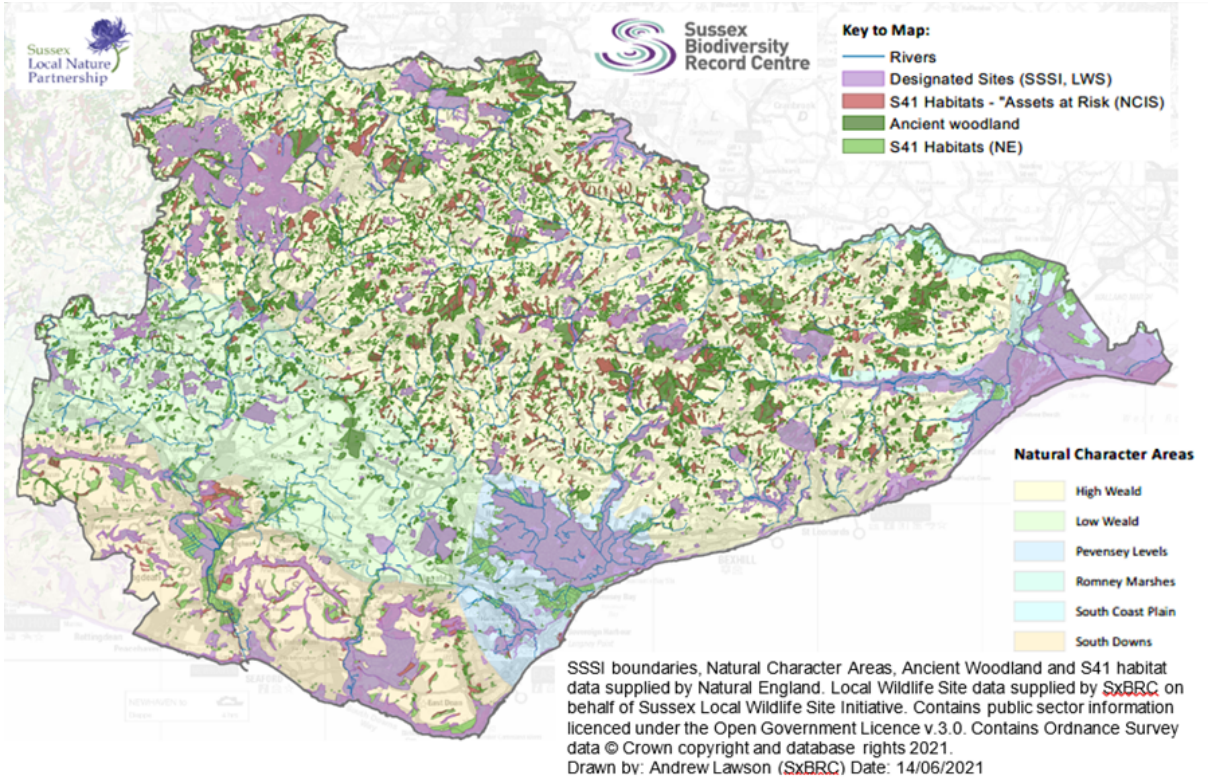
- Reedbed, fen and grazing marsh – small and highly fragmented areas remain in East Sussex, notably at Pevensey, yet they have the potential to provide a wide range of benefits, particularly flood risk mitigation in flood plains and provision of clean water.
- Floodplain woodlands – a fragmentated habitat type which plays a very important role in floodplain function.
- Species rich grassland – highly fragmented and those areas outside formal designated areas have little/no protection from further loss. These areas are a priority for loss to development.

Marine Conservation Zones

There are two Marine Conservation Zones (MCZs) off East Sussex, with two other offshore sites under consideration. Designated under the Marine and Coastal Access Act 2009, MCZs protect areas that are important to conserve the diversity of national rare, threatened, and representative habitats and species. These are Beachy Head West, which stretches along the coastline from Brighton Marina to Beachy Head, with a gap at Newhaven, and Beachy Head East which contains two marine Sites of Nature Conservation Importance: the Royal Sovereign Shoals and the Horse of Willingdon Reef. This large inshore area runs to Hastings, out to just beyond six nautical miles from the coast at its furthest points.

Nature Recovery Network Mapping

The map below shows the fragmented state of the most important species rich habitats that are to be conserved under section 41 of the National Environment and Rural Communities Act.



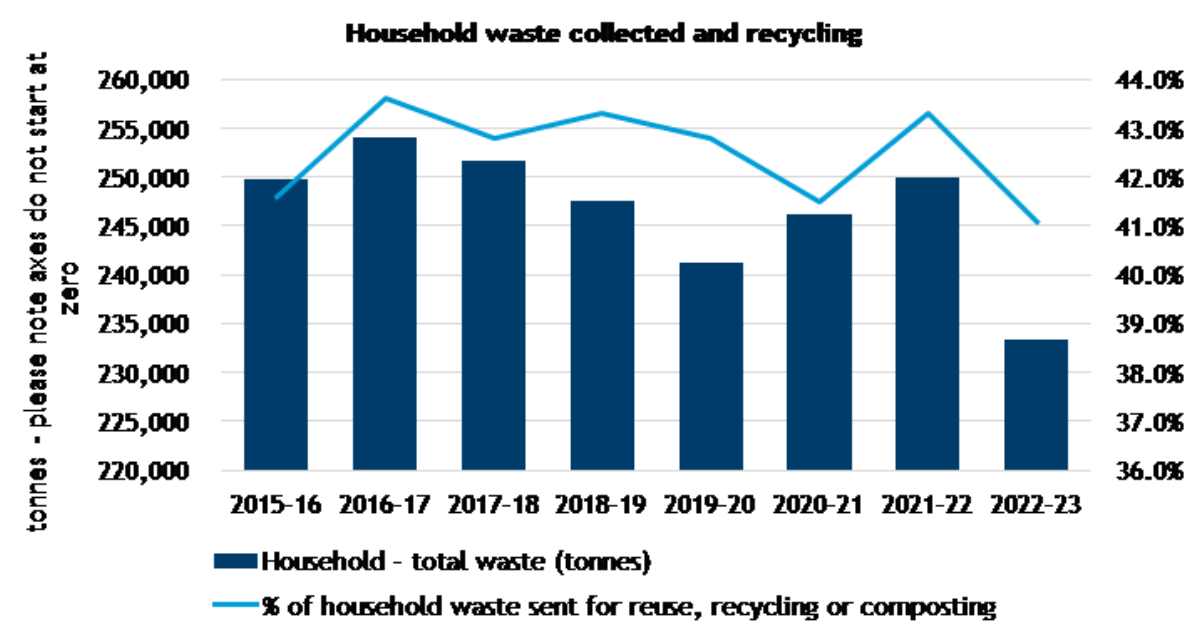
Local Nature Recovery Strategies

The Council has been appointed as the Responsible Authority to produce a Local Nature Recovery Strategy for East Sussex and Brighton & Hove, under the Environment Act 2021. Local Nature Recovery Strategies are a mandatory new system of spatial strategies for nature. They are designed to work closely alongside other measures in the Act and will help support delivery of mandatory biodiversity net gain, provide a focus for a strengthened duty on all public authorities to conserve and enhance biodiversity, and will underpin a national Nature Recovery Network.

Waste

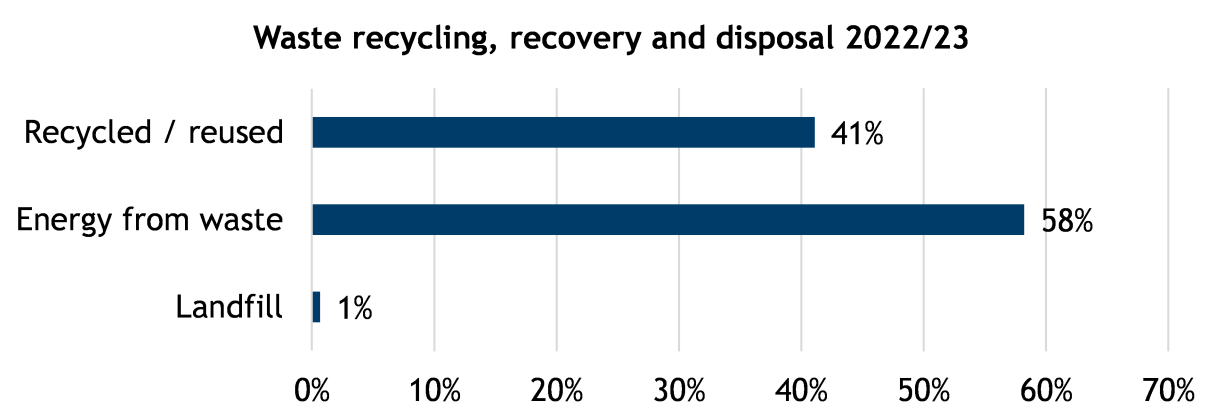
Household waste reduced significantly in 2022/23. This is partly because of increased costs of living resulting in reduced purchasing and reduced waste. Additionally, one of the dryest summers in recent times occurred in 2022, leading to a significant drop in green waste.

Chart showing tonnes of household waste collected and percentage of household waste sent for recycling, composting or re-use between 2014-15 and 2021-22



Source: Department for Environment Food & Rural Affairs

In 2022/23 41% of our waste was reused, recycled or composted. The drop in green waste contributed to the reduction in the rate of waste reused, recycled or composted in 2022/23. 58% of our waste was sent for energy recovery. Newhaven Energy Recovery Facility (ERF) supplies power for over 25,000 homes. East Sussex sent only 1% of collected waste to landfill in 2022/23. This was the joint fourth lowest of all county councils in the UK.



Source: Department for Environment Food & Rural Affairs

Flooding

Flooding is a natural process that shapes our environment, but it can also pose a threat to the safety and wellbeing of communities. Flooding can be caused by major rivers, the sea, groundwater and surface water. Overall flood risk is highest to the south of the county and on river flood plains. The highest risk of surface water flooding is in Eastbourne and Hastings.

Settlement	Residential Properties at Risk
Eastbourne	Greater than 1,000
Seaford	500 to 1,000
Newhaven	50 to 150
Peacehaven	150 to 500
Lewes	50 to 150
Hailsham	150 to 500
Bexhill	500 to 1,000
Battle	50 to 150
Hastings	Greater than 1,000
Rye	Fewer than 50
Heathfield	50 to 150
Crowborough	50 to 150
Uckfield	Fewer than 50
Forest Row	Fewer that 50

Note: A comparison of residential properties at risk from a 1 in 30 year surface water flood event (3% chance in any given year) between 2016-2026 Assessments of Local Flood Risk. Source: ESCC Flood Risk Strategy

Settlement	Non-Residential Properties at Risk
Eastbourne	Greater than 200
Seaford	25 to 50
Newhaven	Fewer than 25
Peacehaven	Fewer than 25
Lewes	Fewer than 25
Hailsham	25 to 50
Bexhill	25 to 50
Battle	Fewer than 25
Hastings	Greater than 200
Rye	Fewer than 25
Heathfield	Fewer than 25
Crowborough	Fewer than 25
Uckfield	Fewer than 25
Forest Row	Fewer than 25

Note: A comparison of non-residential properties at risk from a 1 in 30 year surface water flood event (3% chance in any given year) between 2016-2026 Assessments of Local Flood Risk. Source: ESCC Flood Risk Strategy.

Civil Society

Voluntary, Community and Social Enterprise (VCSE) sector and volunteering

We have a diverse range of VCSE organisations working at every level, neighbourhood, town/parish, and district/borough, there are over 3,000 not-for-profit groups and organisations providing activities and support to residents and communities that bring about positive change and improve people's lives.

Some of the organisations the Council funded or supported during 2023:

Source: East Sussex Adult Social Care and Health department

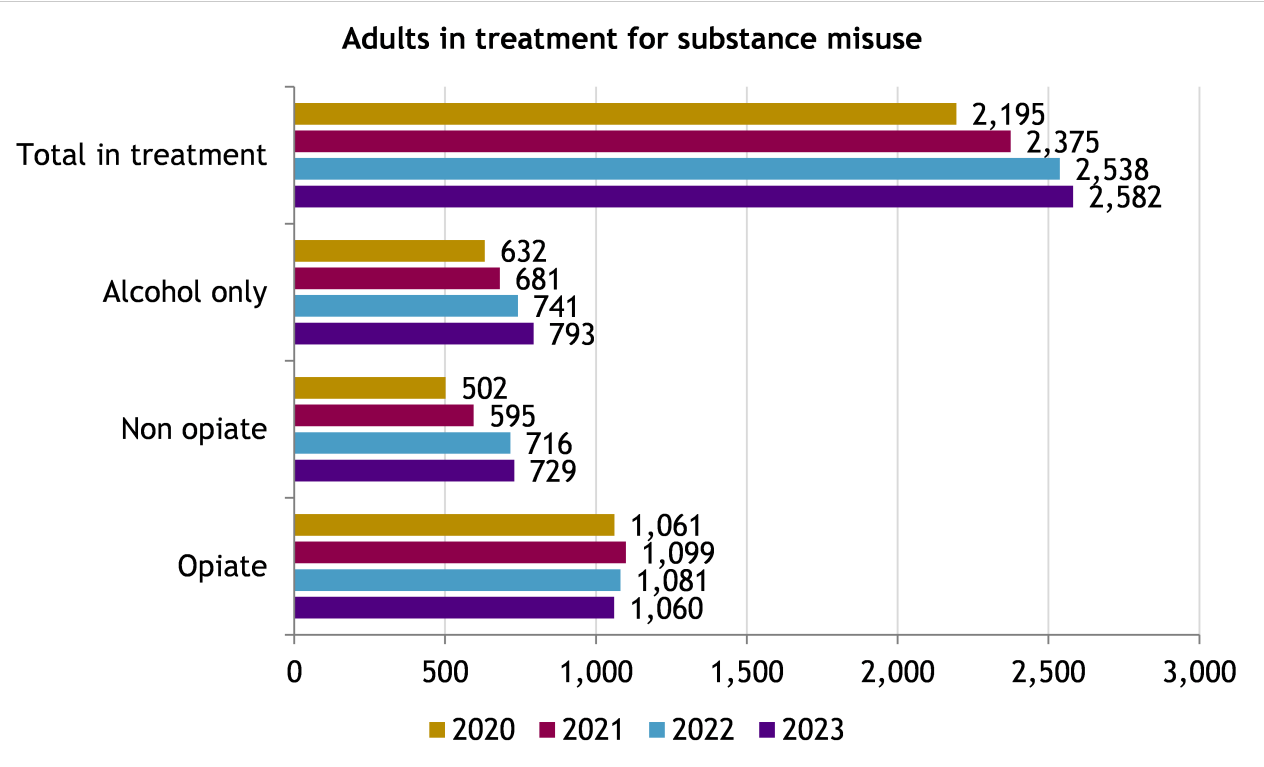
A quarter of the population volunteer at least once a month in East Sussex, giving

their time to local causes, groups, and communities that aim to make communities a better place where helping people themselves is part of everyday life. The sense of community that volunteering brings enables people to feel connected and that they are making a positive difference.

Community Safety

Drug and alcohol-related harm

The number of East Sussex adults in substance misuse treatment in 2023 increased by 1.7% to 2,582, compared to 2022. In England there was an increase of 6.9%. Those in treatment for non-opiate use increased by 1.8% between 2022 and 2023. This is a much smaller increase than seen in earlier years. Opiate users as a proportion of all those in treatment has decreased year-on-year since 2020, being 41% of those in treatment in East Sussex in 2023. Between 2022 and 2023 there was a decrease of 1.9% in East Sussex, compared to a slight decrease in England of 0.06%. The number of people in treatment for alcohol use in East Sussex has increased by 25% between 2020 and 2023, with a 7% increase between 2022 and 2023. Between 2020 and 2023 there was a 23% increase across England in this group.



Source: National Drug Treatment Monitoring System

Modern Slavery and Human Trafficking

The National Referral Mechanism (NRM) is a framework for identifying and referring potential victims of modern slavery and ensuring they receive appropriate support. Nationally in 2023, the NRM received 17,004 referrals of potential victims of modern slavery. This is similar to 2022 when there were 16,921 referrals; nevertheless 2023 still represents the highest annual number since the NRM began in 2009. Of all referrals nationally, 76% (12,903) were for males which is down from 78% (13,290) the previous year, and 24% (4,088) for females which is the highest on record. 44% (7,342) of referrals were for children, which is the highest on record, and 51% (8,662) were for adults, which is lower than the previous year. The age category of 6% (950) is unknown. The most common nationality referred was UK (25%), the second was Albanian (24%) and the third was Vietnamese (6%).

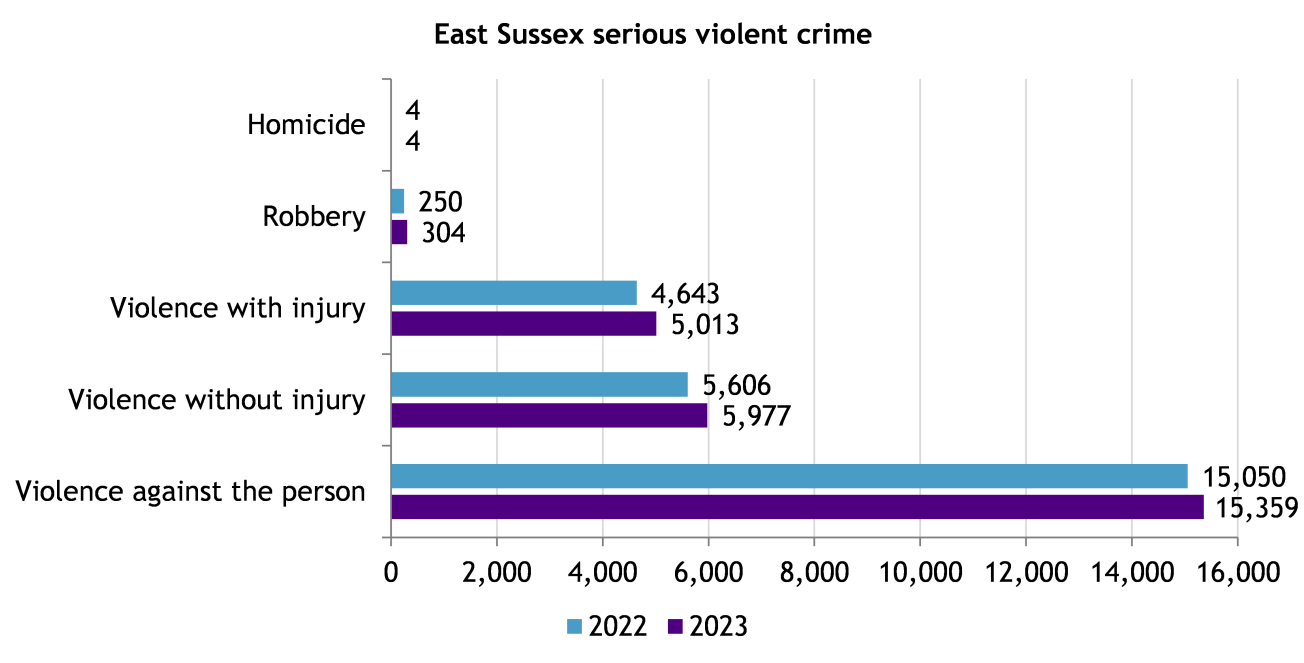
In East Sussex in 2023, 5 adults and 24 children who were potential victims of modern slavery and human trafficking were referred by the local authority through the NRM. This compares to 2 adults and 9 children in 2022. (Source: National Referral Mechanism statistics)

Sussex Police made 69 NRM referrals in East Sussex during 2023, this compares to 63 for 2022. (Source: Sussex Police)

Serious Violence

Serious violence is one of the areas that is under increasing national scrutiny. We have an active focus on this through our partnership working, however rates of serious violence in East Sussex are low.

Between 2022 to 2023 there was an increase in serious violent crime in East Sussex. The largest increase has been in robbery with a 22% increase. Violence with injury increased by 8%; violence without injury increased by 7% and violence against the person increased by 2%. The number of homicides has remained the same.



Source: CSP Report December 2023, Sussex Police

Child criminal exploitation and child sexual exploitation

Between April 2023 and March 2024, 68 East Sussex children were experiencing either criminal or sexual exploitation or both. This is an increase on the 56 children experiencing exploitation between April 2022 and March 2023.

Eighty-four percent of children experiencing exploitation were male and 75% were aged 15 or older. 38 children were removed from the Safeguarding Adolescents From Exploitation and Risk (SAFER) group during the year and the average time it took for a child to be removed from SAFER due to a lowering of their risk level was seven months.

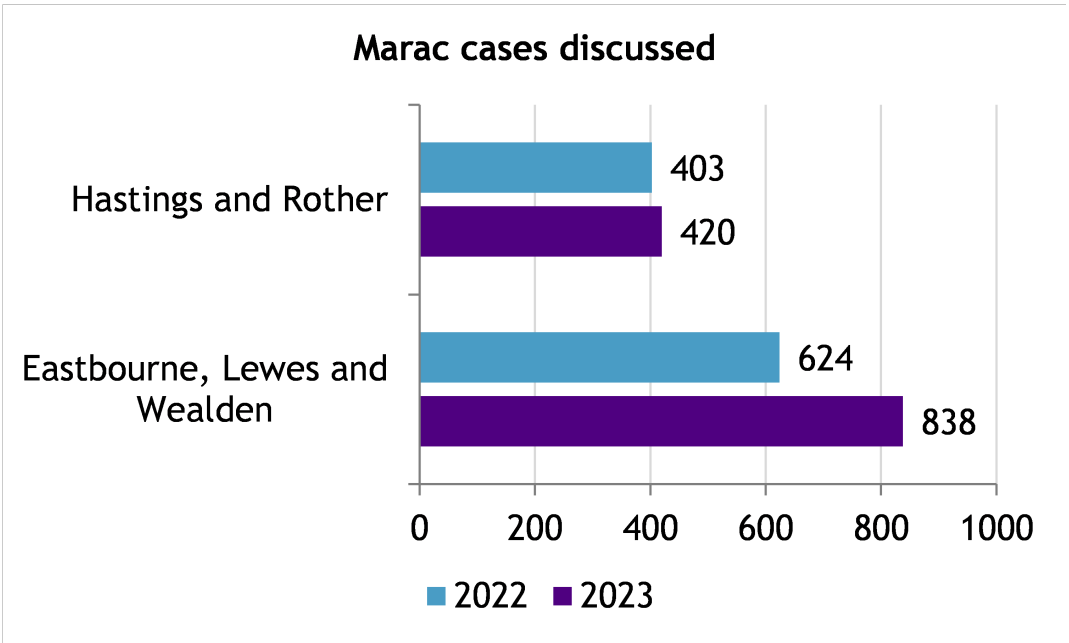
Domestic violence and abuse

Multi-Agency Risk Conferences (MARACs) are meetings that discuss the highest risk domestic abuse cases. In East Sussex during 2023 there was a 24% increase in the number of cases discussed at MARACs compared to the previous year.

The Eastbourne, Lewes & Wealden (ELW) MARAC saw a 37% increase in the number

of cases discussed between 2022 to 2023, whilst Hastings & Rother (HR) saw a 6% increase.

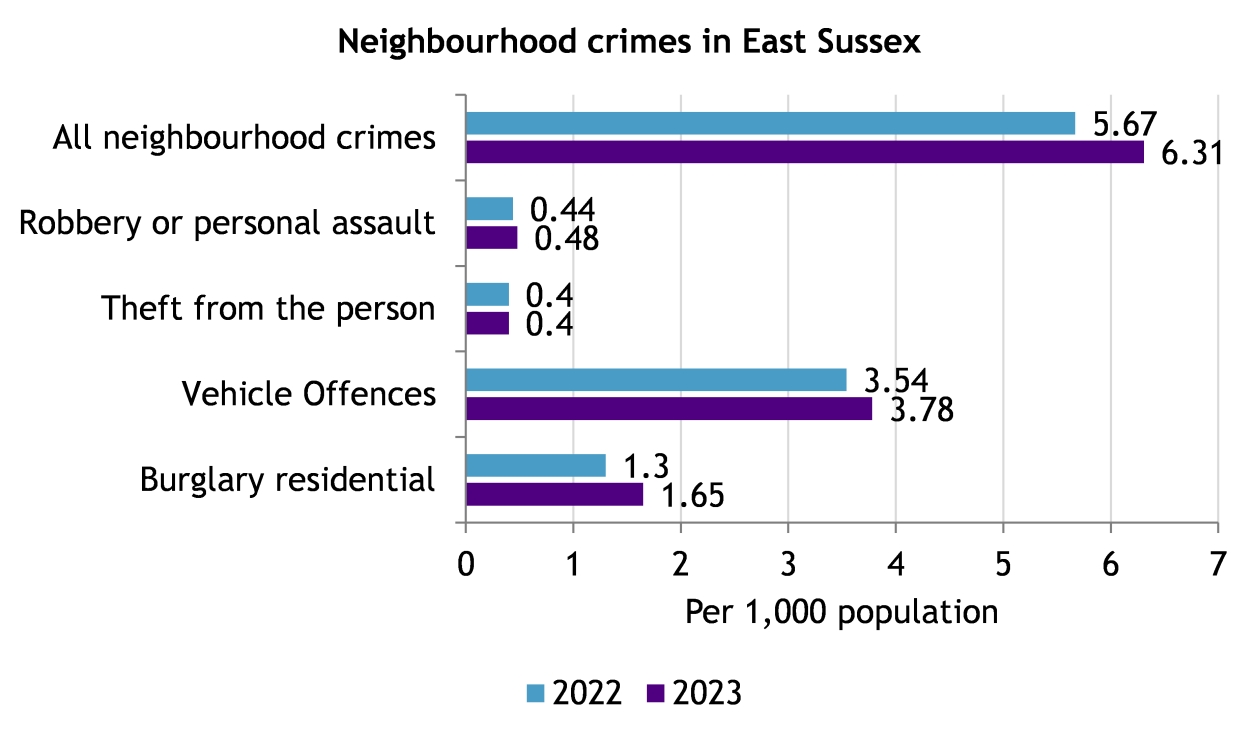
East Sussex has historically had a high number of referrals into MARAC and both ELW and HR MARACs remain over the recommended number of 40 cases per 10,000 population.



Source: ESCC Adult Social Care and Health Department

Neighbourhood Crime

Neighbourhood crime rates in East Sussex are lower than the national average across all categories. Neighbourhood crime includes residential burglary, vehicle offences, theft from the person and robbery of personal property. In total, there was an 11% increase in neighbourhood crime in East Sussex between 2022 to 2023. The biggest increase was in residential burglary with an increase of 28%; however, the actual figure remains low with 1.65 crimes per 1,000 population in 2023.



Source: ESCC Adult Social Care and Health Department

Road Safety

The rate of people being killed or seriously injured (KSI) in road traffic collisions in East Sussex has historically been higher than the average for England. For the three-year period 2017-2019 (the latest period not impacted by the national Covid-19 lockdowns) the average rate of people killed or seriously injured for East Sussex was 68.1 per 100,000 population compared to 43.2 in England.

Although East Sussex has had higher rates of people killed or seriously injured than the national average and many other areas, direct comparisons between rates are unreliable due to both methods of data collection and recording across police forces, and the differences in road networks and infrastructure.

The number of people killed or seriously injured in East Sussex has fluctuated in recent years. Please note the 2020 and 2021 figures were affected by COVID-19 restrictions/lockdowns. The figures also include crashes on the Strategic Road Network which is managed by National Highways.

Number of people killed or seriously injured in East Sussex

Year	Seriously injured	Fatalities	Total
2023	349	13	362
2022	379	20	399
2021	321	18	339
2020	279	17	296
2019	395	14	409
2018	334	21	355
2017	344	26	370

Source: Sussex Safer Roads Partnership

Data

We use a wide range of data to help us understand the context for our plans and the impact we are having through our work and in partnership. A selection of this data is listed below. Years are financial (April-March) or academic (September-August) unless otherwise stated.

Key: CY – calendar year (January-December), NA – data not available.

Measure	**2021/22 Outturn**	**2022/23 Outturn**	**2022/23 England**
Percentage of working age residents (16-64 year olds) with a level 3 or higher qualification (HNC, HND, degree etc.) (CY)	N/A	33.8% (Census 2021)	37.1% (Census 2021)
Percentage of working age residents (16-64 year olds) with no qualifications or qualified only to NVQ1 (CY)	N/A	10.6% (Census 2021)	12.4% (Census 2021)
Annual gross full-time earnings, median average (residence based)	£31,259 (2022)	£34,028 (2023)	£35,100 (2023)
Percentage of working age population (16-64 year olds) in employment	77.1% (2022)	73.1% (2023)	75.7% (2023)
People claiming unemployment benefits (JSA and Universal Credit) percentage of population 16-64 year olds at March	3.6% (2023)	3.5% (2024)	3.9% (2024)
New business registration rate per 10,000 people over 16 (CY)	52.2 (2021)	47.5 (2022)	64.6 (2022)
New houses built, total completed / total affordable	1,606 /359 (2021/22)	1,702 / 714 (2022/23)	N/A
Average Attainment 8 score per pupil state funded secondary schools	46.5	43.6	46.4
Average Progress 8 score for state funded secondary schools	-0.11	-0.19	-0.03

Measure	2021/22 Outturn	2022/23 Outturn	2022/23 England
Percentage of pupils who achieved a 9-5 pass in English and maths GCSEs	46.3%	41.0%	45.3%
Average point score (APS) per entry for level A levels (age 16-18)	36.19	32.46	34.16
Attainment of A level students (age 16-18) average point score (APS) per entry, best 3	34.81	31.27	34.68
Attainment of A level students (age 16-18) % achieving grades AAB or better at A level, of which at least two are in facilitation subjects	12.3%	9.18%	15.8%
Rate per 10,000 (aged 0-17 population) of Looked After Children	61	62	71
Rate per 10,000 (aged 0-17 population) of children with a Child Protection Plan	50.1	64.8	43.2
Percentage of children who ceased to be looked after adopted during the year ending 31 March	8%	7%	9%
Proportion of people (65 and over) who were still at home 91 days after discharge from hospital	89.7%	91.2%	82.3%
Suicide rate per 100,000 of population, three-year average	12.1 (2019 - 2021)	11.6 (2020 – 2022)	10.3 (2020 – 2022)
Hospital admissions caused by unintentional and deliberate injuries in children aged 0-14 years, rate per 10,000 resident population	99.8 (2020/21)	107.6 (2021/22)	84.3 (2021/22)
Percentage of children aged 4-5 years with excess weight (overweight or obese) LA by postcode of child	19.8%	22.1%	21.3%
Percentage of children aged 10-11 years with excess weight (overweight or obese) LA by postcode of child	32.8%	32.6%	36.6%

Measure	2021/22 Outturn	2022/23 Outturn	2022/23 England
Percentage of adults (aged 18+) classified as overweight or obese	64.9%	62.7% (2021/22)	63.8% (2021/22)
Percentage of children aged 4-5 years who are underweight	0.7%	0.5%	1.2%
Percentage of children aged 10-11 years who are underweight	1.6%	1.3%	1.6%
Long-term support needs of younger adults (aged 18-64) met by admission to residential and nursing care homes, per 100,000 population per year	10.8	13.9	14.6
Long-term support needs of older adults (aged 65 and over) met by admission to residential and nursing care homes, per 100,000 population per year	494.2	488.2	560.8
Proportion of older people aged 65 and over who received reablement services following discharge from hospital	1.6%	1.4%	2.9%
The outcome of short-term services: sequel to service: proportion of people who received short-term services during the year, where no further request was made for ongoing support or support of a lower level	93.7%	94.7%	77.5%
Emergency hospital admissions due to falls in people aged 65 and over per 100,000	2,314 (2020/21)	2,523 (2021/22)	2,100 (2021/22
Number of people killed or seriously injured on the roads (CY)	399 (CY 2022)	362 (CY 2023)	N/A

Appendix 2

National and Local Policy Outlook 2024

1. Introduction and Contents

1.1. This appendix provides an overview of the key developments in the national and local context that will influence and inform our future service and financial planning through the Reconciling Policy, Performance and Resources (RPPR) process for the 2025/26 financial year and beyond. It also provides an update on work to deliver the County Council's local priorities and summarises key strategic challenges for our services.

1.2. Recent developments in national policy and the Council's broader operating context have been significant and continue to evolve. With a general election imminent, there is uncertainty about the general direction of government policy beyond this time, including which current priorities and policies would be upheld by any new administration. There is potential for rapid policy shifts post-election which we would need to respond to, both in terms of immediate impacts and implications for future planning. The position on key national reforms in major service areas experiencing significant pressures, such as Adult Social Care and Children's Services, will also need to be clarified, although it is likely that progress in these areas will continue to be more limited than we would want in the short term.

1.3. Locally, significant work is taking place, as an organisation and with our partners, to respond to national developments, to progress our local priorities and to prepare for future challenges. Detail on this work is set out below.

1.4. This appendix has been written to be easily navigable to specific sections for future reference (using the below contents list), as well as providing a comprehensive single overview of developments. It includes information on:

Section 2 – Overall Context (pages 3-7)

- The national political context (pg 3)
- The national economic outlook (pg 3)
- Local Government finance outlook (pg 4)
- Productivity (pg 5)
- Levelling Up and devolution (pg 5)
- Updated inspection regime (pg 6)
- Oflog (pg 6)

Section 3 – Adult Social Care (ASC) and Public Health (pages 7-16)

- People at the Heart of Care and charging reform (pg 7)
- ADASS roadmap and Social Care Future vision (pg 8)
- Care Workforce Pathway and local workforce strategy and programme (pg 8)
- Care Data Matters: a roadmap for better data for adult social care (pg 9)
- Right Care, Right Person (pg 9)
- Adult Social Care Strategy: What Matters To You (pg 9)
- Prevention strategy (pg 10)
- ASC market – including market sustainability and net to gross payments (pg 10)
- Safeguarding Adults Board strategic plan 2024-27 (pg 11)
- Housing (pg 11)

- ASC Equality, Diversity and Inclusion strategy (pg 12)
- Health and Social Care Integration – national and local, including Health and Wellbeing Board, Integrated Community Teams, and hospital discharge (pg 12-14)
- Public Health priorities (pg 14-16)

Section 4 – Children's Services (pages 16-21)

- National reform to children's social care (pg 16)
- Service demand (pg 17)
- Youth service developments (pg 18)
- Special educational needs and disability (pg 19)
- Schools policy (pg 19)
- Education attainment and attendance (pg 19)
- Local education priorities and strategic challenges (pg 20)
- Home to school transport (pg 20)

Section 5 – Migration (pages 20-22)

- National policy developments – including the Illegal Migration Act (pg 20)
- Local response (pg 21)
- Support for Unaccompanied Asylum-Seeking Children (pg 22)

Section 6 – Communities (pages 22-26)

- Financial Inclusion Programme and Household Support Fund (pg 22)
- Working with the VCSE and community networks (pg 23)
- Community Safety developments – including drug and alcohol misuse, domestic abuse and violence against women and girls, serious violence, modern slavery (pg 23-25)
- Trading Standards (pg 25)
- Local resilience arrangements (pg 25)
- National planning reforms – including infrastructure funding arrangements (pg 25)

Section 7 – Highways and Transport (pages 26-30)

- Highways maintenance (pg 26)
- Refresh of the Local Transport Plan (pg 26)
- Bus Service Improvement Plan (pg 27)
- Active travel (pg 27)
- Electric Vehicle Infrastructure (pg 28)
- Transport for the South East (pg 28)
- Road safety (pg 28)
- Strategic Road Network (A27/A21) (pg 29)
- Local highways programme – Major Road Network (pg 29)
- Rail services (pg 29)

Section 8 – Economy (pages 30-33)

- Transfer of Local Enterprise Partnership (LEP) functions (pg 30)
- East Sussex Economic Strategy (pg 30)
- Economic growth funding – including UK Shared Prosperity Fund, Levelling Up Partnerships and Long Term Plan for Towns (pg 31)
- Local work on, and national reforms to, skills provision (pg 32)
- Culture and tourism (pg 32)

Section 9 – Environment and Climate Change (pages 33-37)

- Climate change national policy context (pg 33)
- Local action on climate change (pg 34)
- Environment Act impacts – including Local Nature Recovery Strategy, biodiversity, waste and air quality (pg 34-36)
- Flood risk management (pg 36)
- Emissions trading scheme (pg 36)

Section 10 – Supporting Services (pages 36-39)

- Modernising Back Office Systems programme (pg 36)
- Workforce and pay challenges (pg 37)
- Property Asset Management (pg 38)
- Technology supporting productivity (pg 38)
- Procurement – including impact of the Procurement Act (pg 38)
- Local elections (pg 39)

2. Overall Context

2.1. The following section provides an overview of the overall economic, fiscal and policy context the County Council is operating and planning within.

National political context

2.2 There is significant policy uncertainty looking forward due to the general election to be held on 4 July 2024. The commitments already set out in political parties' manifestos make clear that the election holds potential for significant policy change affecting ESCC services and the county more broadly. Once the outcome of the election is known, we will analyse in more detail the implications of relevant policy positions for the Council. The King's Speech on 17 July 2024 will set out the post-election Government's initial legislative and policy priorities.

National economic outlook

2.3 Following weaker than expected Gross Domestic Product (GDP) growth in the fourth quarter of 2023, the UK economy had experienced two successive quarters of falling output, meeting the definition of a technical recession. However, in the first quarter of 2024 the UK economy grew by 0.6% and came out of recession, although growth is still expected to remain weak. In April 2024 the International Monetary Fund downgraded its forecasts for UK GDP growth, now projecting growth of 0.5% in 2024 and 1.5% in 2025. Following an extended period of excessively high inflation, Consumer Price Index inflation has fallen more sharply than had been forecast by the OBR in November 2023. This is largely because of falling gas and electricity prices as a result of a drop in the energy price cap. In April 2024, Consumer Price Index inflation stood at 2.3%, the lowest level since September 2021, and the OBR forecasts that quarterly inflation should fall to the Bank of England target of 2% in the second quarter of 2024. In response, the Bank of England has maintained interest rates at 5.25% since August 2023, with cuts to the base rate considered likely in coming months.

2.4 Inflation falling faster than expected also led the OBR to improve its forecast for living standards, with real household disposable income per person set to recover to its pre-pandemic peak by 2025-26, two years earlier than its November 2023 forecast. However, this follows historic falls in living standards in 2022-23 which saw sharp increases in the cost of living being experienced by residents and businesses, and pressures still remain. In light of this, the Government announced in the Spring Budget the extension of the Household Support Fund for a further six months until September 2024.

2.5 Data on the East Sussex economy, cost of living and labour market are set out in Appendix 1 – Focus on East Sussex. Output of the East Sussex economy remains below the national average; Gross Value Added (GVA) per hour in East Sussex (a measure of the goods or services produced in an area per hour worked in that area) was 20.4% below the England level in 2021 (£30.97 per hour, against £38.91 per hour in England). The unemployment rate for March 2024 was 3.5% for East Sussex, lower than the national average of 3.9%, but above the regional average of 3.0%. The youth unemployment rate (those 18-24 claiming unemployment related benefits) was 6.1%, higher than the England rate of 5.2%, and above pre-pandemic levels. Further information on the national labour market picture and recruitment and retention challenges this presents for ESCC are set out at 10.6-10.13.

Local government finance

2.6 The outlook for local government funding remains unclear and very challenging. Funding that ESCC will receive from central Government between 2025/26 – 2027/28 is yet to be confirmed. The timing of the forthcoming general election, earlier than anticipated, means that there may be more time for any incoming Government to seek to understand and address Local Government funding issues. However, the likelihood of another one year financial settlement for 2025/26 remains high given the time needed to complete a full Spending Review post-election. Long awaited reform to the system of local government funding has been deferred beyond the election and both the timing and nature of any proposed reforms remain unclear, although it is likely that a post-election government would struggle to implement any significant funding reforms within the current medium term financial plan period.

2.7 In recent Budget Statements the Chancellor indicated that the Government's focus was on driving economic growth and reducing taxation, rather than increasing spending on public services. There has been no change in the overall planned increase in Government department spending limits of 1% in real terms. The Institute for Fiscal Studies estimates this would result in real-terms cuts in funding for unprotected budgets in the years ahead, which includes most of local government. Recent commitments by political parties to increase defence spending in response to increasing global conflict will place further pressure on the public purse.

2.8 At a local level, key risks for the Council continue to be growth in demand and complexity in children's and adults' social care and special educational needs and disability. The resulting increases in costs are largely outside of local control, particularly given market conditions in these sectors and the impact of Government-determined increases to the National Living Wage. Combined with increased costs across other services, and the uncertain impact of national reforms, we can expect to see ongoing significant and sustained pressures on services and budgets which will impact on our medium term financial plan and ability to meet needs.

2.9 The ongoing impact of cost of living pressures and Covid legacy will continue to play out both in demand for services and in the income we receive. 2023/24 saw the level of debt continue to rise, particularly for Adult Social Care contributions, and it is expected that this trend will continue in 2024/25. Ongoing impacts on the collection of business rates and council tax continue to be fully assessed, as do the impact of recent changes to district and borough Council Tax Reduction Schemes and the potential for increased income from their new ability to apply Council Tax to second homes.

2.10 For the Capital Programme, there remain challenges in the supply chain for materials and price pressures within existing contracts. Changes to the Infrastructure Levy have added a level of uncertainty to the value of future developer contributions, which remain an important

funding stream for the programme. The challenging revenue budget position for 2024/25 required the capital programme to be reviewed to minimise the borrowing costs of the overall programme within Treasury Management and the revenue budget. The review reduced and re-profiled programmes and schemes over the 10 year programme. Further review will be required in light of the significant financial gap over the medium term, as the level of investment in assets that support the objectives of the Council Plan must be considered in the context of its impact on the revenue budget and wider Council financial position.

2.11 A lack of sufficient Government funding to address pressures in social care, instead asking councils to use reserves to mitigate pressures, means that we are using significant reserves to balance the budget for 2024/25, which will constrain the Council's ability to use reserves to manage future financial risk. Furthermore, the Council has had to abandon its usual approach of maintaining reserves to help future proof Council services from unforeseen risks. While the Council's reserves have been applied within a robust reserve policy, the Council will need to instigate work to identify a range of actions that it will need to take to set a balanced budget for 2025/26, without the need to draw further on reserves.

Productivity

2.12 The Government has set a target of 0.5% annual productivity improvements in the public sector and committed £4.2bn of funding (primarily for the NHS) to a Public Sector Productivity Programme intended to start to deliver the next phase of reform of public services. Relevant government departments will develop detailed productivity plans over the coming months ahead of the next Spending Review.

2.13 As part of the final Local Government Finance Settlement for 2024/25, additional funding of £500m nationally (£5.4m for ESCC) was provided to support the delivery of social care. This additional funding came with an expectation that local authorities would produce productivity plans for submission to the Department for Levelling Up, Housing and Communities (DLUHC) by July 2024. A Long Term Sustainability Panel, made up of sector representatives and technology and transformation experts, is to be established from summer 2024 to review common themes and evidence arising from the plans and to consider national policy implications, the role of Government in supporting change and the role of the sector itself, including how it can achieve further productivity gains.

Devolution and Levelling Up

2.14 The Levelling Up agenda, which aims to address disparities in economic prosperity and quality of health across the UK, has remained a focus for the Government. The Levelling Up and Regeneration Act 2023 contains a number of key reforms, including a system of brownfield-first development; the introduction of joint Spatial Development Strategies; reduced 'top down' housing targets; streamlining the local plan process; a new Infrastructure Levy; and measures to deliver on plans for increased devolution in England.

2.15 Devolution has remained central to the Levelling Up agenda. The Government has maintained its commitment to agreeing a devolution deal with any area of the country that wants one by 2030. A number of further deals have been published by the Department of Levelling Up, Housing and Communities, which are at Level 2 and Level 3 of the Devolution Framework as set out in the Levelling Up White Paper. Level 3 involves adopting a directly elected mayor or leader, although in some areas this has been met with local resistance. In addition, the Government has continued to progress two 'trailblazer' deeper devolution deals with the combined authorities of Greater Manchester and the West Midlands, intended to be a blueprint for deeper devolution across the rest of England.

2.16 ESCC will continue to monitor how the various devolution deals progress to better understand the opportunities and risks associated with them, and to review future government policy in this area following the general election.

Updated inspection regime

2.17 In 2023 the Care Quality Commission (CQC) began assessing local authority Adult Social Care departments on how they are discharging their duties under the Care Act 2014. The CQC plans to assess all authorities by 2026. We anticipate that our Adult Social Care services are likely to be assessed by April 2025. In preparation for this, the department has undertaken a peer review with the Local Government Association and will be responding to the findings from this review to clarify our strengths and areas for development. Our response, as well as preparations for CQC assurance, will be guided by our departmental priorities (outlined in the Adult Social Care and Public Health section below) and the four CQC assurance themes: working with people; providing support; ensuring safety within the system; and leadership.

2.18 Our Children's Services Department was inspected by Ofsted under the framework and evaluation schedule for Inspections of Local Authority Children's Services (ILACS), which focuses on children's social care services, in December 2023. Our services were judged to be 'good' overall and 'outstanding' for the experiences and progress of children in care. The post-inspection action plan, agreed in response to the areas for improvement identified, has been shared with Ofsted and actions will continue to be taken forward to further develop our services.

2.19 Ofsted and CQC's new joint framework for inspecting provision for children and young people with special educational needs and disability (SEND) took effect from January 2023. The new framework focuses on the effectiveness of a local area partnership's arrangements, and whether these are delivering improved outcomes and experiences for children and young people with SEND. It also includes an evaluation of commissioning and oversight arrangements for children and young people in alternative provision, something the previous framework did not do. We await an Ofsted local area SEND inspection under this framework in due course. HM Inspectorate of Probation recently undertook an inspection of our youth justice services and we await the report and recommendations which will inform future service development.

Oflog

2.20 The Office for Local Government (Oflog), established in July 2023 to provide authoritative and accessible data and analysis about local government performance, continues to develop. Oflog is currently part of the Department for Levelling Up, Housing and Communities (DLUHC), although the Government committed in the Levelling Up White Paper that Oflog would ultimately be independent.

2.21 Oflog has published and consulted on its draft Corporate Plan 2024-2027 which outlines its purpose to:

- Inform - increasing understanding about data on the performance of local authorities;
- Warn - helping to identify authorities at risk of serious failure who have not already raised the alarm themselves; and
- Support - helping local authorities with organisational improvement.

2.22 Oflog will publish its final Corporate Plan later this year. Its business plan for 2024-2025 sets out key activities and objectives for the next year, including to publish more metrics on its local authority performance data explorer, develop the desk-based component of its new early

warning system, start conducting Early Warning Conversations with local authorities who may be at risk of failure, and establish where it can best add value in providing support to councils.

3. Adult Social Care and Public Health

3.1 Whilst major reforms to Adult Social Care (ASC) charging have been postponed until 2025, other national reforms have progressed which impact on how social care is delivered locally. Teams across the Adult Social Care and Health (ASCH) Department are continuing to respond to a range of national and local developments, set out in more detail in this section. These include working with health partners to progress local health and social care integration and implementing initiatives to facilitate hospital discharge. Work to deliver local priorities and respond to strategic challenges, including market sustainability, workforce, supporting the resilience of local communities and addressing threats to health is also covered here.

People at the Heart of Care

3.2 The Government's Next steps to put People at the Heart of Care, published in 2023 as part of the People at the Heart of Care: Adult Social Care Reform White Paper, sets out the latest key milestones for the national development of ASC. This includes:

- Funding local authorities to increase care capacity and the workforce, including volunteers;
- Introducing a new Care Certificate qualification as a baseline for care workers;
- Implementation of the digital skills passport for carers' training;
- New systems to share patient care data across settings;
- Improvement of national data collection and availability to increase personalisation in care;
- Using evidence on technologies that can improve safety and quality of care; and
- Assessment of all local authorities by the Care Quality Commission (CQC) (see 2.17 above).

3.3 The ASCH Department has a number of work programmes that will support us to implement these national reforms including our workforce programme, work to maintain a sustainable care market, and work to optimise use of data and technology. As part of preparations for CQC assessment, and in response to our Local Government Association peer review, the following set of priorities for ASCH have been agreed for 2024/25, which align to our Adult Social Care Strategy: 'What Matters to You' and the Council's four priority outcomes:

- Prevention
- Waiting times
- Safeguarding
- Quality
- Value for money

Charging reforms

3.4 The major national reforms to adult social care charging (originally reported at State of the County 2022) have been postponed until 2025, and there remains some uncertainty about when or whether they will be rolled out. If implemented, the reforms pose a significant risk to ESCC in terms of affordability, in the absence of assurance that Government funding will increase to meet the associated costs. They would also pose considerable risks operationally, as the reforms would increase demand on ASCH assessment teams, which already face significant demands on their services. ASCH undertook some initial preparation for delivery of charging reforms, such as identifying where increases in workforce capacity would be needed to manage risks of increased demand on operational services. ASCH remains ready to further those preparations, as and when Government expectations about the timing and implementation of charging reform become clear.

ADASS roadmap and Social Care Future vision

3.5 The Association of Directors of Adult Social Services (ADASS) has published a roadmap to reforming care and support in England which sets out recommendations for improving and reforming adult social care over the short, medium, and long term future. Its 'agenda for action' for local authorities sets out proposed changes, including a shift towards co-producing plans, improvising assessments, developing digital tools, investing in community support, and improving work in care and support.

3.6 ADASS recognises that funding remains a significant barrier to the implementation of its vision and recommend that funding is used to stabilise and transform the sector. The report suggests other barriers can be tackled immediately, including setting attitudes at a leadership level, encouraging positive risk taking, and considering clients as people and not patients. ASCH will be using the roadmap to inform our departmental plans.

3.7 The ADASS roadmap also recommends that a shared vision for social care is achieved and the Social Care Future vision is adopted. We have adopted this as our vision where we want everyone in East Sussex to "live in the place we call home, with the people and things we love, in communities where we look out for each other, doing the things that matter to us" and has joined the national Social Care Future Community of Support.

3.8 Achieving this vision will be supported by work aligned to both our priorities for ASCH for 2024/25 and the six residents' priorities in our Adult Social Care Strategy: 'What Matters To You'. The learning from Social Care Future community will also help us deliver specific commitments in our local strategy.

National Care Workforce Pathway

3.9 The Government, through the National Care Workforce Pathway, has outlined plans to improve the career prospects of the domestic care workforce through training, qualifications, and a clearer care career path. Included within the pathway are suggested learning opportunities to help the workforce develop knowledge and skills within a role or specific area of practice. As further parts of the pathway are launched, additional learning opportunities will provide the ASCH Workforce Board with an opportunity to build on existing priorities aimed at both recruitment and retention, ensuring our workforce is trained and responsive to the needs of East Sussex residents.

Local Workforce Strategy and Programme

3.10 Locally, the ASCH Workforce Programme is entering its third year. Recruitment continues to be a challenge nationally and locally and is the focus for one of the six projects within the programme. Our priorities for recruitment include finding new ways to appeal to diverse candidates, promoting opportunities through local colleges and careers fairs, and streamlining our application process. We will build on the recruitment of a new cohort of social workers and support others to undertake social work apprenticeships.

3.11 Other aspects of the ASCH Workforce Programme include the Wellbeing Project which is working with Brighton University to improve the musculoskeletal health and wellbeing of ASCH staff and reduce musculoskeletal related absence; the Social Justice in the Workforce project which has launched the Equality Allies network to enable discussion about inclusion and help colleagues improve practice and services; the Leadership and Management Project which has rewritten the ASCH supervision policy and will signpost supervisors to tools and resources to support effective supervision with staff; the Strategic Workforce Planning project which has provided ASCH with an improved understanding of variations in retention rates across ASCH;

and the Retention Project which is piloting new exit interview processes. A consultation with staff aged 55 and over will help shape the support we provide to help them remain working for longer.

3.12 These projects will improve how we use resources by adapting our support to staff through change of practice, rather than using additional funds.

Care Data Matters: a roadmap for better data for adult social care

3.13 Care Data Matters: a roadmap for better data for adult social care, published in 2023, sets out the Government's plan for developing data collection and sharing across adult social care. This will be done by improving data collection across regions, increasing digitisation and data sharing to improve joined up working, and working in partnership to understand current gaps and data needs.

3.14 Locally, ASCH is working to develop new ways of reporting and baselining our performance in line with revised definitions of measures in the national Adult Social Care Outcomes Framework. Once national data is released in October 2024, we will benchmark these measures locally to understand our comparative performance.

3.15 The Council must start using new sources of data under the Client Level Data collection. ASCH has developed in house reporting for Client Level Data and will ensure our national measures align to new methodologies as well as the new dataset. Work will continue to improve data quality and develop further analysis and understanding of it.

Right Care, Right Person

3.16 Right Care, Right Person is a national partnership agreement between the Department of Health and Social Care (DHSC), NHS England, and the Police. It aims to reduce police callouts where another body is better placed to respond, such as those for mental health crises, welfare checks, and to people who do not attend medical appointments. Right Care, Right Person began a phased roll out in East Sussex from April 2024.

3.17 Right Care, Right Person could increase demand for Council services, including those within ASCH Operations, and safeguarding referrals. An ASCH action plan has been agreed to mitigate these risks including: continuing to engage with Sussex Police and partners to influence implementation; reviewing policies and procedures and establishing monitoring arrangements to measure the impact on ASCH; and informing independent sector providers of any developments.

Adult Social Care Strategy: What Matters To You

3.18 Following the launch of our Adult Social Care Strategy: 'What Matters to You', ASCH has developed an action plan with partners for 2024/25. The action plan addresses the 15 'We will' statements in the strategy as well as our commitment to deliver the six residents' priorities that emerged from engagement. The detailed action plan will inform key local policy and practice; consisting of 64 tasks led by 16 teams across ASCH. Monitoring of the strategy will take place quarterly and include actions to address findings from the strategy's Equality Impact Assessment. Twice yearly progress reports on the action plan will be prepared and disseminated widely. The plan is iterative and will be updated to inform future steps required to deliver the strategy beyond March 2025. To better understand the outcomes of our activity, we will be developing an evaluation framework to demonstrate the impact of the strategy across each priority area.

Prevention strategy

3.19 ASCH will develop a Prevention Strategy to focus specifically on work to help people be more proactive about their health and wellbeing and to improve or maintain their quality of life and independence. We will map existing activity that prevents, reduces, and delays the need for care and support to identify priorities to enhance our preventative activity. The Prevention Strategy will aim to strengthen asset-based approaches, integration with health and the voluntary, community and social enterprise (VCSE) sector, a systematic focus on prevention, evidence of impact, and innovation. Consequently, the strategy will help the Council and partners meet the needs and aspirations of a changing and aging population. The strategy, and activities that will result, will be co-produced with a range of stakeholders, including statutory partners, the VCSE, residents, and businesses.

ASC market

Market sustainability

3.20 The sustainability of the care market continues to be a significant issue nationally and locally. The Market Sustainability and Improvement Fund (MSIF) is intended to support local authorities to make tangible improvements to adult social care services, to build capacity and improve market sustainability. £5m of additional funding will be allocated to providers from the MSIF, meaning a total of £11m will be allocated in East Sussex to support sustainability of the adult social care market during 2024/25.

3.21 National and international economic conditions continue to increase the cost of providing services. Workforce capacity, and the ability to sustain capacity with overseas workers, is also a key factor for market sustainability. Government changes to the Skilled Worker Visa will restrict entry through skilled worker routes and restrict workers bringing dependents to the UK which may pose further workforce challenges; we will continue to review the impact of this change and care worker visa approvals more generally. The ASCH Market Support Team continues to work closely with local providers and the Care Quality Commission to support and strengthen the independent care and support market. The ASCH Supply Management Team will run the Market Oversight Panel, with support from across the department and NHS Sussex Integrated Care Board Clinical Quality Nurses, to ensure oversight of market quality, risks, and impacts on the wider market. The Supply Management Team will also co-ordinate and deliver support to providers in response to market pressures.

3.22 ASCH has updated our Market Position Statement which sets out our latest assessment on market supply and demand, our commissioning intentions, and the support available to providers. The statement is published on our website and will be updated regularly to help new, existing, and prospective providers understand the market context for East Sussex.

Net to Gross payments for care

3.23 ASCH currently pays residential and nursing home providers net of their client contribution towards the cost of care. We are exploring moving to paying gross, which would align our approach with neighbouring local authorities. It is anticipated that this change of policy would support providers, as the Council would take on the invoicing of clients and the risk of non-payment. This would create better sustainability for the market, as providers will not face the burden of securing payments for client contribution. It would also help ASCH to make placements with providers going forward, who may have been deterred from accepting ASCH clients and collecting client contributions on our behalf. However, it would increase budgetary risk to the Council, as we would hold client invoices and any resulting non-payment.

Improvements to our debt recovery process would be implemented to mitigate against this and to improve residents' understanding on how to pay for care and support.

Safeguarding Adults Board strategic plan 2024-27

3.24 The East Sussex Safeguarding Adults Board (SAB) has developed a refreshed Strategic Plan which sets out how the Board will seek to prevent abuse and neglect and how it will help and protect adults with care and support needs from abuse, neglect, and exploitation. The updated Plan will be considered for agreement by the SAB in July.

3.25 The following strategic themes have been identified for 2024-2027:

- Leadership and partnership working
- Safeguarding policies and procedures
- Performance, quality and audit
- Prevention and engagement
- Organisational learning and workforce development

3.26 The SAB priorities proposed for 2024-2027 are:

- Self-neglect - Improve and develop multi agency working and practice
- Prevention and early intervention - Ensure unpaid carers have an understanding and awareness of adult safeguarding and what support they and the person they are care for can access
- Safeguarding and homelessness - Promote positive practice with professionals working at the interface of multiple exclusion homelessness and adult safeguarding

3.27 A key area of identified learning in many Sussex commissioned Safeguarding Adult Reviews is the need for more effective partnership working in order to protect the adult. Multi-agency working will be promoted and embedded within these priority areas of work over the next three years.

Housing

3.28 East Sussex is facing a shortage of affordable housing, and developments for all tenures are failing to keep pace with local housing needs. Housing is one of the key 'Building Blocks of Health' (identified wider detriments to health) and where it is missing, there are complex and profound impacts on the whole system. Rising demand for homelessness services, particularly temporary accommodation, is placing significant financial and capacity pressures on local housing authorities and public sector services.

3.29 Partnership arrangements within the local housing sector in East Sussex have been refreshed and now comprise a multi-agency strategic group of the five local housing authorities (district and borough councils); housing providers; Public Health; the NHS; Adult Social Care; Children's Services; the voluntary, community and social enterprise (VCSE) sector; Probation; and representatives of the Department for Levelling Up, Housing and Communities (DLUHC) and Homes England. The partnership will be developing a medium and longer term vision for the sector in East Sussex, including lobbying Government and ensuring housing specialisms are represented at local, regional and national partnerships and forums.

3.30 A Partnership Housing Strategy is being developed and is due to be adopted in autumn 2024. The strategy will provide a framework for cross-sector collaboration, supporting partners to make the best use of capacity, expertise, and resources within the sector. Emerging themes include supporting sustainable delivery of housing and accommodation, making the best use of

existing housing stock, reducing reliance on temporary accommodation, de-carbonisation of the housing stock, and healthy homes and communities. Whilst the strategy is being developed, the partnership will work on additional investment in homelessness prevention, development of a local retrofit strategy and preparing for new social housing reforms. The partnership will work with the Strategic Property Asset Collaboration in East Sussex (SPACES) Programme to identify public sector assets which could be redeveloped to provide future accommodation, as well as funding opportunities to enable this. The partnership will also work with the NHS to improve hospital discharge and develop Integrated Community Teams.

3.31 The creation of a new Multiple and Compound Needs Board is providing oversight of a range of programmes which support housing needs, as well as preparing for the closure of grant funded activity which ceases in March 2025 and may lead to increased pressure on services. Grant funded activity includes the East Sussex Rough Sleeping Initiative and the pan-Sussex Changing Futures programme.

3.32 An evaluation of the Homelessness Prevention Programme, which supports people into employment and signposts to health and wellbeing support, will be evaluated to inform an invest to save approach beyond the current funding to December 2025.

Equality, Diversity and Inclusion strategy

3.33 ASCH's updated Equality, Diversity and Inclusion Strategy: *Inclusive by Design* sets out a framework for the actions we will take and the values we will be guided by. In 2024 we will be using the Local Government Association Diverse by Design self-assessment tool to help us track our strategy action plan and use metrics to evaluate the impact of those actions. By doing so, we will create indicators to track progress in improving equality, diversity and inclusion.

Health and Social Care Integration

National Health and Social Care Integration

3.34 Under the Health and Care Act 2022, 42 Integrated Care Systems (ICSs) in England have come into being. Nationally all ICSs will be working to build on their initial Joint Forward Plans (in Sussex this is known as the Shared Delivery Plan); set out the steps they will take to address the most significant causes of illness and disease and premature death; and improve the co-ordination of services to reflect the growing numbers of people with two or more long term conditions. This includes steps to:

- Expand evidenced-based approaches to population health;
- Join up care closer to home, including through integrated neighbourhood teams and other place-based arrangements;
- Integrate and streamline Urgent and Emergency Care pathways; and
- Drive improvements in productivity and operational effectiveness.

3.35 The Government is planning to publish a national Major Conditions Strategy which ICSs will be asked to take account of. The best model of delivery for each ICS will consider:

- Integrated neighbourhood teams to improve timely access to primary care and community services to deliver proactive care and avoid exacerbations of ill health and improve the quality of care for older people;
- Further development of place-based partnerships to deliver Joint Forward Plans through Health and Wellbeing Boards and working with wider partners; and
- Changes to commissioning, planning, and provider collaboratives.

Local Health and Social Care Integration

3.36 The Council plays a key role in the statutory arrangements for the Sussex ICS, with representation on the Integrated Care Board and the joint Integrated Care Partnership, which is known as the Sussex Health and Care Assembly (the Sussex Assembly). The Sussex Assembly is a statutory joint committee between ESCC, West Sussex County Council, Brighton & Hove City Council and NHS Sussex.

3.37 The five year Sussex Integrated Care Strategy '*Improving Lives Together'* sets out our shared ambition for a healthier future for everyone in Sussex and three overarching strategic priorities:

- Developing a joined-up approach to neighbourhood delivery through the Integrated Community Teams (ICTs)
- Growing and supporting our health and care workforce
- Improving the use of digital technology

3.38 A supporting Shared Delivery Plan was agreed in June 2023, and both the Strategy and the Shared Delivery Plan build on our understanding of population health needs in East Sussex, outlined in the East Sussex Health and Wellbeing Strategy '*Healthy Lives, Healthy People* (2022-2027)'. The Shared Delivery Plan will undergo a refresh and include delivery plans that reflect the Health and Wellbeing Board priorities of children and young people, mental health, integrated community teams, and improving health outcomes.

East Sussex Health and Wellbeing Board and Partnership

3.39 We will be strengthening the way the Council strategically aligns partnership working around the Health and Wellbeing Board and Joint Strategic Needs Assessment within the Sussex ICS. This will be informed by the feedback from our recent Local Government Association Peer Reviews, in particular our role to facilitate strategic leadership to achieve best value out of collective resources. Expected changes within NHS Sussex system architecture will also be considered, such as new NHS provider collaboratives. Proposals will be developed for the Health and Wellbeing Board to phase in during 2024/25 and will be based on driving improvement through joint commissioning, integrated care and the development of integrated community teams.

Integrated Community Teams

3.40 A strategic social care and health integration priority is the development of integrated community teams that will be made up of professionals working together as a 'team of teams' across health, social care, housing, VCSE partners and local communities. A core offer will be agreed for all integrated community teams in Sussex to proactively care for the most complex needs and vulnerable people. It was agreed that our integrated community teams' footprints will align with borough and district boundaries, and data and insight packs will be used to inform and address health and care needs and inequalities in local communities.

3.41 Establishing integrated community teams will build on progress we have made in working with communities in East Sussex over recent years. Hastings will be our community 'frontrunner' area for developing the Integrated Community Team model, with frontline teams and services, and similar engagement will take place across Eastbourne, Lewes, Rother and Wealden in the first half of 2024/25. As part of this engagement, each area will identify specific challenges to test the new approach.

3.42 The approach will continue to be tested and refined over the time frame of the Improving Lives Together strategy and Shared Delivery Plan. The aim is that by 2028, integrated community teams will be fully established in East Sussex.

Hospital discharge funding and initiatives

3.43 Health and social care services have implemented Discharge to Assess (D2A)/Home First pathways to safely speed up discharges from hospital to assess people in their own homes or temporary bed. The Council and ICS partners will continue to participate in the national discharge frontrunner programme to collaborate and support improvements to avoid hospital admissions expedite discharges. East Sussex was allocated c£5m as part of the national Government Discharge Fund Grant for 2024/25. This fund will support ASCH to build additional adult social care and community based reablement capacity to reduce hospital discharge delays.

3.44 Locally, ASCH commissions D2A beds for East Sussex and will work with approved home care providers, use block hours, and work with the Joint Community Reablement Team to ensure timely discharges. ASCH will also continue to jointly commission the British Red Cross Assisted Discharge and Home from Hospital schemes.

3.45 At the request of NHS partners, ASCH's dedicated Hospital Discharge Team is returning to undertaking assessments in acute hospital settings and in the community. With additional support from discharge funding, ASCH has increased the number of assessment staff based in hospitals, including weekend discharge support through the Joint Community Reablement In-Reach Team at Conquest Hospital.

Public Health priorities

Reducing health inequalities

3.46 As a local authority, ESCC can influence many of the identified Building Blocks of Health which contribute to preventing death and ill health in East Sussex, and are often key drivers of health inequalities. These include access to services, education, work, social networks, tobacco and alcohol use, unhealthy food, and exercise. The Building Blocks of Health is a toolkit which aims to increase understanding of the role that wider determinants play in our health, as well as support to address them. Public Health will aim to maximise the positive impact we have on health inequalities through the promotion of a 'health-in-all-policies' approach across services delivered by the Council.

Smoking legislation

3.47 The Tobacco and Vapes Bill, presented before the House of Commons in March 2024, proposed raising the age of sale for all tobacco products one year every year from 2027 onwards. This would mean that children who turn fifteen this year (2024) or younger would never be able to purchase cigarettes. Disposable vapes would be banned and illegal vape sales to children would attract a £100 fixed penalty fine for shops in England and Wales. Vape flavours would be restricted and new conditions for display would reduce the appeal of vapes to young people.

3.48 The legislation was not enacted prior to the dissolution of parliament for the general election and its future is now unclear. At an East Sussex level we will continue to work to reach our key smoking populations, offering individuals innovative support and interventions to stop smoking using smoking cessation responsive to their needs. Public Health will continue to work

with Trading Standards to disrupt the supply of illegal tobacco and underage vape sales and will work with local businesses during any period of transition should the legislation progress.

Women's Health Strategy for England

3.49 While women in the UK on average live longer than men, women spend a significantly greater proportion of their lives in ill health and disability, and historically the health and care system has been designed without women's voices or needs adequately represented. Public Health is continuing to work closely with NHS Sussex on development of the local response to the 'Women's Health Strategy for England' strategy, including insight work with underrepresented groups and better understanding of data. We will also review the services we commission to improve outcomes for women.

New opportunities for NIHR funding

3.50 The National Institute for Health and Care Research (NIHR) is funding innovative research collaborations between local government and the academic sector to focus on improving wider determinants or drivers of health. In partnership with the University of Brighton, we have established a Research Collaborative Hub to attract research investment and interest, positioning the local authority in a competitively advantageous position. Academics, NIHR funded staff, and Public Health team members will work together on a variety of research projects with the aim of achieving publishable findings that will positively influence council policy. The hub will provide research training for council and wider public health staff to improve the potential to apply for, and secure, research funding from the NIHR and other organisations.

Commitment to becoming a Creative Health County

3.51 Creative Health refers to the broad range of opportunities that the arts, creativity, heritage, and culture contribute directly or indirectly to improving the population's health. Based on evidence showing benefits to population health, Public Health has embraced creativity as a health determinant and has developed an action plan informed by the county's first position paper on Creative Health. The Action Plan focuses on take up of creative health by both individuals and the community, with support from across the system. This includes work linked to population level health improvement; mental and physical health and wellbeing; social prescribing; early intervention; participation and youth voice; economic development; employment education; and training.

Suicide Prevention

3.52 Public Health will continue to work with colleagues across Sussex to implement the recently published Sussex Suicide Prevention Strategy and Action Plan 2024-27. This includes plans to increase the involvement and collaboration of people with lived experience, identifying prevention activity, co-ordination and provision of training, improving the support provided to those bereaved and affected by suicide and self-harm prevention in children and young people. In East Sussex a multi-agency group oversees our East Sussex Strategy and Action plan, which aims to address key risk factors for suicide. We use the same approach to address drug-related deaths and self-harm in East Sussex. We are also developing local innovative projects aimed at addressing key risk factors for suicide.

3.53 This year we will pilot a new Beachy Head Ambassador scheme with volunteers promoting the area and its attractions, as well as providing an extra pair of eyes for those who may be vulnerable and in need of help. We will also complete an ecological assessment to ascertain the potential to use land management techniques (such as planting and grazing) to influence behaviour at the cliff edge.

Climate Change and Health

3.54 People with poorer health, and/or are otherwise disadvantaged by age, economic income, and housing for example, suffer the greatest consequences from climate change. We are commissioning a Health Impact Assessment to identify health impacts from climate change, how and where they impact the county and to support the climate change, health and social care agenda. The assessment will review the health impacts of policies, projects, practice, and decision-making, in relation to vulnerable people and health inequalities, and align to place based approaches within the Integrated Care System.

4. Children's Services

4.1 This section outlines ongoing reforms in children's social care following publication by Government of a number of strategies in response to independent reports on the urgent issues within the system. The implementation of reforms set out in the national SEND and Alternative Provision Improvement Plan in 2023 is also progressing along with wider developments in the education system.

4.2 This section also summaries priority focus areas for Children's Services locally, including developing family support and improving placement sufficiency for the children we care for. In addition, there is information on demand led service pressures; work with schools to improve post-pandemic educational recovery and school attendance; and increases in demand for home to school transport.

National reforms to children's social care

4.3 In early 2023, the Government published an implementation strategy and consultation on reforming children's social care in England. The Stable Homes Built on Love strategy is based on, and formed by, the Government's response to three independent reports published in 2022. The strategy sets out reforms across six pillars which are intended to be implemented in two phases. In the first phase, currently underway, the Government is investing £200m in addressing urgent issues and laying the foundations for whole system reform. In phase two, the Government will focus on embedding reform everywhere.

4.4 Families First pathfinders, part of new a Family Help model, were piloted in three local authorities in 2023, with a further nine local authorities running pilots from April 2024. These pathfinders are testing new approaches to delivering Family Help, including removing the distinction between targeted early help and children in need and providing intensive multi-disciplinary support. There is also change to front line child protection practice, including some child protection functions being led by a group of multi-agency staff. Early learning from these pathfinders is being shared with all local authorities and is informing our planning.

4.5 Alongside the ambitious reforms taking place as set out in Stable Homes, Built on Love, from April 2024, the Department for Education (DfE) is bringing together the spectrum of Family Help reforms, including ownership of the Supporting Families programme. The move to the DfE should mean a more joined up, cross-government approach to family policy.

4.6 As part of the reforms, a National Kinship Care strategy: Championing Kinship Care has been published which commits £20m in 2024/25 to improve the lives of children in kinship care. This includes a £16m pilot giving a financial allowance to special guardian kinship carers; caring for children previously looked after by the local authority; guidance for employers on how kinship carers can be supported at work; and an expansion in the role of Virtual School heads to promote the education of children in kinship care.

4.7 ESCC Children's Services has a strong track record promoting family networks and supporting kinship care through our Connected Practice approach and family group conferencing. Many of the recommendations in the strategy are already being delivered and we will work to take forward the wider recommendations in 2024.

4.8 There are further elements of national reform which we will be taking forward locally with our partners:

- The Social Care National Framework brings together the purpose, principles, enablers, and outcomes that children's social care should achieve so children, young people and families can thrive. The framework sets out a vision that sees local authorities and all partners, particularly health, police and education, working together to achieve the reforms in Stable Homes Built on Love.
- The national multi-agency statutory guidance Working Together to Safeguard Children has been updated and sets out a framework for how local safeguarding partners (the local authority, Integrated Care Board, and police) should work together to safeguard and promote the welfare of local children. The new partnership arrangements have been agreed by the Pan-Sussex lead strategic partners and the delegated safeguarding partners and will be implemented from September 2024.
- The Children's Social Care: Data and Digital Strategy sets out the DfE's long term plan to transform data in children's social care. It provides information on the foundations needed to improve information sharing and the evaluation and improvements to data services. The DfE is also working on a Children's Social Care dashboard which will bring data together in one place to understand progress towards the outcomes of the National Framework.

4.9 In response to Stable Homes Built on Love, the DfE has rolled out Early Adopters for the Early Career Framework for social workers. After a competitive application process, ESCC was chosen to be part of this programme which will explore how local authorities deliver their:

- assessed and supported year in employment programme, which gives newly qualified social workers extra support during their first year of employment;
- second year programmes; and
- Professional Practice Development Programme to train experienced practitioners and managers to support early career social workers to develop their emotional wellbeing and practice behaviours.

Service Demand

4.10 Children's Services, both nationally and locally, continue to see a sustained high level of demand and complexity in the needs of children and their families. The continued increase in demand is impacted by children's, young people's and parents' mental health and emotional wellbeing (with issues relating to neurodiversity increasingly a factor); cost of living challenges; an increase in the number of families in temporary accommodation; and domestic abuse and substance misuse.

4.11 Over the past two years, ESCC has experienced a 23% increase in the number of social care assessments being undertaken with children and families, and a 28% increase in children subject to child protection planning. We have also seen a 3% increase in the number of looked after children (not including unaccompanied asylum-seeking children). This demand has undoubtedly put pressure on services, and we will need to ensure we have sufficient capacity to meet our statutory duties. We are addressing these increased demands through a number of preventative approaches.

4.12 Our 11 Family Hubs, opened in 2023/24, are a vital part of our Early Help offer to families, providing early support and advice from midwives, health visitors, early communication support workers, early years practitioners and more. East Sussex is one of 15 authorities awarded trailblazer status, with a focus on parent/infant relationships and perinatal mental health. We have been selected for the national evaluation of Family Hubs Trailblazers with particular interest in our triage offer for perinatal mental health and parent infant relationship support. The pilot and funding cease in March 2025 and we will focus on making this key preventative service sustainable.

4.13 In January 2024, our Connected Families Service launched a new multi-disciplinary team, Connected Families Intervention Practitioners. The team draws upon the evidence based family safeguarding approach and is made up of specialist practitioners who deliver support and interventions to parents/carers experiencing domestic abuse, problematic mental health and/or problematic drug and alcohol use. Supported parents/carers have children on Child in Need or Child Protection plans. The aim is to provide dedicated help to parents/carers, enabling more children to live with their families to support their wellbeing and life chances. This is a major development for 2024-25 as we seek to contribute positive, sustainable change in the lives of the children and families we work with. It is also aligned with the national vision of multi-disciplinary, whole family working set out in Stable Homes Built on Love.

4.14 Throughout 2023, Children's Services worked with IMPOWER consultancy on improved forecasting and shaping of placement sufficiency for the children we care for. Ambitious targets are in place to achieve reduced spend, but only by meeting children's needs more appropriately. In 2024/25 we will take forward and embed:

- The Valuing Care approach to enhance our ability to secure the right care for the right child for the right length of time;
- An enhanced in house foster carer offer and increased capacity in commissioning to achieve effective market management and shaping of sufficiency; and
- The reunification framework to support children to return home where it is safe and appropriate to do so.

4.15 As part of the South East Regional Fostering Recruitment and Retention programme, foster carers are supported locally on their journey from initial enquiry, to application, through a centrally run front door. A regional recruitment campaign is being launched to boost the number of initial enquiries through Recruitment Support Hubs. We will embed new ways of working through the South East Regional Recruitment Hub whilst maintaining a focus on local need, targeted recruitment activity and maintaining our retention offer. We will be delivering the evidence based Mockingbird model of support to a group of foster carers which aims to build strong and supportive relationships among groups of foster carers and children in an area.

<u>Youth Service Developments</u>

4.16 We have been successful in securing more than £7m in funding through the Government's Youth Investment Fund to significantly improve youth centres in Heathfield and Peacehaven over the next year.

4.17 ESCC has also secured funding through the Home Office Youth Endowment Fund to test how multi-agency partnerships can keep young people safe from violence and criminal exploitation. The Youth Justice Service will be leading this work over the next 18 months and is implementing a family support model, delivered by a multi-disciplinary team who will work with the local community and tailor support to local need. This is part of piloting approaches from the Independent Review of Children's Social Care and will be independently evaluated. Subject to

positive findings from the initial evaluations, it is intended that these multi-agency teams will be funded and evaluated for a further two to three years.

4.18 We have secured resources from NHS Health Inequalities to support positive activities for children and young people in a number of Primary Care Network areas. Using a social prescribing approach, the activities will benefit children who have left care, unaccompanied asylum-seeking children and Ukrainian children.

Special Educational Needs and Disability (SEND)

4.19 The SEND and Alternative Provision (AP) Improvement Plan, published in March 2023, sets out the Government's planned national reforms to the SEND and AP system. At the centre of the plan is an ambition to improve inclusive practice in mainstream schools so that more children and young people with SEND can be supported in their local mainstream school, without the need for an Education, Health and Care Plan (EHCP). The development of new guidance for all schools is not expected to be complete until 2025. The Government introduced the SEND and AP Change Programme Partnership in September 2023 which will inform the guidance and test some of the proposed changes to the system for supporting children and young people with SEND. East Sussex is part of the Change Programme Partnership in the south east, along with West Sussex, Brighton & Hove and Portsmouth.

4.20 In line with the national picture, East Sussex continues to see significant increases in demand for statutory assessments and specialist provision for children and young people with SEND. We will continue to work proactively, analysing data to project future demand, and working with schools and trusts to develop inclusive practices and more specialist provision where appropriate. May 2024 marked the midway point of our 2022-2025 East Sussex SEND Strategy which sets the strategic direction for SEND in East Sussex. The strategy represents a joint approach to provision and commissioning across education, health, and care, focused on meeting the needs of children, young people, and families.

Schools policy

4.21 The Department for Education (DfE) has remained committed to the aspiration that all schools become part of Multi Academy Trusts. The Council continues to work with the Joint Primary and Secondary Board to shape a strong and cohesive school landscape across all phases. We play a critical role in facilitating strong local partnerships between schools, including through the development of Multi Academy Trusts.

4.22 In 2022, the DfE confirmed its intention to pass legislation which will see local authorities maintain a register of children of compulsory school age who are not enrolled at specified categories of schools. In October 2023, the DfE published a revised version of this plan for consultation, recommending that local authorities should operate the scheme as voluntary. The consultation closed in January 2024 and we await further information.

Educational attainment and attendance

4.23 East Sussex has been identified by the Government as an Education Investment Area, and Hastings as a Priority Investment Area. As an Education Investment Area, Multi Academy Trusts that are interested in expanding or setting up in East Sussex are prioritised for development funding from the DfE. As a Priority Investment Area, Hastings schools are receiving funding up to August 2025 to improve educational outcomes.

4.24 The pandemic had a significant adverse impact on school attendance, both nationally and locally. The proportion of children persistently absent (missing more than 10% of sessions)

has doubled. In May 2022, the Government published attendance guidance to clarify responsibilities for local authorities, schools, parents, and carers. This outlines the expectation that all councils should strengthen their oversight of attendance through regular individual dialogue with all schools. Councils should also provide whole family early help support, free of charge, to schools and families with children whose attendance is less than 50%. This guidance will become statutory in August 2024.

4.25 Locally, there will be a continued focus on working with schools to improve engagement with families who may need extra support with attendance. Supported by an additional annual investment of £1.5m to deliver the expectations set by the Government in its new guidance, a new Level 2 Early Help Key Work service has been in place from September 2023 to work with children and young people and their families where attendance is below 50%.

Local education priorities and strategic challenges

4.26 East Sussex has high levels of suspension and exclusion, and these are rising further in line with national trends. School leaders are experiencing increased levels and complexity of need, and the demand for support services remains high. The Council will continue to work with schools to develop effective strategies and joined up approaches to meeting children and young people's needs, to increase engagement in learning, and reduce exclusions.

4.27 Education reduces risks to children and young people's mental health and wellbeing. A key area of our school improvement strategy includes opportunities for schools and settings to develop communities which promote good mental health and wellbeing. Mental Health Support Teams, funded by the NHS and managed by the Council, will continue to be integrated into schools in East Sussex. Currently, 75 schools are supported by Mental Health Support Teams; this number is due to increase by approximately 20 schools by September 2024.

4.28 We have expanded the offer of support and training for all schools across the county as part of a whole school approach to mental health and emotional wellbeing. There are three Mental Health and Emotional Wellbeing Advisers who work across three localities, offering support with mapping provision, delivering training and sharing best practice. Support for parents and carers in relation to mental health and emotional wellbeing is also provided.

Home to school transport

4.29 Recent rises in fuel costs and driver shortages have led to exceptional increases to the cost of contracts providing taxis for pupils requiring home to school transport. The majority of spend for home to school transport relates to children with special educational needs and disability. The number of pupils with an Education, Health and Care Plan (EHCP) is forecast to rise in East Sussex by 24.2% over the next three years, having increased by 25.7.% in the last three years. Increased complexity of needs post-pandemic and geographical spread, both reducing the possibility of taxi sharing, are also driving cost increases. Current market conditions are also leading to fewer providers bidding for routes and increased contract prices.

5. Migration

5.1 Significant national developments on legislation in relation to immigration, asylum and refugee resettlement, as well as increased demand for support, have led to additional pressures locally. This section outlines key national developments as well as our local response.

National policy developments

5.2 The Government has developed new policy and legislation in relation to immigration, asylum and refugee resettlement in efforts to reduce pressures on current systems and

services. National policy developments include: a ‘full dispersal’ asylum system whereby local authorities are expected to be asylum dispersal areas; streamlining the asylum process; new large asylum accommodation sites to reduce use of contingency hotels; funding and policy measures to support the resettlement and accommodation of Afghans and Ukrainians; the Illegal Migration Act 2023 to change law on people arriving outside prescribed routes claiming asylum in the UK; and an ‘asylum partnership arrangement’ with Rwanda to resettle people who would claim UK asylum. A new Cap on Safe and Legal Routes, based on consultation with local authorities, is due to be set in summer 2024, and to be in operation in 2025.

5.3 The Government also announced changes to visa routes from Ukraine earlier in 2024. This included closing the Ukraine Family Scheme; reducing the Homes for Ukraine visa from three years to 18 months for new applicants; and creating a new Ukraine Permission Extension scheme. The Ukraine Permission Extension scheme will allow Ukrainians in the UK to apply for a further 18 month stay after initial visas expire. Continued funding for new arrivals and host ‘thank you’ payments for the initial visa period under Homes for Ukraine has been confirmed.

5.4 The Council and partners will continue to shape local implementation of national policies and schemes and help arrivals in the county access safe accommodation, services and support.

Local response

Asylum Dispersal

5.5 By early 2023 hotels in East Sussex used for ‘contingency’ accommodation for people seeking asylum were closed as part of Government plans to phase out this accommodation. The Council meets partners regularly to review legacy issues and support those affected. Some of those previously accommodated in contingency hotels received refugee status prior to hotel closures and therefore may require ongoing local support, including with housing, employment, benefits and other support services. We expect some people who moved to other asylum sites will return to East Sussex on receiving refugee status if they have established links to the area.

5.6 The Home Office is exploring the use of large sites, including the Northeye site in Bexhill, to reduce the use of hotels. Welfare and service capacity concerns for specific sites continue to be discussed with partners and the Home Office to inform planning and decision making. Regular Northeye Multi-Agency Forums continue and, whilst a final Home Office decision on its use is pending, the Council will continue to engage to plan next steps and ensure our local context is understood.

5.7 Implementation of the Government’s new dispersal plans will require Home Office procurement of suitable accommodation, and progress with this has been gradual in East Sussex. Local authorities will actively highlight the risks to local services and infrastructure of additional asylum accommodation in the south east. Housing authority areas will be allocated target dispersal numbers and local housing authorities will be funded per dispersal bed.

5.8 The streamlined asylum process seeks to accelerate processing all asylum claims to reduce and clear the backlog. For successful claims, people will become eligible for housing and other support which may temporarily increase pressure on services.

Refugee Resettlement

5.9 The Government has established two resettlement schemes for Afghan citizens and provides a standard integration funding package to councils which support resettlement through these schemes. In East Sussex, this is led by district and borough councils. Eligible Afghan

families may be temporarily accommodated before accessing long term accommodation. The Council and our partners will continue to ensure people temporarily accommodated locally receive support and that statutory duties are met.

Visa schemes

5.10 Government visa schemes enable people from certain states to apply for visas, enter the UK, and access services, some benefits, and rights to work. Locally, we are seeing some people on work visas, who are not entitled to most benefits, struggling to maintain their independence, leading to financial problems and the need for voluntary, community and social enterprise sector (VCSE) support. The Council will continue to engage with the South East Strategic Partnership for Migration and partners to secure funding, ensure access to support, and enable the integration of people living in East Sussex.

5.11 The Homes for Ukraine programme and partnership will continue to support the arrival, settlement, integration and independence of Ukrainians in East Sussex. The Council and partners will assess the impact of 2024 changes to visa routes for Ukrainians to ensure people receive the support they need.

Support for Unaccompanied Asylum-Seeking Children

5.12 The Council remains committed to the National Transfer Scheme for Unaccompanied Asylum Seeking Children. Children are well supported by a specialist team of practitioners who are experienced and skilled in understanding their needs, and the impact of their earlier life experiences. Whilst the National Transfer Scheme ensures funding for under 18s, there are significant budget pressures associated with those who become care leavers who often, due to complexities relating to their immigration status, require support until they reach the age of 25.

Future support

5.13 With developing national policy and legislation, as well as expected increased numbers of refugees and asylum seekers arriving in UK due to climate change and international conflicts, the Council anticipates needing to provide significant support to refugees and asylum seekers over the long term. This will require the continued development of local resources, knowledge, new and existing partnerships, and a strategic local and regional approach.

6. Communities

6.1 The following section outlines the Council's ongoing partnerships and work with local communities and the voluntary, community and social enterprise (VCSE) sector to connect people and places, build and develop a thriving VCSE sector and meet community needs, including keeping communities safe.

Financial Inclusion

6.2 The multi-agency Financial Inclusion Steering Group aims to enable all partners to better understand, develop and respond to the financial pressures that residents are experiencing. Our Financial Inclusion Programme priorities continue to include providing central information on finance support; working with partners to deliver the East Sussex money guiders training programme; promoting the Low Income Families Tracker to identify those most in need of support; commissioning and delivering relevant targeted services; and using research and insight to ensure efficient use of collective resources and targeting of support.

Household Support Fund

6.3 The Financial Inclusion Programme manages the Department for Work and Pensions' Household Support Fund in East Sussex. The Council and delivery partners ensure the funding

received from Government reaches vulnerable households through a number of initiatives, including food vouchers for 2-19 year olds eligible for free school meals over school holidays; targeted campaigns; and work with departments and partners to deliver funding and information. The national extension of the Household Support Fund will continue to provide this financial support to low income households in need until September 2024.

Working with the voluntary, community and social enterprise (VCSE) sector

6.4 Our Third Sector Support programmes (Volunteering, VCSE Infrastructure, Patient and Resident Voice) connect people and places, build and develop a thriving VCSE sector, and promote a preventative approach to meeting community needs. The Council invests in the VCSE Alliance and will continue to work with it and Partnership Plus on programmes including: Tackling Loneliness Stewardship; VCSE Commissioning Excellence; Community Networks Support; and Multi-Agency Financial Inclusion. The Council invests in two major strands of activity linked to volunteering: encouraging and nurturing volunteering via Generic VCSE Infrastructure Services; and a platform to support/promote organisations that engage volunteers and to help people view local volunteering opportunities.

Community Network Support Programme

6.5 The Council will continue to work with partners on the Community Network Support Programme to develop the 66 networks across the county and determine factors and measures that comprise successful community networks. The programme will support networks with governance, operations, resourcing, communication, and partnership working. The programme will signpost to existing support and co-develop and test new support with partners.

Community Safety

Drug and Alcohol Misuse

6.6 The Government's 10 year combatting drugs strategy From Harm to Hope will continue to shape the local response to drug and alcohol misuse. The strategy has three main aims: to break drug supply chains; to deliver a world class treatment and recovery system; and to achieve a generational shift in the demand for drugs.

6.7 Locally, this work is overseen by the Harm to Hope Board and the different strands of work are addressed by specialist sub-groups. The work will contribute towards increasing the number of people in structured treatment, a reduction in drug-related deaths, and an increase in people leaving prison and transferring to community treatment. It will take a systemic, multi-agency approach, drawing on local partners including health and Sussex Police. Due to additional ring-fenced funding ending in March 2025, some services may be decommissioned and work to re-model treatment and recovery services will be the focus for the year ahead.

Domestic Violence, Sexual Violence and Violence Against Women and Girls

6.8 The pan-Sussex Domestic Abuse Partnership Board will lead on conducting the full needs assessment and strategy for 2024 to identify local gaps and priorities for commissioning domestic abuse safe accommodation support. The results of the 2024 Needs Assessment will inform Council planning, policy, commissioning and budgets. The new burdens funding granted for 2021-2025 will continue to support council programmes and projects for victims/survivors.

6.9 The Victims and Prisoners Act, passed before parliament was dissolved for the general election, will put specialist domestic and sexual abuse advocates on a statutory footing and will require commissioning authorities to collaborate in the commissioning of victim services. This

will support the Council's existing joint commissioning of specialist victim services with the Sussex Police and Crime Commissioner's Office and NHS Sussex.

6.10 The Home Office is due to launch a public consultation on the Domestic Homicide Review statutory guidance in 2024. Expected changes include updated guidance for cases of suicide, which may impact Council commissioning, and coordinating domestic homicide reviews, which may have planning and resource implications for the Council and partners.

6.11 The Domestic Abuse Commissioner's Office is conducting a year long Domestic Homicide Oversight Mechanism pilot, with East Sussex as a pilot site to inform national roll out. The pilot will aim to understand ways to bring greater oversight from the Domestic Abuse Commissioner's Office to the implementation of domestic homicide review recommendations.

6.12 The Council has reinstated our White Ribbon accreditation, following a successful application in 2024. As part of this accreditation we will deliver an ambitious action plan by February 2027 to demonstrate our commitment to ending violence against women and girls.

Serious Violence

6.13 Councils play a key role in tackling serious violence, and the Safer Communities Partnership evidence based needs assessment and Serious Violence Strategy 2023 will continue to focus on four key areas: early intervention and approaches; support for young people and vulnerable adults at risk of exploitation; supporting exploiters and high harm offenders to change their behaviour; and work with communities in areas most at risk.

6.14 Home Office funding for interventions to tackle serious violence is due to end in March 2025. This raises concerns about the sustainability of funded interventions in Children's Services, such as work to divert young people away from knife crime, and child exploitation interventions including keywork, groupwork, and support to parent mentors. The Government has announced £75m for Violence Reduction Partnerships, however this is subject to the Spending Review to take place after the general election.

Modern Slavery and Human Trafficking

6.15 The Council will continue to play a key role in tackling modern slavery including identifying, referring and supporting victims; with community safety services and disruption activities; and by ensuring supply chains are free from modern slavery. There will be new recommendations arising from the Independent Review of the Modern Slavery Act which could have implications for the Council around the need to ensure transparency in supply chains. Organisations in council supply chains and commissioned organisations are legally required to publish a slavery and human trafficking statement on how they will address Modern Slavery. We will be assessing compliance with legislation through the Local Government Association Modern Slavery 'maturity matrix'.

Preventing Violent Extremism

6.16 The threat to the UK from terrorism remains substantial (meaning an attack is likely). The Home Office has refreshed the Prevent Duty toolkit to support local authorities in meeting the Prevent Duty. The benchmarks within the toolkit will form part of an annual assurance process on the local delivery of Prevent. It is anticipated the Council will successfully meet all benchmarks in the 2024 annual assessment.

6.17 The Council will convene the Prevent Group to implement the recommendations in the Independent Review of Prevent's report and government response. The Safer Communities

team will work alongside the Estates Team to ensure alignment with the Protect Duty which introduces new security requirements for certain public locations and venues to ensure preparedness for, and protection from, terrorist attacks.

Home Office Review of Community Safety Partnerships

6.18 The Home Office reviewed the role of Community Safety Partnerships and antisocial behaviour powers in 2023. Two changes arising from the review may impact the Council: the lowering of the age of a Community Protection notice and extending Drug Testing on Arrest powers to beyond the custody suite.

Trading Standards

6.19 Two new pieces of national legislation include additional statutory duties for Trading Standards. The Digital Markets, Competition and Consumers Act 2024, passed immediately before parliament was dissolved for the general election, will regulate areas such as online marketplaces and deal with issues such as fake reviews and will give Trading Standards, along with the Competitions and Markets Authority, powers to investigate, intervene and enforce.

6.20 The Tobacco and Vape Bill 2024, intended to ensure anyone who turns 15 or younger in 2024 will never legally be sold tobacco products, was not enacted prior to the election and it is unclear whether or how it will now be progressed. The Bill includes powers for Trading Standards to enforce the legislation as well as regulating the flavours and contents of vaping products and the packaging and product presentation of vaping products.

Local resilience arrangements

6.21 The UK Government Resilience Framework, launched in December 2022, set out the ambition to significantly strengthen the UK's strategic approach to resilience. This has already resulted in a number of national changes, such as the creation of a new UK Resilience Forum and a new Resilience Directorate in the Cabinet Office. Further guidance is awaited on the role of Local Resilience Forums, supporting vulnerable groups and the development of a social-economic resilience index to inform decision making. The Emergency Planning team will continue to monitor updates in this area to ensure our ongoing preparedness and amend plans in light of any new guidance or government requirements.

National planning reforms

6.22 A number of changes and reforms to the planning system were set out in the Levelling Up and Regeneration Act, although the majority require the introduction of secondary legislation, or changes to existing national planning policy. Some of these have already been made and consultations have taken place or are expected on various changes to the planning system including further extensions to permitted development rights and revisions to the National Planning Policy Framework, particularly those that relate to planning for housing.

6.23 The vast majority of the recent and emerging planning changes have some impact upon the County Council, both within our county planning authority role and through our statutory consultee and infrastructure provider role. There has been a particular emphasis from Government on seeing up to date Local Plans in place. This is of particular relevance to East Sussex, with the vast majority of the local planning authorities in the county not having such plans and therefore being susceptible to speculative and unplanned development proposals. Over the course of the coming two to three years the County Council will need to support these planning authorities in the production of their Local Plans, especially through our statutory roles (highways, flood risk and infrastructure planning and provision). It will also be important for the County Council, in partnership with the South Downs National Park Authority and Brighton &

Hove City Council, to make timely progress on a full review of the Waste and Minerals Plan, which is due to commence in summer 2024.

6.24 The Levelling Up and Regeneration Act also proposed reforms to the approach to development funded infrastructure and the introduction of the Infrastructure Levy. An initial consultation on the potential approach to the Infrastructure Levy was undertaken in spring 2023. Whilst the County Council welcomed the principle behind some aspects of the levy, we expressed a number of concerns, not least that it is unlikely to raise enough resources to properly fund both affordable housing and infrastructure provision. There are also concerns around the influence that county councils will have on spending decisions and the complexity of the system, which will require significant resources, skills and time to set up and implement. Further consultations are expected on the proposed Infrastructure Levy and it has been envisaged that implementation would be phased in over a 10 year period through a 'test and learn' approach. It will be important for the County Council to continue to assess and respond to such consultations, as well as working closely with the local planning authorities to ensure that there is the best possible chance of funding local infrastructure needs.

7. Highways and Transport

7.1. This section sets out a range of national and local developments impacting on transport planning and infrastructure in the county, encompassing highways maintenance, road safety, the update to the Local Transport Plan and associated strategies, and planned improvements to local public transport.

Highways Maintenance

7.2. Balfour Beatty Living Places' contract for highways and infrastructure services in East Sussex has been in place for one year and has delivered on a number of road and footway maintenance and improvement schemes. This has included works above and beyond our usual programmes using additional funding provided by Cabinet. ESCC continues to face significant challenges in efficiently maintaining the network and addressing the increased deterioration of road and footway surfaces across the county. Work to improve the network will continue in 2024/25 and is scheduled to include:

- The replacement of 427 signs, focused on missing or damaged signs, and to include further work to clean signs and clear vegetation or other obstructions where necessary.
- 53 larger drainage schemes, after focusing on the delivery of quick and simple drainage schemes using additional funding in 2023/24.
- Using the remaining budget for the refresh of road markings to renew the lining along the A22 Hailsham bypass and around 600 further sites across the county.

7.3. ESCC continues to invest more in highway maintenance than the grant we receive from Government. Funding from the Department for Transport accounts for only £60m out of a total £120m investment in highway capital maintenance over the last four years. Even with the authority continuing to invest in this asset, we will never be able to address the total backlog of issues on our network without more long-term funding.

Local Transport Plan

7.4. The East Sussex Local Transport Plan (LTP) sets out our strategy and policies for how we plan to invest in improving transport and maintaining the roads in the county to meet transport needs. With considerable recent changes in national, regional and local policy related to the environment, health and economy, including the declaration of a climate emergency, the LTP covering the period 2024 to 2050 (LTP4) will influence how we plan and deliver transport in East Sussex in the future. We have embraced a vision-led approach in the review of the plan to

factor in the uncertainties of the future and to prioritise the needs of business, people and the places that they wish to live and work in.

7.5. Public and stakeholder consultation on the draft LTP4 was undertaken between November 2023 and February 2024. The outcomes of the consultation are being analysed, including recommending any changes to the draft strategy. Formal approval of the updated plan will be sought in autumn 2024. The Rail Strategy and Freight Strategy, both supporting LTP4, will also be developed during 2024.

7.6. The LTP4 and associated documents will act as a strategic platform for prioritising and determining future investment in transport infrastructure in the county within the resources available. Opportunities to successfully secure external funding (usually via competitive bidding rounds) may impact on our ability to deliver on the strategy in the future.

Bus Service Improvement Plan (BSIP)

7.7. ESCC received £41.4m in BSIP funding from the Department for Transport (DfT), of which £22m was capital and £19m was revenue. £20m of the capital funding was allocated to deliver bus priority measures which are to be delivered by October 2025. £13m of the revenue funding was allocated to bus service improvements, including Digital Demand Responsive Transport services, which are funded to April 2026. £5m of the revenue funding was allocated to reducing fares, which will provide reduced fares in East Sussex until April 2025.

7.8. Our updated BSIP, due to be submitted to the DfT in July 2024, covers progress to date and future bus service improvements that we would wish to deliver as part of the BSIP. There has been no confirmation of further BSIP funding beyond 2024/25. The DfT has indicated a BSIP may be required in 2025 and that funding may be allocated based on that submission. There has been no information provided on the scale or timescales of that funding.

7.9. Delivery of the East Sussex BSIP has supported local bus passenger growth with the county having the third highest growth in passenger numbers in England in 2022/23 compared to pre-pandemic levels. Additional bus service users have helped reverse the decline in bus use in the county and enabled bus operators to sustain more commercial services. However, ever increasing operational costs to run bus services mean that, without further external funding, there may be significant challenges beyond 2025/26 in sustaining the current level of bus service provision in the county.

Active travel

7.10. Our Local Cycling and Walking Infrastructure Plan (LCWIP), adopted in September 2020, sets out proposed local cycling and walking networks and measures for the key coastal towns and the market towns within the county. It provides a basis for seeking funding for walking, wheeling (wheelchairs and mobility scooters) and cycling infrastructure projects and is being used to inform the review of borough and district councils' Local Plans. The LCWIP will be refreshed in 2024 as a supporting document to LTP4.

7.11. At a national level, Active Travel England (ATE), sponsored by DfT, supports walking, wheeling and cycling. ESCC's local authority self-assessed active travel grade has been confirmed by ATE as Level 1, which has secured funding to deliver town centre based walking schemes and the development of pipeline schemes for future capital funding bids. These pipeline schemes include school streets schemes and an area based cycle scheme which have involved collaborative and co-design activities with communities and learning opportunities.

7.12. In the next year we are hoping to build on our current ATE level 1 assessment to unlock further external funding from ATE and support the delivery of the vision and objectives set out within our LTP. Without significant external funding investment towards these programmes we will not be able to deliver our ambitious plans for active travel infrastructure in the county.

Electric Vehicle Infrastructure

7.13. The National Electric Vehicle Charging Strategy was published in 2022, although last year the Government announced the push back of its proposal to end the sale of new petrol and diesel vehicles by 2030 to 2035. The Council is committed to developing a strategy to support the growing needs of Electric Vehicles (EV) users within East Sussex. To reflect the national strategy at a local level, a draft EV Charging Strategy has been developed as a supporting document to our draft LTP4, subject to public and stakeholder consultation during 2024.

7.14. The ability to charge at or close to home is a major concern to many EV users and is a main priority within both the national and local EV charging strategies. In November 2023, we secured £4.4m under tranche 1 of the Government's Local Electric Vehicle Infrastructure (LEVI) Fund which will help the Council to scale up the delivery of local on-street chargepoints. This will enable more residents, especially those without off-street parking, to switch to EVs. The funding will also be used to provide chargepoints on the County Hall campus.

7.15. Separate grant funding has also been made available to local residents with no off-street parking to introduce EV chargepoints on their properties. This has implications for the Council in relation to licencing the installation of cable gully channels in the footway, as well as the liability and maintenance of these channels, alongside how this affects the commercial viability of potential on-street chargepoints delivered using the LEVI funding.

7.16. Procurement for a chargepoint operator will be undertaken during 2024 with an expectation that the initial roll out of on-street chargepoints will commence in late 2024/25. Following the initial investment and installation of chargepoints across the county, public take up will determine the future direction of this work. There is the potential that a proportion of the income generated can be used to support Council services.

Transport for the South East (TfSE)

7.17. TfSE's Strategic Investment Plan (SIP) was submitted to Government in March 2023. DfT has said that due consideration will be given to the plan when advising ministers on future policy and investment decisions. A SIP Delivery Action Plan has been established which requires the input of a number of different partners working together. The Action Plan is updated annually with progress of schemes and supported by an online interactive map-based tool.

7.18. TfSE is currently refreshing its Transport Strategy to take account of the impact of recent events including the pandemic, the UK leaving the European Union and recent changes in government policy. Technical work to refresh the strategy is underway with the strategy due to be submitted to Government in October 2025, following public consultation in early 2025.

Road Safety

7.19. A Speed Management Programme will review all A and B roads across the county during 2024/25 to ensure that the existing speed limits are the most appropriate for the road conditions and ensure that they are effective. Sections of road identified through this programme will have reduced speed limits extended or introduced, and measures to ensure compliance with existing limits where necessary.

7.20. We are continuing to implement innovative behaviour change focused projects which aim to reduce the number of people killed and seriously injured (KSI) on the county's road network. A new behaviour change trial, in partnership with the Driver and Vehicle Standards Agency (DVSA), was launched in February 2024 and will continue into 2024/25. The trial targets young drivers and uses existing DVSA communication channels to engage with them in the six months after they pass their test. Communications are designed to address a range of behaviours which influence driving, reinforce the legitimacy of speed limits and the costs of driving unsafely. The trial is intended to reduce the overall rate of speeding offences, which evidence indicates is a suitable proxy for reducing the future risk of being involved in a KSI collision. The impact of the trial will be assessed in 2025.

Strategic Road Network (A27/A21)

7.21. The Government's second Roads Investment Strategy (RIS2), covering the period 2020-2025, identified that further work will be undertaken on developing proposals for the A27 between Lewes and Polegate as a potential pipeline scheme for construction between 2025 and 2030. A study outlining potential options for the A27 was submitted to DfT by National Highways (NH) for consideration alongside other RIS3 pipeline scheme studies.

7.22. NH's Strategic Road Network Initial Report and South Coast Central Initial Report, published in May 2023, indicated that the A27 between Lewes and Polegate will slip to become a RIS4 (2030 to 2035) pipeline project. This follows on from the announcement made in March 2023 by the Secretary of State for Transport that the development and potential delivery of the majority of RIS3 pipeline schemes across the country would slip due to a combination of factors having an impact on the Government's capital roads investment programme. We will continue to engage with NH and DfT to make the case for investment in a more comprehensive solution for the A27 between Lewes and Polegate, as well as improvements to the A21.

Local Highways Programme – Major Road Network

7.23. The Major Road Network (MRN) sits between the Strategic Road Network, which is the responsibility of NH, and the local road network, which is the responsibility of local authorities, and includes the busiest and most economically important local authority A roads. The MRN intends to provide more long-term certainty of funding, with a portion of the National Roads Fund being dedicated to the MRN. A number of roads in East Sussex are part of the MRN, and various outline business cases developed and submitted to the DfT for funding. Ongoing delays in decisions mean that we may have to review the schemes to fit the funding being sought in order to meet inflationary pressures on construction costs.

7.24. The development and delivery of these packages of MRN funded schemes are required to meet infrastructure needs that will come forward through district and borough Local Plans, as well as supporting the objectives of LTP4, the new Economic Prosperity Strategy, and BSIP.

Rail services

7.25. The Draft Rail Reform Bill was put before Parliament for pre-legislative scrutiny in February 2024. The Bill sets out a number of reforms from the Government's Williams-Shapps Plan for Rail including the creation of a new public body, Great British Railways. Together these changes would have a significant impact on rail passengers and businesses in the county. It is important that we continue to be involved in future processes associated with the delivery of the Plan for Rail and engage with Great British Railways to ensure these changes benefit our residents, those visiting East Sussex, and businesses operating in and out of the county.

7.26. Following the Kent and East Sussex Rail Connectivity study, in May 2021 a Strategic Outline Business Case (SOBC) which set out the strategic case for four options (two in East Sussex) to potentially improve rail connectivity to the Kent and East Sussex coast was submitted to Government. A formal response has yet to be received, however the scheme has been included in the Kent, Medway and East Sussex package of interventions in the TfSE SIP and the LTP4 Implementation Plan. In the meantime, local MPs and the local authorities in East Sussex and Kent have been working collaboratively to explore opportunities to lever in private sector finance or investment to fund the delivery of the rail schemes identified.

8. Economy

8.1 The following sections outline recent developments in Government policy and investment programmes that will affect the support we provide, with partners, to drive sustainable local economic growth in future. There will be challenges and limitations in the scope and scale of the delivery of some of this support in future, arising from reduced availability of growth funding for the county, as detailed in the sections below.

Transfer of Local Enterprise Partnership (LEP) Functions

8.2 In August 2023, Government confirmed its decision to discontinue LEP funding from April 2024. In light of this, South East LEP (SELEP), which covered East Sussex, Essex, Kent, Medway, Southend and Thurrock, took the decision to close operations, with LEP functions and responsibilities transitioning to upper tier local authorities in each of those areas from April 2024.

8.3 Since April 2024 ESCC has taken on relevant local SELEP responsibilities, including:

- Business representation – Team East Sussex (TES) will continue to operate in an advisory capacity, as the business-led strategic economic growth board for the county, providing the voice of business in steering the economic growth agenda.
- Strategic economic planning – The new East Sussex Economic Prosperity Strategy, jointly developed by the Council and TES, will be used to make the case for future access to Government programmes.
- The delivery of Government programmes – The Council is now the ‘accountable body’ responsible for current and future funding programmes and the Growth Hub.

8.4 A local Assurance Framework is being drafted to reflect these new responsibilities and the agreed LEP transition plan will be enacted through 2024/25.

East Sussex Economic Strategy

8.5 The transfer of LEP functions has placed even greater importance on the production of a new economic growth strategy for the county. The new strategy, titled East Sussex Prosperity, will be published imminently, as a strategy for the long term running to 2050, beyond current planning, economic and political cycles.

8.6 The strategy will seek to secure sustainable economic growth, setting out how, over the next generation, East Sussex can secure better opportunities and living standards for people who live in the county, and how businesses can flourish and grow sustainably. Although an attractive place to live, the county faces some significant economic challenges which have been persistent over time including low productivity, high costs relative to earnings, and sharp economic disparities within the county. The strategy seeks to address these challenges in the context of an economy which is likely to change radically in coming decades, as the county adapts to climate change and the transition to net zero, an ageing population, changing working patterns, and the consequences of ever more sophisticated digitalisation.

8.7 The transfer of strategic economic planning to the Council from SELEP is a welcome development. The strategic economic planning function is well placed to respond to any further evolution of government policy following the general election and to secure any new funding streams. Government has indicated that an annual review of the strategy may be required.

8.8 The Economic Development Team provides secretariat support to TES and will now include the transfer of the business representation function from SELEP. A new national assurance framework is awaited from Government, which could potentially require an open and regular recruitment process to further improve business membership of TES. There is also an expectation from TES that its sub-groups will play a greater role in delivering work to support it and the economic strategy. All five sub-groups are supported by ESCC.

Economic growth funding

UK Shared Prosperity Fund

8.9 The UK Shared Prosperity Fund (UKSPF) focuses on three main investment themes: Communities and Place, Supporting Local Business, and People and Skills. It is managed by district and borough councils. A total allocation of £5.2m (across the five district and borough areas) has been made to East Sussex for the period April 2022 – March 2025. ESCC is working with district and borough partners to deliver pan-East Sussex business support programmes and skills interventions.

8.10 Future UKSPF monies or replacement programme (if any) will require decisions to be made before April 2025 when the current funding period comes to an end. This will likely require ESCC support in the preparation of new programme requirements such as investment and business plans, and the subsequent management and delivery of any projects.

Levelling Up Partnerships

8.11 In March 2023 Hastings and Rother were allocated £20m capital funding each from the Levelling Up Partnerships (LUPs) programme to deliver a tailored approach to place based regeneration, to be spent by March 2025. ESCC has worked with the two district and borough councils, Government and partners on various proposals, which has secured £7m of funding on five projects including Queensway Gateway Road, Hollington youth facility and Family Hub, other family and youth support services, and a combined skills capital fund for both areas.

8.12 The County Council has several teams involved in managing and delivering each of these projects which are timebound. The above assets will be owned by the Council (except for skills capital items) and will be managed within existing departmental resources.

Long Term Plan for Towns

8.13 The Long Term Plans for Towns was announced in October 2023, with both Hastings and Bexhill allocated £20m each, and Eastbourne also receiving a £20m allocation in March 2024. The grant funding is to be awarded as an endowment fund to be spent over a 10-year period, with 75% capital funding and 25% revenue funding. The priority investment themes to support the regeneration of the towns include community safety, high streets, heritage and regeneration, and transport and connectivity.

8.14 Each area is establishing a local board to agree the town's 10 year vision, and the priorities and spend which will form the long term town investment plan to be submitted by 1 August 2024. ESCC is directly involved in the strategic development of each town's investment plans and potentially identifying projects to address the investment themes for the initial first

three years allocation and throughout the 10 year lifetime of the programme. As a result, this programme will require ESCC officer support to be drawn in over a long period of time. Whilst this has the potential to bring in some external funding which would deliver on the Council's core priorities, this is not likely to replace existing budgeted activity.

Skills

8.15 National policy changes and reforms will continue to be considered and overseen by the Skills East Sussex (SES) Board, as well as local needs. The move towards Net Zero and the increase in automation and artificial intelligence (AI) remains a strong focus, as each has the potential to have significant implications. Skills East Sussex is identifying actions to address new skills needs and changes to employment that will be caused by these advances.

8.16 The Council's Employability and Skills Team run a number of programmes, some of which are time bound and subject to funding. The team will need to respond to substantial changes in policy and funding reforms in these areas, doing so in partnership across the Council and with external partners. Current programmes include:

- ongoing delivery via the acclaimed East Sussex Careers Hub and the ESTAR team (adult employability)
- Multiply numeracy programme (ends March 2025)
- 'Steps to Success' Effective Transitions pilot (ends March 2026)
- Moving on Up employability programme (ends March 2025),
- Support into Work for Ukrainians and refugee groups (ends October 2025)
- Homeless Prevention Employment project (ends March 2026)
- Levelling Up Partnership funding secured to deliver skills capital improvements in Hastings and Rother.

8.17 ESCC will continue to deliver Transform to support small and medium-sized enterprises (SMEs) with advice on apprenticeships and skills training and help them to access government incentives and unspent levy funds to pay for apprenticeship training. Changes in government policy mean that in 2024/25, ESCC will be able to allocate up to 50% of its apprenticeship levy to local SMEs if not used by the Council for its internal apprenticeship programmes.

8.18 Changes in the post-16 education offer will continue to be implemented in 2024/25, with T-Levels (which require work experience placements) replacing taught vocational qualifications. The impact of these changes will be monitored to see whether they improve the quality and range of learning available to young people and adults, or if the work experience requirements reduce the volume of vocational provision in the county. Changes to Adult Education are being introduced this year, with greater emphasis placed on the programme as a vehicle for supporting adults towards employment and less opportunity for leisure-based learning.

8.19 Universal Support, a new Department for Work and Pensions programme, will resource employability programmes for unemployed people from specific cohorts, including care leavers, homeless adults, people with disabilities, those at risk of unemployment and refugees (including Ukrainians). The fund will be awarded to upper tier councils, subject to bidding processes, from November 2024 for three year programmes to support people into work and to retain employment.

Culture and tourism

8.20 ESCC, West Sussex County Council (WSCC) and Brighton & Hove City Council (BHCC) have secured Local Visitor Economy Partnership (LVEP) accreditation for Sussex as part of a

national restructure of destination management led by the Department for Culture, Media and Sport and delivered by Visit England. This new framework will support the sector to become more accessible, sustainable and financially resilient, and act as the conduit for national training, sector toolkits and shared marketing collateral between Visit England and all Sussex destination marketing and management organisations. This will require ESCC, WSCC and BHCC to support a LVEP Board and a coordinating LVEP officer post, which will be hosted by BHCC as the LVEP accountable body. Whilst no future grant opportunities from Visit England have been confirmed, eligibility for any future funding will be dependent on the existence of the LVEP, which will be required to be the lead applicant for any future funding.

8.21 ESCC and WSCC have come together to develop Experience Sussex, a destination management organisation which will seek to achieve a £2.5bn increase in the value of the visitor economy over the next 30 years. ESCC is committed to an initial two years of investment to support this collaboration. Going forward, the Experience Sussex model will look to offset some budget requirement through commercial investment, earned income and collaboration with other stakeholders.

9. Environment and Climate Change

9.1 The following paragraphs detail the range of recent national commitments, strategies and legislation that impact the Council's work to deliver climate change mitigation and adaptation, protection and enhancement of the local natural environment, waste management and flood risk management. It is important to note that net zero is increasingly integrated into wider policy and whilst the policy context below outlines the main recent developments, it is not an exhaustive list of every new policy that touches on climate change. Much national guidance or detail on plans for delivery is still awaited, including clear expectations on how central and local government will interact in the delivery of net zero.

Climate change – national policy context

9.2 In 2021 the Government published its Net Zero Strategy 'Build Back Greener'. This did not include any statutory responsibility for local authorities to reduce carbon emissions but did indicate that local authorities are widely considered to have a key role in decarbonising services such as local transport, waste disposal, public buildings and other local services. More broadly, local authorities are seen to have a key role to play in creating change amongst residents and businesses via their investment and procurement decisions, planning and placemaking responsibilities, and by direct engagement with residents.

9.3 In 2022 the Government-commissioned Independent Review of Net Zero, 'Mission Zero', again identified the key role of local government and recommended several policy changes, including simplifying the fragmented funding landscape for local net zero projects. Government responded to the review in the 2023 Net Zero Growth Plan. The plan made few hard commitments for local government but did promise to pilot a devolved approach to building retrofit as part of devolution deals and explore simplification of the net zero funding landscape.

9.4 In September 2023, the Prime Minister announced a 'new approach to net zero', which delayed or removed several net zero commitments. This included delaying the proposed bans on the sale of new petrol and diesel cars and vans, and the installation of new oil and gas boilers and new coal heating for off-gas-grid homes to 2035.

9.5 Every five years, the Government produces an assessment of the risks and opportunities from climate change and how it plans to adapt. The current report, the National

Adaptation Programme 3, explains the Government's plans to adapt to climate change during 2023 to 2028, including how it will:

- Adapt infrastructure (for example, our electricity networks and railways).
- Protect buildings and their surroundings (for example, from hotter temperatures).
- Mitigate international impacts on the UK (for example, on imported food supplies)

Local action on climate change

9.6 ESCC declared a climate emergency in 2019. The Council set a target of achieving carbon neutrality from its own activities as soon as possible and in any event by 2050. This is in line with the updated national target agreed in 2019. ESCC has committed to cutting its corporate carbon emissions by an average of 13% per year and set aside an additional £9.9m to help meet this reduction target for the period up to March 2025. Actions to implement the Council's own climate change commitments are set out in the Climate Emergency Plan, covering the period 2023 – 2025. A plan for the period 2025 – 2030 is in development.

9.7 The cost for the Council to get to net zero for building and transport emissions (scope 1 and 2) could be approximately £200m between now and 2050, largely due to the investment needed for decarbonising heat in buildings, including schools. ESCC has secured over £1.9m of external funding to contribute to covering these costs, but there remains a very large gap between the resources available and the resources required to get to net zero.

9.8 Even if global warming can be limited to 1.5C above pre-industrial levels, significant additional investment is likely to be needed in measures to adapt to the effects of climate change that are already locked in. ESCC's Climate Emergency Plan makes the following commitments to ensure that the council can continue to operate effectively as the climate changes, which we are currently in the process of implementing:

- Assessing the council's vulnerability to climate change
- Producing a climate risk register
- Developing a climate adaptation/resilience strategy and programme
- Embedding climate adaptation into business as usual decision making and risk management.

9.9 The Council continues to progress work with partners on climate mitigation and adaptation across the county through the Climate Emergency Road Map overseen by the East Sussex Environment Board. The road map summarises many areas of work that the Council leads, or collaborates with partners on, to mitigate and adapt to climate change. A range of existing thematic partnerships will also continue to address climate change in East Sussex, including partnerships covering housing, waste, skills and local planning.

Environment Act

9.10 The Environment Act 2021 placed a number of new duties and responsibilities on ESCC, the implications of which are covered below. These may also provide new opportunities to protect and enhance local ecology.

Local Nature Recovery Strategy

9.11 Under the Act, ESCC is the Responsible Authority for producing a Local Nature Recovery Strategy (LNRS) for East Sussex and Brighton & Hove. LNRSs are a means to identify and agree, at the local level, the priorities and actions needed to drive nature recovery and the wider environmental benefits that will arise from a healthy natural environment. They are intended to direct future effort and funding for nature recovery and must be developed in line

with secondary legislation and statutory guidance. Additional burden monies have been provided by Government for two years to help pay for the cost of developing the LNRS. It is currently unclear how implementation costs for the three to 10 year reviews of the LNRS that ESCC is expected to carry out will be covered.

9.12 ESCC is working closely with West Sussex County Council to share expertise and resources and to reduce the impact on shared stakeholders. Together, we are carrying out extensive stakeholder engagement, to be followed by a public consultation at the end of 2024, with publication of the final LNRS in summer 2025. Delivery of the LNRS will lie with a range of stakeholders, including ESCC.

Biodiversity

9.13 The Environment Act requires new developments to deliver a minimum of a 10% gain in biodiversity, known as Biodiversity Net Gain (BNG). This became mandatory for major developments in January 2024 and for all others (with a few exemptions) in April 2024. Once published, the LNRS is expected to guide the delivery of BNG to the best strategic locations for nature recovery. All off-site BNG and any 'significant on-site' (to be locally defined) BNG must be maintained and monitored for at least 30 years following development, secured through planning conditions and/or legal agreements.

9.14 The Government has provided additional burden monies to help assess and monitor the implementation of BNG. Early indications suggest that this is unlikely to be sufficient to cover all costs. In preparation for BNG, ESCC has been actively upskilling relevant local planning authority officers and teams, primarily through the Sussex Nature Partnership, which is hosted by ESCC, and through service level agreements with the district and borough councils for the provision of ecological advice for planning.

9.15 The requirement for habitat sites to be created to cater for BNG offers the opportunity for planning authorities, including ESCC, to use their own land holdings to offset their own developments, and potentially to sell BNG 'credits' to other developers looking to purchase off-site BNG. Given the relatively small amount of land ESCC owns, opportunities are likely to be limited, and it should be recognised that habitat banks require an initial investment to establish.

9.16 The Environment Act also strengthens the existing Biodiversity Duty and requires all public authorities to consider what action they can take to further the conservation and enhancement of biodiversity and to report on progress against that duty. ESCC published its Biodiversity Duty first considerations report in December 2023 in line with statutory guidance. The first report on progress and delivery, which will include reporting on the delivery of BNG, must be published no later than three years after that date, with subsequent reports published every five years. No additional burdens funding is expected to support this duty.

Waste provisions

9.17 The Environment Act introduces several changes to how waste services operate. Changes will include the introduction of extended producer responsibility for packaging in 2024, the provision of weekly food waste collections in 2026, and the introduction of a deposit return scheme in 2027. These changes will impact the Council's waste contracts, will require changes to facilities and will alter the amount of waste and recycling that we manage.

Air quality

9.18 The Environment Act significantly strengthened the duties on upper tier authorities with respect to air quality. It requires all tiers of government (and neighbouring authorities) to co-

operate in the development of action plans where Air Quality Management Areas have been declared. Statutory guidance states that if a borough or district council intends to prepare an Air Quality Action Plan, ESCC must propose specific measures it will take to help secure the achievement and maintenance of air quality standards and objectives in the relevant area, including target dates. Currently, there are two air quality management areas in East Sussex, one covering a part of Lewes town and one covering part of Newhaven. These were both declared prior to the Environment Act 2021 and the Air Quality Action Plans produced by Lewes District Council were developed with input from ESCC.

Flood risk management

9.19 Government has been seeking to implement legislation that would see lead local flood authorities (such as ESCC) take on responsibility for the approval, adoption and maintenance of sustainable drainage systems (SuDS) constructed as part of new developments. This would have significant implications for the Council's Flood Risk Management Team, as currently our role is restricted to commenting on proposed drainage schemes at the design stage. Consultation on secondary legislation, new burdens assessments, and matters such as transitional arrangements was expected in 2023, but did not take place. Until further details emerge resource and budget implications for the Council cannot be established.

UK Emissions Trading Scheme

9.20 In July 2023 the Government proposed expanding the UK Emissions Trading Scheme to include the energy from waste sector from 2028 onwards to help the UK achieve its net zero target. The energy from waste sector is responsible for about 1% of UK carbon emissions. Inclusion of Newhaven Energy Recovery Facility in the UK Emissions Trading Scheme will have significant financial and operational impacts from 2028 onwards. All facilities will need to decarbonise or pay for allowances. Consultation is expected on this proposal, to which the Council will respond, aiming to influence the national policy direction.

10. Supporting Services

10.1 The below section provides updates on key local and national developments for ESCC's supporting services. Local priorities are to deliver the implementation phase of the Modernising Back Office Systems programme; respond to workforce and pay challenges; continue delivery of the Council's Property Asset Management Plan including office space rationalisation; exploration of productivity enhancements potentially afforded by artificial intelligence; and adaptation to new procurement regulations. Preparations will also be made for the County Council election in May 2025.

Modernising Back Office Systems Programme

10.2 The Modernising Back Office Systems (MBOS) programme was established to replace the Council's core finance and human resources (HR) systems. The current system, SAP, will no longer be supported by the supplier beyond 2027, so a replacement system is necessary. Replacing a system originally implemented over 15 years ago provides opportunities to take advantage of new technology which is better able to support an agile and flexible workforce and provide easily accessible data and insight to support management decision making.

10.3 Following an extensive and robust procurement process, Oracle Fusion was selected as the new software platform, and Infosys as the implementation partner. The replacement system offers the opportunity to deliver benefits including a better user experience, undertaking transactional activity (freeing staff up to focus on more complex and value-added advice), and better availability of data and management reporting.

10.4 The programme is in its implementation period which requires process changes to be made across the Council as ways of working are updated, including by introducing new functionality such as self-service for tasks such as submitting timesheets and requisitions.

10.5 Following the deferral of the programme go-live date from November 2023, an independent assessment of the programme has recently been undertaken and work is in progress to set out a revised delivery approach, timings and associated resource requirement. A phased approach to implementation is now being taken with some changes in organisational ways of working, supported by considerable staff and wider engagement.

Workforce challenges

10.6 The Council continues to face significant recruitment and retention challenges as a result of the current national labour market conditions and cost of living pressures. Locally, there are particular challenges in front line social care roles (qualified and unqualified) and some of our technical and professional roles such as legal services and engineering. The position is exacerbated in our more rural locations with recruitment in these areas being especially difficult. There is evidence to show that this tight labour market is putting pressure on pay levels.

10.7 In order to respond to these pressures and attract staff to work for the Council, plans include building on our 'We Choose East Sussex' recruitment brand to create additional engaging and informative content on the jobs pages of our website. Alongside this, we will attend local recruitment fairs to showcase the range of job opportunities at the Council and to connect with those who are looking for work. An important element of this will be to set out clearly the benefits of working for the Council and how we are an 'employer of choice'.

10.8 As well as seeking to attract experienced individuals, we are also utilising approaches such as apprenticeships, traineeships and intern arrangements as a way of bringing new talent into the Council. We are currently in the process of developing a 'work experience' package, the intention being to provide opportunities to support individuals to become work ready as well as encouraging individuals to consider the Council as the place to start their career.

10.9 Recent changes to the Apprenticeship Levy will enable us to transfer up to 50% of our levy to non-levy paying employers. We will build on the work undertaken to date through the Transform project to support small and medium sized enterprises (SMEs) in priority sectors to access our levy funding, supporting the skills development of our local population.

10.10 Retention of our workforce is also a key aim. We are committed to supporting our staff with continuous professional development and creating an environment where staff are encouraged to learn and grow. In line with this, our updated People Strategy covering the three year period 2024 to 2027 has recently launched and, alongside this, a second cohort of our innovative 'Ladder to Leadership' programme has commenced. We continue to develop our extensive wellbeing offer to support our staff to remain healthy and well, both in and out of work.

Pay challenges

10.11 The introduction of the National Living Wage (NLW) created pressures as a result of its close proximity to the bottom end of the local government pay scales. Given the national employers' principle that local government should not be a minimum wage employer, maintaining headroom between the lowest rate of pay and the NLW has been a key objective of the recent national pay awards. The current top-end forecast of the NLW will have a significant impact on the lower end of the local East Sussex Single Status pay scales, in particular the first two grades. These grades currently cover a range of posts, the majority of which are in schools.

10.12 To address the NLW pressures, recent national pay awards have removed pay points at the bottom end of the pay structure. Whilst this has addressed the immediate NLW pressures, a continuation of this approach in future pay awards will likely result in the need for the local Single Status pay scales to be remodelled.

Property asset management

10.13 The Council's Asset Management Plan 2020-2025 includes an action plan to ensure operational assets are used efficiently, and a programmed approach to asset disposal has been established. There is continued focus on ensuring our assets are optimally utilised and continue to reduce their carbon and physical footprint. In 2024/25 this will include the office space in Eastbourne reducing from two office hubs to one, and office space in Hastings being reduced further. The use of County Hall is also being reviewed, reflecting its decreased utilisation post-Covid, and options for future use are currently being considered. There are also increased opportunities for reducing the wider estate, reflecting revised service models and rationalising use where possible.

10.14 The Council has an ambitious disposal of assets programme to secure capital receipts that will support the capital programme. The Community Asset Policy will be updated during 2024/25 which will allow a small number of assets with low monetary value to be available for potential disposals by community groups, voluntary sector and parish councils.

Technology supporting productivity

10.15 Developments in process automation and artificial intelligence (AI) present opportunities for the Council to support organisational capacity and resilience. IT & Digital will work with departments to support the identification and readiness of processes for automation and the enhancement of service delivery using AI capabilities. A Data Protection and Information Security Policy, supported by practical guidance, is being developed to support the responsible use of Generative AI technologies, such as ChatGPT, as departments explore specific uses.

10.16 Investment of resources will be required to provide skilled support and establish the technology infrastructure and prerequisite data architecture. AI fundamentally draws from datasets to learn, harvest and present information. If the right data does not exist, or is not of sufficient quality, it may not be possible to use AI for the intended purpose or there could be harmful consequences of doing so. A corporate Data and Insight Plan is being developed to set out activity required to help address this.

Procurement

10.17 The Procurement Act 2023 will come into force in October 2024. The legislation will have a significant impact on procurement teams over the next two years and beyond, and work is underway to understand how existing processes, systems, people, and planned procurement activity will be impacted. All staff in the procurement service will require a minimum of 10 hours of Cabinet Office issued training and many will need to complete three days 'deep-dive' training. In addition, there will be internal training requirements relating to local systems and processes, with relevant commissioners across the Council also needing to understand the impact of the Act and attend briefings as necessary. The resource implications of the planning, training and implementation will have a significant impact on the available capacity of the procurement team. This is in addition to Provider Selection Regime changes that came into effect in January 2024.

10.18 A revised National Procurement Policy Statement is due to be released in autumn 2024. This will align with the new regulations and continue to support our approach to social value and sustainable procurement.

Local Elections

10.19 The next County Council election is scheduled to take place in May 2025. Work will take place over the coming year to provide information to prospective candidates about the Council's work and the role of a county councillor through our 'Be a councillor' campaign. A comprehensive induction programme will be prepared for newly elected councillors to support them in taking up their roles. We will work closely with district and borough councils, who administer the election on behalf of the County Council, on the statutory election process.

Our priority and delivery outcomes **Appendix 3**

The Council has four overarching priority outcomes: driving sustainable economic growth; keeping vulnerable people safe; helping people help themselves; and making best use of resources now and for the future. Making best use of resources now and for the future is the gateway priority through which any activity and accompanying resources must pass. For each priority outcome there are specific delivery outcomes.

Proposed amendments to the delivery outcomes are shown in red bold text below.

Driving sustainable economic growth - delivery outcomes

- East Sussex businesses are supported to succeed and grow sustainably
- The county is an attractive place to live, work and do business
- Individuals, communities and businesses thrive in East Sussex with the environmental, and social infrastructure to meet their needs
- The workforce has and maintains the skills needed for good quality employment to meet the needs of the current and future East Sussex economy
- The value of our role as both a significant employer and a buyer of local goods and services is maximised
- All children progress well from early years through school and into post-16 education, training and employment

Keeping vulnerable people safe - delivery outcomes

- All vulnerable people in East Sussex are known to relevant local agencies and ~~services are~~ **support is** delivered together to meet their needs
- People feel safe at home and well supported by their networks
- Children grow up supported by enduring, loving relationships
- People feel safe with ~~services~~ **support provided**
- We work with the wider health and care system to support people to achieve the best outcomes possible

Helping people help themselves - delivery outcomes

- Commissioners and providers from all sectors put people first when providing services and information to help them meet their needs
- The most vulnerable get the support they need to maintain their independence and this is provided at or as close to home as possible
- Through working well with the voluntary, community and social enterprise sector, individuals, families and communities are supported to thrive
- **We work to reduce health inequalities and maximise opportunities for our residents to live healthier lives**

Making best use of resources now and for the future - delivery outcomes

- To help tackle Climate Change East Sussex County Council activities are carbon neutral as soon as possible and in any event by 2050
- We work as One Council
- We work in strong and sustained partnership with the public, voluntary community, social enterprise and private sectors to ensure that our collective resources and influence are used to deliver maximum benefits
- Ensuring we achieve value for money in the services we commission and provide
- Maximising the funding available through bidding for funding and lobbying for the best deal for East Sussex
- We are an employer of choice and support our staff to achieve and develop, ensuring we have the workforce we need to deliver services both now and in the future

Appendix 4 – State of the County 2024 Capital Programme Update

1 Background

1.1 Through the Reconciling Policy Performance and Resources (RPPR) process the Capital Strategy and programme are reviewed annually to ensure that they support the Council's responsibilities and departmental service strategies. To manage investment to a sustainable level, the Capital Strategy focuses on the delivery of targeted basic need for the council to continue to deliver services as efficiently as possible, rather than rationing through prioritisation. Basic need for the purpose of strategic capital planning is provided below: -

- Place: ensuring we can deliver services by planning for future need.
- Asset Condition: maintaining our assets to an agreed level.
- ICT Strategy: ensure that our ICT is fit for purpose for delivering modern council services in a digital era and protecting data.
- Climate Change: supporting the Council's aim of reaching carbon neutrality from our activities as soon as possible and in any event by 2050 in an appropriate and cost-efficient way.

1.2 At Full Council in February 2024 the target led basic need capital strategy of 20 years, supported by a 10-year planned capital programme was approved. The capital programme 2023/24 to 2033/34 reported as part of the Budget in February 2024 had a total programme expenditure of £768.1m and a borrowing requirement of £383.3m. Table 1 below provides details of the approved capital programme and funding.

Table 1 – Capital Programme (Budget 2024) (£m)	**Previous Year 2023/24**	**MTFP Period**			**2027/28 to 2033/34**	**Total**
		2024/25	**2025/26**	**2026/27**		
Gross Expenditure	**80.139**	**96.690**	**98.128**	**67.216**	**495.749**	**837.922**
Specific Funding	(10.822)	(30.472)	(23.276)	(2.609)	(2.612)	**(69.791)**
Net Expenditure	**69.317**	**66.218**	**74.852**	**64.607**	**493.137**	**768.131**
Formula Grants	(32.502)	(23.916)	(26.223)	(26.023)	(191.066)	**(299.730)**
Capital Receipts	(0.817)	(7.061)	(9.753)	-	-	**(17.631)**
Reserves and Revenue Set Aside	(18.979)	(3.098)	(6.709)	(8.507)	(11.598)	**(48.891)**
Developer Contributions Target	-	-	-	-	(18.588)	**(18.588)**
Slippage Risk Factor	-	*(19.143)*	*(22.079)*	-	*41.222*	***0.000***
Programme Borrowing	**17.019**	**13.000**	**10.088**	**30.077**	**313.107**	**383.291**

1.3 The financial outlook for local authorities is increasingly challenging, with uncertain funding allocations, inflationary pressure on contracts and wages, increasing service demands and the impact of national reforms leaving much uncertainty about the Council's future financial position. Capital investment decisions have a direct impact on the council's revenue budget, particularly relating to borrowing costs, and are therefore to be considered in the context of their impact on the MTFP. The Council will therefore continue to consider changes to the Capital Programme outside normal Capital Strategy updates that present a more realistic and affordable programme that reduces pressure on the MTFP position.

2 Capital Programme

2.1 Table 2 below summarises the gross movements since budget setting in February 2024, reflecting the 2023/24 outturn position, other updates made in accordance with approved governance and variation process, and proposed updates to be made in accordance with Capital Strategy principles. A detailed programme has been included at **Annex A**.

Table 2 - Capital Programme (gross) movements (£m)	Ref	Previous Year 2023/24	MTFP Period			2027/28 to 2033/34	Total
			2024/25	2025/26	2026/27		
Gross Expenditure Feb 2024		**80.139**	**96.690**	**98.128**	**67.216**	**495.749**	**837.922**
Approved Variations	A	5.741	11.595	10.775	1.333	4.958	**34.402**
Grove Park Project Update	B	-	(3.950)	3.000	(1.610)	1.001	**(1.559)**
Other Programme Updates	C	-	0.256	0.347	0.347	2.649	**3.599**
2023/24 Slippage / Reprofiles	D	(8.561)	3.714	4.400	0.674	(0.227)	**0.000**
2023/24 Over/Underspend		0.172	-	-	-	-	**0.172**
Revised Gross Expenditure		**77.491**	**108.305**	**116.650**	**67.960**	**504.130**	**874.536**
Slippage Risk Factor	E	-	(24.281)	(27.069)	(7.861)	59.211	**0.000**
Gross Expenditure (after slippage risk factor)		**77.491**	**84.024**	**89.581**	**60.099**	**563.341**	**874.536**

A Approved Variations

There is a gross increase to the programme of £34.4m relating to fully funded schemes having a net nil impact on the capital programme due to the identification of specific funding in accordance with the Capital Strategy, as summarised in Table 3 below:

Table 3 – Approved Variations since February 2024	Gross Variation (£m)
Climate Emergency works (reserves funding switch to revenue)	(0.535)
Climate Emergency works (specific grant funding)	0.859
Flood Management and SuDs in Schools (specific grant funding)	0.440
Real Time Passenger Information (revenue set aside)	0.218
Area Wide Traffic Management Scheme – School Streets (revenue set aside)	0.119
Local Electric Vehicle Infrastructure (specific grant funding)	4.541
Hastings Town Centre Public Realm and Green Connections (specific grant funding)	9.689
The Keep Solar PV (partner contributions)	0.070
Schools Delegated Capital (specific grant and schools contributions)	0.653
Growing Places Fund Loan Scheme (earmarked loan repayments)	4.958
IT & Digital Strategy Implementation – Oracle Implementation (reserves set aside)	13.390
Total Net Nil Approved Variations	**34.402**

B Grove Park Project Update

The Grove Park Project Board, with support from external consultancy partners, have undertaken an Options Appraisal of SEN school place provision at Grove Park, due to various construction and budgetary risks associated to the original proposal of additional nursery, secondary and sixth form places on the site. The Board have agreed to proceed with a project that delivers required secondary places and considers options for the provision of nursery places, which is considered to be the best option in managing risks and being affordable within the approved budget envelope. This update therefore presents a revised budget requirement based on the agreed option.

C Other Programme Updates

Other updates made in accordance with Capital Strategy principles relate to:

- Following government announcements of the 2024/25 grant allocation, the Schools Capital Building Improvements programme has been increased in line with anticipated grant value, being a cash limited programme that represent the value of formula grants received.
- The 10-year school basic need capital strategy has been reviewed and updated considering the need for temporary place provision over the MTFP period, resulting in a reduced requirement of £0.3m.

D 2023/24 Capital Programme Outturn

Total 2023/24 capital expenditure was £77.5m against an approved budget of £85.9m, resulting in a variation to budget of £8.4m. This variation is made up of £8.6m net slippage and £0.2m net overspend on the planned programme.

E Capital Slippage Risk Factor

The Capital Programme continues to experience significant levels of budget slippage compared to original budgets (£19m slippage in 2023/24 compared to original budget) which can undermine the planning process, particularly in terms of treasury management modelling and the impact of borrowing on the revenue budget over the medium term. A corporate capital risk factor has therefore been introduced from 2024/25 to reflect likely slippage based on a risk assessment of historic levels of actual expenditure and slippage at a project/programme level and has been updated following the 2023/24 outturn position.

3 Capital Programme Funding Update

3.1 Table 4 below provides movements in the council's borrowing requirement to reflect the 2023/24 outturn position, government funding announcements and other updates, reducing the council's borrowing requirement from £383.3m to £374.8m, of which £43.6m is expected over the period to 2026/27.

3.2 Current Treasury Management modelling for the direct costs of borrowing estimates that for every £10m of additional borrowing, there would be an associated revenue cost of approximately £750,000 per year over the full life of the asset (based on a 30 year asset life), although the profile of costs will vary dependent on a number of variables such as timing, internal cash balances and interest rates. As highlighted at budget setting in February 2024 the current planned programme borrowing requirement will need Treasury Management budget increases outside the current MTFP period.

Table 4 - Capital Programme Borrowing (£m)	**Ref**	**Previous Year 2023/24**	**MTFP Period**			**2027/28 to 2033/34**	**Total**
			2024/25	**2025/26**	**2026/27**		
Borrowing February 2024		**17.019**	**13.000**	**10.088**	**30.077**	**313.107**	**383.291**
Formula Grants Update	F	(6.033)	(1.436)	(0.500)	(0.500)	-	**(8.469)**
Capital Receipts Update	G	-	2.259	5.803	(8.870)	-	**(0.808)**
Revenue Contribution to Capital	H	1.827	-	-	-	-	**1.827**
Other Programme Changes	I	(0.261)	(3.740)	2.840	(1.670)	1.005	**(1.826)**
2023/24 Slippage / Reprofiles	J	(3.857)	2.038	2.843	(0.076)	(0.948)	**0.000**
2023/24 Over/Underspend		0.736	-	-	-	-	**0.736**
Slippage Risk Factor	E	-	(5.138)	(4.990)	(7.862)	17.990	**0.000**
Revised Borrowing		**9.431**	**6.983**	**16.084**	**11.099**	**331.154**	**374.751**

F Formula Grants Update

The capital programme is supported by £312.1m of non-specific formula grant, which represents 36% of the total gross programme funding. Formula grant assumptions reflect best estimates but noting that there continues to be risk in relation to these grants as values for future years are still yet to be announced. Formula Grant values have been updated to reflect the following announcements:

- **High Needs Provision:** Notification of additional High Needs Provision capital grants in 2023/24 and 2024/25 of £6.7m which will be allocated to the existing basic need programme. Assumptions for further years allocations over the MTFP period have been updated to minimum levels, as funding beyond 2025 is contingent on the outcomes of future Spending Reviews and additional capital funding beyond this period is not guaranteed.
- **Childcare Expansion Grant:** The DfE announced Childcare Expansion capital grant to support the expansion of current or new childcare places. Of the £0.823m council allocation, £0.659m has been allocated to fund existing programme expenditure, and it is intended to use the remaining £0.164m to support wraparound provision not currently included in the capital programme.
- **Traffic Signal Obsolescence and Green Light Fund:** New funding from the DfT announced in March 2024 totalling £0.613m to upgrade traffic signal systems and equipment.

G Capital Receipts Update

Review and refinement of Property Services schedule of capital receipts is undertaken on a regular basis with estimates based on Property Officers' professional judgement on a site by site basis. This is supported by the work undertaken recently and successfully getting a number of surplus properties to the point of sale. Following a recent review, it is suggested that anticipated capital receipts can be increased by £0.8m for capital planning purposes over the MTFP period.

H Revenue Contribution to Capital

Due to slippage within the capital programme, and to support the council's wider financial position in the year, it was agreed that two transfers for Capital Expenditure from Revenue Account (CERA) were not utilised to fund the capital programme during 2023/24, and were instead maintained within revenue to support the council's overspend position.

I Other Programme Changes

A number of other capital programme updates made in accordance with Capital Strategy principles have impacted the capital borrowing requirement, such as the review of the Grove Park Project Update, profile of capital reserves contributions and identification of developer contributions to fund basic need requirements.

J 2023/24 Capital Programme Outturn

Net variations within the 2023/24 capital programme have resulted in reprofile of borrowing requirements, and a minor increase to fund net overspends reported as part of the council's monitoring process.

3.3 The revised capital programme, taking into consideration the updates presented throughout this report, would reduce the level of borrowing to £43.6m in the period to 2026/27, which represents a reduction of £26.6m since the position reported in February 2024. It is estimated that this will have a favourable MTFP impact of £0.8m for cost of borrowing which will be incorporated into the MTFP revenue planning process.

4 Programme Update and Review / RPPR Next Steps

4.1 Work will now be progressed as part of the RPPR process to extend the programme by a further year to maintain a 10-year planning horizon and ensure continued links into, and support of, the Council's other strategies.

4.2 The draft capital programme after updates identified in this report would require capital programme borrowing of £43.6m up to 2026/27, the revenue cost of which would have a significant impact on the MTFP which is already in a large deficit position. It has therefore been agreed by CMT that a further review of the capital programme will be conducted as part of this year's RPPR cycle, to consider the implications of removing core council funded programmes / projects from the capital programme that increases the council's borrowing need.

4.3 The Capital Strategy will also be reviewed to ensure it continues to drive investment ambition in line with the Council's priorities and to continue to include equality impact assessments (EQIAs) as part of the capital RPPR process, whilst also providing for appropriate capital expenditure, capital financing and treasury management within the context of sustainable, long-term delivery of services.

5 Conclusion

5.1 This report provides an update on current approved capital programme as part of the annual RPPR cycle. Work will now be progressed as part of the RPPR process to extend the programme by a further year to maintain the 10-year planning horizon, link into and support the Council's other strategies, as well as a review of the programme to reduce the revenue impact of borrowing.

Annex A – Funding Summary and Detailed Capital Programme

Capital Programme Summary	Previous Year 2023/24	MTFP Period			2027/28 to 2033/34	Total
		2024/25	2025/26	2026/27		
Gross Expenditure	**77.491**	**108.305**	**116.650**	**67.960**	**504.130**	**874.536**
Specific Funding	(9.028)	(33.835)	(35.338)	(4.692)	(2.612)	**(85.505)**
Net Expenditure	**68.463**	**74.470**	**81.312**	**63.268**	**501.518**	**789.031**
Slippage Risk Factor	-	*(24.281)*	*(27.069)*	*(7.862)*	*59.212*	***0.000***
Formula Grants	(38.736)	(25.558)	(27.130)	(26.930)	(193.715)	**(312.069)**
Capital Receipts	(0.817)	(4.802)	(3.950)	(8.870)	-	**(18.439)**
Reserves and Revenue Set Aside	(19.479)	(12.846)	(7.079)	(8.507)	(17.277)	**(65.188)**
Developer Contributions Target	-	-	-	-	(18.584)	**(18.584)**
Programme Borrowing	**9.431**	**6.983**	**16.084**	**11.099**	**331.154**	**374.751**

Detailed Capital Programme (Gross Expenditure)	Previous Year 2023/24	MTFP Period			2027/28 to 2033/34	Total
		2024/25	2025/26	2026/27		
Adult Social Care						
Adults House Adaptations	0.013	0.050	0.050	0.050	-	**0.163**
Learning Disability Support Living Scheme	1.012	3.700	1.256	0.081	-	**6.049**
Greenacres	-	0.070	0.070	-	-	**0.140**
Adult Social Care Total	**1.025**	**3.820**	**1.376**	**0.131**	**0.000**	**6.352**
Business Services						
SALIX Contract	0.056	0.350	-	-	-	**0.406**
Lansdowne Secure Unit	0.026	0.039	-	-	-	**0.065**
Youth Investment Fund	0.621	7.003	-	-	-	**7.624**
Disability Children's Home	0.742	0.024	-	-	-	**0.766**
Westfield Land	0.036	0.017	-	-	-	**0.053**
Special Educational Needs Provision	1.029	0.525	0.685	0.300	1.000	**3.539**
Special Educational Needs Provision Grove Park	0.172	1.300	11.000	3.390	1.430	**17.292**
Schools Basic Need Provision	2.093	0.353	0.400	0.512	60.609	**63.967**
Capital Building Improvement (Schools)	4.419	5.781	4.589	4.389	30.723	**49.901**
Capital Building Improvement (Corporate)	3.748	4.401	4.000	4.000	28.000	**44.149**
IT&Digital Strategy Implementation	3.372	6.399	6.409	4.075	54.351	**74.606**
IT & Digital Strategy Implementation – Oracle Implementation	7.088	9.634	-	-	-	**16.722**
IT&D – Utilising Automation	-	0.024	-	-	-	**0.024**
Business Services Total	**23.402**	**35.850**	**27.083**	**16.666**	**176.113**	**279.114**

Children's Services						
Childrens House Adaptations	0.078	0.050	0.050	0.050	-	**0.228**
Schools Delegated Capital	1.803	1.150	1.150	1.150	-	**5.253**
Children's Services Essential System Developments	-	0.736	0.885	0.958	0.774	**3.353**
Children's Services Total	**1.881**	**1.936**	**2.085**	**2.158**	**0.774**	**8.834**
Communities, Economy and Transport						
Broadband	(0.269)	0.065	5.721	-	-	**5.517**
Bexhill and Hastings Link Road	0.566	-	-	-	-	**0.566**
Bexhill and Hastings Link Road Complementary Measures	0.048	0.141	-	-	-	**0.189**
Economic Intervention Fund – Grants	0.072	-	0.300	0.300	1.186	**1.858**
Economic Intervention Fund – Loans	0.053	-	0.300	0.300	1.097	**1.750**
Stalled Sites	0.013	-	0.050	0.050	0.157	**0.270**
Upgrading Empty Commercial Properties	-	-	-	0.007	-	**0.007**
Growing Places Fund Loan Scheme	-	-	-	-	4.958	**4.958**
Community Match Fund	0.029	0.379	0.066	-	-	**0.474**
Community Road Safety Interventions	0.175	0.547	-	-	-	**0.722**
Newhaven Port Access Road	(0.036)	0.135	0.030	0.665	-	**0.794**
Real Time Passenger Information	0.132	0.180	0.131	-	-	**0.443**
Passenger Services Software	0.021	0.005	-	-	-	**0.026**
Bus Service Improvement Plan - Bus Prioritisation	0.187	6.933	11.380	-	-	**18.500**
Bus Service Improvement Plan - Passenger Transport	2.174	1.251	-	-	-	**3.425**
Lewes Bus Station Replacement	0.004	-	-	-	-	**0.004**
Queensway Depot Development	(0.016)	0.120	2.900	1.500	-	**4.504**
The Keep	-	0.172	0.040	0.085	0.780	**1.077**
Other Integrated Transport Schemes	1.638	3.557	6.087	9.087	41.528	**61.897**
A22 Corridor Package	0.207	-	-	-	-	**0.207**
Exceat Bridge Replacement	0.632	5.340	0.880	-	-	**6.852**
Emergency Active Travel Fund Tranche 2	(0.003)	-	-	-	-	**(0.003)**
Schools Streets	0.169	0.150	-	-	-	**0.319**
Eastbourne Liveable Town Centre	0.058	0.216	-	-	-	**0.274**
Hastings Town Centre Public Realm and Green Connections	0.359	0.706	8.624	-	-	**9.689**
Libraries Basic Need	0.442	0.773	0.550	0.467	1.347	**3.579**
Highways Structural Maintenance	33.877	23.704	22.246	22.819	237.539	**340.185**
Bridge Assessment and Strengthening	1.955	7.945	2.901	2.901	14.025	**29.727**
Street Lighting Replacement Programme	2.150	3.835	3.988	3.429	8.395	**21.797**

Street Lighting SALIX Scheme	0.220	-	-	-	-	**0.220**
Rights of Way Programme	0.534	0.588	0.643	0.662	5.486	**7.913**
Gypsy and Traveller Site Refurbishment	-	0.070	0.070	0.070	0.490	**0.700**
Visibly Better Roads	0.789	0.504	-	-	-	**1.293**
Local Electric Vehicle Infrastructure	-	0.400	2.298	1.843	-	**4.541**
Flood & Coastal Resilience Innovation Programme	1.135	0.758	0.989	0.683	-	**3.565**
Flood Management and SuDS in Schools	0.202	0.218	-	-	-	**0.420**
Climate Emergency Works	2.843	4.336	4.206	4.137	10.255	**25.777**
Eastbourne Town Centre Phase 2a	0.521	1.779	1.746	-	-	**4.046**
Eastbourne Town Centre Phase 2b	0.078	0.022	5.050	-	-	**5.150**
Eastbourne / South Wealden Walking & Cycling Package	0.089	0.990	1.328	-	-	**2.407**
Hailsham / Polegate / Eastbourne Movement & Access Corridor	0.260	0.134	-	-	-	**0.394**
Hastings / Bexhill Movement and Access Package	(0.125)	0.746	3.582	-	-	**4.203**
Communities, Economy and Transport Total	**51.183**	**66.699**	**86.106**	**49.005**	**327.243**	**580.236**
Capital Programme Total	**77.491**	**108.305**	**116.650**	**67.960**	**504.130**	**874.536**

Appendix 5

East Sussex County Council – Productivity Plan

June 2024

Context

An overview of the East Sussex context can be found in our Focus on East Sussex report. Key features include a significantly older than average population, a relatively weak local economy, below average earnings and areas of significant deprivation, with three of the five district and borough areas designated nationally as in need of levelling up.

East Sussex County Council's (ESCC) priorities for the county are set out in our Council Plan, together with the key activities and targets. Each of our priority outcomes, and their supporting delivery outcomes, has been informed by a robust evidence base, including comparative information with other local authorities and areas.

The Council Plan, revenue budget (c£1bn gross and £550m net) and capital programme (c£838m across 10 years) are fully integrated through our integrated business planning process, Reconciling Policy, Performance and Resources (RPPR), which helps us ensure we are as productive as possible.

Recent external assessments of the Council have provided independent assurance that the organisation is effective, well managed and offers value for money. These include:

- Local Government Association Corporate Peer Challenge 2023
- Local Government Association Adult Social Care Peer Challenge 2024
- Ofsted Inspection of Local Authority Children's Services 2023
- Grant Thornton's External Auditor Value for Money Assessment 2022/23

More information about how the Council operates is in the position statement for our 2023 Corporate Peer Challenge.

1. Developing our services to make best use of resources

Our previous work

ESCC has a strong focus on continuous improvement, using benchmarking groups to assess our comparative performance in relation to other councils, and to share learning on successful delivery models or interventions which can be adopted locally.

Using this approach, and a focus on commissioning strategically to achieve specific outcomes, we have implemented a range of significant service development and improvement programmes in recent years, for example:

- Health and social care integration
- Children's services Early Help Strategy
- Strategic commissioning approach to library services
- Highways – asset management approach

Despite significant work to make best use of reduced resources, the scale of the gap between the cost of providing services and the funding available meant that ESCC has had to identify £140m of savings since 2010. We have taken innovative approaches to delivering savings which align to our priority outcomes, including a focus on efficiency in the back office to prioritise funding for frontline services. We have managed staff reductions to avoid compulsory redundancies as far as possible.

In 2018 we developed our Core Offer which defined the basic but decent level of services residents should expect and helped explain what we would need to step back from in order to live within our means and what we would continue to provide.

Future plans

We face a projected financial deficit of c£84m by 2027/28, £55m in 2025/26 alone – see State of the County 2024 for more detail. This means that the Council is having to take a range of actions to

bridge the financial gap including additional measures to contain and reduce day to day spend wherever possible, maximising income and identifying further savings. This includes reviewing the remaining non-statutory, preventative services we continue to provide as part of our Core Offer. Any further reductions we are forced to make are very likely to generate higher need later on – a less productive use of resources.

The Council continues to focus on evidence-based continuous improvement across all services. Planned improvements are included in our Council Plan. We review progress against the measures in our Council Plan as part of our quarterly Council Monitoring process. Examples of planned work include:

- Implementation of family safeguarding and Valuing Care approaches in Children's Services
- Implementation of our Special Educational Needs and Disability (SEND) Strategy.
- Taking forward our Adult Social Care Strategy
- Delivering our Adult Social Care Workforce Strategy
- Maximising value from our new highways contract
- Replacement of our back office IT system
- Continuing to reduce our office footprint

2. Taking advantage of technology and making better use of data

How we use technology and data

Our Strategic Digital Framework sets out how we will use technology to improve the efficiency and effectiveness of our business processes. We have:

- implemented an automation platform which is helping to automate a range of administrative processes across multiple teams;
- piloted a chatbot for Blue Badges;
- continually reviewed our IT systems and upgraded these where possible to take advantage of advances in technology. However, there is a significant cost involved in replacing older systems, requiring cost/benefit judgements;
- routinely used data quality audits and put in place data quality improvement plans to address any issues;
- published a range of data and reports, research and key information about the county online to support our and partner organisations' planning;
- shared data with partner organisations and used anonymised data to help plan services;
- taken part in benchmarking exercises to understand how well we are performing;
- adopted the data standards approved by the Data Standards Authority for new systems;
- maintained a set of clear and robust information governance processes to make sure data is kept safe and shared and used appropriately.

Our next steps

Over the next year we will develop pilots to test how we can use artificial intelligence (AI) safely and securely to deliver improvements and efficiencies. Alongside this we will continue to roll out our robotic process automation programme across the Council.

We will adopt and implement a new Data and Insight Plan which sets out actions for how we will collect, maintain and use our data to generate better insights into our services and the needs of our communities.

3. How we avoid wasteful spend

Our processes

We have established processes in place to ensure spend is directed to essential service delivery, including:

- a culture of strong financial management and awareness resulting from embedding the RPPR process throughout our delivery of services;
- a robust framework of financial management and controls to support effective budget monitoring;
- a business case process in relation to any significant investments in service development requiring capital funding or ongoing increases to revenue budgets; and
- the Constitution, along with our Annual Governance Statement, which provide assurance regarding the Council's governance framework and how it provides accountability regarding spend.

In addition to reductions in support services made as part of the Council's wider savings programmes, operating efficiencies have been achieved in the following areas:

- The Orbis partnership (with Surrey County Council and Brighton and Hove City Council) which involves shared teams supporting areas such as IT and procurement.
- Our Workstyles programme which allows some staff to work more flexibly where this will not affect the service that residents receive, helping reduce the spend on offices.

Our People Strategy informs our approach to attracting, retaining and developing staff. Managers are working in a very challenging context and we support them to deliver their responsibilities including the management of resources and demand. We have in place a strong approach to supporting our staff to maximise their performance through regular supervision, appraisal, coaching and development. We use consultants in line with our staffing policies where we need expert support for short periods of time where this would be cheaper than to directly employ staff. Our agency spend on qualified social worker roles in Children's Services is low compared to other authorities. Spend in these areas is overseen by the Corporate Management Team.

We have legal duties to ensure that we consider the equalities implications of the decisions we take and this also helps ensure resources are deployed fairly and effectively. We have the necessary staff to provide specialist advice on service planning and commissioning decisions so that we can meet these legal duties and business needs, including the Public Sector Equality Duty and Best Value requirements.

Further steps

Ongoing measures to ensure we consistently make best use of resources are well embedded in the council's processes and culture as described above, following many years of operating with constrained funding and capacity. In the face of the acute financial pressures currently facing the Council and the substantial budget gap, we have:

- undertaken a further review of day to day spend;
- instituted vacancy controls; and
- engaged staff in identifying any further ways to save money, however small.

Despite all these measures the Council will still need to make further service reductions which will impact on our ability to maintain our Core Offer to residents. The processes involved in implementing further savings will divert staff resource from service provision and development.

4. The barriers Government can help reduce or remove

There are a range of barriers which prevent the Council being more productive or sustainable which Government could help reduce or remove as set out below. The way in which central Government departments work with local government and local places can be an overarching barrier. The Partnerships for People and Places (PfPP) programme (in which ESCC participated) recently set out five barriers to place-based working and ways these could be addressed. Barriers included the overly complex and varying organisational structures in Government departments which make them difficult and time consuming for local authorities to navigate – the East Sussex team was required to engage with 26 individuals across ten teams in two Government departments to progress the PfPP project.

Financial barriers

A number of national issues are contributing to the Council's very significant financial challenges and ability to use the resources we have to best effect:

- Funding is not appropriately aligned to need – the funding formula on which local authority allocations are based requires fundamental reform to ensure it properly reflects the cost of providing services in different areas. There is currently over-reliance on raising income through Council Tax which is unrelated to need and is particularly difficult in areas like East Sussex where need for services, especially social care, is high but residents' ability to contribute more is very limited given below average wage levels and one of the highest band D rates in the country.
- Single year financial settlements limit our ability to plan and use resources most effectively – we need longer term settlements, including certainty on Council Tax referendum limits.
- Multiple ringfenced grants, with restrictive criteria and reporting requirements – we need greater freedom to allow local decision making on the best use of funding.
- Bidding processes, multiple funding pots and time-limited funding/pilots – these create additional work, a lack of flexibility to meet local needs and wasted time and resource in standing up/winding down provision or developing unsuccessful bids.
- National reforms which create new duties and responsibilities for the Council but are not fully funded – a key risk relates to Adult Social Care charging reforms which will, if implemented, have a major impact on councils in the south east, including East Sussex, with older populations, high levels of people self-funding their care and additional challenges in the independent sector market.
- A lack of early information on the funding available to meet new duties, and the specific obligations involved, to enable councils to plan effectively – for example in relation to Extended Producer Responsibility (Packaging) reforms.

National policy and legislative barriers

There are a significant number of requirements placed on the Council by national policy and legislation which reduce or remove our ability to target services most effectively and/or use our resources most effectively. Key areas in need of national reform or review include:

- Special Educational Needs and Disability (SEND) – wholesale reform of the SEND system is required and funding must either be increased to meet eligibility criteria or eligibility criteria reduced to match available funding.
- Home to school transport – reforms to entitlement to make it more proportionate and affordable, including the ability to means-test so that families in a position to contribute to the cost are required to do so.
- Concessionary fares – reform to enable targeting of free travel to those most in need, such as through means-testing.
- The residential placements market and the agency staffing market in children's social care - both require greater controls on the costs charged and the profits made by independent sector providers, and how these services are made available.
- Looked After Children (LAC) reviews – a review and reduction in the number of professionals required to attend LAC reviews so we can make local decisions about the best use of limited staff time.
- NHS Continuing Healthcare (CHC) – there is a need to review the CHC framework and create a fairer regime for funding care for people with long-term complex health needs.
- Utility company street works – greater powers for local authorities to manage the activities of utility companies on the highway which will enable better co-ordination of works and a reduction in inadequate repairs.
- Migration – a joined up, place-based approach from Government is required to address inconsistencies and a lack of co-ordination across multiple national schemes which play out locally in ways that create additional issues and work.
- Virtual (formal) meetings – legislative change to provide for local choice over which meetings may be held virtually in order to make best use of time, maximise accessibility and minimise travel costs and associated carbon emissions.

- Coroner's services – to review the role of local authorities in providing support services to HM Coroners.

Barriers to taking a more preventative approach

Providing early, upstream support can lead to better outcomes for people and reduce the higher intensity demand placed on a range of public sector organisations. We also want to invest in more cost-effective, proactive approaches to areas like maintaining our roads. With our current funding levels and the rising cost of delivering statutory services we are having to make difficult decisions to further reduce the amount of preventative work we do. We know these are not the best decisions for the medium or longer term but we have no choice. **We need Government to recognise the evidence-based case for prevention**, including:

- Providing significant additional investment in early help and family help as recommended by the MacAlister review of children's social care.
- Providing additional investment so we can provide better support for pupils with SEND, and those at risk of exclusion, in mainstream schools.
- Investing in health improvement and services that can maintain people's independence through Adult Social Care, Public Health and the NHS.
- Funding changes to allow more proactive planned roads maintenance, which would help us spend less on reactive repairs including pothole filling and the associated costs and work generated from roads being less well maintained.
- Greater investment in local economic growth and skills development, with increased local flexibility to meet local needs, which would increase independence and reduce need for support through access to good jobs.
- Housing – a strategic approach to addressing rising homelessness and the systemic and structural problems in the housing market, particularly in high cost areas such as the south east, which have a knock-on effect on demand for public services.

Capacity barriers

Although we work hard to deliver as much as we can with the resources we have available we still have challenges relating to capacity. We need Government recognition and support in the following areas:

- Workforce – we continue to face challenges in recruiting and retaining the essential staff we need. This is particularly the case in skilled areas such as social work, legal services or property services, and in areas where pay levels compare less favourably to other sectors. In social care, the impact of recent visa changes on overseas workers is also contributing to high vacancy rates.
- Ability to invest in technology – the significant financial pressures we face limit our capacity to invest in new technology and developing or recruiting staff with the specialist skills required.
- Capacity to further develop/improve services – the steps taken over many years to manage with reduced resources means that our managers and staff are stretched fulfilling their core roles. This means there is very limited capacity to implement significant change programmes. This is particularly the case in support services which have been reduced more significantly in order to prioritise funding for frontline services.
- Data sharing – improved data sharing by Government departments such as DWP to enable more automated processing in areas such as blue badges.