

**Report to:** Cabinet  
**Date:** 24 June 2025  
**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 2026/27 and beyond

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## **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;**
  - 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 officers update the Capital Strategy and programme (Appendix 4) as set out in paragraph 6; and**
  - 6. receive reports on more detailed plans for 2026/27 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 County Council's Reconciling Policy, Performance and Resources (RPPR) process, our integrated business and financial planning cycle. The report provides an overview of the current operating context for the Council to begin the process of more detailed planning for 2026/27 and beyond. Alongside the 2024/25 year end monitoring report earlier on this Cabinet agenda, 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. This analysis helps us start to refine our plans and to guide our business planning and budget setting processes.

1.2 The County Council continues to play a vital role in the quality of life for people across East Sussex. The essential services we provide and commission, and the work we do in partnership with public, voluntary and business sector partners, contribute significantly to improving health and wellbeing, independence, prosperity, connectivity and community across the county. The reach of our services is significant. In the past year our Adult Social Care services have supported over 30,000 people, our Children's Services have been in contact with over 48,000 children and young people, we maintained over 2,000 miles of road, including repairing over 23,000 potholes in our roads and pavements, issued over two million items through our libraries and dealt with a quarter of a million tonnes of waste. The Council employs 9,912 people (approximately half of these in schools) and spends £382m (60%) with local suppliers, a significant influence in the county's economy.

1.3 We have a strong track record of focusing, within the Council and with our partners, on making best possible use of the collective resources available for the benefit of local

people. Over the past year we have been able to invest in extra support for families facing challenges to help them stay together wherever possible, further develop the integration of community health and social care services, and work with partners to publish the Economic Prosperity Strategy for the county and to create new jobs through business support programmes, all of which benefit our residents and communities.

1.4 These valued partnerships and services provide a firm foundation as we approach a period of both sustained challenge for the Council and the most significant change to local government in a generation. The potential devolution of powers from national Government to Sussex and election of a new Mayor in 2026, alongside the proposed reorganisation of local council structures from 2028, would represent reform on a scale not seen since East Sussex County Council (ESCC) came into being. The change on the horizon is considerable and will be a key factor in our planning for the future, but there remain a number of uncertainties, and the future landscape is not yet clearly in our sights. Whilst we anticipate new opportunities in the medium term to progress further transformation and integration of local public services, in the short term it is vital to maintain our focus on the immediate and growing pressures on ESCC services and resources. The financial challenge facing the County Council in the next two years is, once again, unprecedented in its scale as costs have continued to build beyond the resources available to respond. Securing the ability to maintain our statutory duties and continuing to meet the needs of East Sussex residents, particularly the most vulnerable, remain our most pressing priorities.

1.5 As well as significant achievements, the past year has seen the Council forced to take difficult decisions which impact on individuals, communities and partners in order to meet our legal duty to set a balanced budget. Pressures on services have continued to grow as the needs in our communities increase and become more complex, costs have escalated due to national factors beyond our control, and the funding we receive from Government and can generate locally has not kept pace. We expect these pressures to be ongoing in the coming months and years and have a significant impact on planning for the future. The evidence base set out in this report shows how changing demography, needs and national reforms will continue drive future demand for services and support. The gap between the funding we have and the cost of providing statutory services has now grown unsustainably and we have been realistic and honest about the substantial challenges this creates. As always, we will be transparent about the choices we face, including what this may mean for services and the people they support, and we will continue to approach our planning with a sharp focus on what the Council wants to achieve for East Sussex with the limited resources we have.

1.6 This will involve progressing the savings described within the budget set by Council in February which we know are all difficult choices which will have further impacts on our residents, staff and partners. It will mean continuing our focus on approaches which help people stay independent, or avoid the need for more intensive statutory support from ESCC services, wherever we can. We know 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 and evidence this argument. However, we do not have sufficient 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. We will also maintain our tight controls on day to day spending and costs. But it is clear that these actions will not be enough to bridge the gap and we will need to consider the further steps needed as we work towards a balanced budget for the coming year.

1.7 This State of the County report contains the usual elements: 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.

1.8 We begin our planning for 2026/27 and beyond from the most challenging financial position the Council has ever faced, but also with significant uncertainty about future funding. Government is planning fundamental reforms to the way local government funding is allocated to individual councils, and the recent Spending Review set out a national funding pot for councils which will not grow at the same level as need. Whilst we welcome the national commitments to reducing the number of ringfenced grants and to multi-year funding settlements which will help us plan most effectively, the combination of constrained and redistributed funding increases the likelihood that the Council will not receive the resources required to bridge the financial gap and fund the essential investments we need to make in order to sustain statutory services. The temporary solution of relying on reserves to balance the books, as we have in the past two years, is no longer viable now that these reserves are depleted and the deficits from previous years have accumulated. If the promised multi-year settlement does not provide the funding we need, other avenues will need to be sought. It was agreed earlier in June to commission analysis to inform our options, including the potential to seek Exceptional Financial Support from Government.

1.9 Together with the high level of financial uncertainty, we continue to see locally the ongoing impact of the Covid pandemic and increased cost of living translate into growing need for the statutory, demand-led services for vulnerable children and adults which account for around three quarters of our budget. This, combined with ongoing escalation in costs right across the Council, including in other major statutory services such as highways and transport, have significantly increased the expenditure required to maintain core services. This picture reflects national trends following Covid and cost of living shocks to the economy and society, but has been pronounced here in East Sussex due to demographic make-up and needs of our population, the nature of the local economy and the steps we have already had to take over many years to respond within reduced resources.

1.10 East Sussex is ahead of the national ageing population trend, with over a quarter (26.5%) of the county's population aged 65 or over, compared to 18.7% in England and 19.8% regionally. There are pockets of significant deprivation which also impact on demand, with 78,000 of our residents living in areas amongst the top 20% most deprived nationally. The county differs substantially from the wider south east in this respect. East Sussex offers an exceptional natural environment in which to live and work but this also places limitations on the development and infrastructure which support economic growth, prosperity and the related generation of business rates to help fund services. Earnings are below both the national and regional average and the percentage of people who are unemployed is higher in East Sussex than the south east.

1.11 These national and local factors are also impacting on the Council's key partners, particularly in local government, health and the voluntary, community and social enterprise (VCSE) sectors. For district and borough councils the impact of increased homelessness and the spiralling costs of temporary accommodation has a major impact on resources, and national reforms to planning, housing and waste are significant. For the local NHS, demographic changes and increased complexity of need, coupled with the Covid legacy and major national reforms, impact demand and resources, with implications for working with Adult Social Care and Children's Services. For VCSE partners increased vulnerability in our communities and stretched public services mean more local people seeking support, alongside increased funding challenges as a result of higher costs. In this context, working together to target resources and sustain support as effectively as possible is more important than ever.

1.12 Taking every step we can locally to manage demand and reduce costs continues to be an ongoing discipline. However, the scope for more efficiency gains is now very limited and national support is vital. This report sets out our approach to proactive lobbying and communications to ensure that the Government is aware of the needs of our county, the urgent requirement for sustainable funding 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.

1.13 It continues to be critical that we focus ESCC resources, in partnership with others, in the most effective way to support our priorities and the provision of statutory services. The Council spends over £1.1bn gross each year (in the region of £580m 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.

## **2. Current Position**

2.1 A range of national factors have continued to impact on the county over the past year, leading to ongoing pressures on households. The heightened cost of living has persisted, with a disproportionate impact on the most vulnerable, the complexity of need amongst vulnerable children, families and adults has continued to grow, and population changes have also led to increased need. These pressures have manifested locally in ongoing growth in demand for County Council services, reinforcing the importance of the role the Council plays for the residents, communities and businesses of East Sussex. Our assessments of the impact of the national and local operating context on future levels of service demand continue to be refined and the latest modelling will be built into our planning.

2.2 As we develop our medium and longer term plans we will also need to factor in the broader context in which we will be working. As it approaches the end of its first year in office, the Government is pursuing a wide range of fundamental reforms to key services with more anticipated in the coming months. Many of these reforms have major impacts for our services, requiring a significant policy and operational response at a time of limited resources and uncertainty about the funding available to support change and transition. The national and local context includes:

- The developing national and international economic outlook, including considerable economic uncertainty. Inflation has fallen from previous heights but has recently increased and remains above target, impacts from the increased cost of living persist, economic growth remains limited and public finances continue to be strained. The ongoing pressures on households are likely to continue to influence demand for our services 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, is underway and will inform a multi-year financial settlement from 2026/27. With the review's outcomes and any transitional arrangements unclear, and indications of a shift of funding towards concentrated areas of deprivation in urban centres, there are considerable risks for East Sussex. In addition, national service reforms in Children's Services and a lack of clarity on funding arrangements for Adult Social Care (see below) carry considerable financial risks for local authorities.
- Structural change in local government initiated by the English Devolution White Paper. Locally, this will see the potential creation of a Mayoral Combined County



Authority (MCCA) for Sussex and a single tier of local government in East Sussex, with associated opportunities and risks for the Council and the county, as well as the potential for wider public service reform.

- Potential further changes to arrangements for driving economic growth locally as some functions currently undertaken by upper tier authorities could transition to a Sussex MCCA, along with additional powers devolved from Government. Harnessing the benefits of additional investment and opportunities for the county through these developments, Levelling Up Partnerships and the Plan for Neighbourhoods will be vital.
- Major national reforms in children's social care and education requiring a significant local response from the Council and partners, alongside ongoing work to respond to increasing complexity of need and challenges in securing suitable care placements. Significant reforms to the special educational needs and disabilities system are also anticipated in the coming months.
- Uncertainty in relation to plans to reform the Adult Social Care system, particularly future funding arrangements which remain unclear. Significant national reforms in the NHS are also impacting local health partners and have implications for how we work together. We are also continuing to respond to a range of significant local pressures in health and social care and taking forward a range of work to manage demand and improve outcomes.
- Significant national policy developments related to planning, infrastructure and transport, including the reintroduction of strategic spatial planning, potential changes to transport planning under proposed devolution arrangements and significant reforms to public transport. We are also taking forward our agreed Local Transport Plan and its supporting plans, the next stages of our Bus Service Improvement Plan, and a number of local infrastructure projects.
- Delivering new duties arising from the Environment Act, including in relation to biodiversity, nature recovery, waste and recycling. We will also look for opportunities to draw investment into East Sussex through Government plans in areas such as clean energy, and to define the current and future role for local authorities in Sussex in addressing climate change, to work most effectively alongside new national and local structures that are emerging.
- Ongoing challenges in the labour market, including the impact of workforce shortages and recruitment and retention challenges, ongoing pay negotiations and the need for our workforce to adapt to service reforms. We will also need to consider the impact of significant national employment 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 ongoing 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.
- Renewing work with our voluntary, community and social enterprise Sector (VCSE) partners to maximise capacity to build community health, wellbeing and resilience as part of our ongoing activity to help people help themselves.

- The ongoing importance of all our partnerships in harnessing the collective resources and assets available within the county for the benefit of our communities, particularly in the context of financial pressures.

2.3 The local and national policy outlook at Appendix 2 sets out the latest position on these and other current issues, and plans will continue to develop over the summer and autumn as more information emerges. As always, Members will continue to be updated on policy developments throughout the RPPR cycle.

2.4 To address the unsustainable financial position we have taken every possible step including instituting strict spending and recruitment controls, reprioritising spend, reducing our office estate and maximising income. We have reviewed and reduced our capital programme to minimise the need for borrowing, which means we are not able to invest to the level we would want in other important areas, such as the roads which support the county's economy and communities and our response to the climate emergency. Without the capacity in the budget to support borrowing to invest for the future, we have been forced to scale back our plans in these and other areas to match only the grant funding we receive. 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. External assessment has confirmed that the Council continues to provide good value for money, is efficient and well-run. We are introducing and testing further digital and artificial intelligence approaches and systems which benefit both service delivery and capacity.

2.5 Where it is feasible within available resources we have pursued preventative or upstream approaches which improve outcomes and manage demand, supporting people and communities to be independent wherever possible. This includes a transformation programme in Children's Services focused on securing the right placements for children and delivering national reforms to social care support for families, and the further integration of community health and care services and development of a prevention strategy 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 the 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 taken the additional and significant steps of bringing forward further difficult service reductions and drawing on service reserves to balance the budget. However, despite all the action we have taken, fundamentally there remains a large gap between the income we currently expect to receive in the coming years and the costs of providing services. Without further Government support, changes to the statutory requirements local authorities are expected to fulfil, or more funding for the county as a result of 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.

2.7 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. While some factors impact on residents across the county, such as the ongoing challenges around cost of living, each local area is different and some are impacted more by particular issues. In addition, some of our communities are impacted by multiple systemic issues that require additional support to address. This has been recognised by the awarding of Levelling Up funding to these areas, and more recently being identified as eligible places for Plan for Neighbourhoods funding.

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 9.5% in the 65-84 age group and an increase of 18.3% 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 joint highest percentage of the population aged 85 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.
- **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. Updates have been made in recent years to ensure the priorities we are working to deliver, and the way we measure the performance of our activities and services, reflect the current operating context. Following these recent updates, it is considered that the current priority and delivery outcomes, as set out at Appendix 3, remain appropriate and Cabinet is recommended to agree these as the basis for future business and financial planning.

## 5. Medium Term Financial Plan

5.1 When the 2025/26 balanced budget was approved by Full Council on 11 February 2025, the deficit on the Medium Term Financial Plan (MTFP) to 2027/28 was £56.2m. Updating the MTFP for normal factors (such as the latest inflation rates and an additional year), the position is an increased deficit by 2028/29 of £70.8m.

5.2 On 11 June the Chancellor published the Government’s Comprehensive Spending Review (CSR) – the first spending review of the current Parliament. The CSR announced a 2.6% real terms increase in local government core spending power, although this largely comes from increased Council Tax, which will retain the 3% core referendum principle and 2% for the Adult Social Care precept. The CSR did not publish any information on likely allocations, which will be subject to the outcome of the Government’s funding reform consultation. The Government’s intention to use funding reform to target funding based on deprivation creates risks that redistribution will impact negatively on the Council’s future financial position.

5.3 The MTFP as set out below assumes continuation of current funding. However, the detail within the Comprehensive Spending Review, funding reform consultation and business rates reset, together with a multi-year settlement are all likely to impact on the future deficit. The Council will be required to set a further two balanced budgets in 2026/27 and 2027/28, prior to Local Government Reorganisation (LGR) in 2028/29.

<b>Medium Term Financial Plan</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29* £m</b>
<b>Annual Budget Deficit / (Surplus)</b>	<b>25.089</b>	<b>18.084</b>	<b>16.175</b>
Carry Forward of 2025/26 Deficit	11.449	-	-
<b>Annual Budget Deficit / (Surplus) after Carry Forward</b>	<b>36.538</b>	<b>18.084</b>	<b>16.175</b>
<b>Total Budget Deficit / (Surplus)</b>	<b>36.538</b>	<b>54.622</b>	<b>70.797</b>

\*Notional due to LGR

5.4 The Council has recognised ongoing service pressures in Adult Social Care and Children’s Services and invested £51.1m in 2024/25 with a further £54.9m in 2025/26 required when the budgets were set. Whilst the 2025/26 Local Government Financial Settlement saw an increase in grant funding to the Council including a £8.9m increase in the Social Care Grant and a £1.5m allocation of Children’s Social Care Prevention Grant, there was the loss of £0.5m Services Grant, plus the Council did not receive an allocation from the new £600m Recovery Grant, where allocations were specifically targeted to meet need and deprivation, particularly

in non-shire authorities. Overall, the additional funding was not at a level sufficient to fund the investment, and the Council still required a significant draw on reserves of £11.4m in 2025/26.

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 £4.5m by 2029, which excludes any additional draws required to balance budgets in 2025/26 or beyond. This compares with a cumulative deficit of £70.8m by 2028/29:

<b>Reserves Balances</b>	<b>1 Apr 2025 £m</b>	<b>Estimated 1 Apr 2026 £m</b>	<b>Estimated 1 Apr 2029 £m</b>
<b>Earmarked Reserves:</b>			
<b>Held on behalf of others or statutorily ringfenced</b>	<b>25.5</b>	<b>22.5</b>	<b>21.4</b>
<b>Named Service Reserves</b>			
Waste Reserve	19.8	14.7	7.4
Capital Programme Reserve	9.1	5.2	0.0
Insurance Reserve	7.7	5.7	5.5
Local Government Reorganisation Reserve	0.0	4.2	0.0
<b>Subtotal named service reserves</b>	<b>36.6</b>	<b>29.8</b>	<b>12.9</b>
<b>Strategic Reserves</b>			
Priority Outcomes and Transformation	5.2	4.6	2.0
Financial Management	11.3	4.6	2.5
<b>Subtotal strategic reserves</b>	<b>16.5</b>	<b>9.1</b>	<b>4.5</b>
<b>Total Earmarked Reserves</b>	<b>78.6</b>	<b>61.5</b>	<b>38.8</b>
<b>General Fund Balance</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>
<b>TOTAL RESERVES</b>	<b>88.6</b>	<b>71.5</b>	<b>48.8</b>

5.6 Planning scenarios will be considered which may impact the overall deficit, as set out in the table below.

	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29* £m</b>	<b>Total £m</b>
<b>Revised deficit</b>	<b>36.538</b>	<b>18.084</b>	<b>16.175</b>	<b>70.797</b>
<b>Scenarios currently being considered</b>				
Continuation of Council Tax flexibility: <i>Add a further 3.00% to our current 1.99% assumption to get to 4.99% (2.99% plus 2.00% ASC Precept) for 2026/27</i>	(11.894)	(0.420)	(0.433)	(12.747)
<b>Deficit/(surplus) after scenarios</b>	<b>24.644</b>	<b>17.664</b>	<b>15.742</b>	<b>58.050</b>

\*Notional due to LGR

5.7 The CSR confirmed that the Council Tax referendum limit would continue to be 5% (a 2% Adult Social Care precept and 3% for other services). If the Council raised Council Tax by 4.99% there would remain a cumulative deficit of £58.1m by 2028/29. With regard to possible funding scenarios, the Government has been clear that deprivation will play a much bigger part in determining the allocation of funding. There is concern that the measures used to define

'need and deprivation' will favour urban councils, while shire councils such as ESCC will lose out. This could be particularly challenging for East Sussex, which has higher levels of deprivation and need than neighbouring authorities.

5.8 Given the forecast level of strategic reserves is £4.5m by March 2029, which excludes any draws necessary to mitigate future deficits, and that all other avenues have been explored, the Council will have to consider balancing the 2026/27 budget from the following options:

- Further savings and service reductions, which could have a significant impact on local residents given the savings that have already been delivered.
- Use of remaining reserves, which would leave the Council unable to manage emergent financial pressures.
- Exceptional Financial Support (EFS) to fund the deficit - EFS is not 'free' money to the Council as it would involve either borrowing and/or increasing Council Tax above the referendum limit. The Ministry of Housing, Communities and Local Government (MHCLG) look to the Chartered Institute of Public Finance and Accountancy (CIPFA) to provide assurance for any EFS requests. CIPFA has been commissioned to undertake the required financial assurance review in anticipation of having to approach MHCLG for EFS.

5.9 None of the above options are desirable but the Council will have no option but to undertake some combination of the above if it is to maintain financial sustainability and protect services to the residents of East Sussex, as we move towards the reorganisation of local government.

## **Savings**

5.10 The 2025/26 balanced budget and MTFP agreed by Council in February already includes planned savings of £16.2m. Following on from over £140m in savings delivered since 2010, these savings are very challenging to deliver and will have significant impacts on our residents, staff and partners. They also mean that it has not been possible to sustain all services at Core Offer levels - the basic but decent level of services residents should expect. However, in light of the serious financial position the Council faces, and the very limited options remaining, it is recommended that officers explore areas of search for further savings and service reductions across all departments to reduce the financial gap.

5.11 Given the need for any savings to take effect as early as possible to impact on the 2026/27 financial position, areas of search will be brought forward for Member consideration at the earliest opportunity.

## **6. Capital Programme**

6.1 The approved programme has now been updated to reflect the 2024/25 outturn and other approved variations, revising the gross programme to £724.1m to 2033/34. The details are set out in Appendix 4, together with the revised programme.

6.2 The 10 year capital programme to 2034/35 and 20 year Capital Strategy 2025/26 to 2045/46 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.

## **7. Lobbying and Communications**

7.1 This report sets out the range of significant demand, policy and financial issues which must be addressed in our planning for the future. The outlook is highly challenging - we face a significant financial gap and very limited and undesirable options open to the Council in responding to this. There is also continued uncertainty in relation to national reforms in major service areas, ongoing growth in need and a lack of clarity on future funding arrangements.

At the same time, similar pressures are affecting many of our key partners, affecting the work we do together to improve outcomes for local people, and we are working with local government partners to plan and deliver major structural change.

7.2 These are substantial risks and planning in this context is very complex. It is clear however, that without further Government support, the financial outlook will require difficult decisions in the short term and that these will not be the decisions we would choose to make to address growing demands or to support transition to future organisations.

7.3 Through our lobbying, we will make clear to the Government the requirement for sustainable funding for local government as a whole, additional support to deliver national reforms and that the specific local needs of East Sussex must be appropriately reflected in new funding arrangements. We will highlight that opportunities for efficiencies and service transformation arising from structural change can only be fully harnessed if underpinned by the robust and sustainable services that East Sussex residents, businesses and communities need. This includes opportunities to continue positive preventative work that could most effectively manage future demand for services.

7.4 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 local people.

## **8. Next Steps**

8.1 Work will continue over the summer to refine our understanding of the medium term impacts on our services of national reforms, changing demand for services and the financial resources that will be available to us in the coming years. We will also develop proposals for closing the financial gap.

8.2 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 2026/27 and beyond. We will use our RPPR process to plan for the future as best we can in the context of the considerable uncertainty we face.

8.3 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 2025/26 Reconciling Policy, Performance and Resources process.

**BECKY SHAW**  
**Chief Executive**



# State of the County 2025

## Focus on East Sussex

Version number 1

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## Summary

**Population** - East Sussex has an older age profile than nationally, with a significantly higher proportion of the population aged 65+ than both England and the South East. Rother has the joint highest proportion of people aged 85 and over in the country.

**Children and young people** - More children achieve a good level of development at the Early Years Foundation Stage than nationally. However, the levels of attainment at Key Stage 2, and at Key Stage 4 (Progress 8 and Attainment 8) are lower than nationally. We continue to see higher levels of demand for children's social care and more complex cases which together have resulted in a higher number of child protection plans. The number of Looked After Children has increased, and we have continued to see significant 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. There is a lower percentage of people who are overweight or obese in East Sussex compared to nationally, but smoking levels are higher in some parts of the county.

**Adults** - the number of people receiving long term support increased in 2024/25, with the majority aged 65 or over. Projections indicate that the number of people with dementia, and those with multiple long-term conditions will continue to increase in the coming years. 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, and the same as the South East. 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 2025.

**Deprivation** - as a county, East Sussex is ranked 93 out of 151 Upper Tier Local

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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 local authorities in East Sussex as having specific locations with priority need for 'levelling up' funding. This funding will be used in projects that address economic recovery and growth, improved transport connectivity, and need for regeneration.

**Environment** - emissions of carbon dioxide have continued to fall in East Sussex over recent years. However, further reductions will be needed.

**Economy** - employment rates rose in 2024. 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 rate.

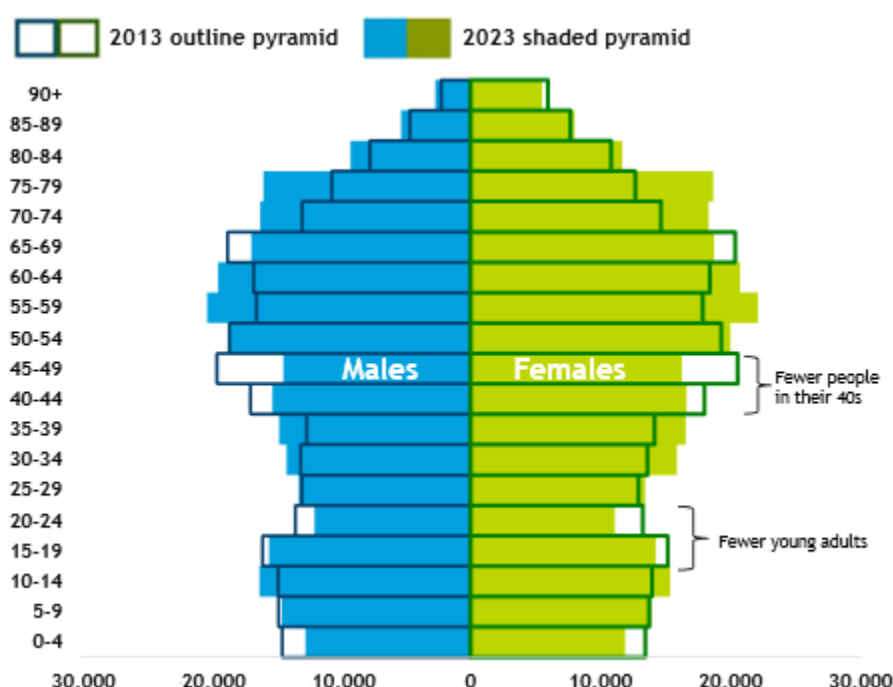
**Civil Society** - there are a diverse range of Voluntary, Community and Social Enterprise organisations in East Sussex, working at every level, neighbourhood, town/parish, and district/borough. There are over 3,000 not-for-profit groups and organisations providing activities and support to residents and communities that bring about positive change and improve people's lives.

**Community safety** - neighbourhood crime rates in East Sussex are lower than the national average in all categories. Between 2023 and 2024 there was a decrease in neighbourhood crime in East Sussex. There was an increase in serious violent crime in the county between 2023 and 2024, though the rate of serious violent crime remains low in East Sussex.

# Population

## Age and sex

The ONS mid-year estimates 2023 estimated the population of East Sussex to be 555,500. Compared to England and the South East, East Sussex has a much older age profile, with Rother having the joint highest rate of people over the age of 85 in the country at 4.9%, the same rate as North Norfolk and New Forest. 26.5% of the East Sussex population is comprised of people aged 65 or over, compared to 19.8% for the South East and 18.7% 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 2023

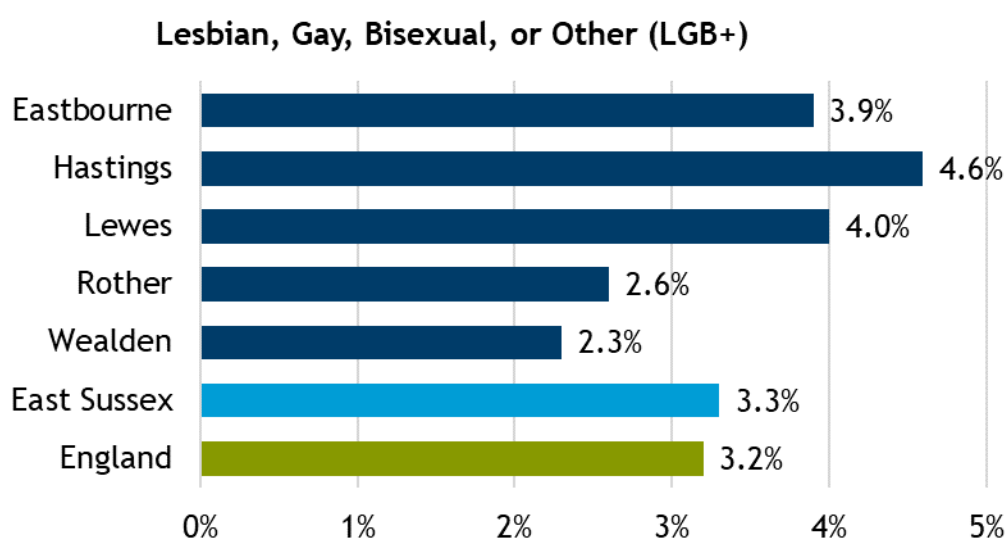
Young people, those aged 0-17, made up 18.7% of the population of East Sussex in 2023. This is lower than in England, 20.8%, and the South East, 21.0%. Working age people, those aged 18-64, made up 54.9% of the population in East Sussex in 2022. This is lower than England, 60.5%, and the South East, 59.3%.

This means that for every 10 working age people there are 4.6 older people in East Sussex, this ratio rises to 6.1 in Rother. The national average is 3.0.

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

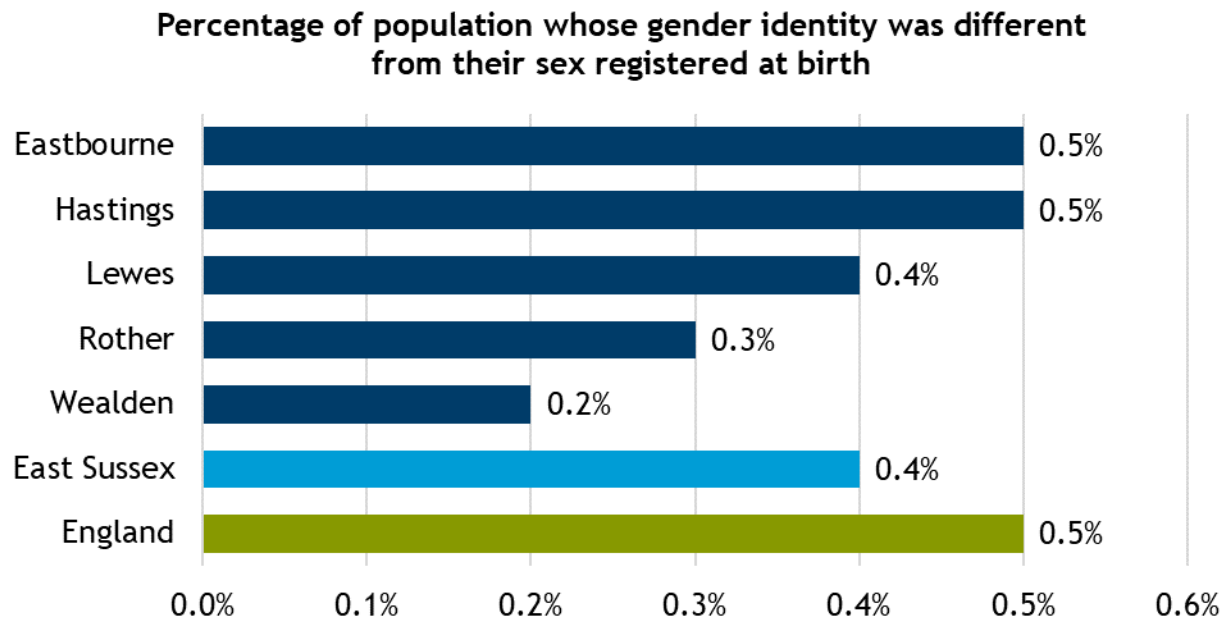
The 2021 Census indicates that 3.3% of the East Sussex population identify as Lesbian, Gay, Bisexual or Other (LGB+). This is similar to the national average of 3.2%. Hastings had the highest percentage of people identifying as LGB+ at 4.6%.



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.

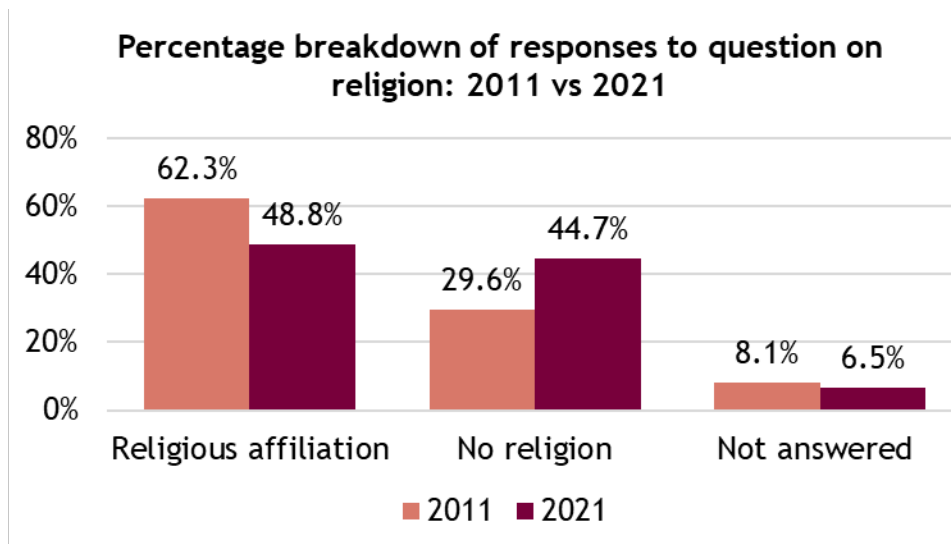


Note: A significant percentage of people across the county provided no response, therefore the percentage of people with a different gender identity to their sex registered at birth could be either higher or lower than shown. Source: Census 2021

## 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.



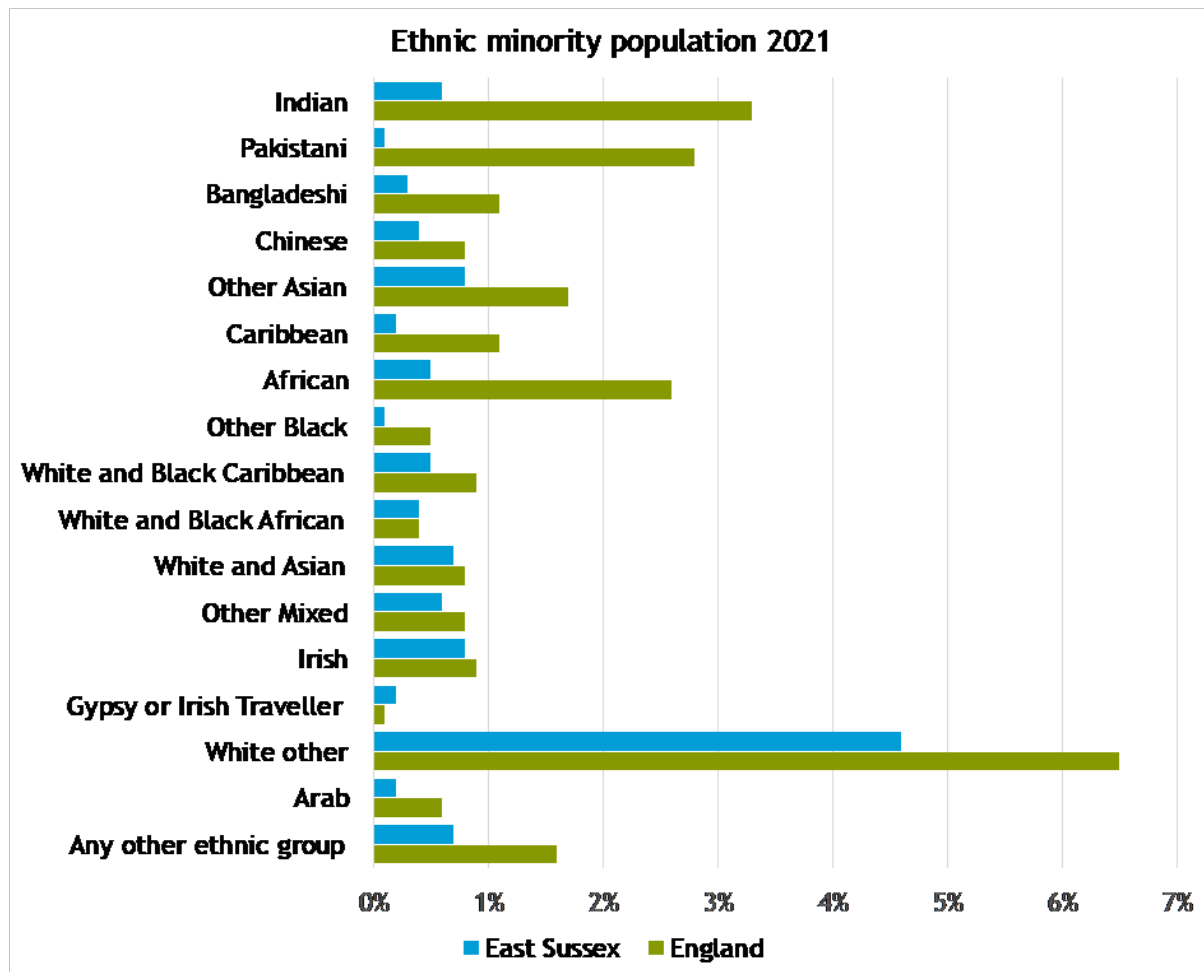
Source: Census 2021

## 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

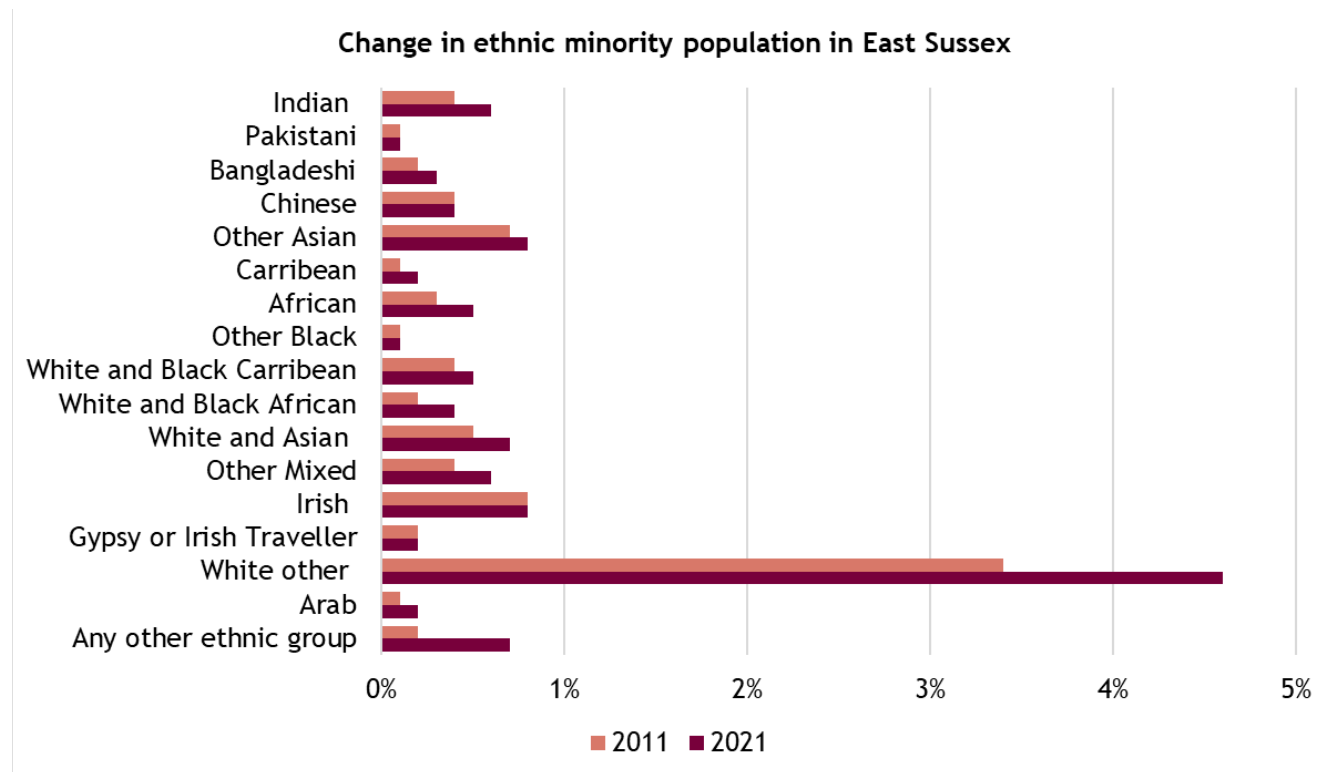
The latest ethnicity data for the county is from the 2021 Census. 88.3% of the county's population identified as White: British and Northern Irish, compared to the regional average of 78.8% and the national average of 73.5%. A higher percentage of the population in East Sussex identified as Gypsy or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



Source: Census 2021

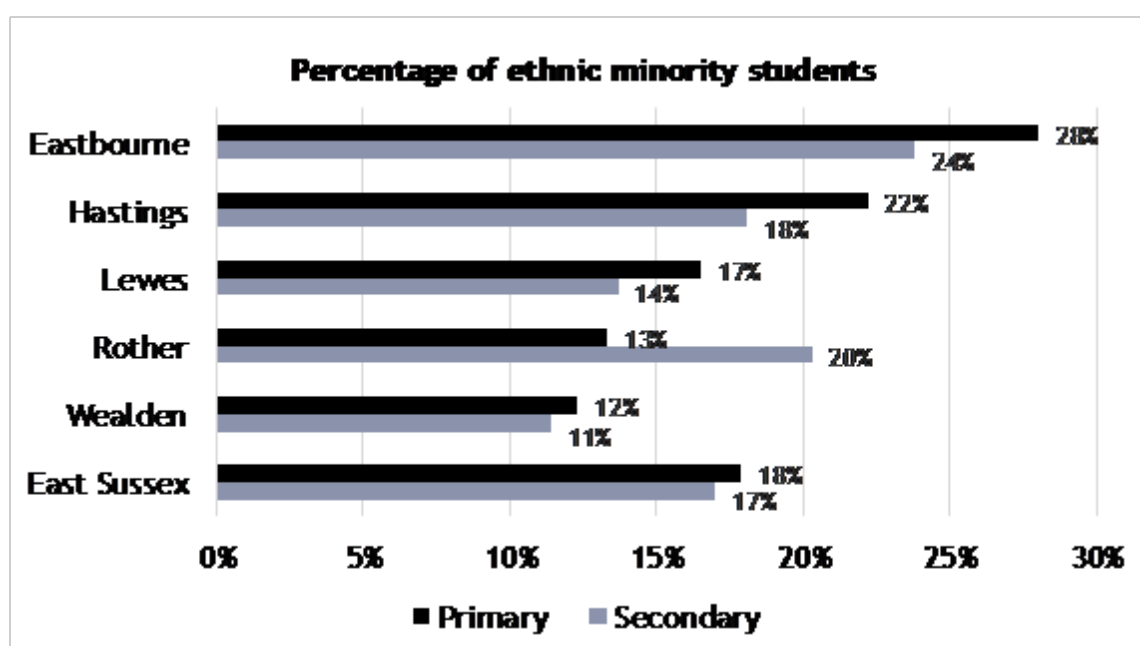
Overall, the percentage of the population in East Sussex in each ethnic minority group has either stayed the same or increased between 2011 and 2021.





Source: Census 2021

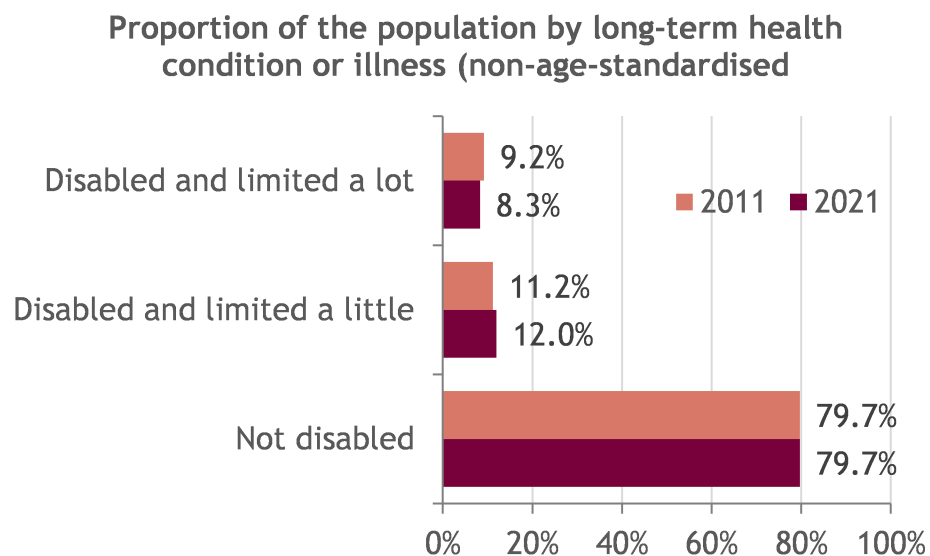
A higher percentage of pupils (17%) are from ethnic minority backgrounds, compared to the adult population. Overall, Eastbourne has the highest percentage of students from ethnic minority backgrounds for both primary (28%) and secondary (24%) schools.



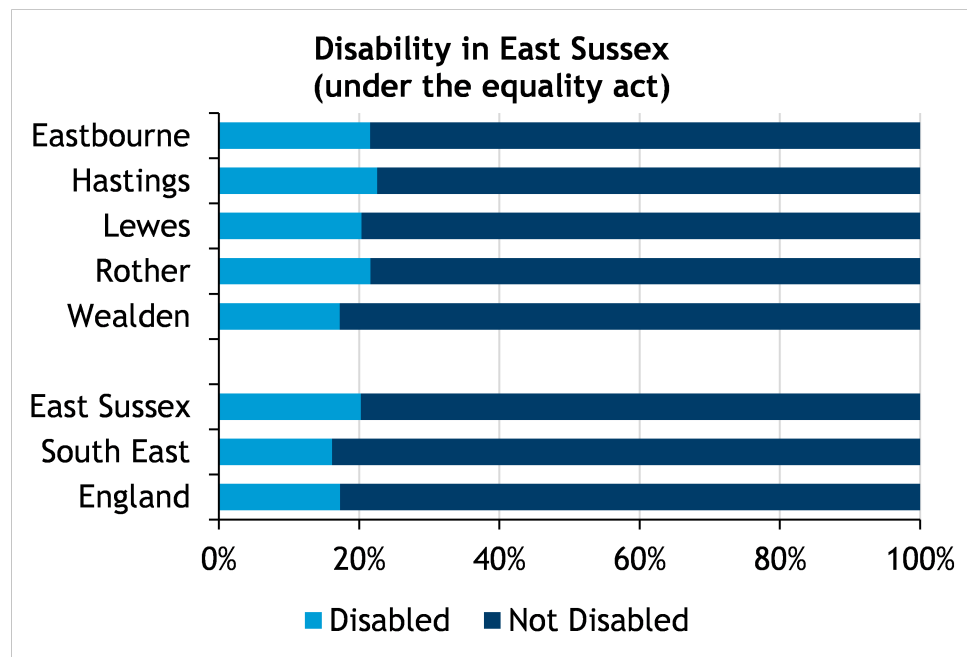
Source: ESCC Schools Census January 2025

## Disability

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

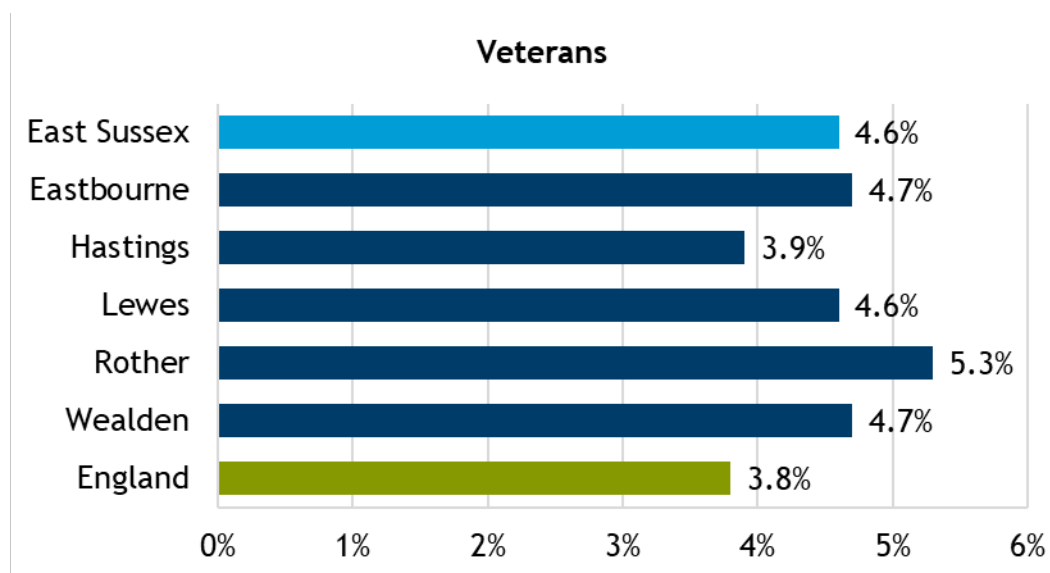


The percentage of people identifying themselves as disabled varied slightly across the district and boroughs, but rates across the county were higher than the South East average.



## 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.

Protected characteristic: Pregnancy and maternity	East Sussex	Eastbourne	Hastings	Lewes	Rother	Wealden
Live births - 2023	4,321	779	838	765	622	1,317
Births per 1,000 females aged 15 to 44 - 2023	49.2	43.2	51.3	49.7	47.6	52.9

Source: ONS

## Population change

The latest ONS population estimates suggest that the East Sussex population increased by 0.8% between 2022 and 2023, while in England and the South East the increase was 1.0%. Over this period the population grew fastest in Eastbourne, up 1.4%, and grew slowest in Hastings, up 0.2%. Wealden has seen the fastest population growth over the past 10 years, with an increase of 8.4%, while Hastings has seen a slight decline of -0.2% since 2013.

Based on the information currently available we estimate that around 560,000 people live in the county in 2025. We expect that to increase to around 577,700 people in 2029, an increase of 3.2%.

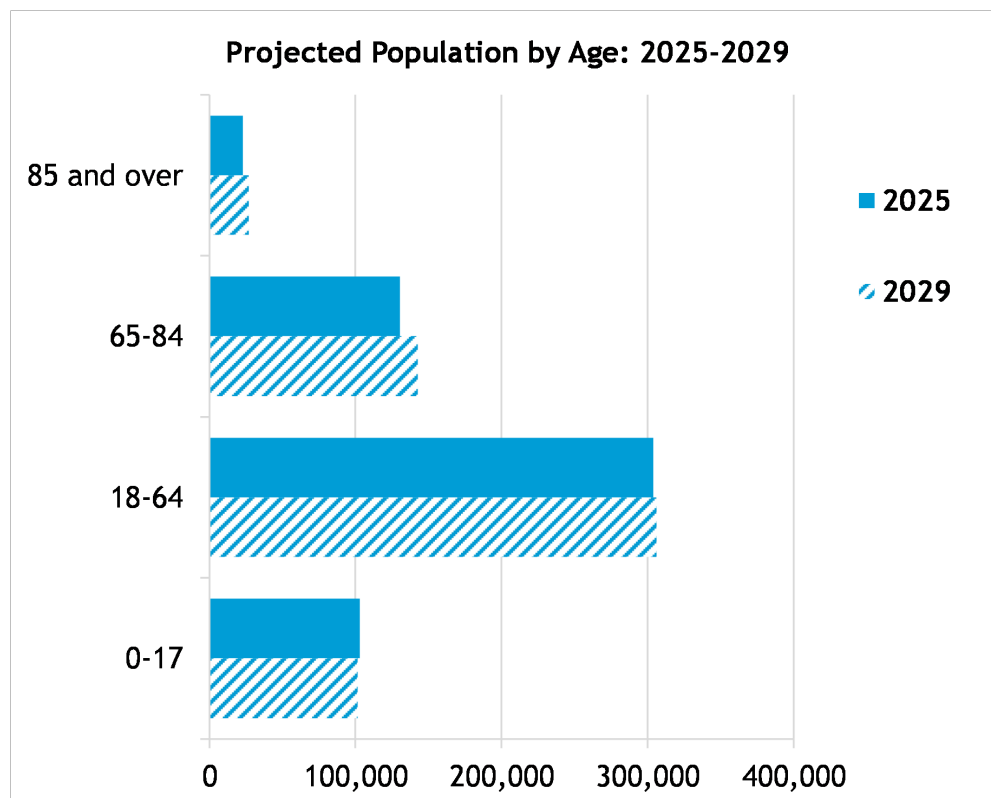
We expect the increase in population to be driven by people moving into the county from elsewhere in the UK. Many of the people who choose to come to East Sussex are older adults, and, together with the aging of the baby boomer generations, this means that the over 65 age group is growing much faster than younger age groups. In 2029 we expect that just over half of our population will be aged 18-64 (53%), with nearly 30% aged 65 and over.

Between 2025 and 2029 we are expecting that there will be around 17,300 births in the county and around 26,400 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 140,800 people to move into the county, offset by around 114,000 people moving out of the county.

Overall, these changes mean that compared to 2025, we estimate that by 2029 there will be:

## State of the County 2025: Focus on East Sussex

- A decline of 1.4% (1,440 people) in the number of children and young people
- An increase of 0.8% (2,570 people) in the working age population
- 9.5% more people aged 65-84 (12,350 people)
- 18.3% more people aged 85+ (4,200 people)



Note: These dwelling-led population projections (sometimes known as policy-based projections) are constrained to reflect the number of additional dwellings being planned for future years by local authorities in East Sussex. They are also based on the latest 2023 data on population estimates and migration released by ONS in June 2024. This year's projections also use fertility rates which more closely reflect those used by the ONS in their latest national, 2022-based, trend-based population projections.

## Projected Population in 2029

Age Range	East Sussex	England
0-17	17.6%	19.1%
18-64	53.0%	60.9%
65-84	24.7%	17.2%
85+	4.7%	2.8%

## Population Change: 2025-2029

Age Range	2025	2029	Actual change
0-17	103,000	101,570	-1,430
18-64	303,700	306,270	2,570
65-84	130,420	142,760	12,340
85+	22,880	27,080	4,200
All people	560,000	577,680	17,680

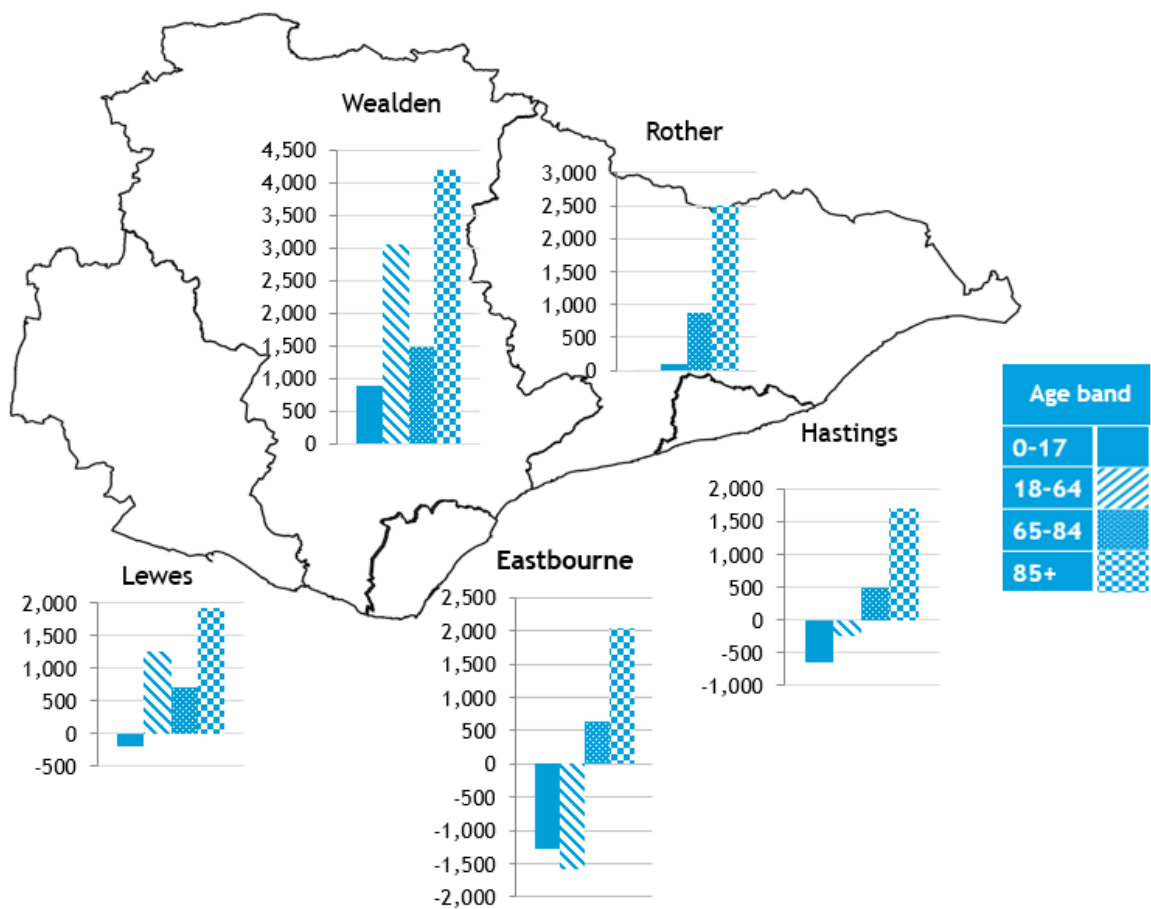
Source: ESCC data: ESCC 2023-based population projections (dwelling-led), March 2025. National Data: ONS 2022-based trend-based projections, published February 2025. All figures have been rounded to the nearest 10 and therefore may not sum.

## District population change

We expect that how our population changes will be different in different parts of the county. By 2029 our projections suggest:

- An increase of 23% (1,500) more people aged 85+ in Wealden; the smallest percentage increase in this age group will be in Eastbourne, 15% (600)
- 11% (4,200) more people aged 65-84 in Wealden, and 10% (1,700) more people in Hastings. Lewes will see the smallest rise of 8% (1,900)
- Wealden is projected to see a rise in the working age population (18-64) of 3% (3,000), and Lewes 2% (1,300)
- Eastbourne is projected to see a fall in the working age population over this period, with numbers declining by 3% (1,600 fewer people)

### District population change 2025 - 2029



Source: ESCC data, ESCC 2023-based population projections (dwelling led), March 2025.

# Children and young people

## Early Years

East Sussex received 1,100 applications for a funded place for eligible 2-year-olds in the spring 2025 funding period. Of these, 297 children were not eligible to receive funding. 73.5% (808) of those who applied have accessed a place with an early years provider, compared to the England average of 74.8% (Source: ESCC Children's Services).

## Attainment

### Early Years Foundation Stage (EYFS)

At 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. 69.0% of pupils achieved a good level of development in East Sussex in 2023/24, compared to 67.7% nationally.

In 2023 the percentage point gap between children eligible for free school meals achieving a good level of development and their peers was -23.2, which is above the England average gap for this cohort of -20.5.

### Key Stage 2 Attainment

The percentage of pupils working at the expected standard in reading, writing and maths combined at Key Stage 2 is 58%, which is below the England average of 61%.

The percentage of disadvantaged pupils working at the expected standard in reading, writing and maths combined at Key Stage 2 is 41%, which is below the England average of 46%.

### 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. All pupils in East Sussex, including disadvantaged pupils, achieved 43.1, lower than the England average of 46.1. Disadvantaged pupils achieved 30.1, lower than the England average of 34.7.

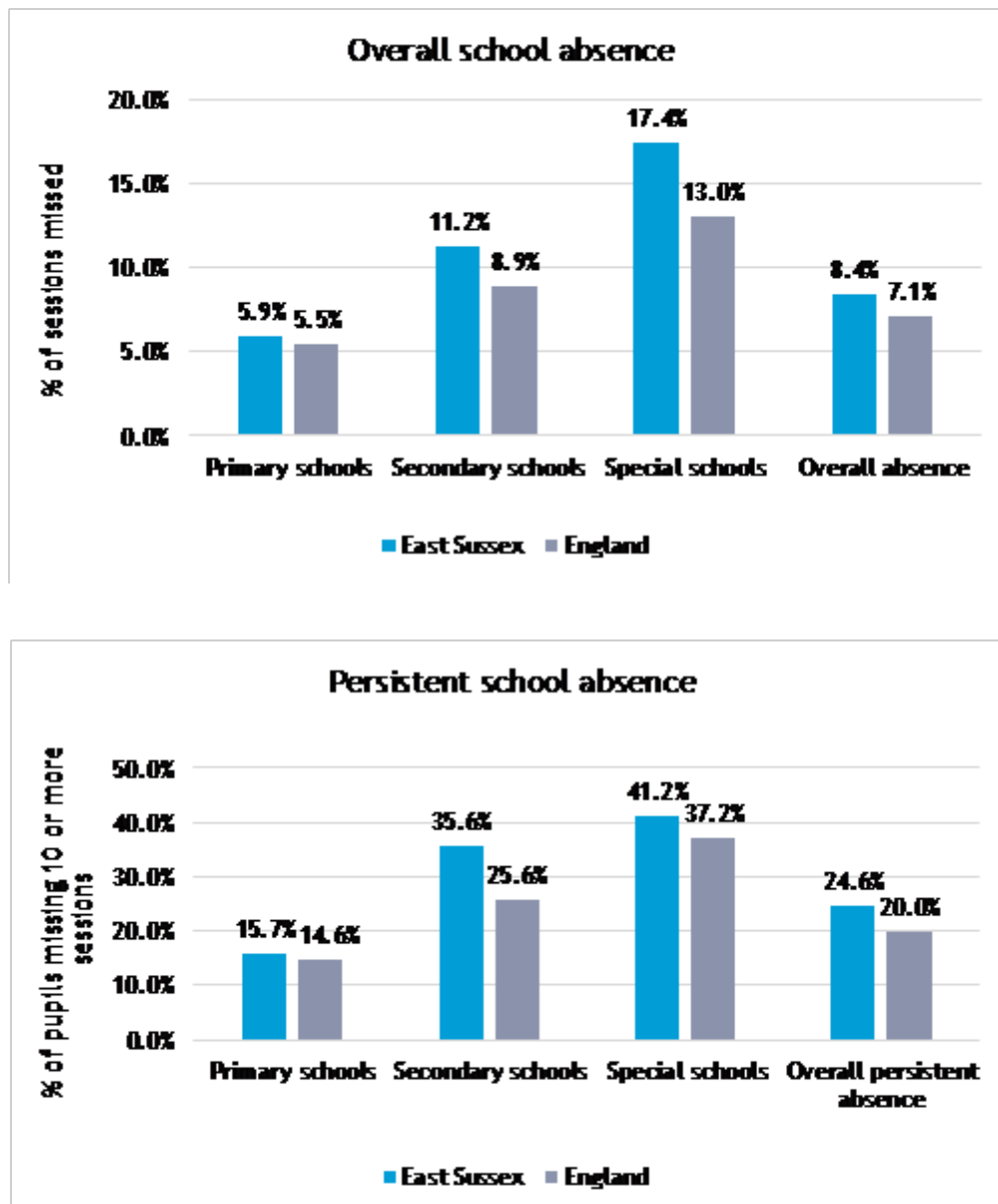
### **Key Stage 4: Progress 8**

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 -0.18 which is below the England average of -0.03.

## **Attendance**

The pandemic had a significant adverse impact on school attendance, both nationally and locally. The percentage of children persistently absent from school, defined as missing 10% or more of sessions, is 24.6%, above the England average of 20%. The overall percentage of sessions missed out of all available sessions due to pupil absence is 8.4% in East Sussex, compared to the England average of 7.1%. In August 2024 the Government published attendance statutory 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%.

Absence for academic year 2023-2024:



Source: Department for Education

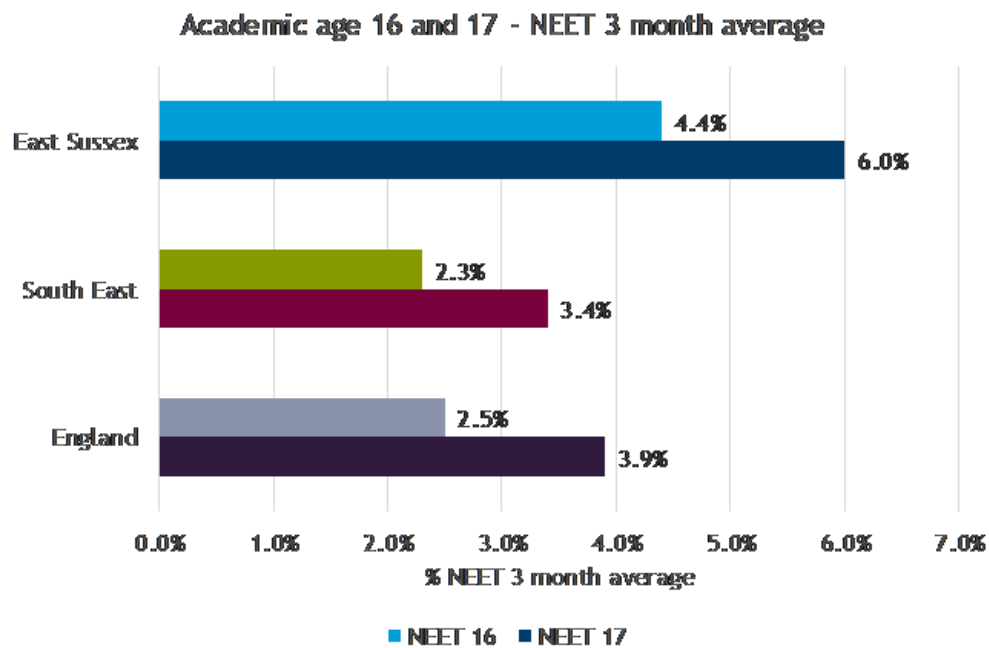
East Sussex has high levels of suspension and exclusion, and these are rising further, in line with national trends. School leaders are experiencing increased levels and complexity of need in their school populations and the demand for support services remains high.

Academic Year 2023-24	
The percentage of exclusions in <b>primary</b> schools per school population in that year:	
(i) Fixed term	2.90%
(ii) Permanent	0.10%
The percentage of exclusions in <b>secondary</b> schools per school population in that year:	
(i) Fixed term	37.01%
(ii) Permanent	0.33%

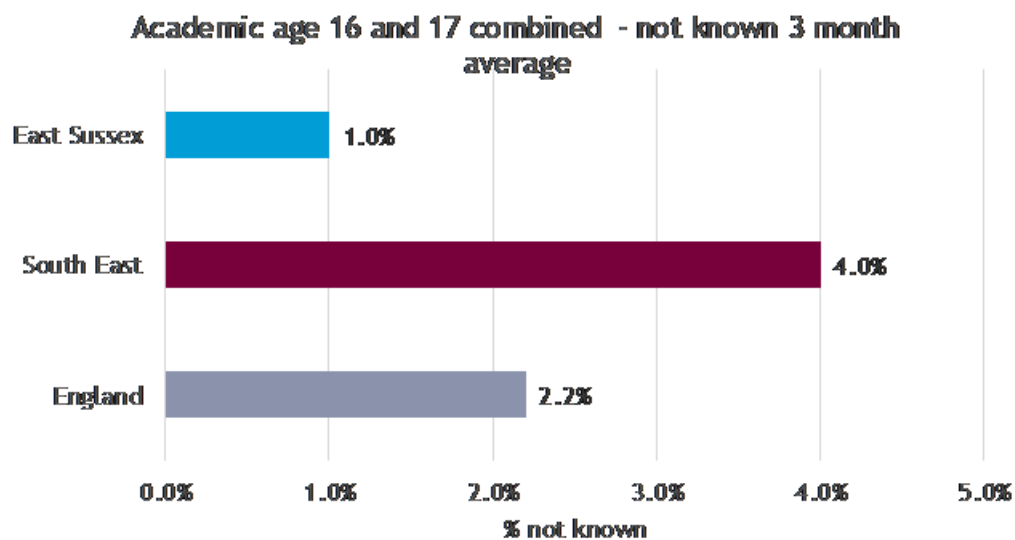
## Young people in education, employment and training

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 Department for Education 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 ongoing concerns about the impact for young people of the national Traineeship programme which ceased 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

The overall population of under 18s is expected to decline slightly over the period 2025 to 2028, and while growth is expected in the number of young people aged 16-17, numbers of children aged 0-3, 4-10 and 11-15 are expected to decrease,

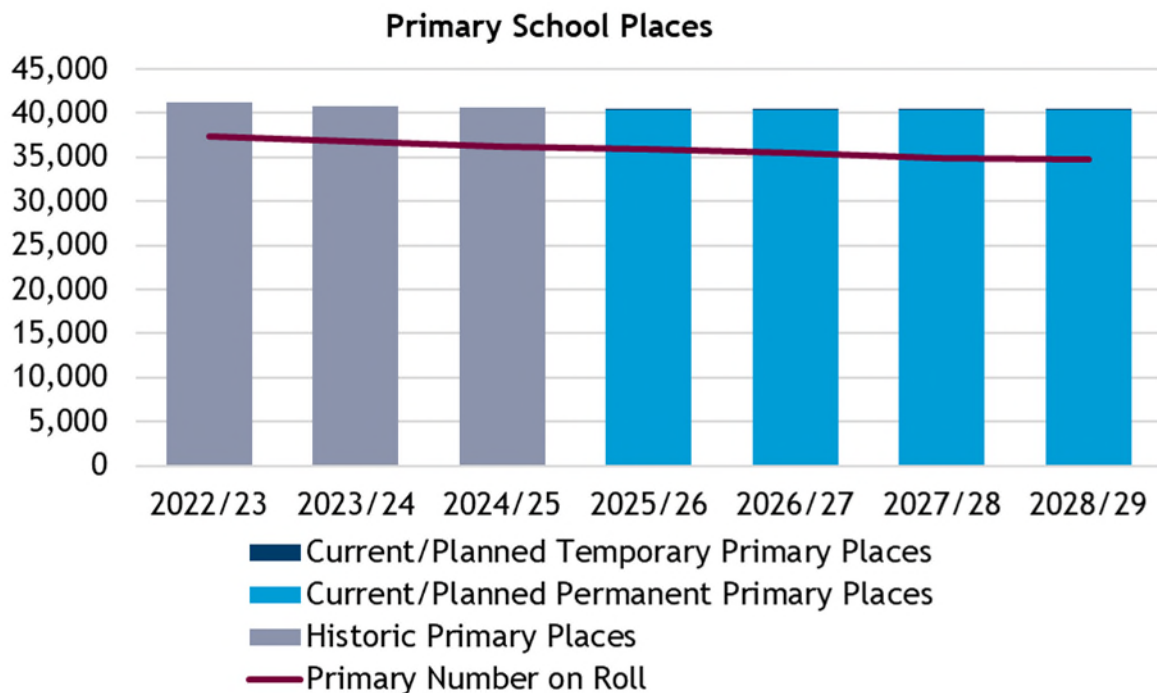
with the largest fall among the 4-10 age group.

Age/year	2025	2028	% change 2025-2028	2029	2033	% change 2029-2033
0-3	18,920	18,860	-0.3%	18,750	18,360	-2.1%
4-10	39,380	38,520	-2.2%	38,370	37,660	-1.8%
11-15	31,670	31,240	-1.4%	31,100	30,230	-2.8%
16-17	13,040	13,430	3.0%	13,350	12,990	-2.7%

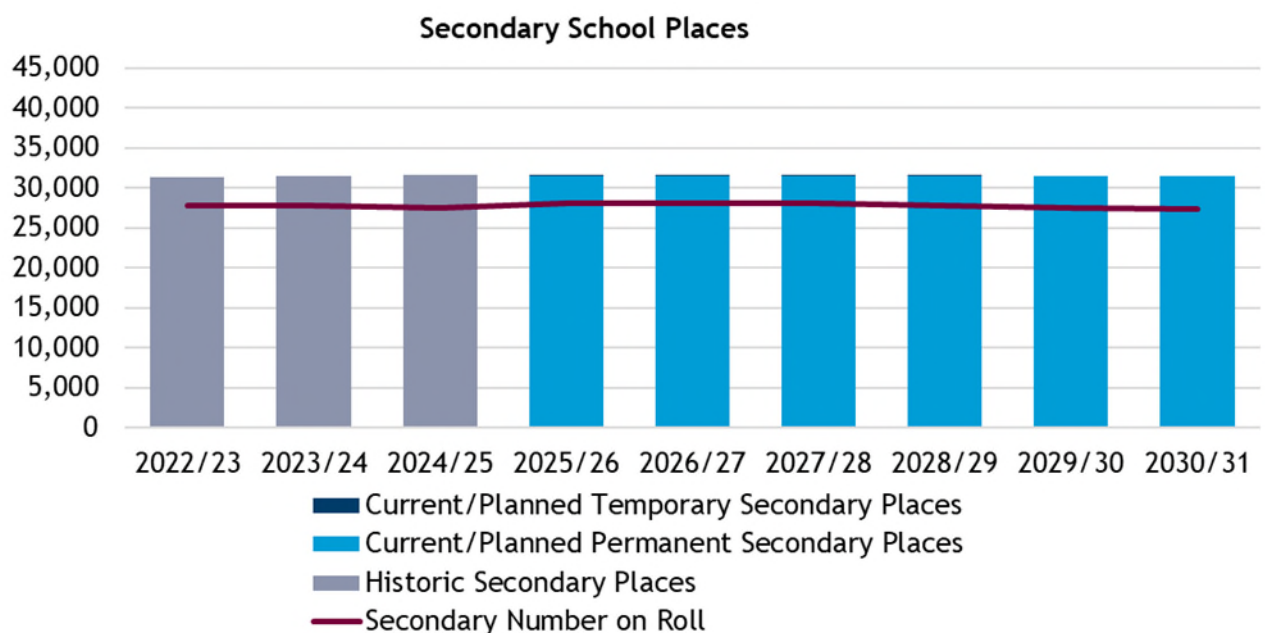
Source: ESCC data, ESCC 2023-based population projections (dwelling led) March 2025, numbers rounded to 10. Note: Care should be taken when using the projected population figures above.

The total numbers 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, led 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.

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



Source: ESCC Pupil Forecasts and Pupil Model



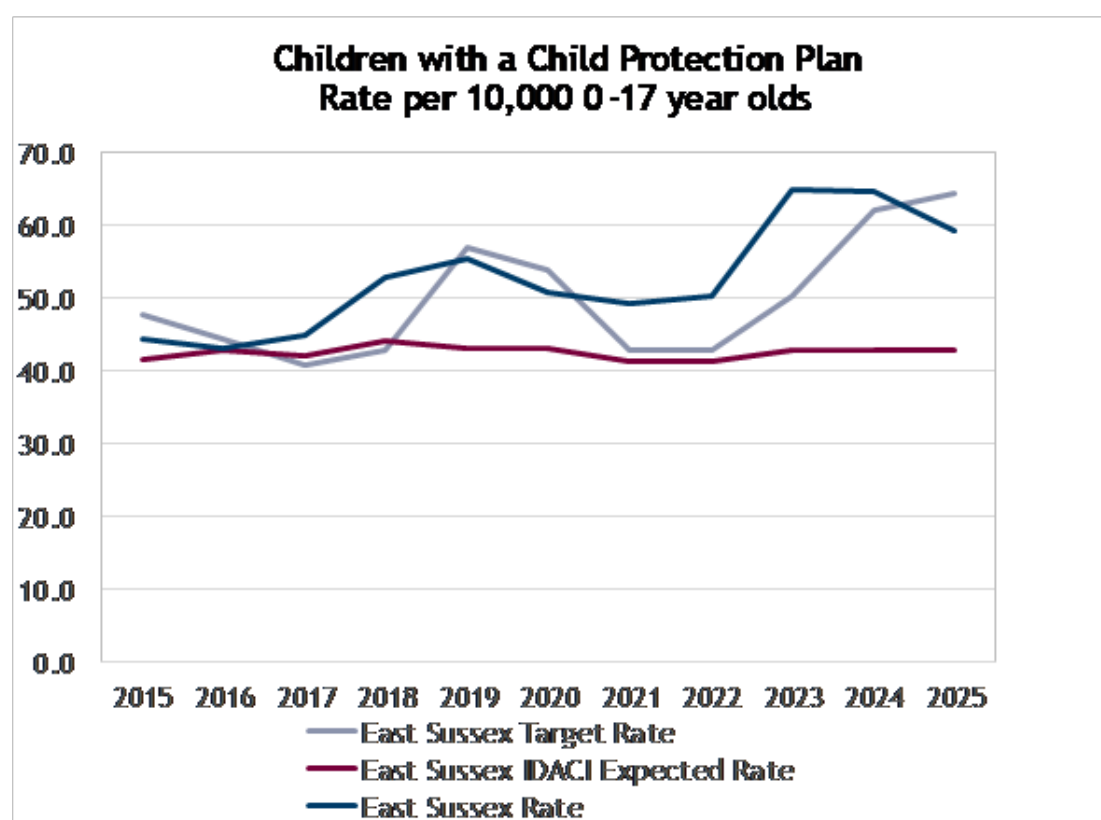
Source: ESCC Pupil Forecasts and Pupil Model

## Child Protection (CP) Plans

At the end of March 2025, the number of CP plans was 614, a rate of 59.3 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). However, the rate was lower than that recorded for the last two years.

We continue to see significantly higher levels of demand and complexity due to the effects of 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.

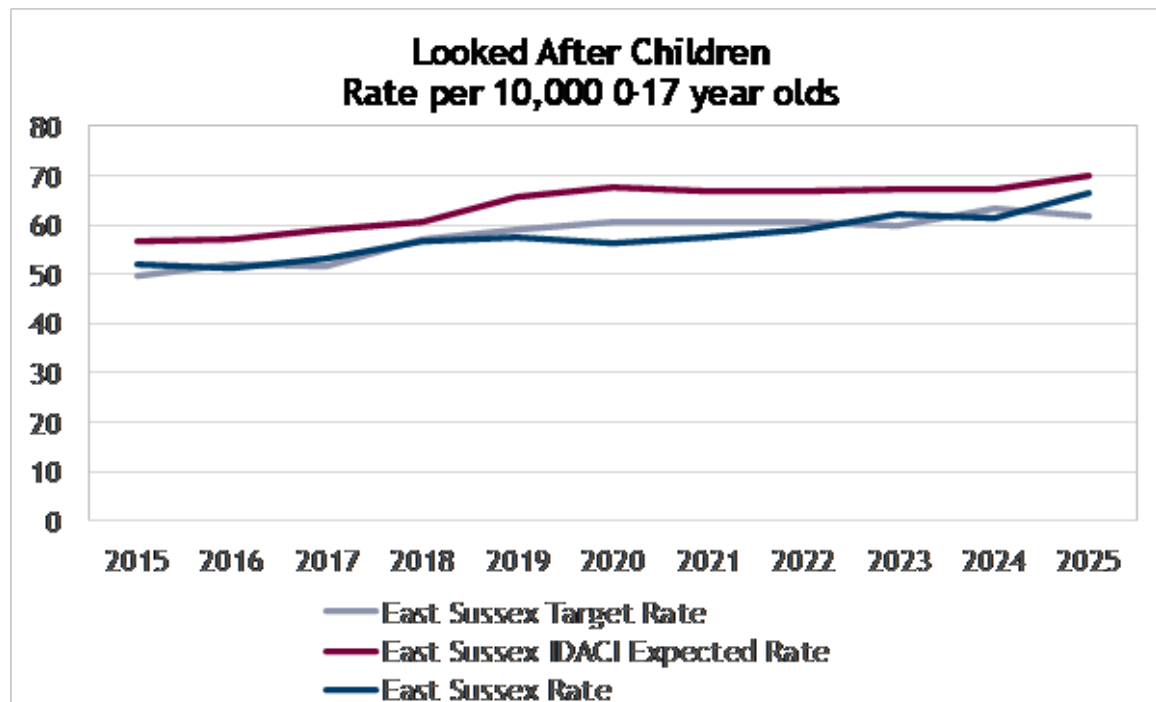


Source: ESCC Children's Services

## Looked After Children

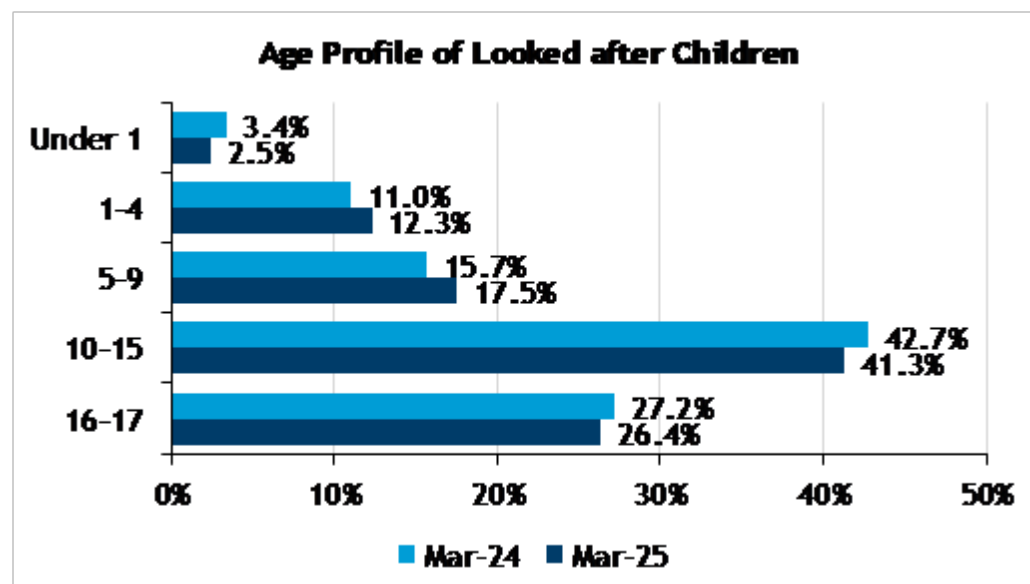
At the end of March 2025, there were 690 Looked After Children, a rate of 66.6 per 10,000 children. Of the 690 children, 70 are Separated Children. There was a 5% increase in the number of Looked After Children (not including Separated Children) compared to the previous year. The rate of Looked After Children is below the expected rate benchmarked for child deprivation using the Income Deprivation

Affecting Children Index (IDACI).



Source: ESCC Children's Services

The age profile of Looked after Children was similar between March 2024 and March 2025, with the majority of children aged over 10.

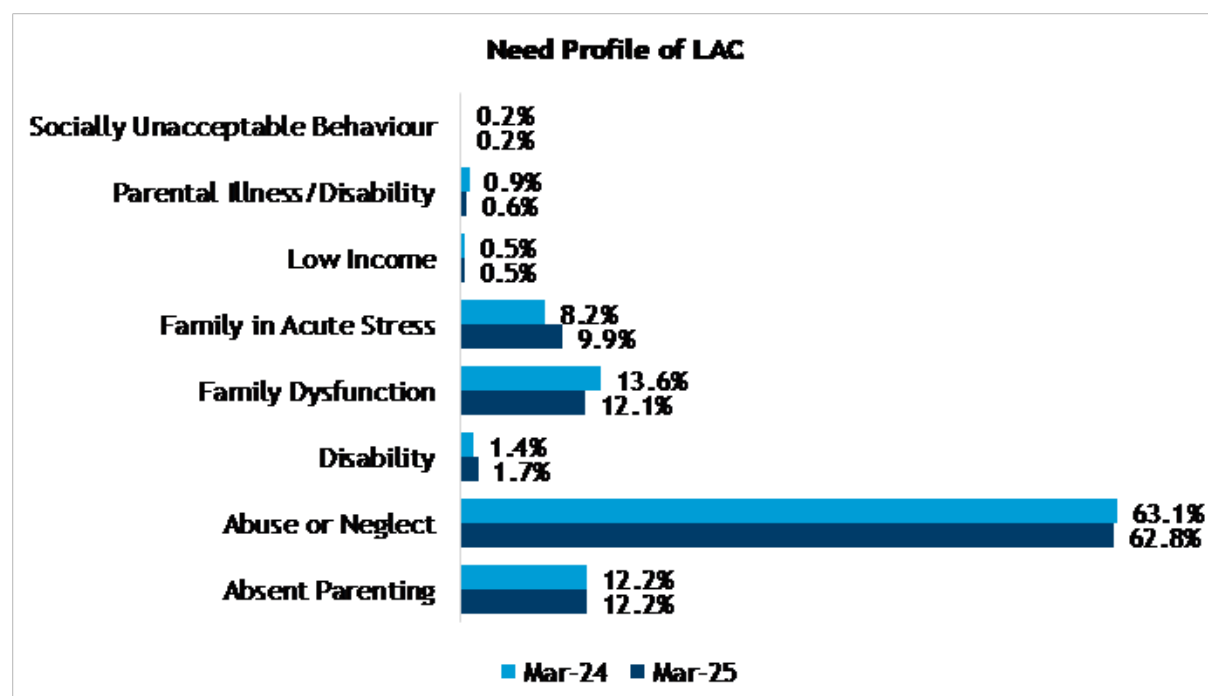


Source: ESCC Children's Services

The 4 categories of need, Families in Acute Stress, Family Dysfunction, Abuse and



Neglect and Absent Parenting accounted for 97% of Looked after Children in March 2025. The number of children in the remaining groups is very low in comparison, which is a similar picture to last year.



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.

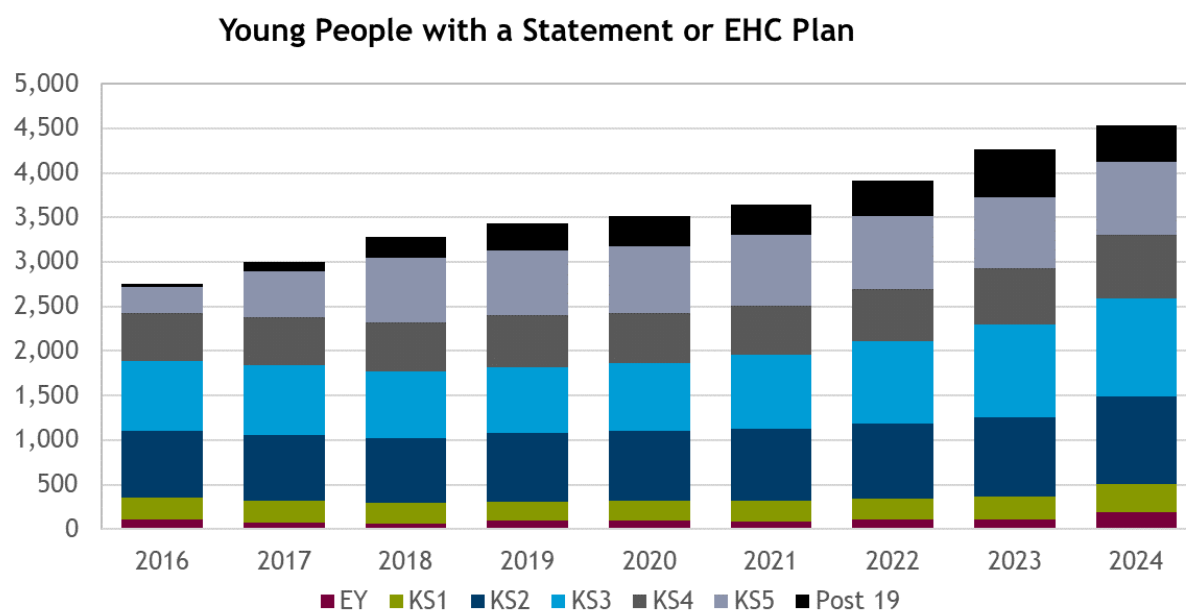
41.6% of all children and young people aged 0-25 with Education Health and Care Plans (EHCPs) in East Sussex are placed in special schools which is over nine percentage points higher than the England average. 59.7% of all new EHCPs were placed in mainstream schools, compared to 70.9% nationally. Council funded high-cost placements at Independent and Non-Maintained Special Schools have increased significantly since 2015 and account for 9.7% of all EHCPs - greater than the England average of 6.3%.

EHCPs of SEND maintained by the Council increased by 87% from 2015 (2,645) to

## State of the County 2025: Focus on East Sussex

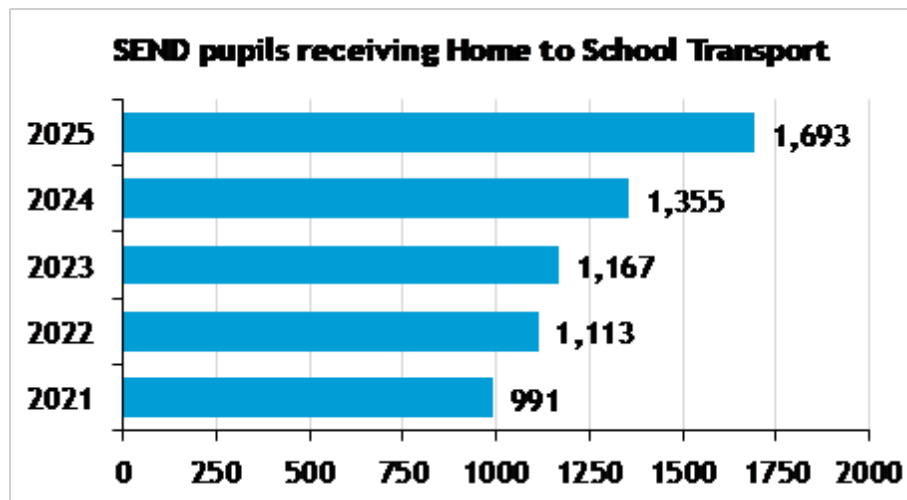
2025 (4,940). Most of the increase since 2015 has been in the Key Stage 5 and Post 19 groups; this is predominantly due to young people retaining EHCPs Post-16.

The number of pupils with an EHCP is currently forecast to rise in East Sussex by 22.7% over the next three years, having increased by 32.2% in the last three years.



Source: ESCC Children's Services

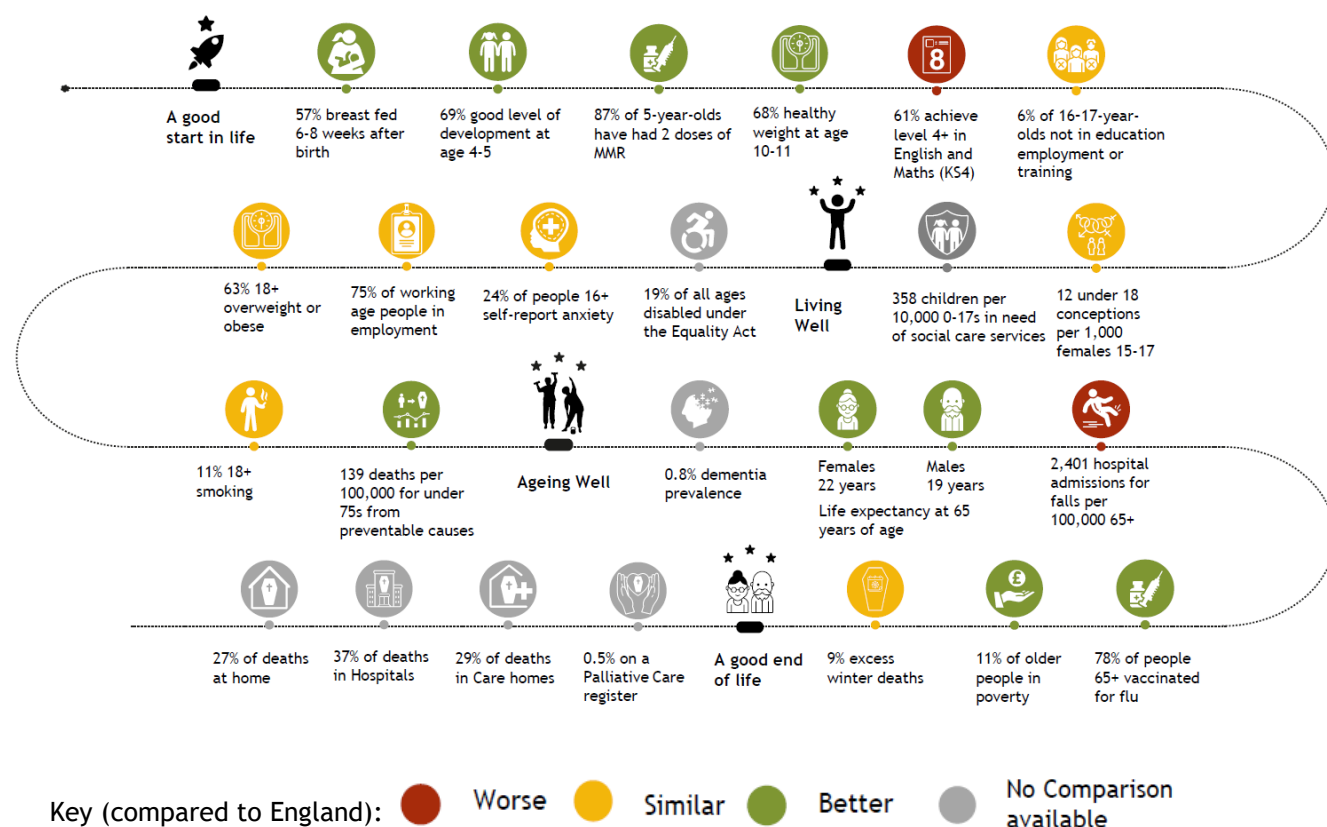
There have been increases in the number of pupils receiving Home to School Transport since 2021. These increases have been particularly acute with regards to children with Special Educational Needs and Disabilities (SEND) due to a 71% increase in the number of children requiring transport. There have 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 106% increase in costs of transporting SEND children since 2021.



Source: ESCC Children's Services

# Health and wellbeing

## Life course summary

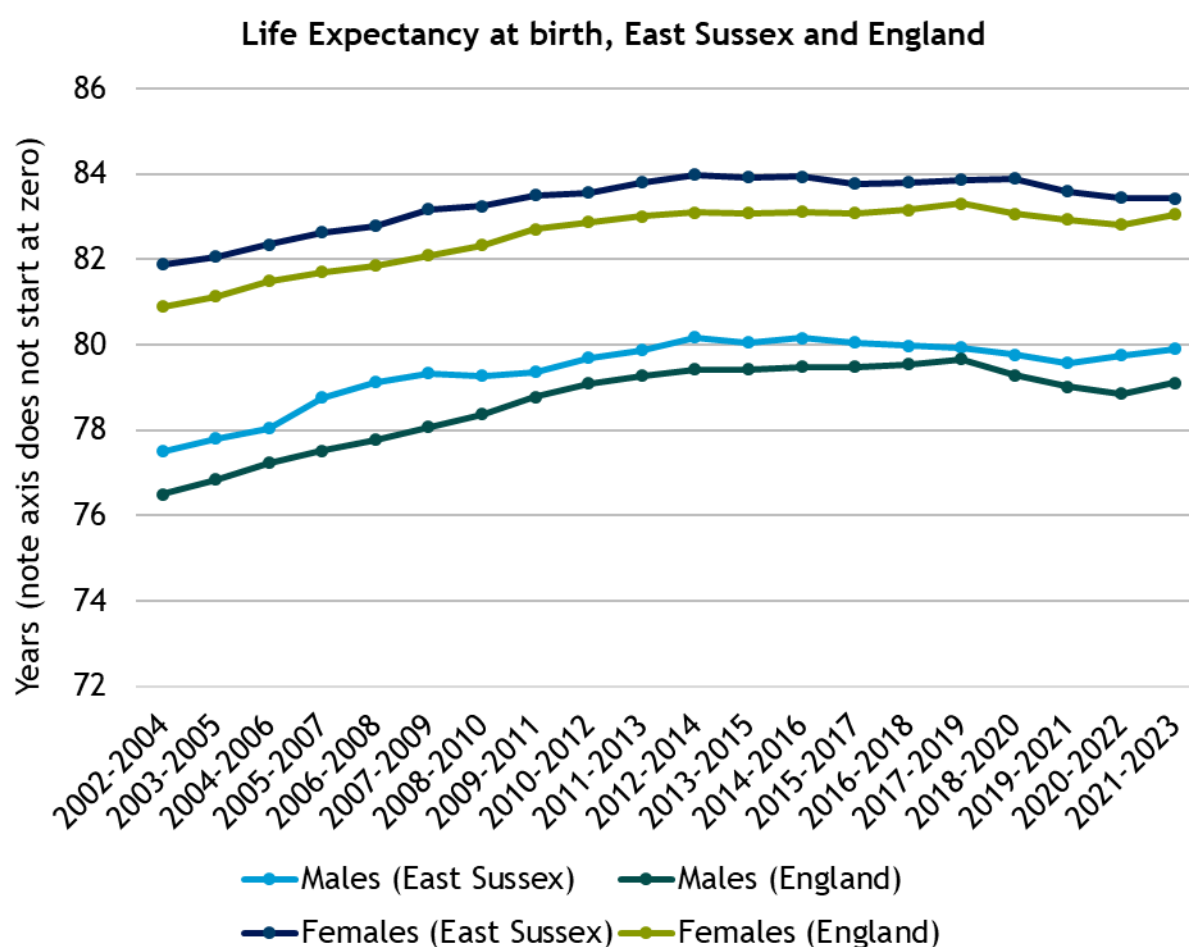


Source: ESCC Adult Social Care and Health department

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 the results are similar to or better than England overall. There are two indicators where the County is significantly worse, which are educational achievement in English and Maths at GCSE, and admissions to hospital for falls amongst older people.

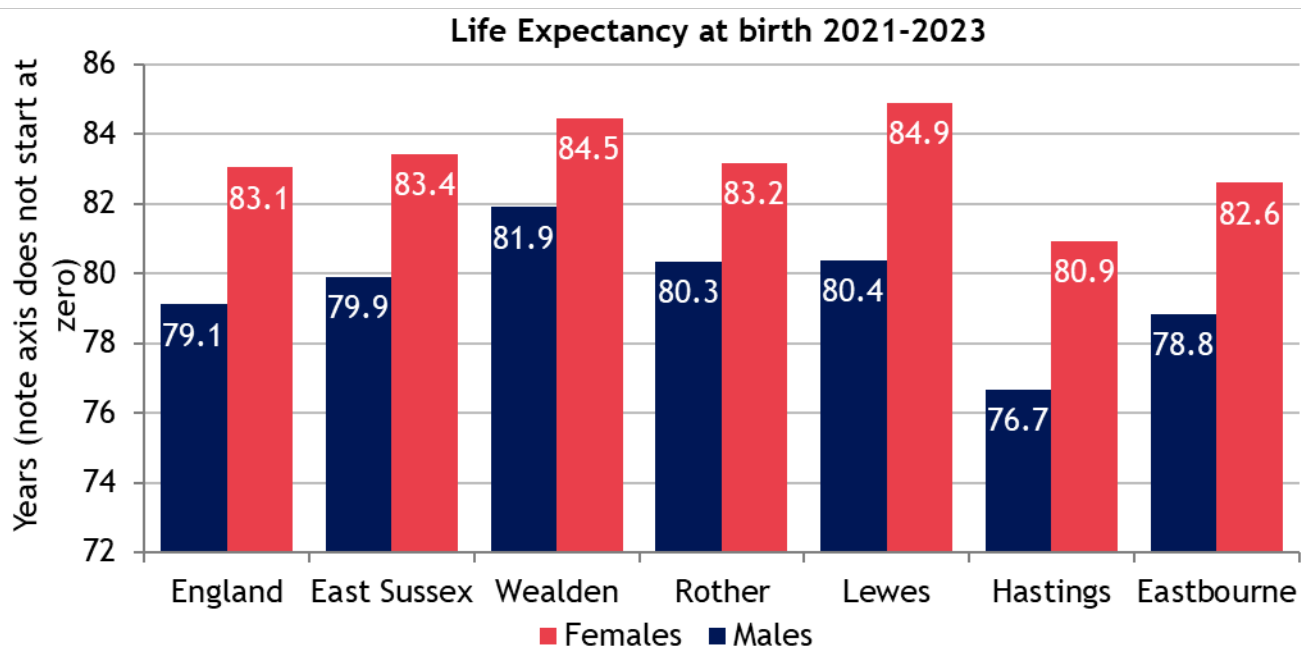
## Life expectancy at birth

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 this increase has plateaued, or begun to reduce, in recent years.



Source: ONS

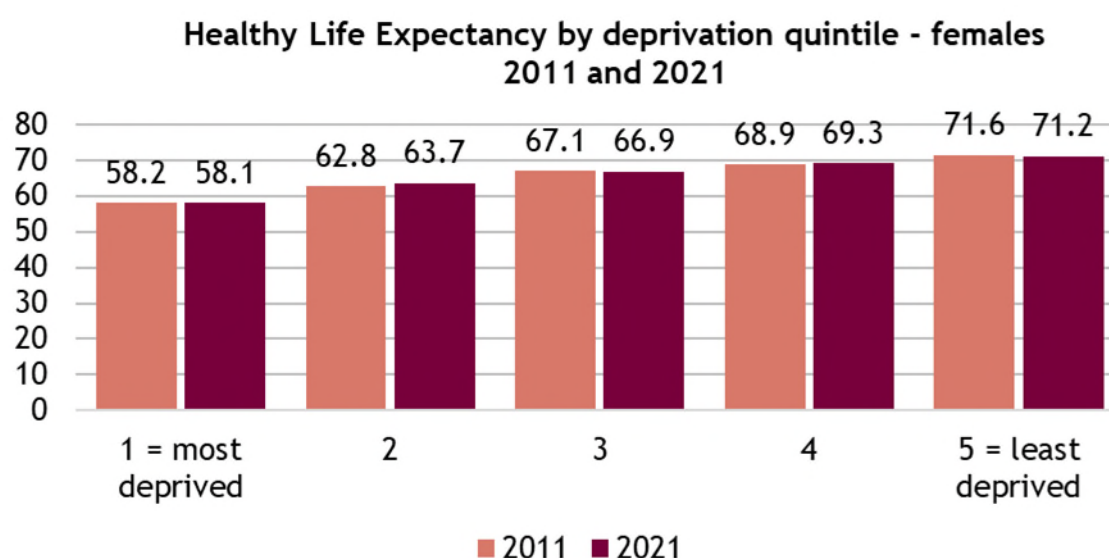
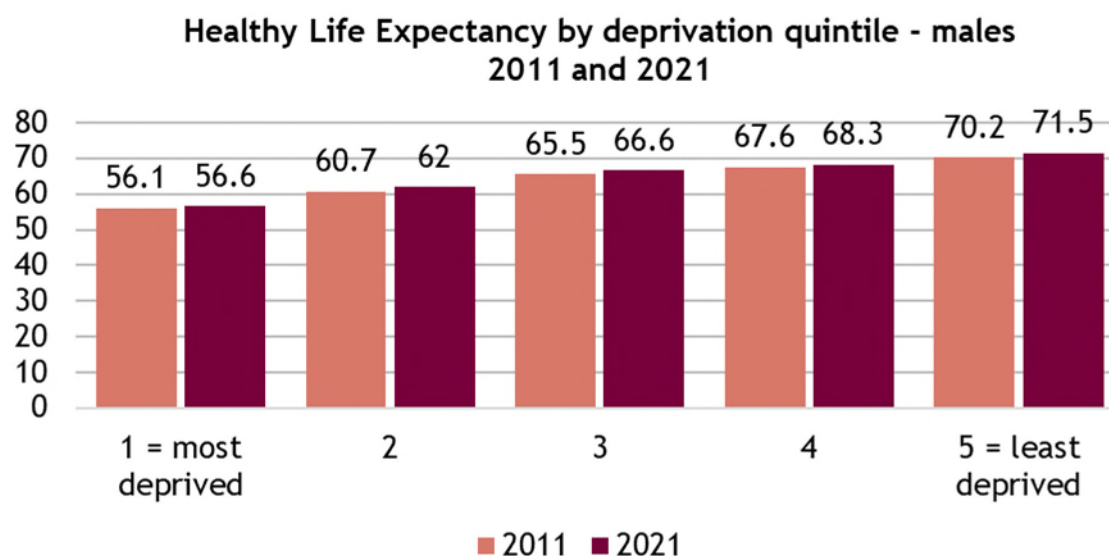
Wealden has the highest levels of life expectancy at birth for men in the county, the highest levels for women are in Lewes. The lowest levels are in Hastings. Countywide life expectancy levels are slightly higher at birth for both men and women than nationally.



Source: ONS

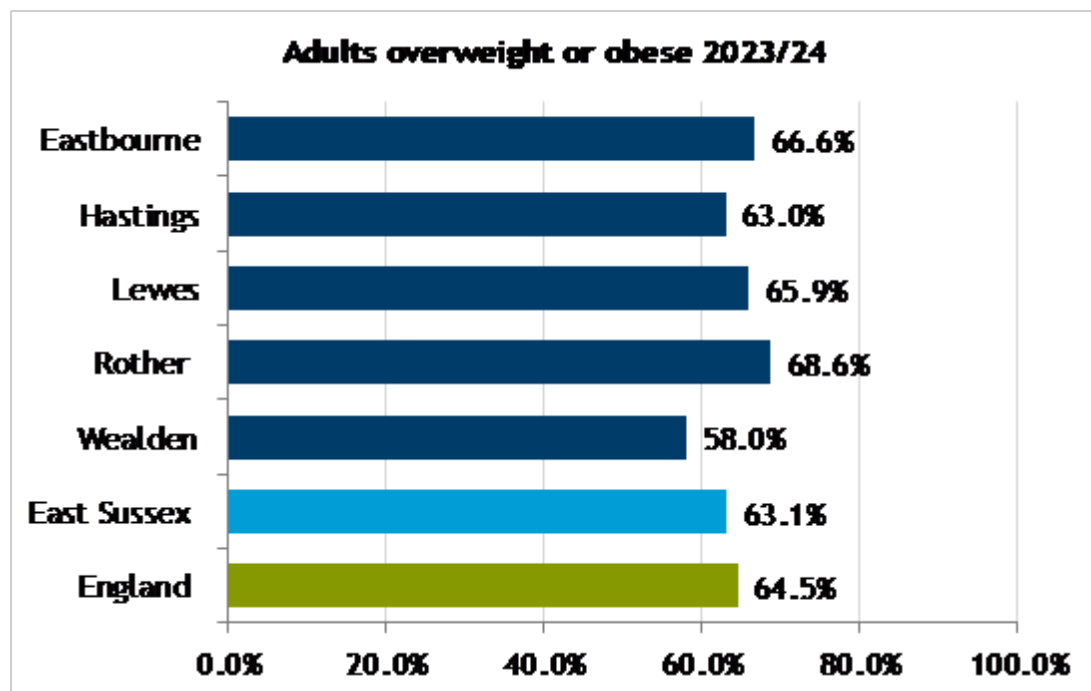
On average, people living in the most deprived communities in England have over 18 years less of their lives in good general health than those living in the least deprived areas. In East Sussex, this gap is 14.9 years for males between the most and least deprived quintiles, and 13.4 years for females.

Healthy life expectancy in East Sussex increased from 2011 to 2021 in males across all deprivation quintiles. For females, healthy life expectancy in 3 out of 5 quintiles (including the most and least deprived areas) slightly decreased in 2021. Also, for the first time, in 2021 healthy life expectancy for those in the least deprived areas was higher in males than females.



## Excess Weight

Overall, the percentage of adults in East Sussex who were overweight or obese in 2023/24 was lower than the national average, however the picture varied across the county.



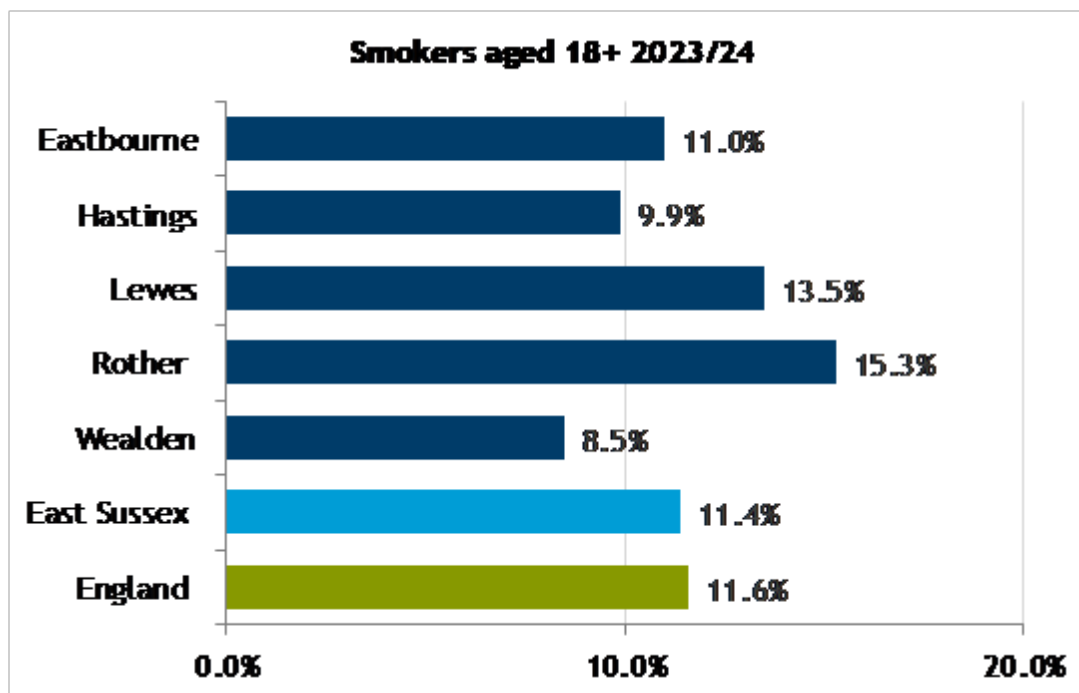
Source: Public Health Outcomes Framework

Rother had the highest percentage of adults overweight or obese in East Sussex in 2023/24, at 68.6%. The lowest percentage in the county was for Wealden, 58.0%.

## Prevalence of Smokers

Rother has the highest prevalence of smoking in East Sussex in 2023/24 at 15.3%. Wealden had the lowest prevalence at 8.5%.

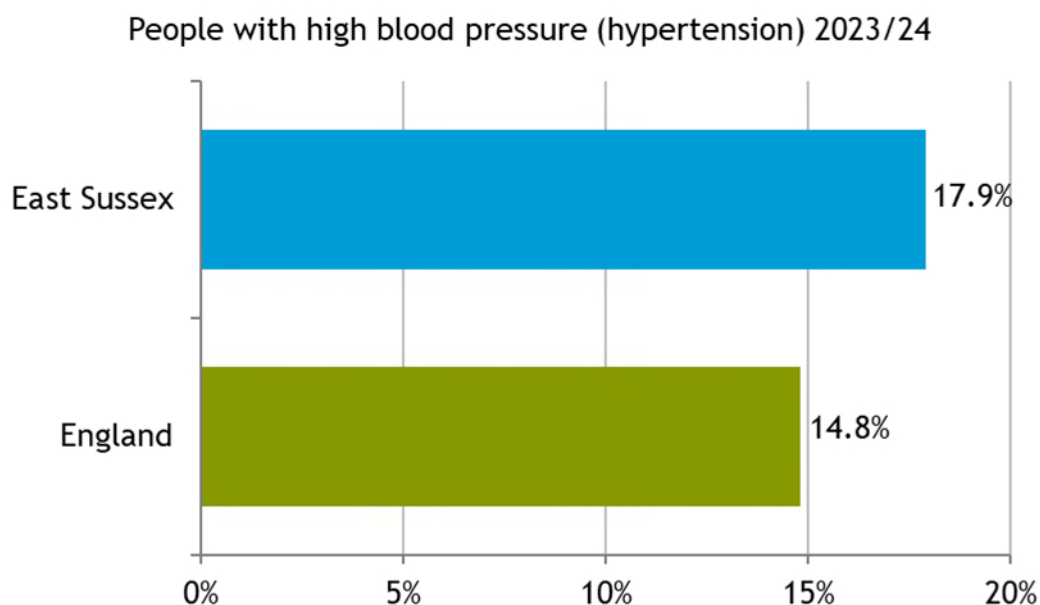




Source: Public Health Outcomes Framework

## Prevalence of Hypertension

East Sussex has a higher prevalence of diagnosed high blood pressure (17.9%) compared to the national average for England (14.8%).



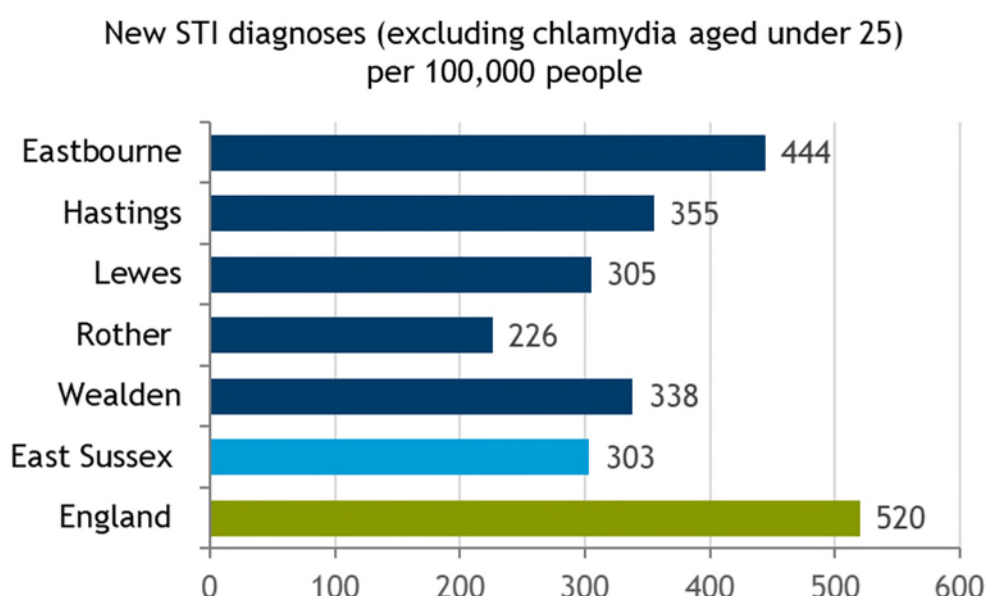
Public Health Outcomes Framework

## Physical Activity

Over 69% of people in East Sussex did 150 or more minutes of physical activity per week in 2023/24. Nearly 21% 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

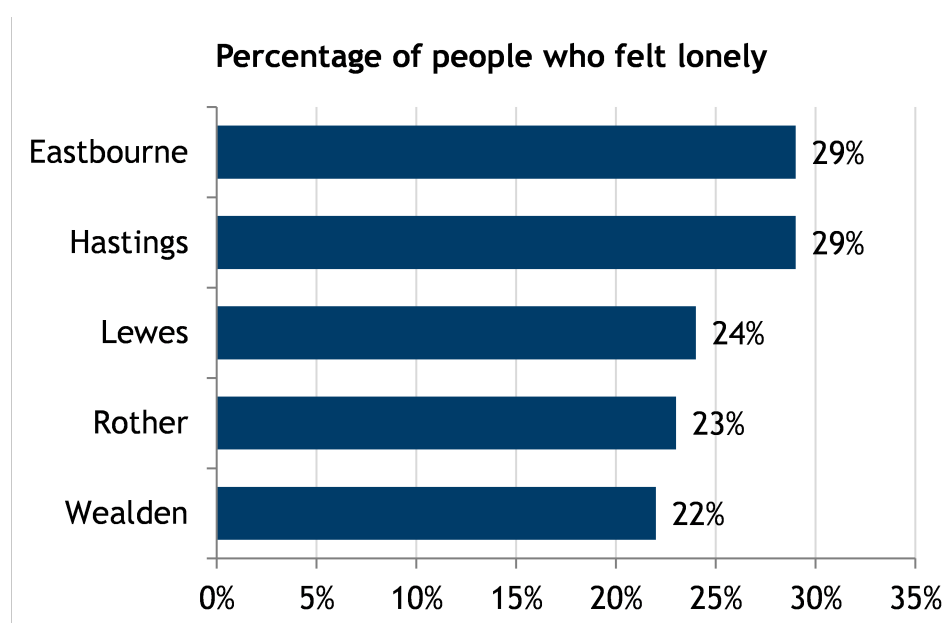
It is estimated that 1 in 6 people will have a mental health condition at any one time. Latest survey figures show a higher percentage of adults in East Sussex reported high anxiety and low satisfaction with life compared to the national average.

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

For 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

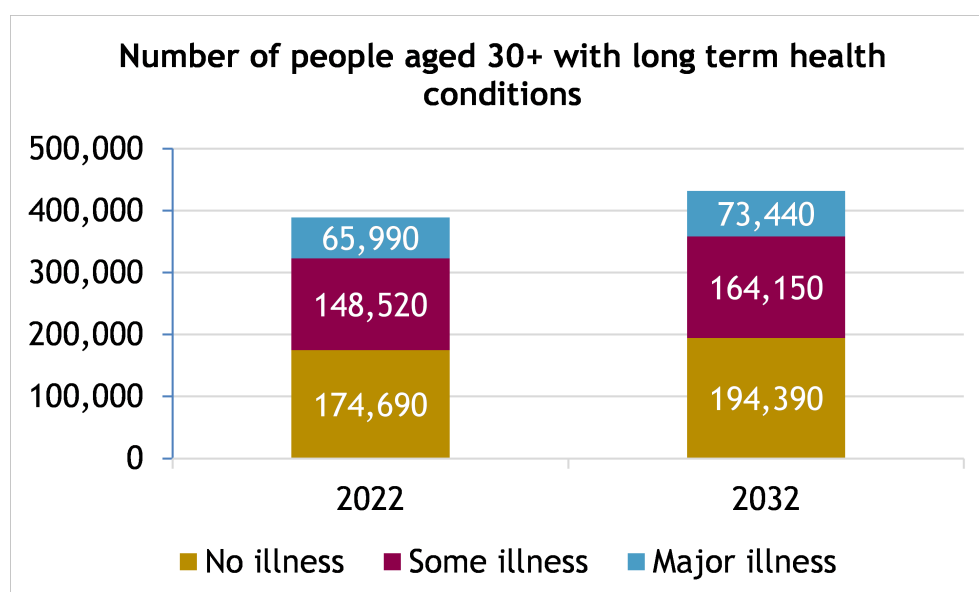
Data from the 2019 survey shows that feelings of loneliness are more prevalent among groups who are more likely to spend more time at home (e.g. due to mobility issues) workless residents (56% vs. 20% of those in work); those in poor health (55% vs. 18% of those in good health); those with a disability (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.

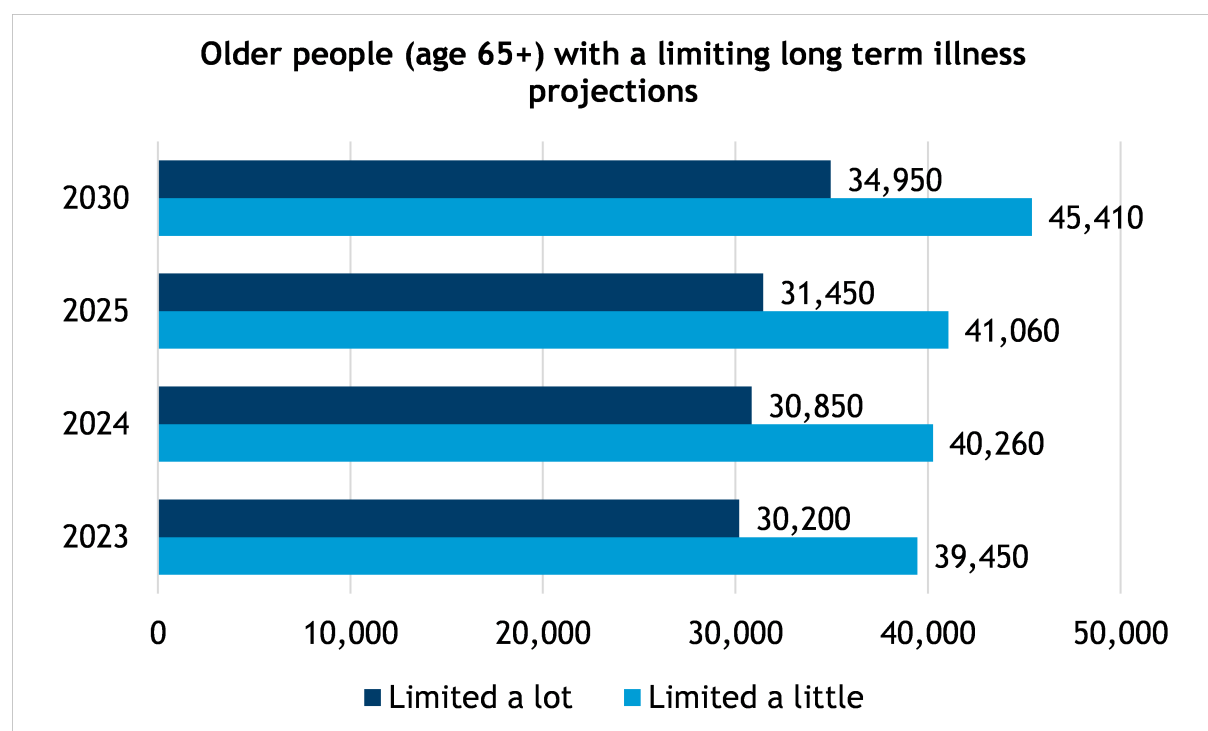
The Cambridge Multimorbidity Score (CMS) assigns a weight (score) to 20 conditions based on how the illness is likely to affect people's use of primary care and emergency health services and the likelihood of their death.

# 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’.

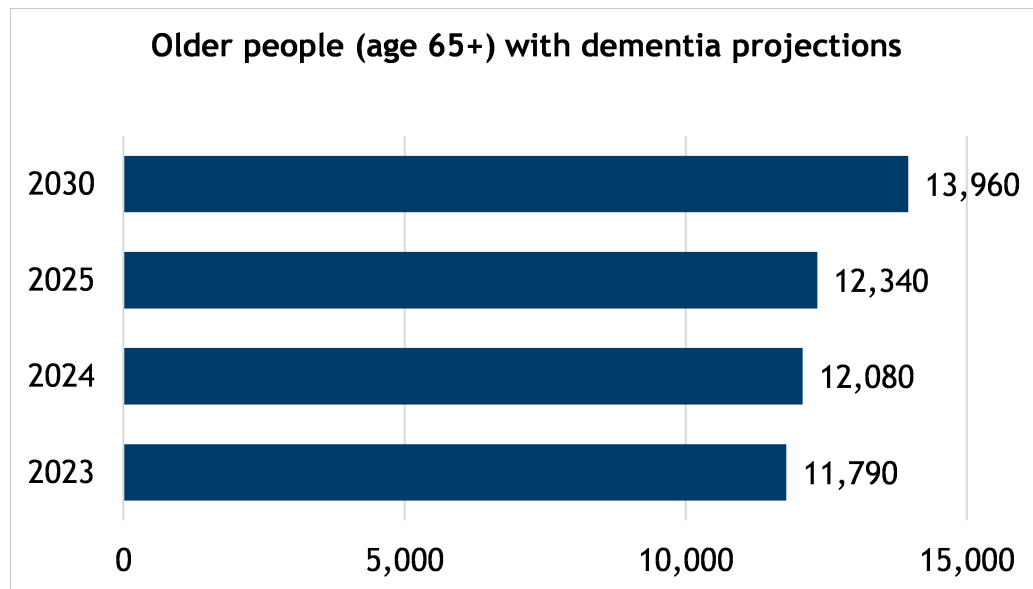
These figures are projected to rise to an estimated 80,360 older people living with a long-term illness which limits their day-to-day activities in 2030, an increase of 15.4% compared to 2023. 45,410 of these people are projected to be ‘limited a little’ (up 15.1% compared to 2023), and the other 34,950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

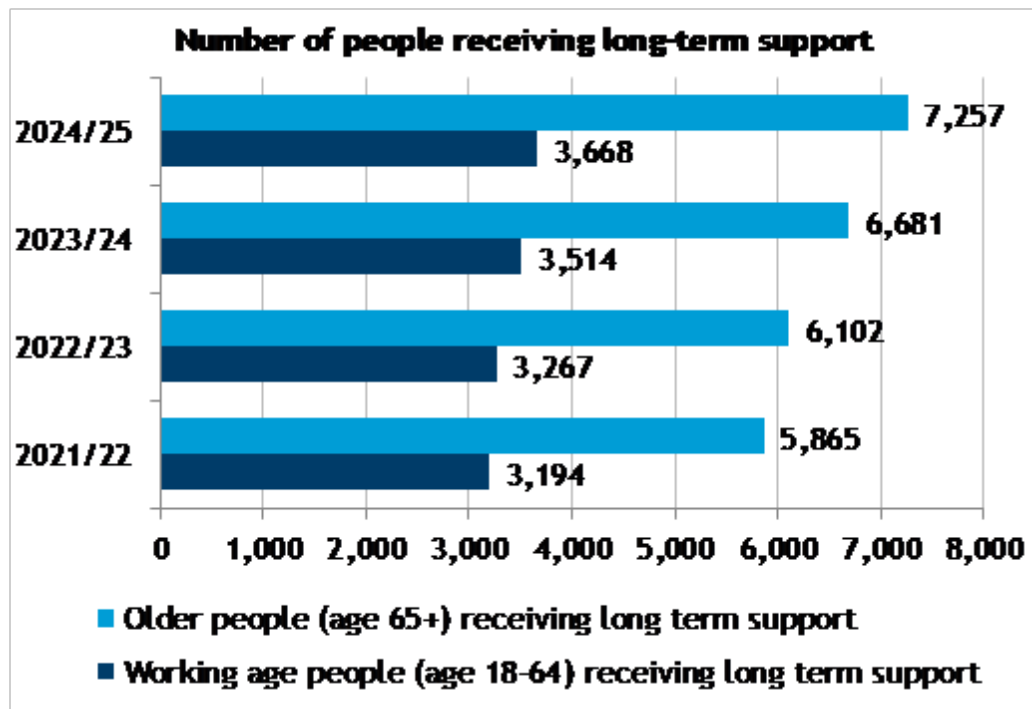
13,960 older people (age 65+) are projected to have dementia by 2030, an increase of 18.4% from 2023.



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

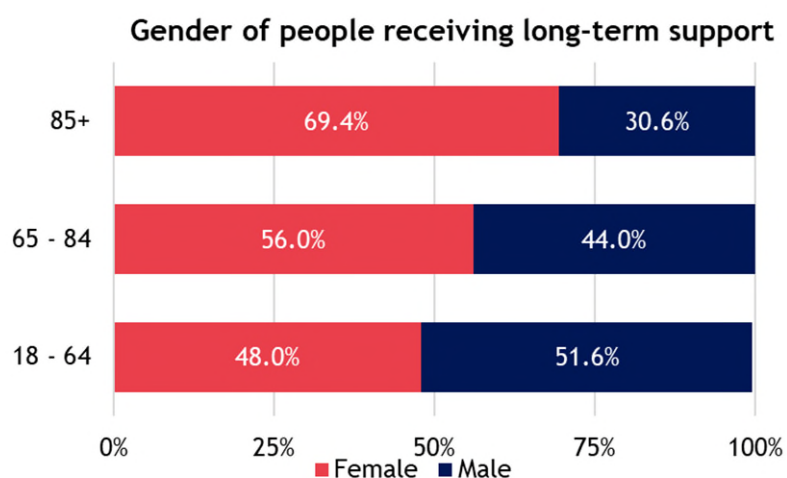
## People receiving long term support

The total number of Adult Social Care clients receiving long term support increased by 7.2% in 2024/25 to 10,925, continuing the trend seen since the end of the Covid-19 pandemic. 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.

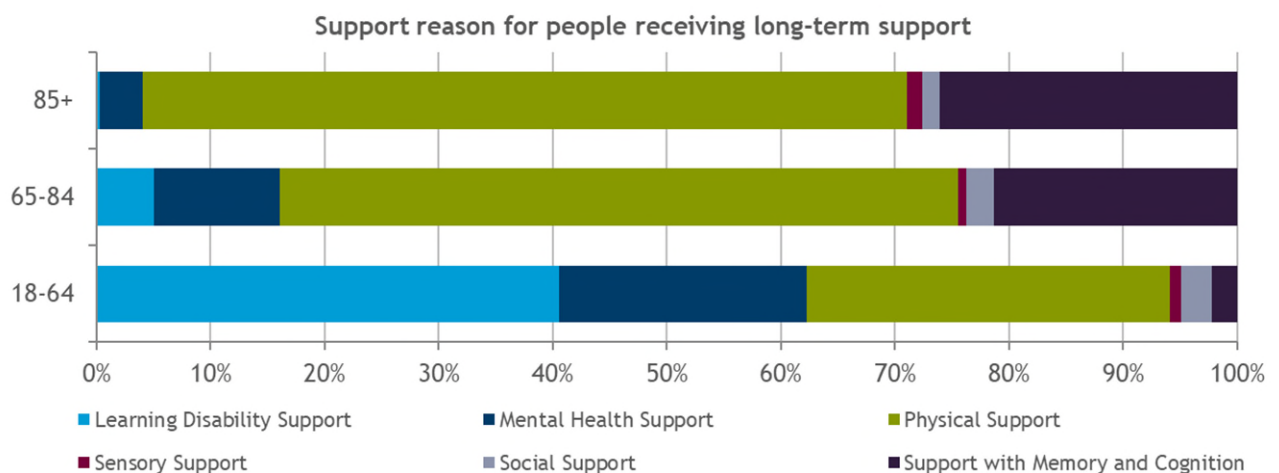


Source: East Sussex SALT Returns



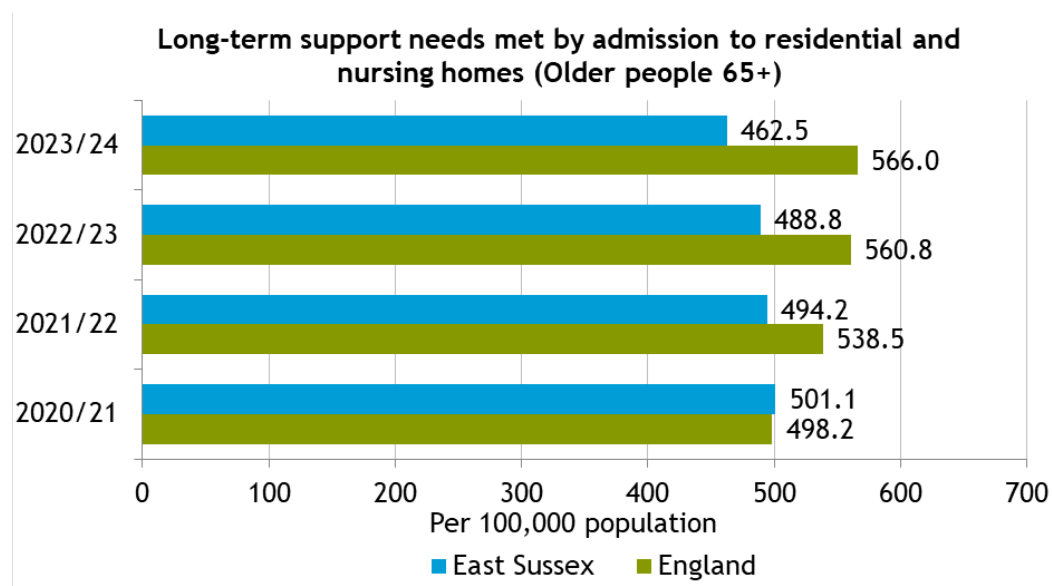
## State of the County 2025: Focus on East Sussex

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

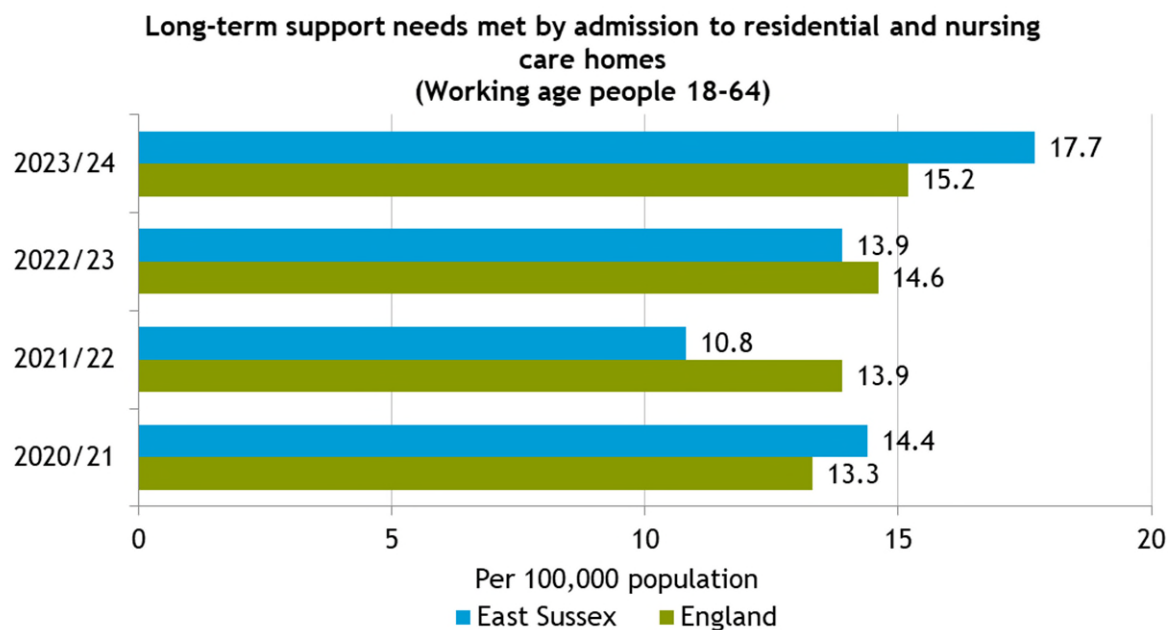
Permanent admissions of older people to residential and nursing homes (those aged 65 and over) per 10,000 population slightly decreased in East Sussex in 2023/24.



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

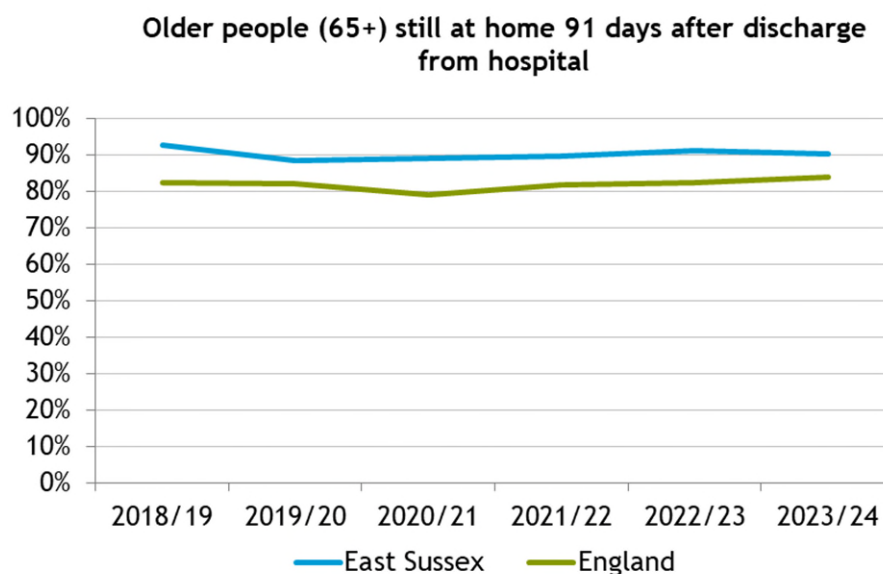
## State of the County 2025: Focus on East Sussex

Permanent admissions of working age people (18-64) to long term residential care increased in East Sussex in 2023/24 and was above the national rate.



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

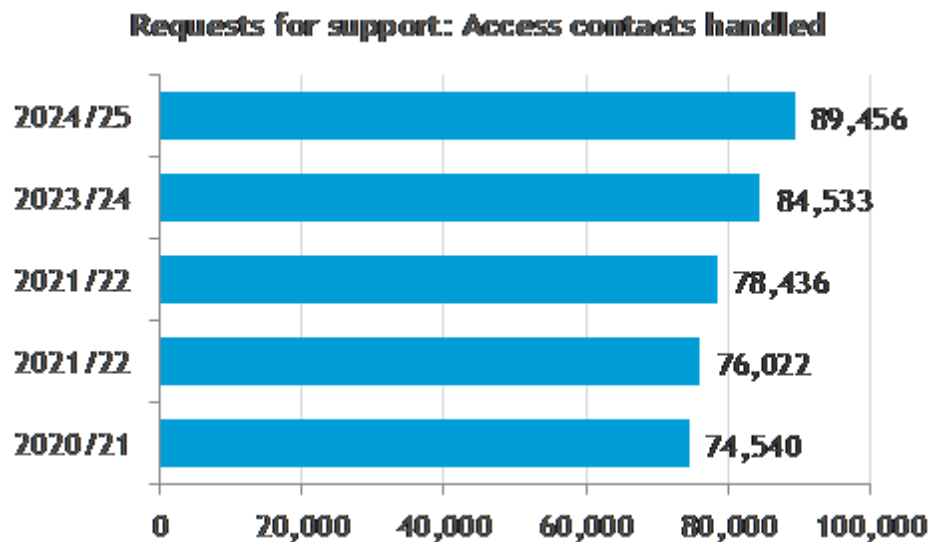
The proportion of older people (age 65+) still at home 91 days after discharge from hospital into reablement/rehabilitation services in 2023/24 was 90.4%, above the national figure of 83.8%.



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

## Access contacts

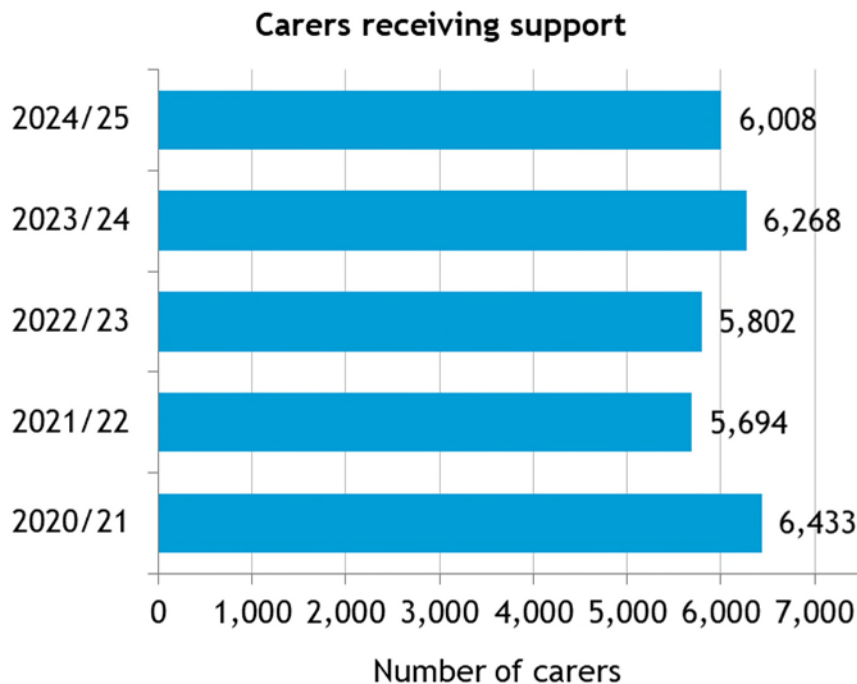
The Access team in Health and Social Care Connect (HSCC) handled 89,456 contacts in 2024/25, an increase of 4,923 (5.8%) compared to 2023/24.



Source: East Sussex Adult Social Care and Health department

## Carers receiving support

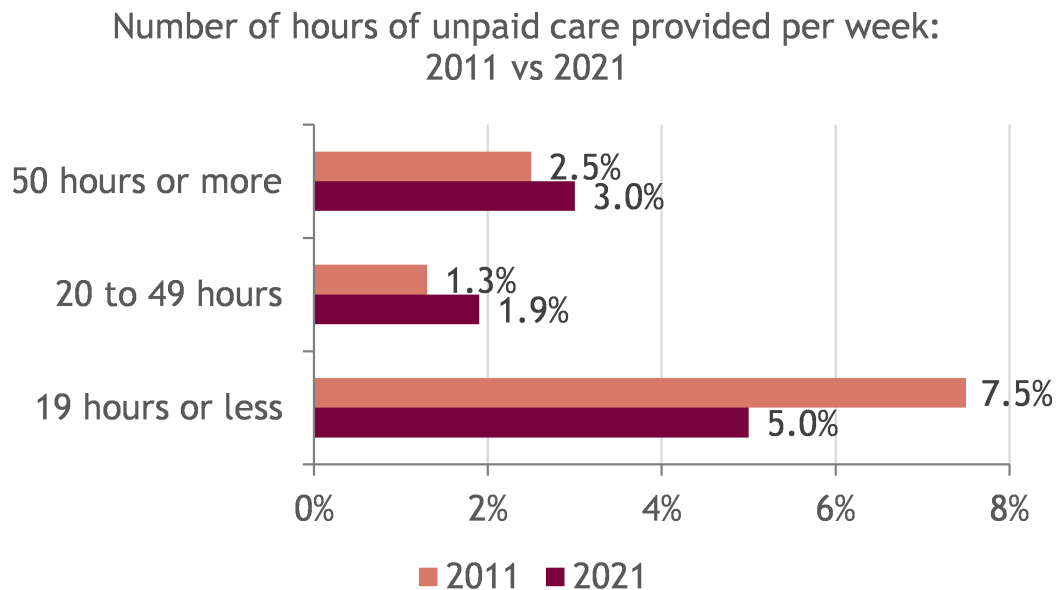
The total number of carers receiving support from Adult Social Care and Health (ASCH) in East Sussex decreased slightly in 2024/25. There continues to be a significant number of carers being supported by Care for the Carers, a partner organisation who provide, support, guidance and information to carers in East Sussex.



Source: East Sussex SALT Return

## Unpaid Carers

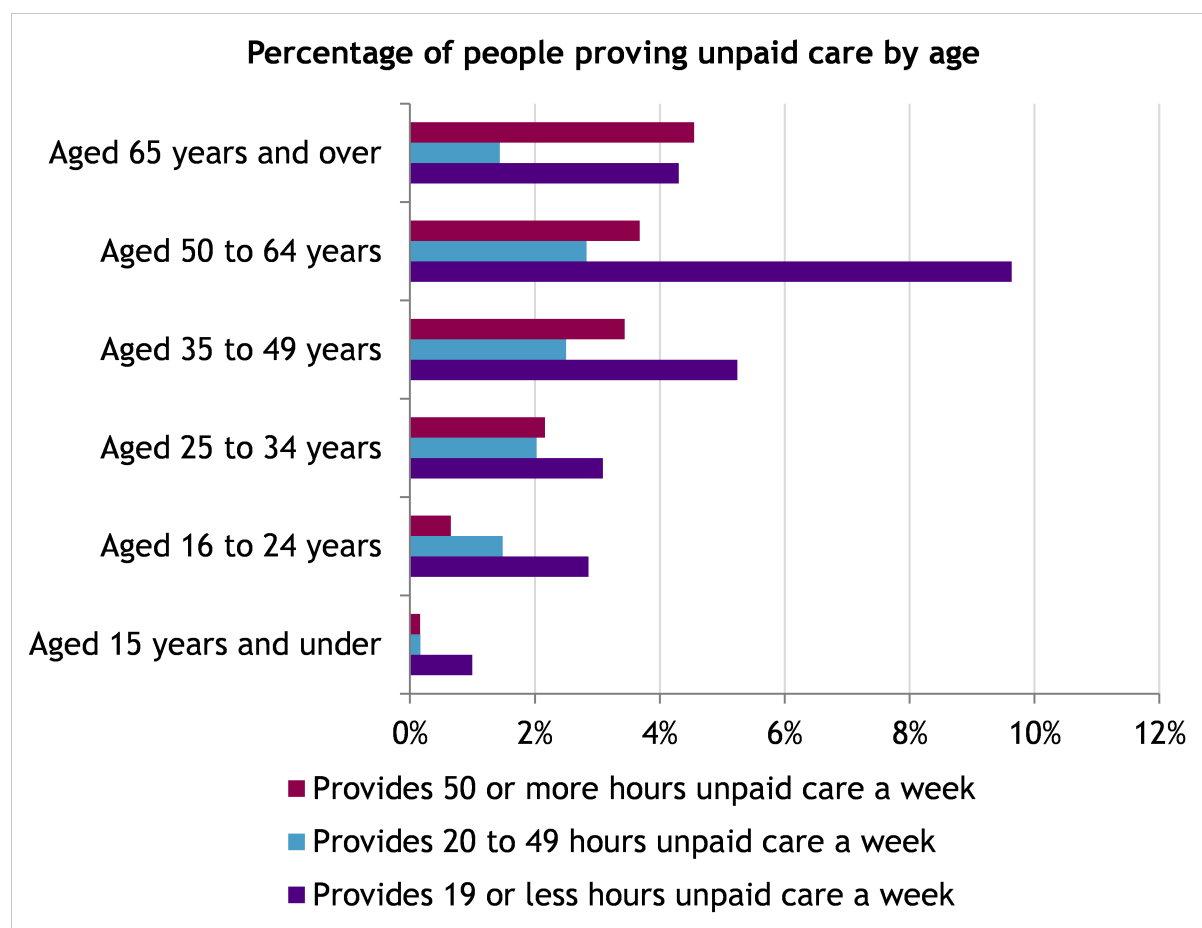
Data from the 2021 Census suggests that 9.9% of the population in East Sussex provides any form of unpaid care, compared to the national average of 8.8%. Compared to the 2011 Census however, the proportion of unpaid carers has decreased by 1.8 percentage points within East Sussex. Furthermore, the proportion 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: ONS

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.



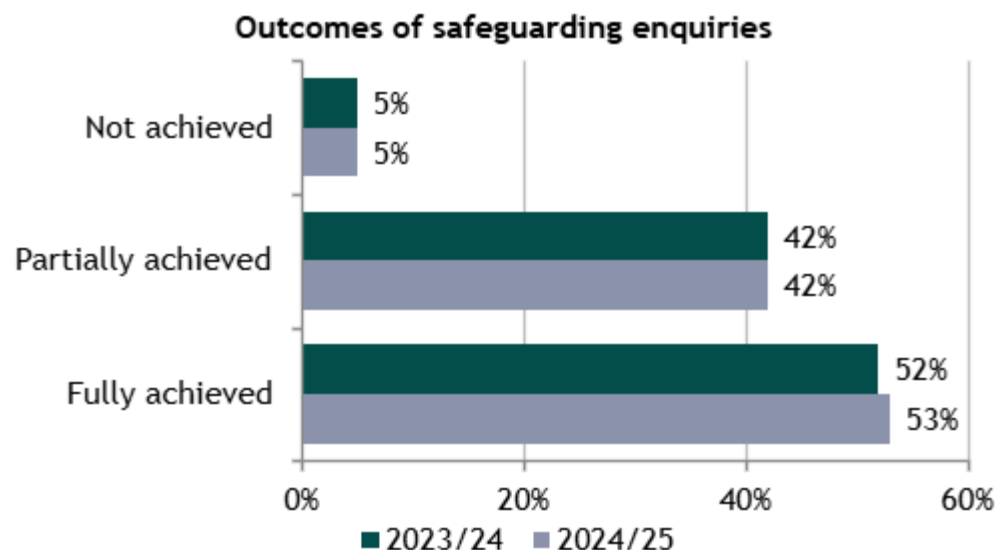
Note: Percentages are representative of the population aged 5 years or above.

Source: ONS

## Adult safeguarding

We have made improvements to how we report on safeguarding concerns over the past year. These figures now include all contacts and referrals linked to safeguarding. 15,392 concerns were raised during 2024/25. Due to the changes in reporting these figures are not comparable to those reported for previous years.

As part of safeguarding enquiries desired outcomes for the adult concerned are identified. In 2024/25, performance remained steady, sustaining the improvements seen in the previous year.



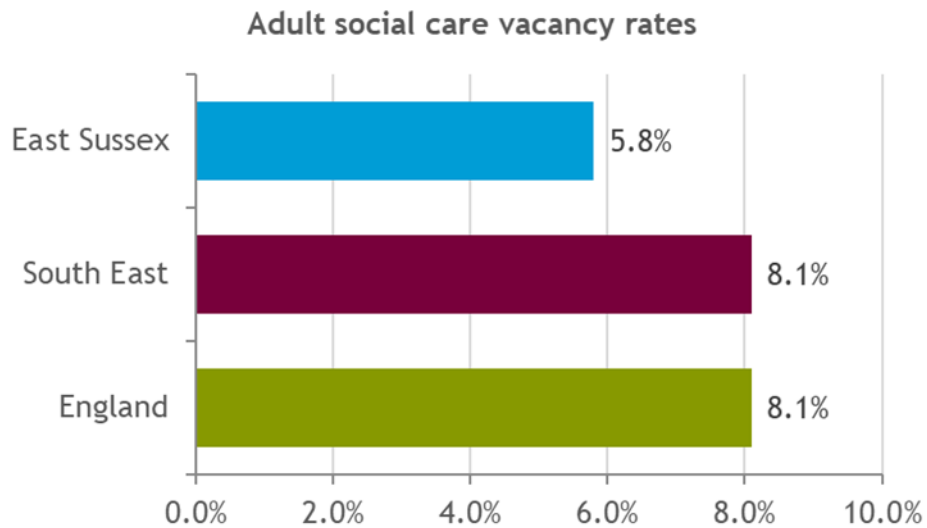
Source: East Sussex Adult Social Care and Health department. Note: Percentages may not sum to 100 due to rounding issues

## Adult social care workforce

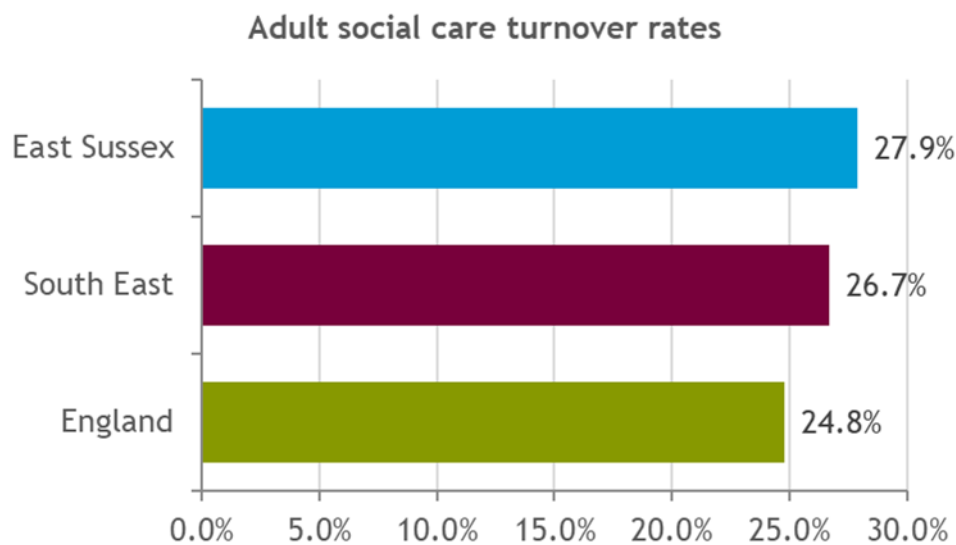
As the demand for support for adult social care increases it is important that we have a sufficient supply of highly skilled workers for the sector. The adult social care workforce includes all staff working in adult social care settings, in both the independent sector and for the Council. There were 20,500 posts filled in the adult social care workforce in East Sussex in 2023/24, with 1,100 posts vacant.

Projections show that to meet the anticipated demand for social care in 2040 the workforce would need to grow by 29%.

The vacancy rate in the adult social care workforce in East Sussex was lower than both the South East and England averages in 2023/24.

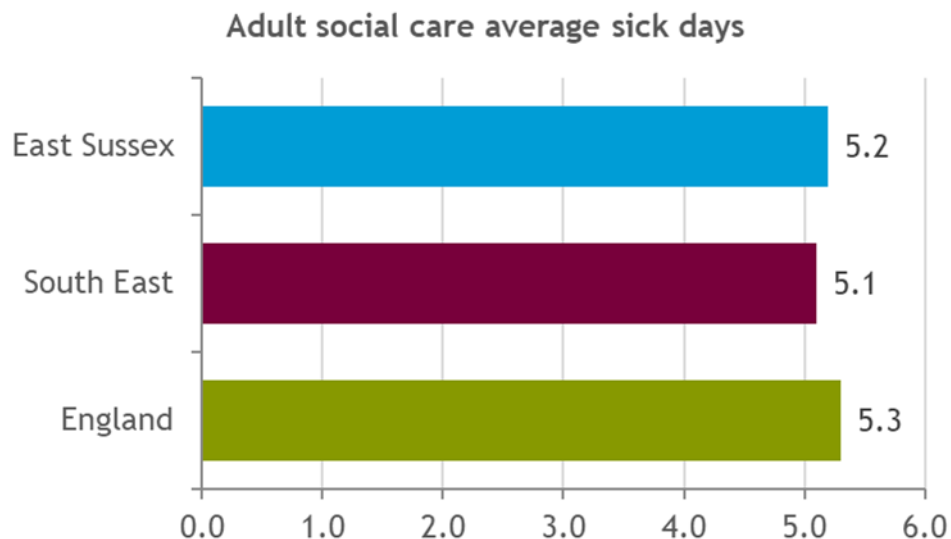


However, the rate of staff turnover was higher than the South East and England averages.

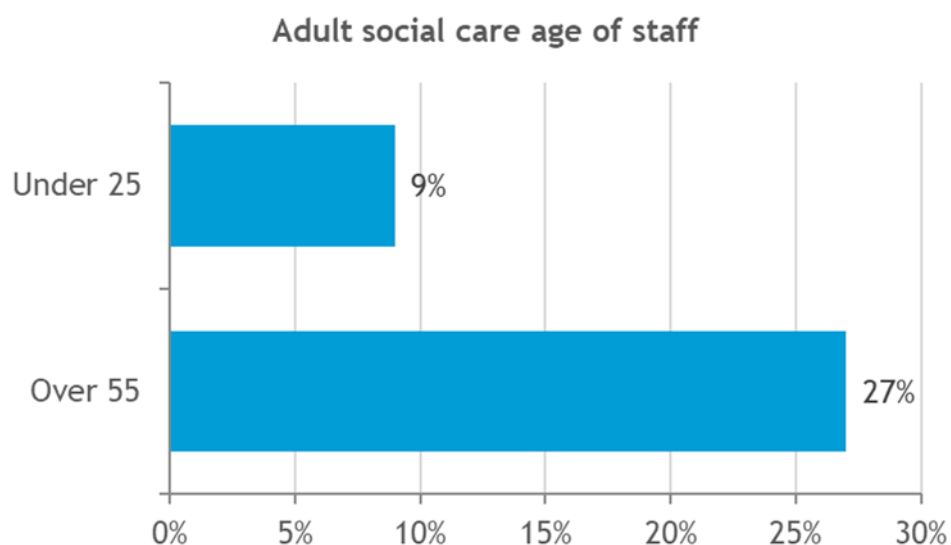


The average number of sick days taken by adult social care staff in East Sussex in 2023/24 was similar to the average across the South East and for England.





Only 9% of people working in the adult social care sector in East Sussex in 2023/24 were under 25, while 27% were over 55. It is expected that 4,700 workers in the sector will reach retirement age in the next 10 years.



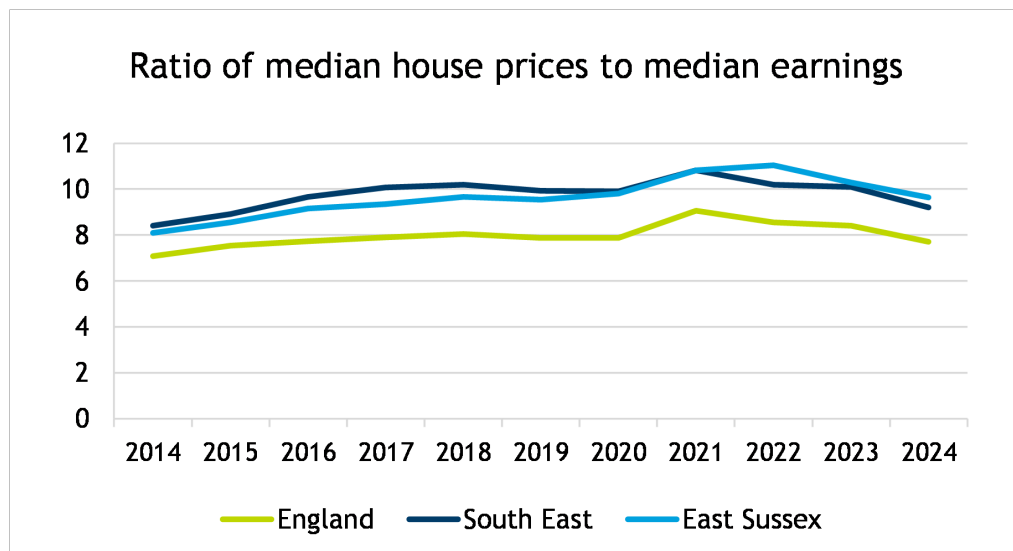
## Housing

### Housing affordability

East Sussex is an attractive area to live, however this means that house prices are higher than the national average. In 2024 in East Sussex the average (median) house price was £340,000, 9.6 times the average annual earnings of residents,

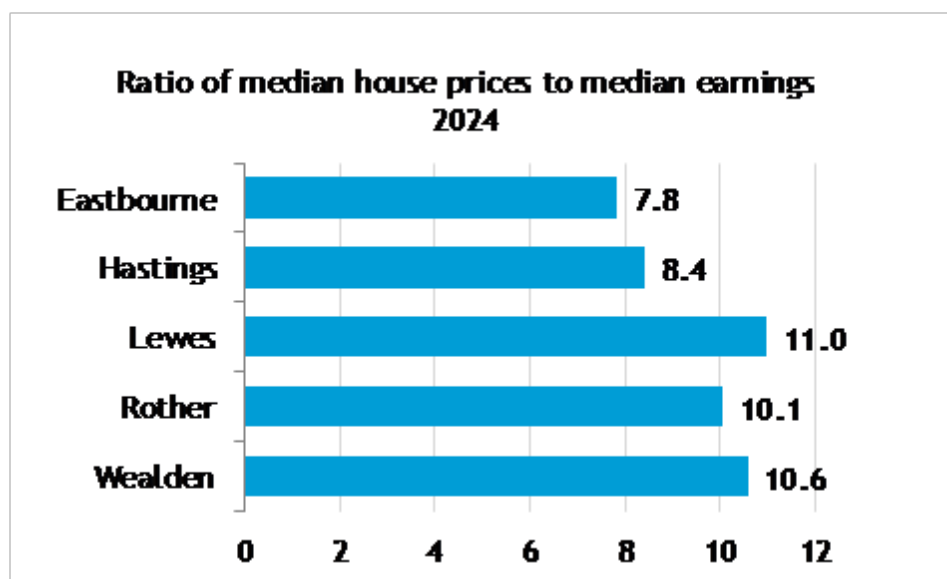
which were £35,300. In comparison the average house price in England was £290,000, 7.7 times average annual earnings, which were £37,600 in 2024.

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.



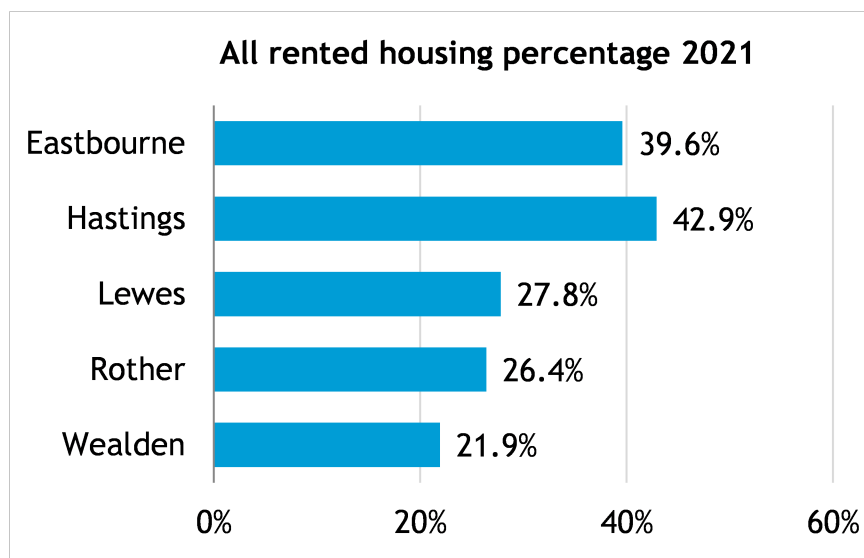
Source: ONS

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



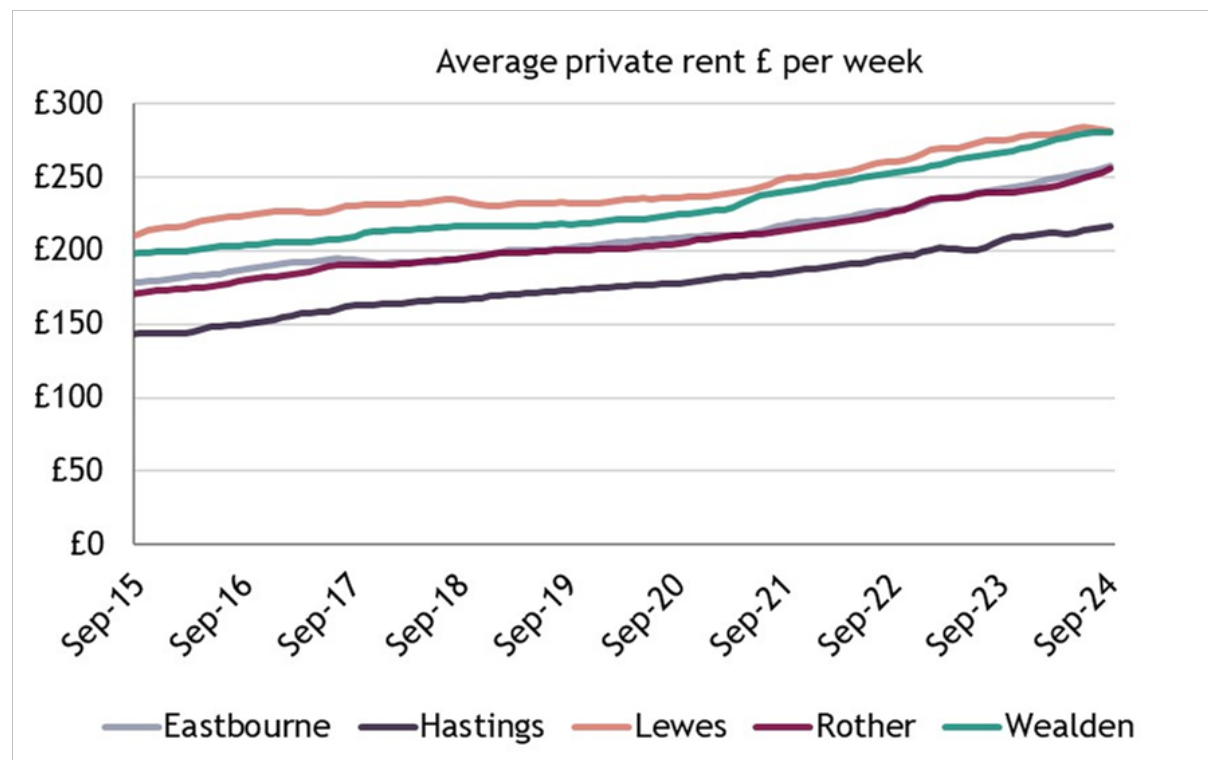
Source: ONS

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



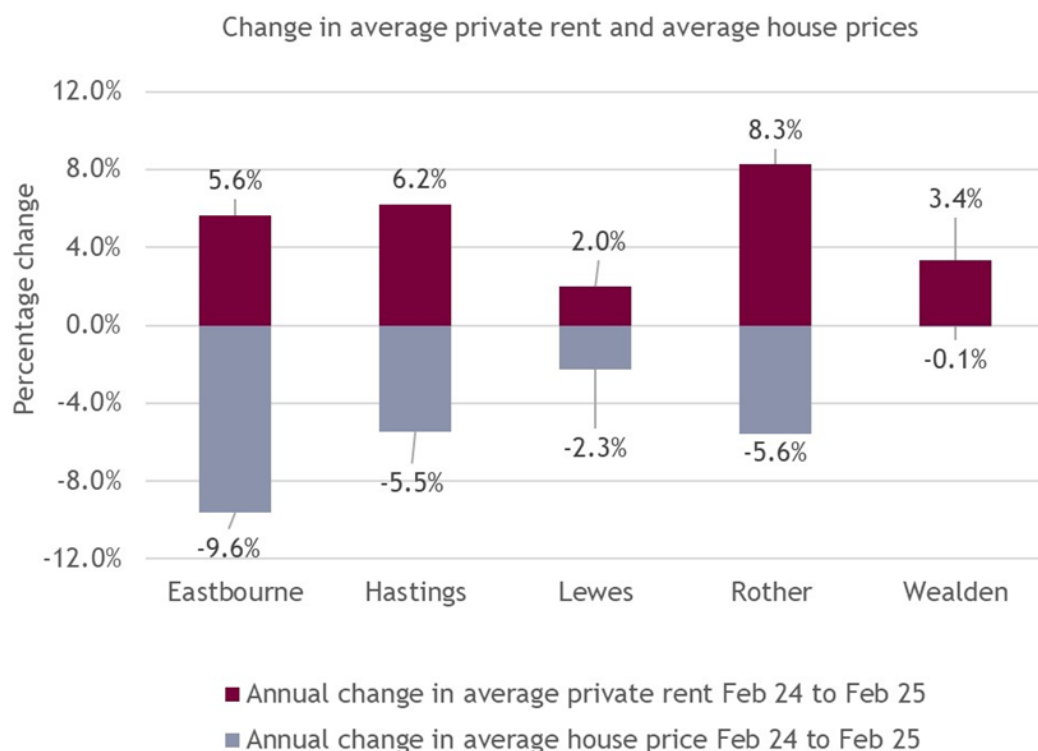
Source: Census 2021.

Rented housing is a significant sector in East Sussex, making up 21.9% of housing in Wealden and 42.9% in Hastings. The cost of private rented housing rose by up to 29% between 2019 and 2024. Average private rents ranged from £217 to £282 a week across districts.



Source: ONS/Valuation Office Agency

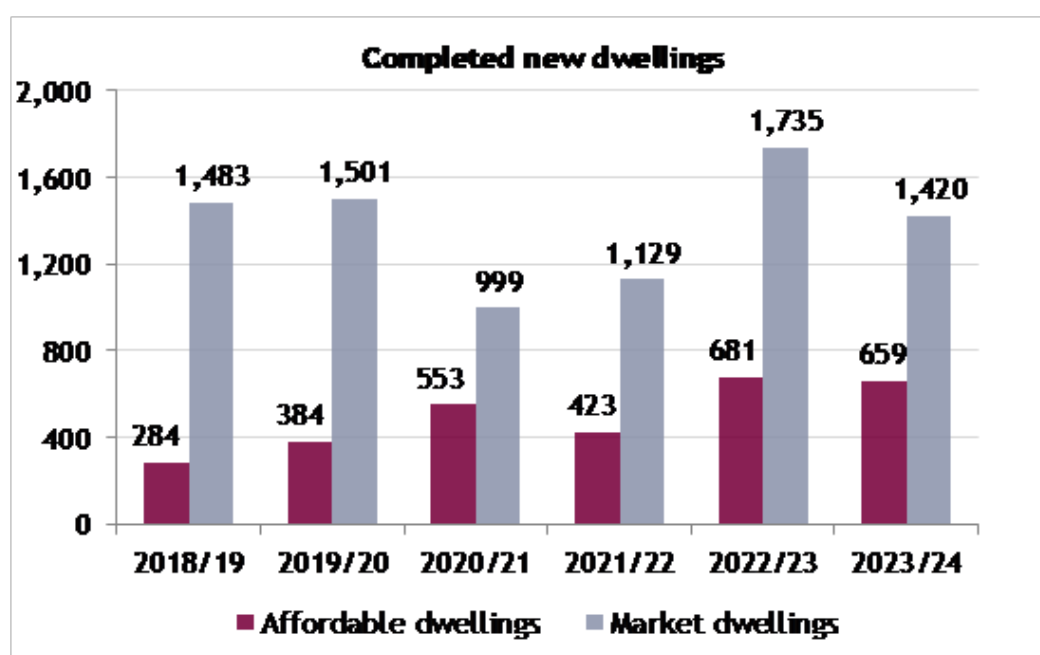
The cost of private rented housing in East Sussex continued to rise during 2024 to 2025, while the cost of house purchases across the county fell by up to 9.6%.



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

## Households and housing delivery

2,079 new dwellings were completed across the county in 2023/24. Of these, 659 (31.7%) were classed as affordable.



Source: Ministry of Housing, Communities and Local Government

## Homelessness

There was an increase in the number of households in East Sussex in temporary accommodation in September 2024 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 12.91. Hastings shares with Brighton & Hove City Council the fourth highest rate of local authorities outside London. The highest rate in the country outside of London was for Slough at 19.73.

District/Borough	Number of households in temporary accommodation (30 September 2024)
Eastbourne	313
Hastings	567
Lewes	75
Rother	182

District/Borough	Number of households in temporary accommodation (30 September 2024)
Wealden	72

Source: ONS

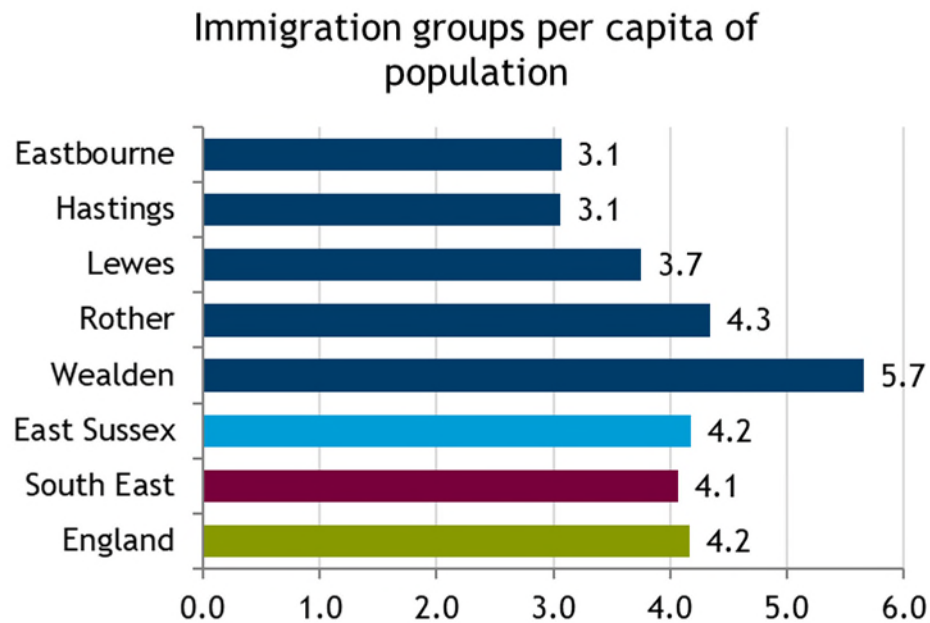
The Council's Children's Services Department have a duty to help children whose families face destitution. As some immigrant families with children have no recourse to public funds the Council provides assistance to prevent them from becoming homeless. The total number of people assisted with accommodation over the last four years has fluctuated, but the number of households has been very 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	30	51	23

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 was comparable to the regional and national averages at the end of 2024. However, the rates differed across the county, with Wealden having a higher rate than both the regional and national average.



Source: ONS. 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.

Individuals arriving through the Homes for Ukraine scheme accounted for 88% of arrivals in East Sussex. 7% came through the Afghan Resettlement Programme and 5% were those being supported by the Home Office following claims for asylum.

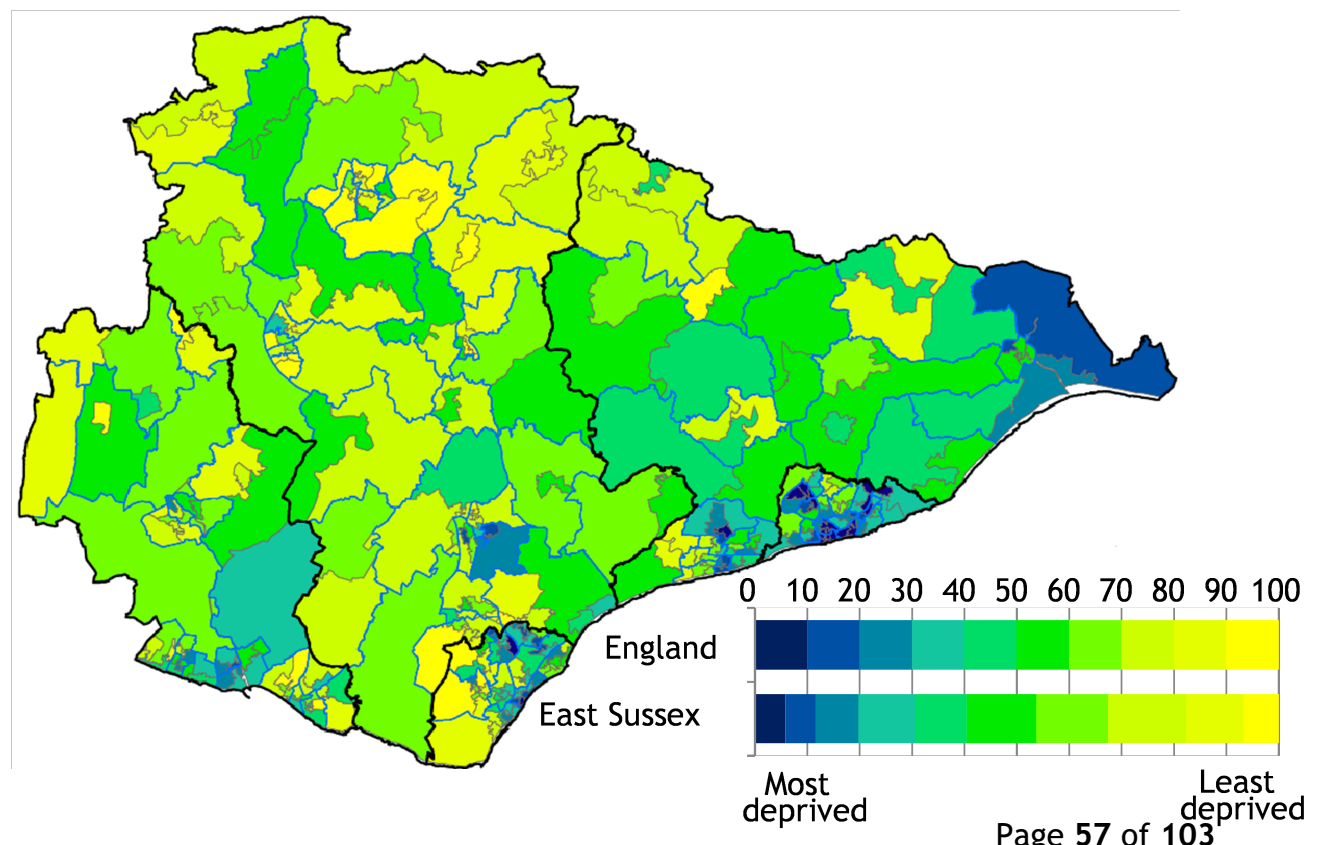
# Deprivation

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.

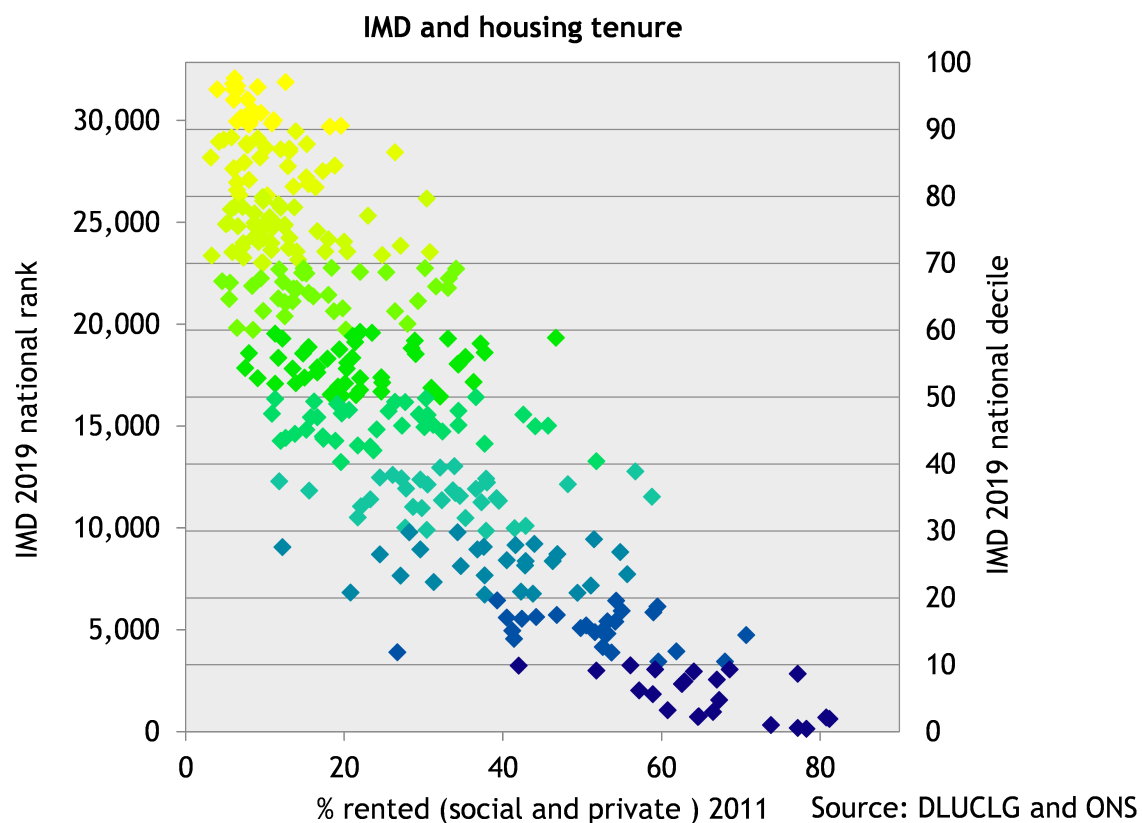
Overall, as a county East Sussex is ranked 93 out of 151 Upper Tier Local Authorities (UTLA) on the IMD rank. This is a similar level of deprivation as Lincolnshire, Somerset and Kent. Blackpool is the most deprived UTLA, whilst Wokingham is the least deprived.

The map shows how deprived individual parts of the county are compared to the national average.





The IMD is calculated for small areas called LSOAs, as shown on the map, each of which have approximately 1,500 residents. In East Sussex there are 329 LSOAs, 22 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.

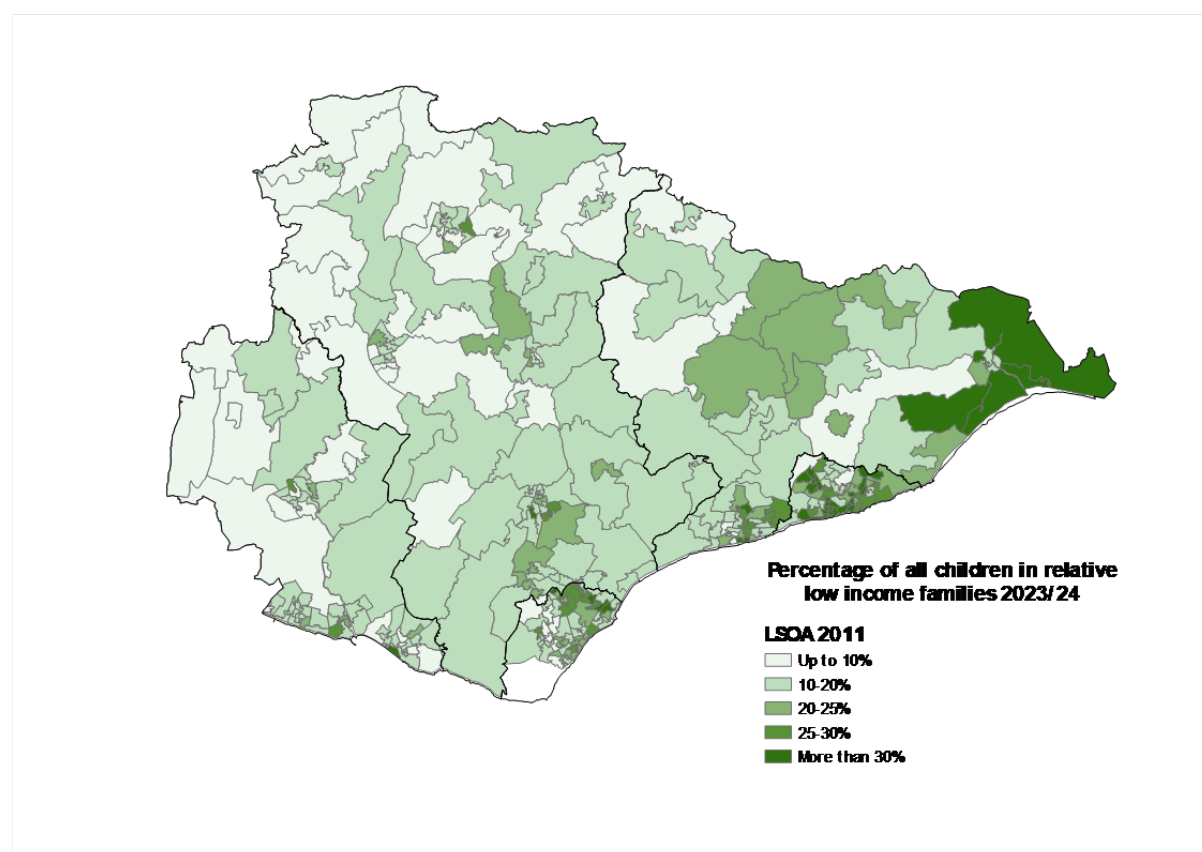
Lower Tier Local Authority	Rank of average rank out of 317 (1=most deprived)
Blackpool	1
Newham	12
<b>Hastings</b>	<b>13</b>
Blackburn with Darwen	14
Northampton	105
<b>Eastbourne</b>	<b>106</b>
Dover	107
Westminster	133
<b>Rother</b>	<b>135</b>
Crawley	136
Exeter	193
<b>Lewes</b>	<b>194</b>
Watford	195
Sevenoaks	253
<b>Wealden</b>	<b>254</b>
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 2023/24, there were 20,519 children in East Sussex living in families with relative low-income, which was 18.0% of all children and young people aged 0-19. This is a slightly lower rate than the national average of 21.9%, but in Hastings 27.3% of children and young people lived in relative low-income families. 72% of all children in relative low-income families in East Sussex were in families where at least one adult was in work. This compares to the national picture, where 69% of children in relative low-income families were in working families. Only 28% of East Sussex children in low-income families were in households where no-one worked.

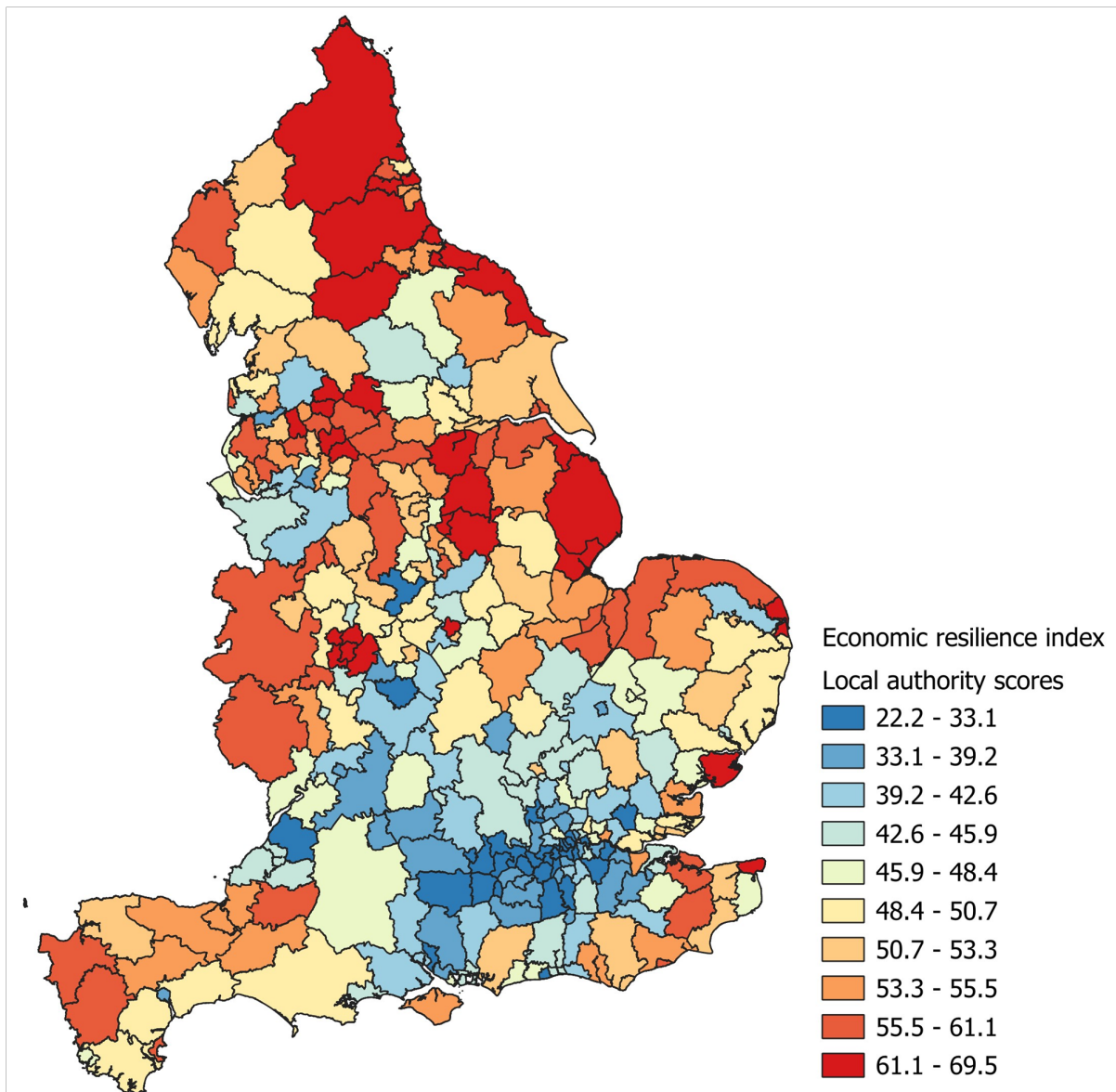


24.8% of East Sussex pupils were known to be eligible for Free School Meals in 2024. For England the figure was 24.6% (Source: Department for Education).

As the data on deprivation shows some parts of the coastal region of the county face greater challenges. The previous Government established the Levelling Up

Fund to address areas of high need. At the time 4 out of 5 local authorities in East Sussex were identified as having locations with priority need for 'levelling up' funding, to 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 also shows most lower tier local authorities in the South East scored lower than the national average.



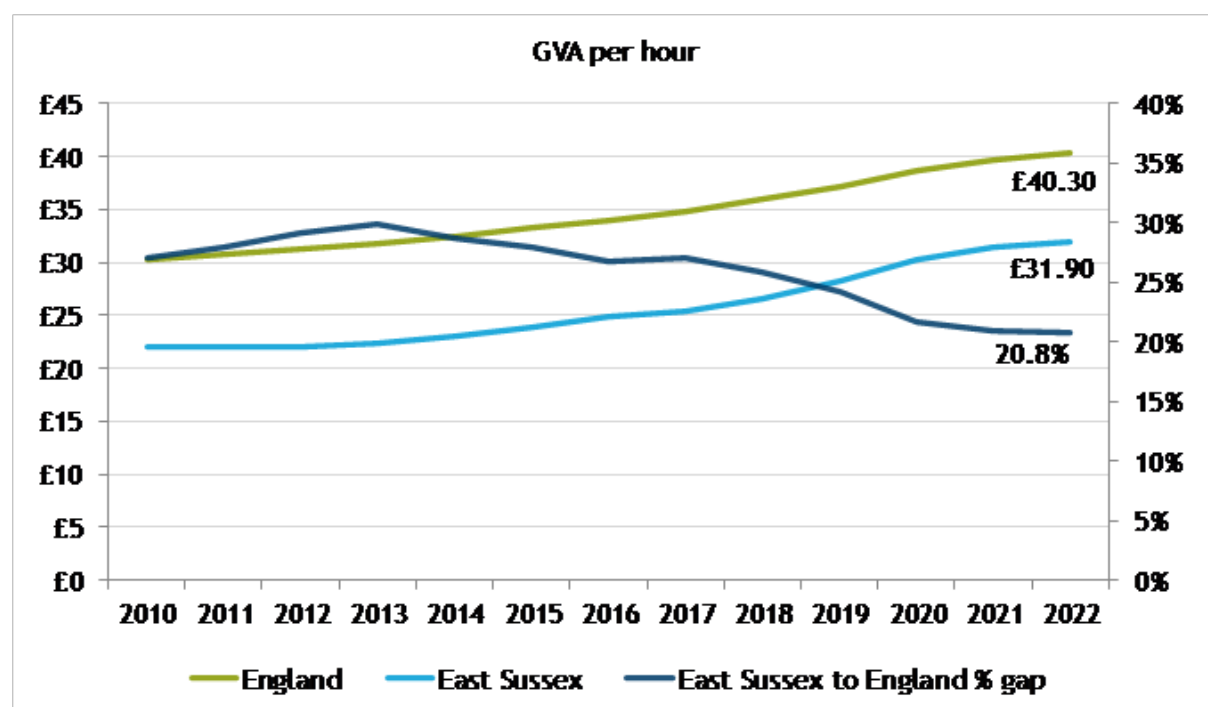
Source: data from DLUHC, Local authority boundary information from Office for National Statistics licensed under the Open Government Licence v.3.0

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

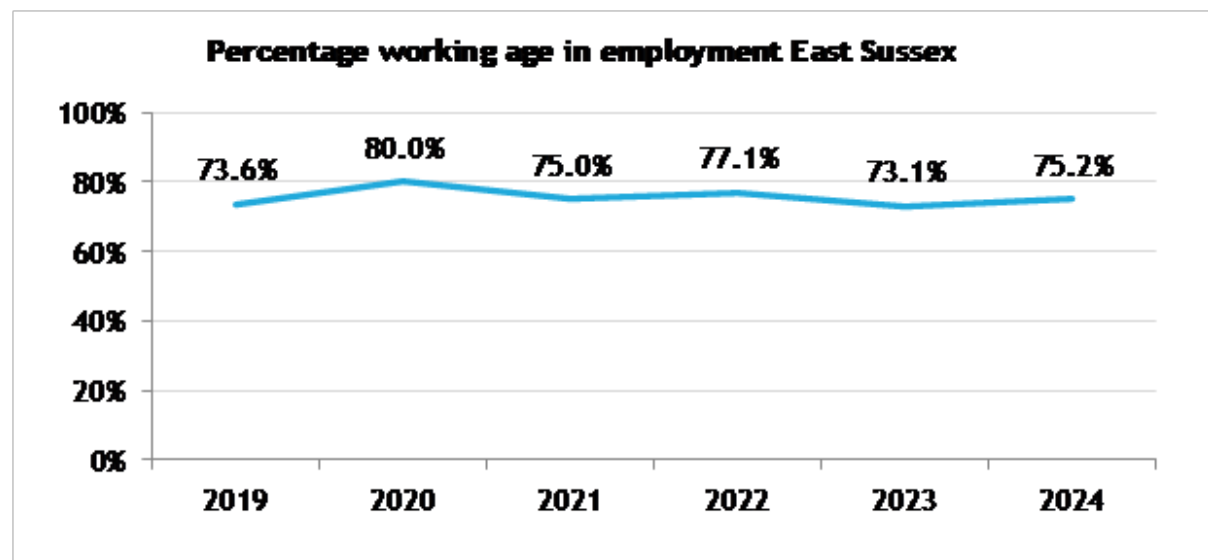
Gross Value Added (GVA) per hour is used to assess the productivity of an area. It measures the value of goods or services produced in an area per hour worked in that area. GVA per hour for East Sussex in 2022 was £31.90, 20.8% below the England level of £40.30.



Source: ONS

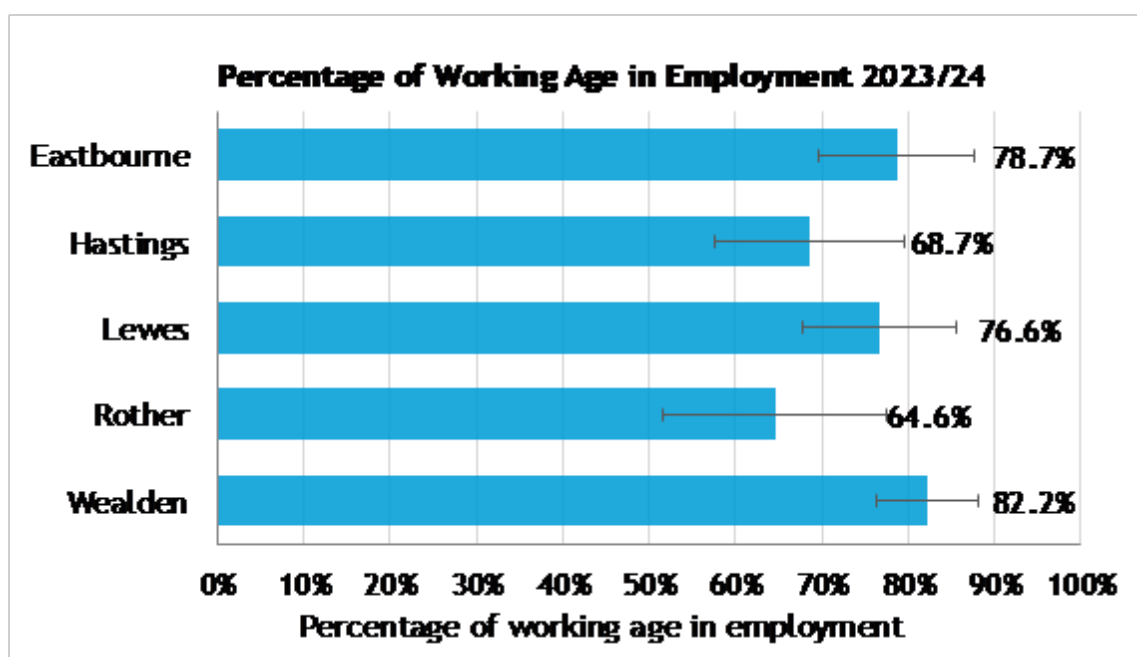
## Employment

75.2% of the East Sussex working age population (age 16-64) were in employment between April 2023 - March 2024. This was lower than the national average of 75.7% and the average across the South East of 79.6%.



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

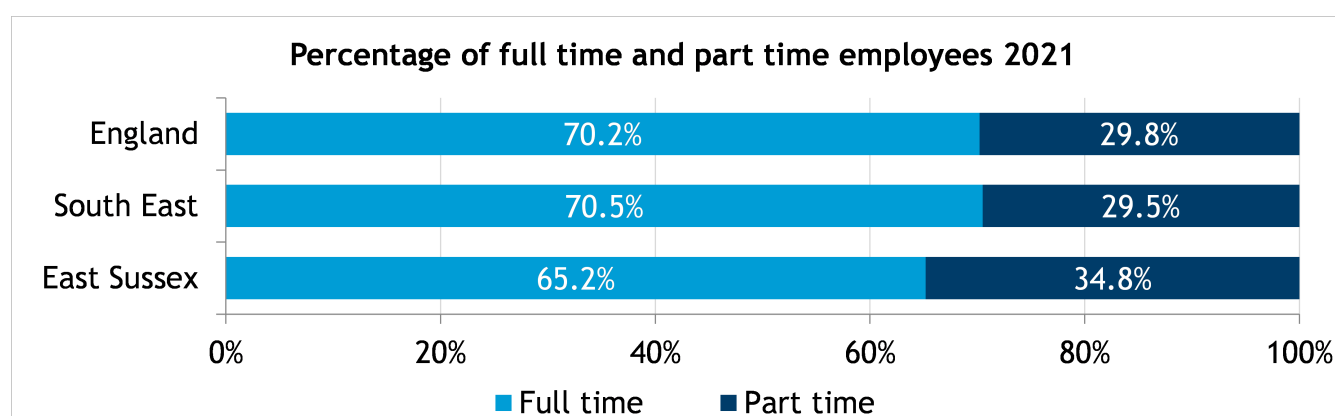
Wealden had an increase of 9 percentage points since 2023, giving it the highest rate of employment at 82.2%. Meanwhile, Rother had the lowest at 64.6%, showing a dip of over 15 percentage points compared to the previous year.



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%).



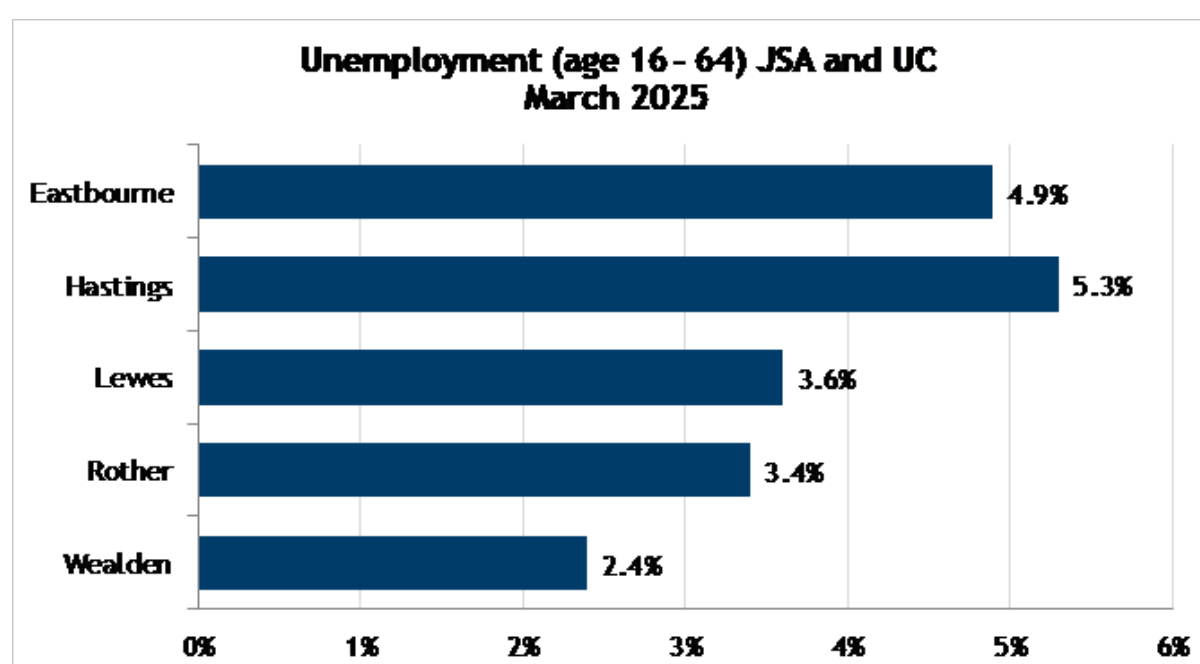
Sources: Census 2021



## Unemployment

The unemployment rate includes people who are economically active and not in employment. People who are classified as economically inactive include those in full-time education, people who are looking after their family or home full-time, people who are unable to work for health reasons and those who have retired.

The unemployment rate for March 2025 was 3.8% for East Sussex, lower than the national average of 4.3%, but above the regional average of 3.3%. Hastings had the highest rate of the districts and boroughs at 5.3%.

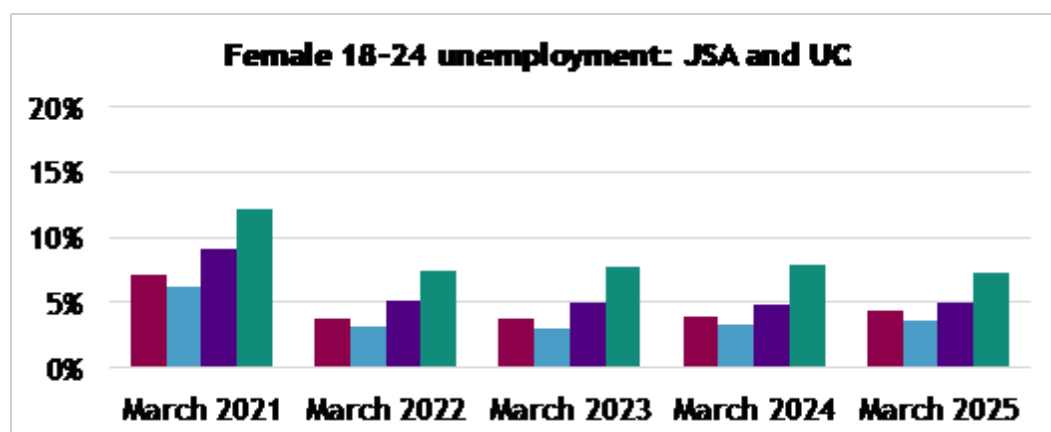


Source: Office for National Statistics/NOMIS - claimants of Job Seekers Allowance (JSA) or Universal Credit (UC) who are searching for work age 16 - 64

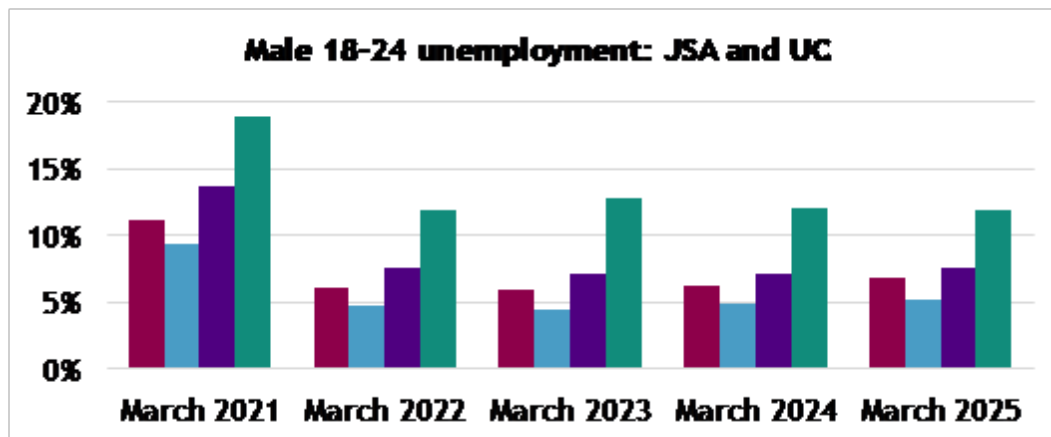
Youth unemployment (age 18-24) is normally higher than the overall rate and this trend is greater at time of economic stress. At March 2024 youth unemployment for East Sussex was 6.1%, whilst the England rate was 5.1%. Hastings had the highest district and borough rate at 10.1%. Rates in East Sussex increased for March 2025 at 6.4%, compared to an increase nationally to 5.7%. Youth unemployment in Hastings fell, but remained higher than the county average at 9.7%.



Within this female unemployment is usually lower than male unemployment. For example, in March 2025 female youth unemployment for Hastings was 7.3%, while the male rate was 11.9%.



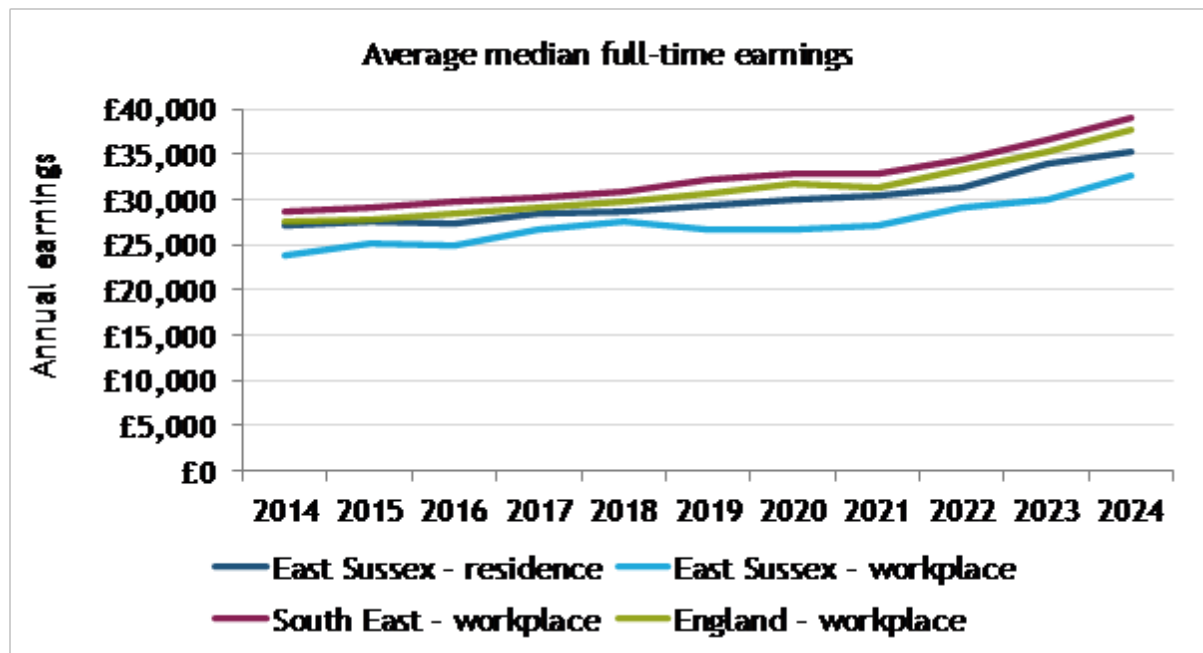
A higher proportion of males are categorised as economically active than females, which means that if the unemployment rate is the same for males and females there will be a higher number of males unemployed than females. 575 young people were unemployed in Hastings in March 2025, 205 were female and 370 were male.



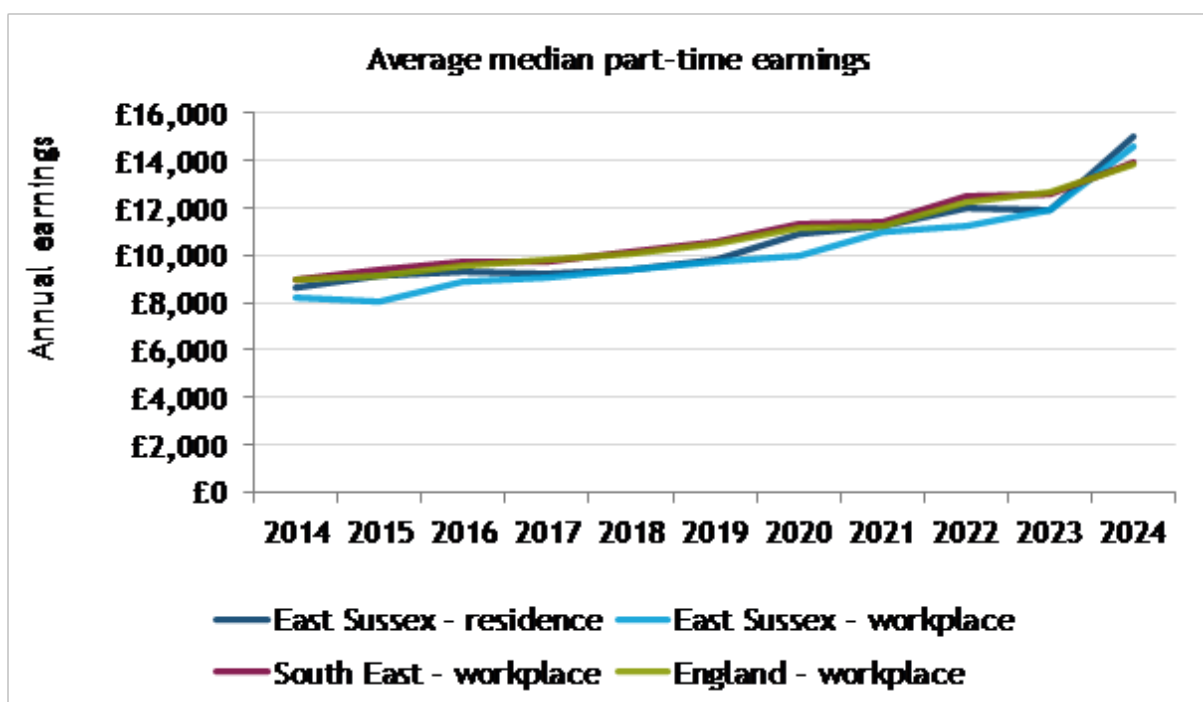
Source all: Office for National Statistics/NOMIS

## Earnings

East Sussex residence based earnings increased for full-time employees in 2024, and are now close to the England average. East Sussex workplace based earnings for full-time employees increased but remained lower than the regional and national averages. Earnings for residence based part-time employees rose in 2024 and are now at a higher level than workplace based employees in the county, and above 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.



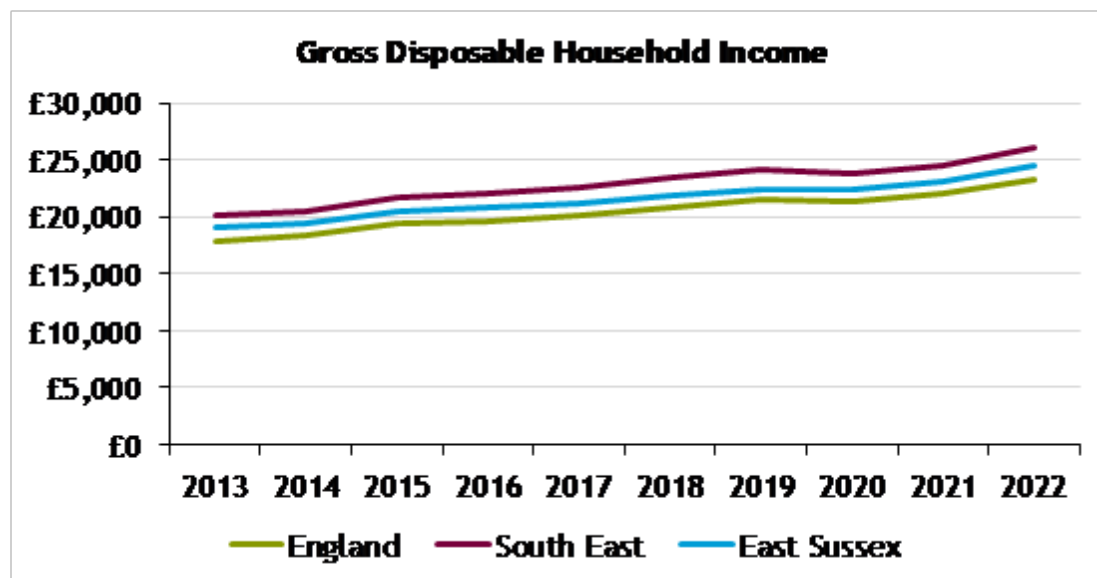
Source: Annual Survey of Hours and Earnings (ASHE), Office for National Statistics



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

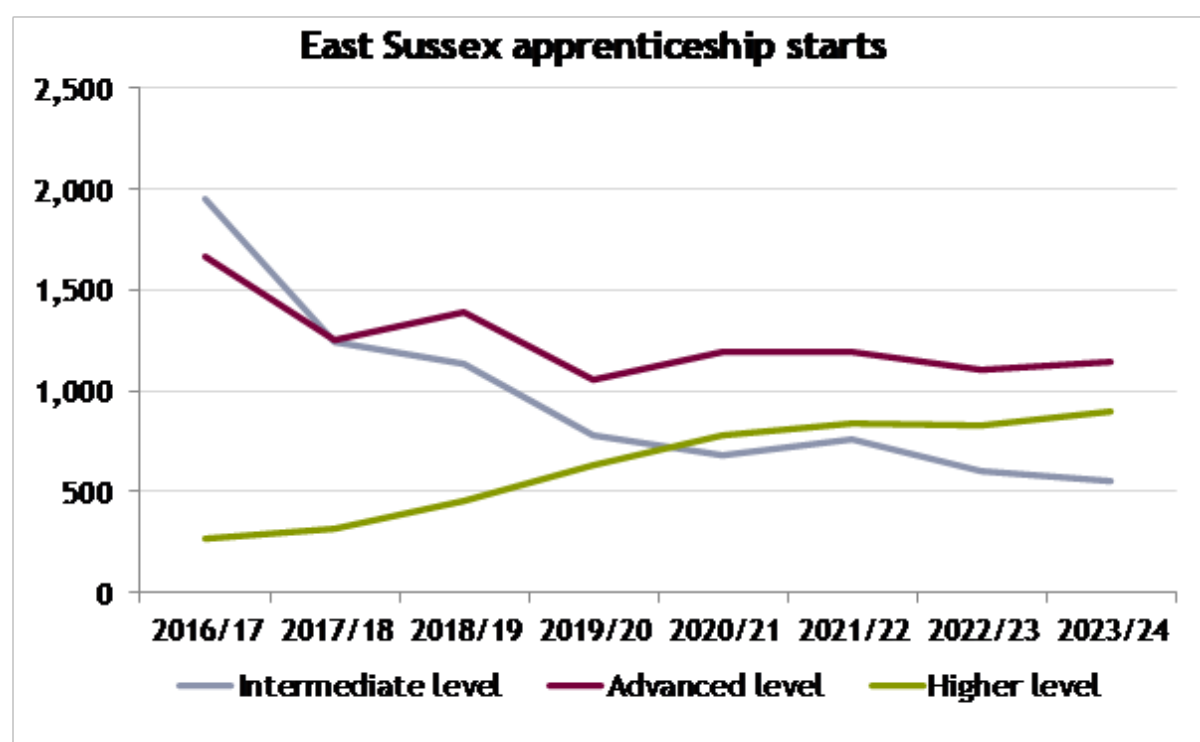
Gross disposable household income in 2022 was below the average in the South East, but above the England rate. There is a time lag with the release of this data so it is unclear how the inflationary rises over the last few years have affected current levels of gross disposal household income.



Source: ONS

## Skills

There were 22,740 apprenticeship starts in East Sussex between 2017 and 2024. Apprenticeship starts in East Sussex in 2023/24 were up 2% on the previous year. Higher level apprenticeship starts in 2023/24 increased by 8% compared to the previous year.



Source: Department for Education further education data library, apprenticeships

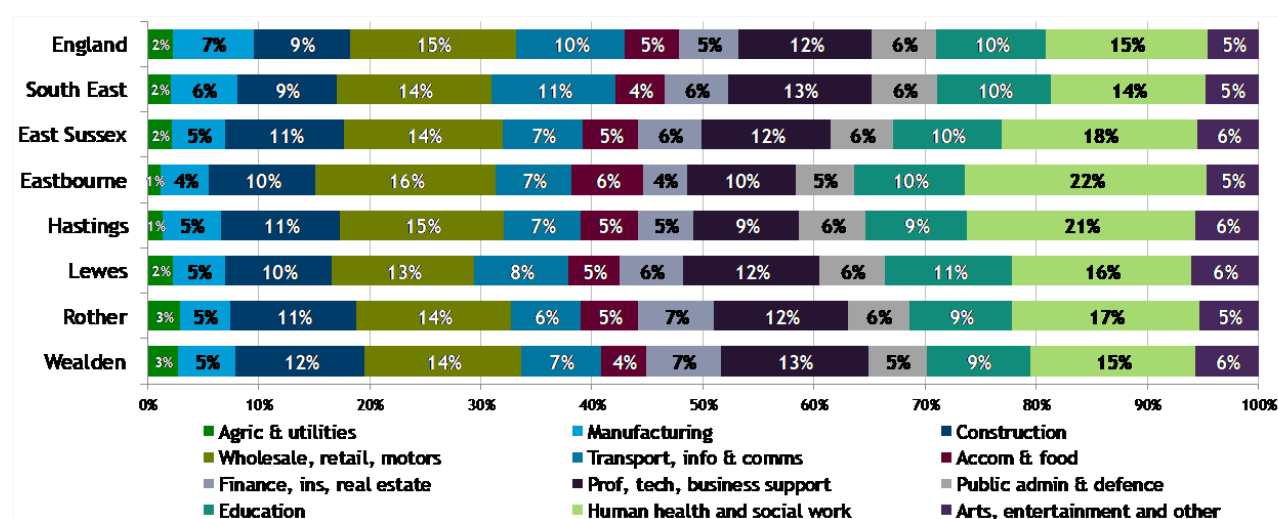
Qualification levels across the county are broadly in line with the regional and national averages. Both Lewes and Wealden have a significantly higher proportion of better qualified people compared to the rest of districts and boroughs in the county.

	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

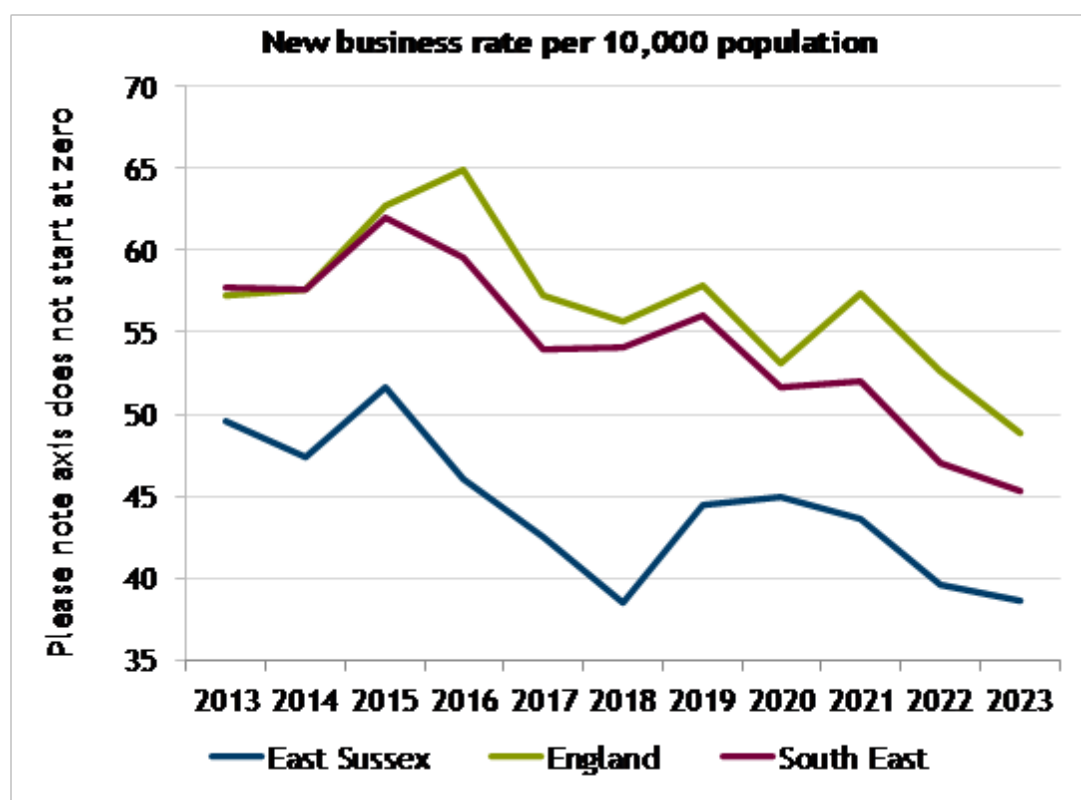
Across East Sussex as a whole the proportion of people employed in different industries is broadly similar to the national picture. We have a higher proportion of people employed in human health and social work and a lower proportion employed in professional, scientific and technical, and manufacturing than the national average. However, employment by industry varies significantly across the county, with the percentage of people working in human, health and social work highest in Eastbourne at 22%, and those working in professional, technical and business support lowest in Hastings at 9%.



Source: Census 2021

## Businesses

The latest data we have for businesses is for 2023 when the economy was still affected by the impact of the pandemic and increases in the rate of inflation which will have affected both decisions to start new businesses and business survival rates. In 2023 in East Sussex there were 2,145 business starts and 2,095 business closures. The East Sussex new business registration rate per 10,000 people decreased between 2022 and 2023 to 38.6. The highest rate was in Wealden at 45.6, whilst the lowest was in Lewes at 33.1.



Source for all: ONS Business Demography

## Broadband

Over 99% of East Sussex premises had access to superfast broadband in 2024 with 65.7% having access to Gigabit capable broadband, compared to 78.9% in the South East and 82.5% in England. 0.42% of properties have less than the Legal Universal Service Obligation (at least 10Mbps).

## Digital Inclusion

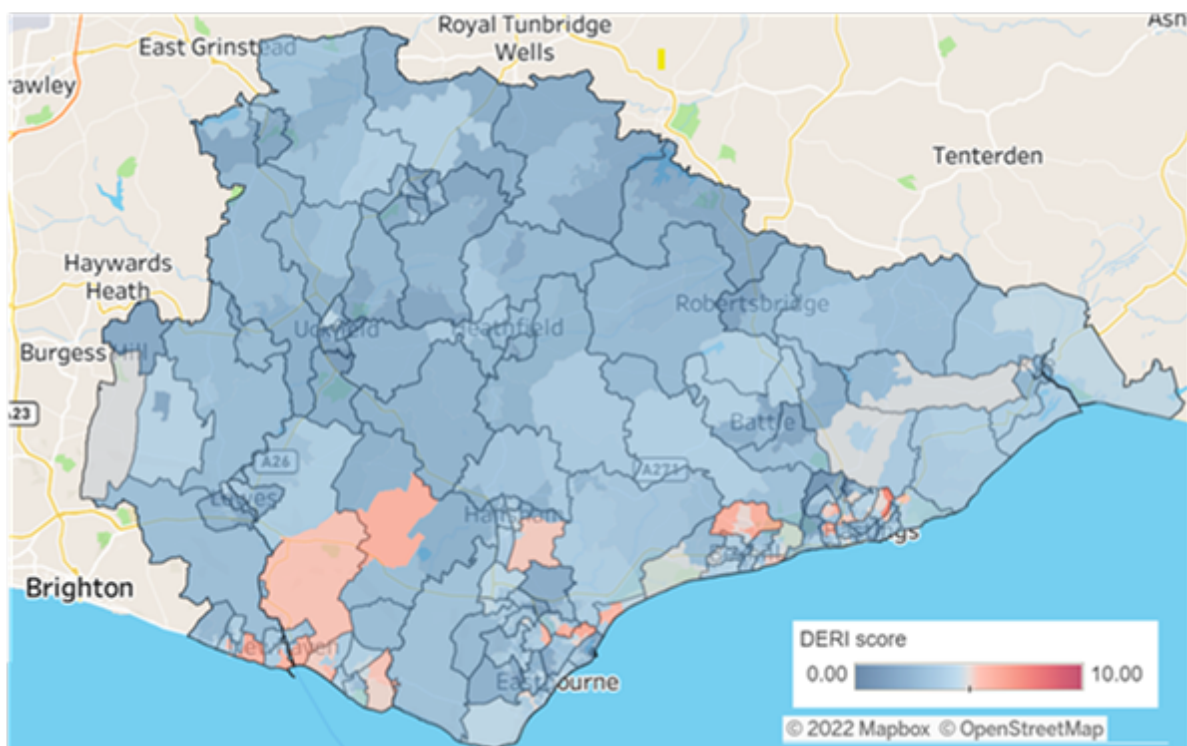
As more businesses and services use digital channels to engage with residents those people who are digitally excluded are likely to face increasing challenges. Access to broadband is one part of being able to access digital services. People also need to have the necessary skills and confidence to use 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)

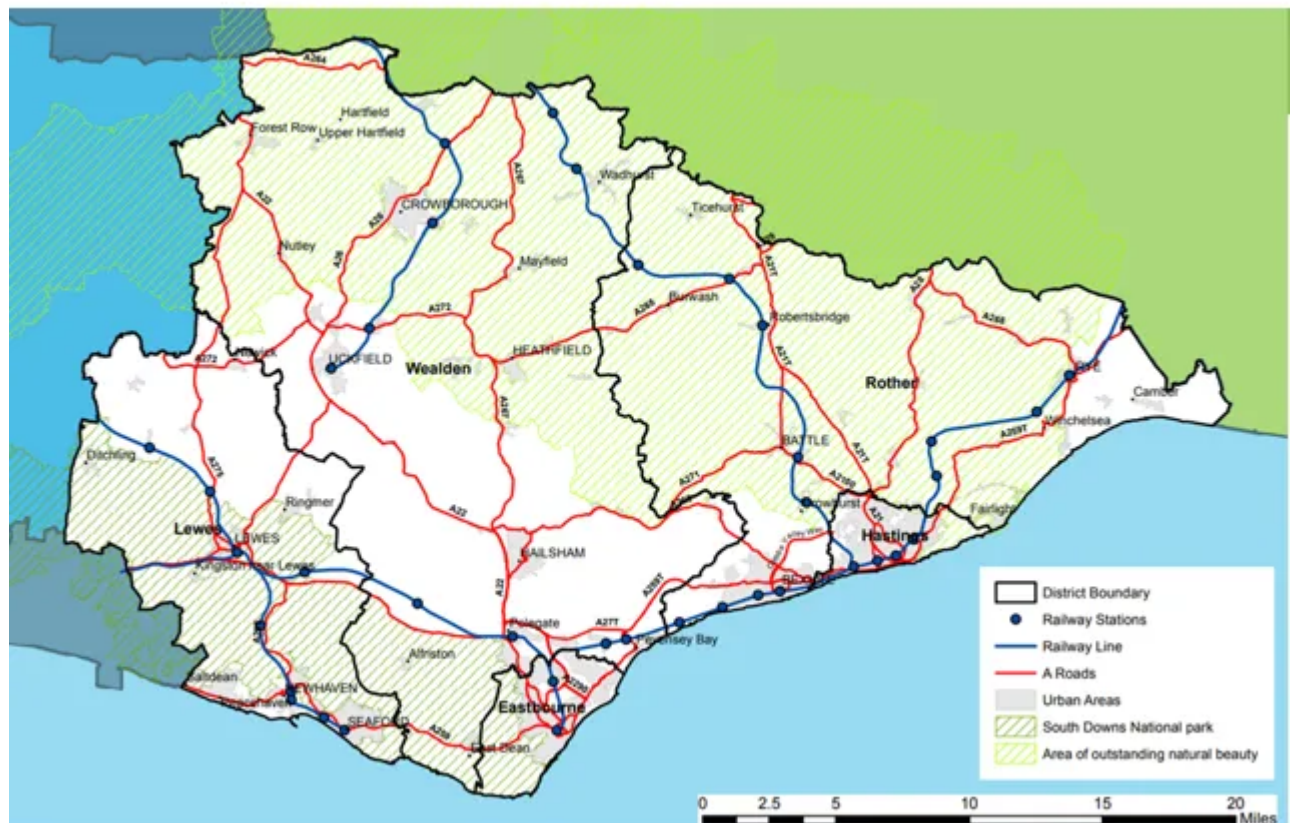
## Highways, transport and infrastructure

### Transport network

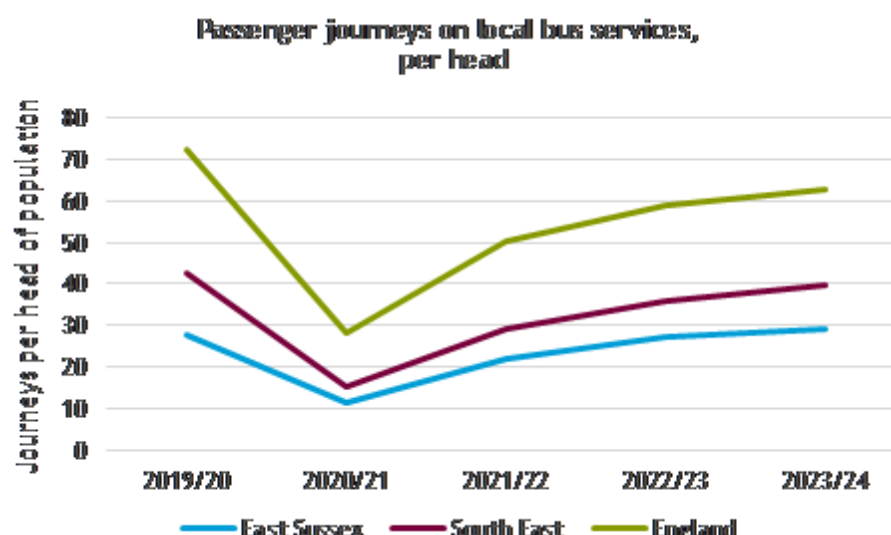
As a rural county transport connectivity is important to residents and businesses in East Sussex. The county has 38 national rail stations and 3,264 bus stops. There is an extensive Public Rights of Way network covering a combined distance of around 2,000 miles. There are also several National Cycle Network routes within the county.

## State of the County 2025: Focus on East Sussex

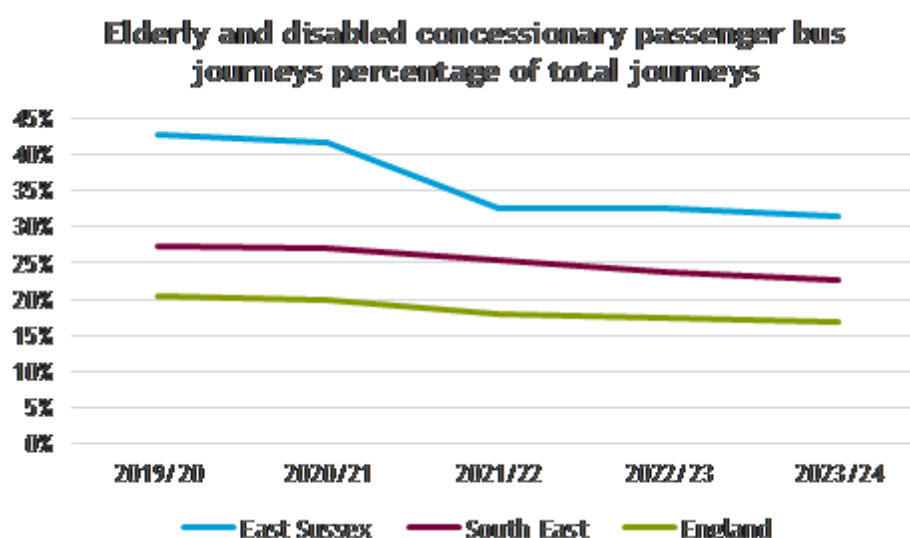
At the time of the 2021 Census 89% of households in Wealden had at least one car or van, compared to 71% of households in Hastings. Car ownership is affected by a number of factors including income, parking availability and the availability of public transport. The rail services in the county traverse the coast and link the eastern and western parts of the county to London as is shown in the map.



Bus passenger numbers have increased in East Sussex each year since Covid-19 restrictions, with passenger journeys almost reaching pre-pandemic levels by the end of March 2024. In 2023/24 there were 16.2 million bus passenger journeys in total, compared to 16.3 million in 2018/19. Bus passenger journeys per person in East Sussex have historically been lower than the average for the South East region or England. In 2023/24 there were 29.2 bus journeys per head of population, compared to 39.5 per head of population for the South East or 62.9 per head of population in England.



The percentage of bus journeys that were made using concessionary fares for elderly and disabled people in East Sussex in 2023/24 was 31.5%. This is significantly higher than the averages for both the South East (22.8%) and all England (16.8%). However, the percentage of journeys made by elderly or disabled people using concessionary fares has decreased each year since 2019/20 (42.8%) showing that more people are making journeys without a concessionary fare.



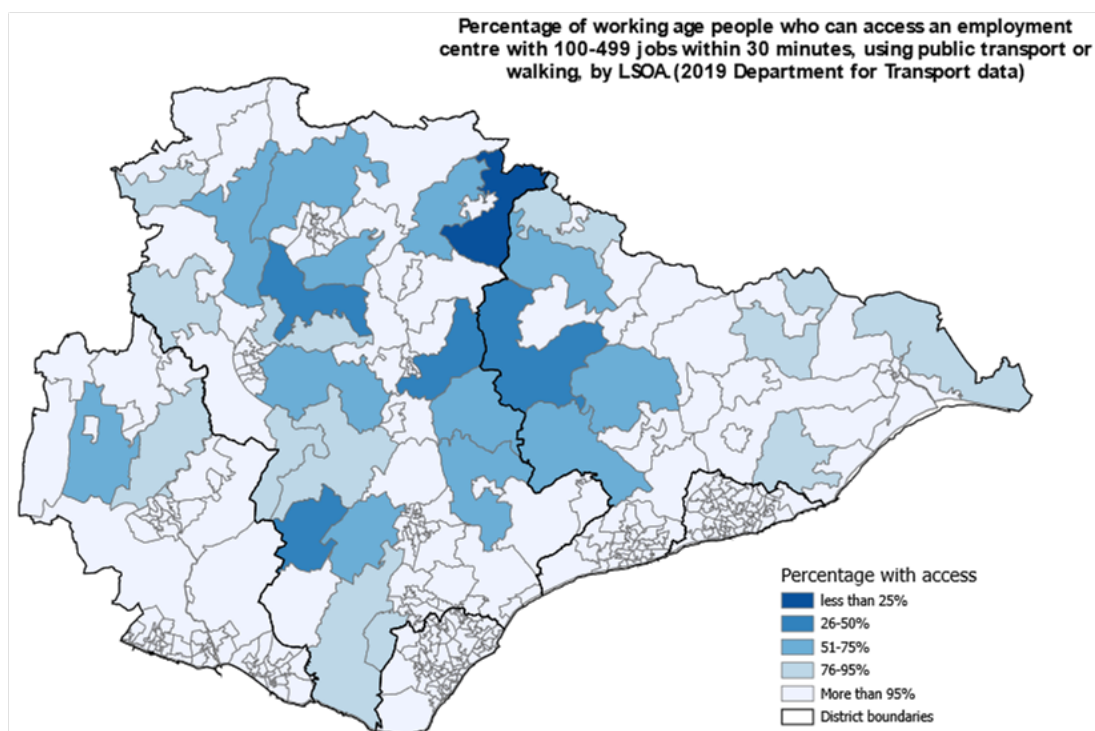
Recovery in bus passenger numbers has also been supported by a government programme of reduced fares since January 2023. Bus fares were capped at £2 for a single journey until December 2024, rising to £3 in January 2025. This aimed to reduce the cost of living particularly for low-income households, by reducing the

cost of travel, and to support recovery in bus use following the pandemic.

## 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.



The county has 3,375km of carriageway and 2,481km of footways and cycleways. Traffic volumes in East Sussex are highest along its major roads, some of which are managed by East Sussex County Council (for example, A26 Lewes to Tunbridge Wells and A259 Peacehaven to Pevensey) and others by National Highways (namely the A21, A26 (Newhaven to Lewes), A27 and A259 Pevensey to the county boundary with Kent via Bexhill, Hastings, and Rye). The latest road condition survey indicated that 5% of the length of the principal road network ('A' roads) requires maintenance and 6% of the length of the non-principal road network ('B' and 'C' roads), based on the standards set out by the Department for Transport.

## State of the County 2025: Focus on East Sussex

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

Area	Project	Value
Countywide	Local Transport Improvements	£12.681m
Countywide	Developing EV infrastructure provision across the county	£4.4m
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.	£100m (please note this is for Sussex overall, not just East Sussex)
Countywide	East Sussex Bus Service Improvement Plan - Bus priority measures in Eastbourne and Newhaven	£5.9m
Countywide	A259 Major Road Network South Coast Corridor Package	£28m
Countywide	Exceat Bridge Levelling Up Fund Round 1	£19.1m
Countywide	Potential A27 offline solution	Not allocated at present
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
Countywide	College Condition Allocations	£3.4m
Bexhill	North Bexhill Access Road (Local Growth Fund)	£18.6m
Bexhill	Bexhill Enterprise Park North (Local Growth Fund)	£1.9m
Bexhill	Bexhill Enterprise Park Development	£46.0m
Bexhill	Plan for Neighbourhoods (over ten years)	£20m



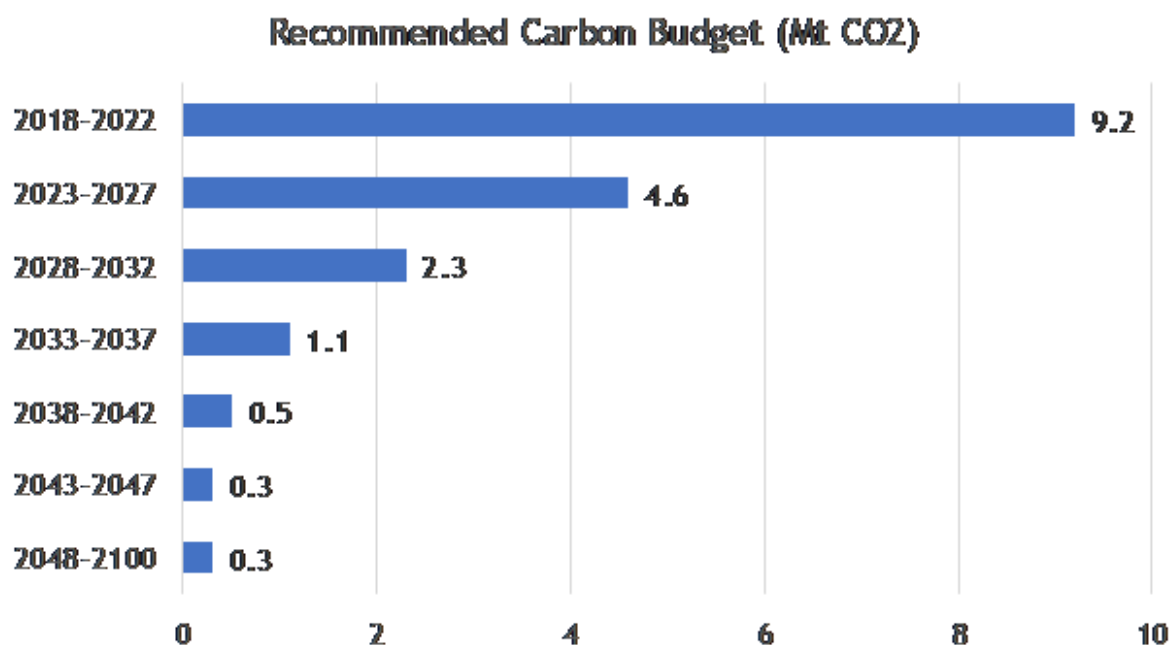
Area	Project	Value
Eastbourne	Eastbourne Town Centre Movement and Access Package (Terminus Road) (Local Growth Fund)	£11.3m
Eastbourne	Eastbourne and South Wealden walking and cycling package (Local Growth Fund)	£6.6m
Eastbourne	Hailsham, Polegate and Eastbourne Movement and Access Corridor (Local Growth Fund)	£2.1m
Eastbourne	Levelling Up Fund (including £4.7m 'Victoria Place' pedestrianisation project)	£19.9m
Eastbourne	Plan for Neighbourhoods (over ten years)	£20m
Hastings	Skills Capital Fund	£0.5m
Hastings	Bexhill and Hastings Movement and Access Package (Local Growth Fund)	£9.0m
Hastings	Potential HS1 rail extension (also to Bexhill and Eastbourne)	Not allocated at present
Hastings	Town Deal (includes the £10m Hastings Green Connections public realm project)	£24.3m
Hastings	Plan for Neighbourhoods (over ten years)	£20m
Hastings	Levelling Up Partnership (LUP) (including £2.5m for Queensway Gateway Road infrastructure)	£15m
Newhaven	Future High Streets	£5.0m
Newhaven	Town Deal	£19.3m
Newhaven	Levelling Up Fund	£12.7m
Rother	Skills Capital Fund	£0.5m
Rother	Levelling Up Fund	£19.2m
Rother	Levelling Up Partnership (LUP)	£17.5m
Rother	Rural Business Capital Fund (Local Growth Fund)	£1m
Uckfield	Bus station improvements	£0.7m
Wealden	Rural Business Capital Fund (Local Growth Fund)	£1.5m

# Environment

## The Cumulative CO<sub>2e</sub> emissions budget

Emissions of the main greenhouse gas, carbon dioxide (CO<sub>2</sub>), 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.



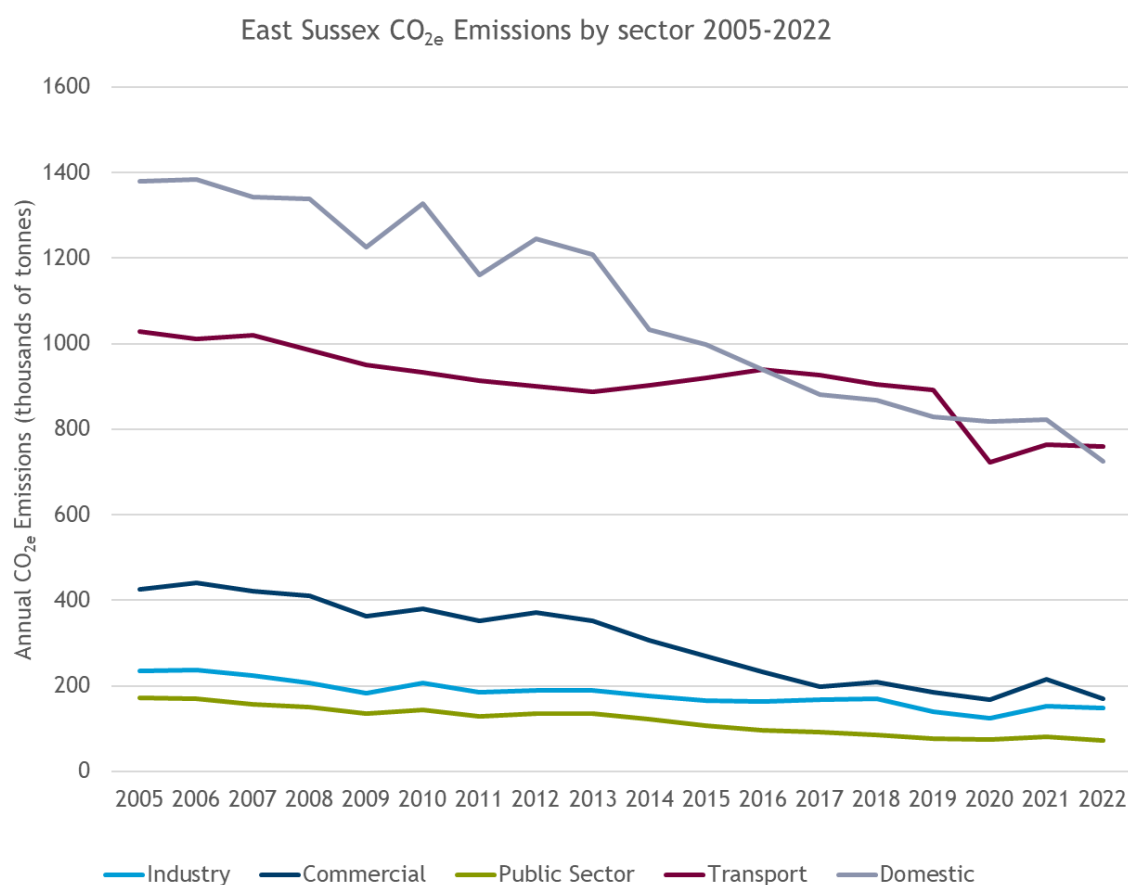
Source: Tyndall Centre for Climate Change, 2022.

Emissions from domestic properties and transport are the greatest contributors to

## State of the County 2025: Focus on East Sussex

overall emissions across the county. Domestic emissions fell by nearly 48% between 2005 and 2022. 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.

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.

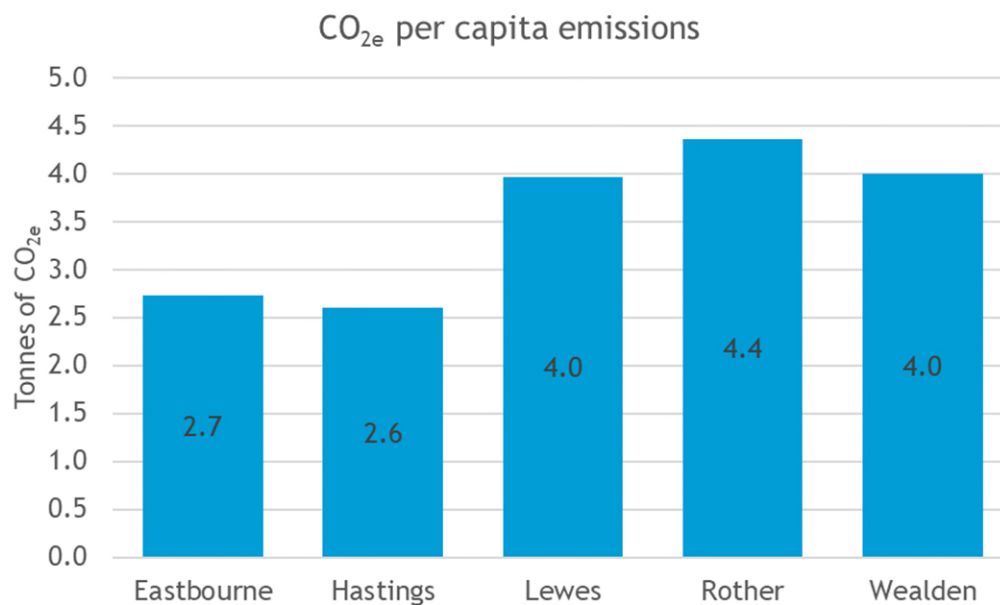


Source: DESNZ

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



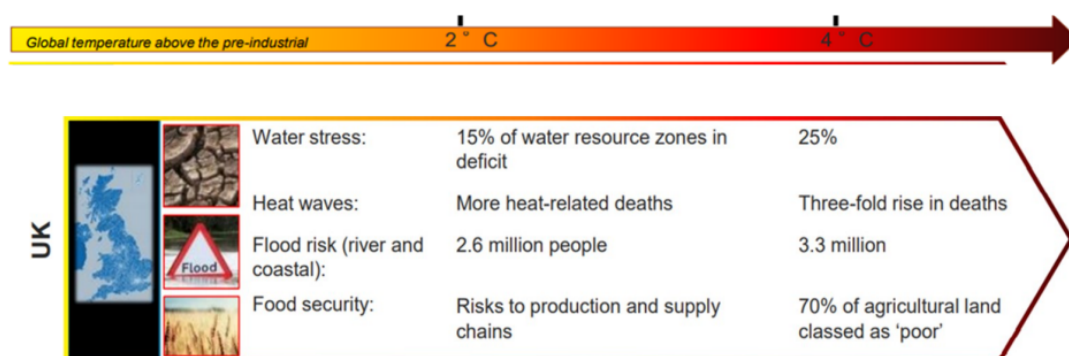
emissions are lower. This is due to the smaller road networks in the urban areas, and smaller, higher density housing. Total per capita domestic emissions are higher in the rural areas, as houses tend to be larger, and many properties use higher carbon forms of heating such as oil.



Source: DESNZ

## 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.

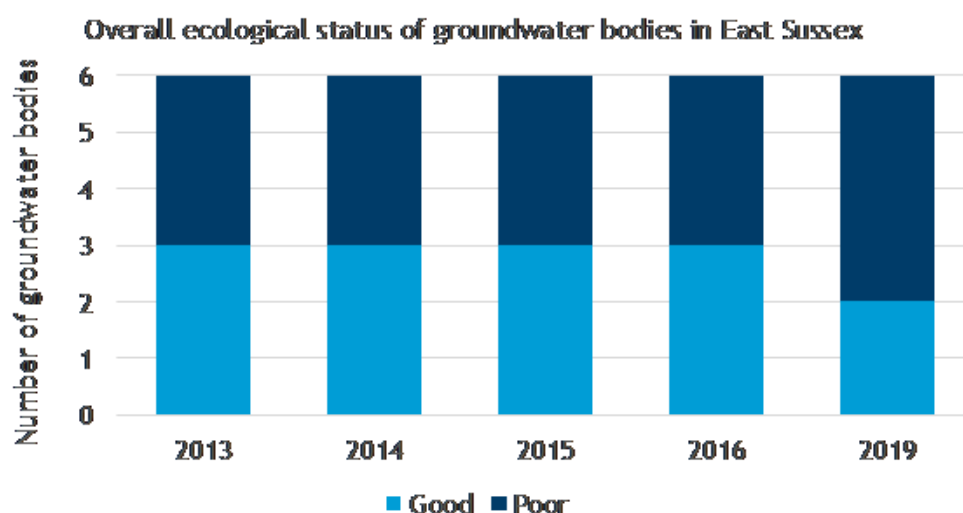


Source: Met Office

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.

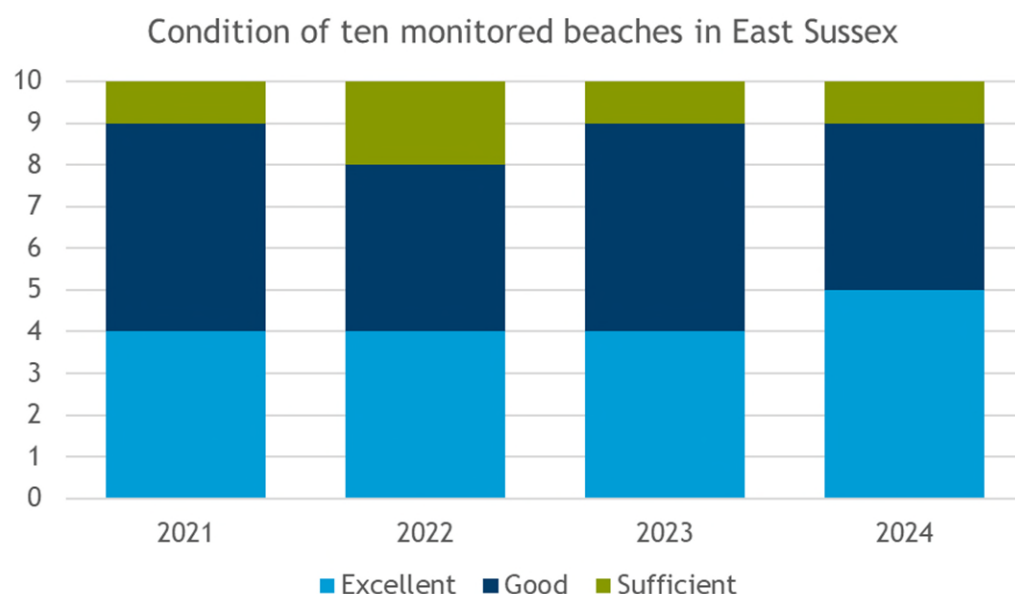
## Water quality

Water pollution is mostly caused by land management practices (e.g., 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. The number of groundwater bodies in East Sussex 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 improved slightly in 2024 with 5 of the 10 monitored beaches being rated 'excellent' compared to 4 the year before. Although the situation has improved it is still below that reported for 2017 when 6 beaches were 'excellent' and 4 were 'good'.



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.

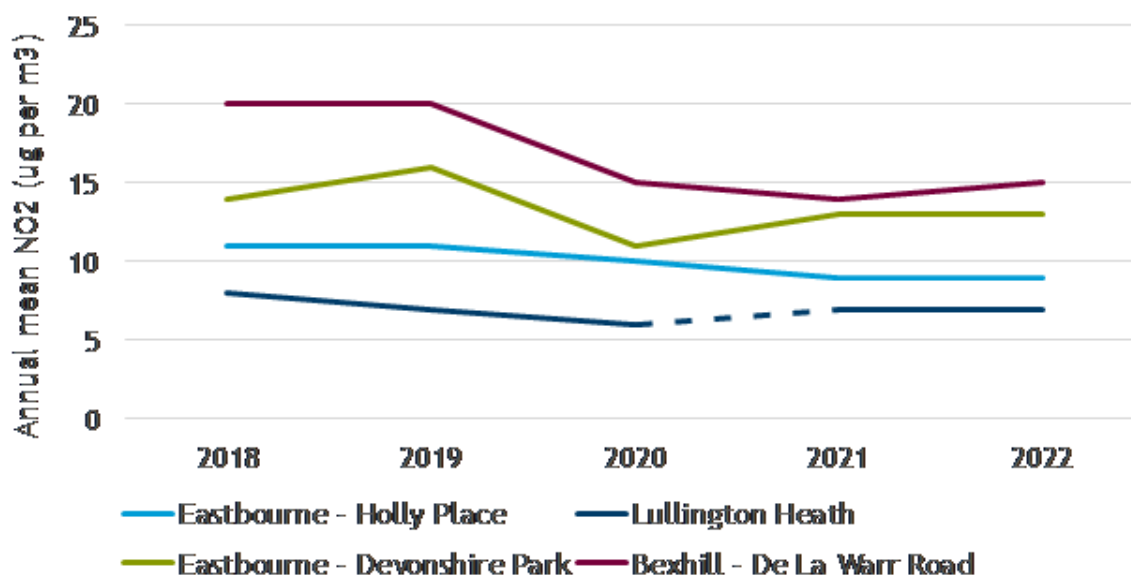
In East Sussex, the 3 main pollutants of concern for health are nitrogen dioxide, particulates and ozone. These are monitored by a small number of automatic monitoring stations in the county and the data are published on the Sussex Air website. The latest available data are from 2022.

### Nitrogen dioxide (NO<sub>2</sub>)

The main sources of NO<sub>2</sub> are road vehicles and domestic combustion. In 2022 the levels of NO<sub>2</sub> 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<sub>2</sub> has trended downwards over the past 5 years, largely due to effective controls

on newer road vehicles.

Annual mean NO<sub>2</sub> at four East Sussex monitoring stations



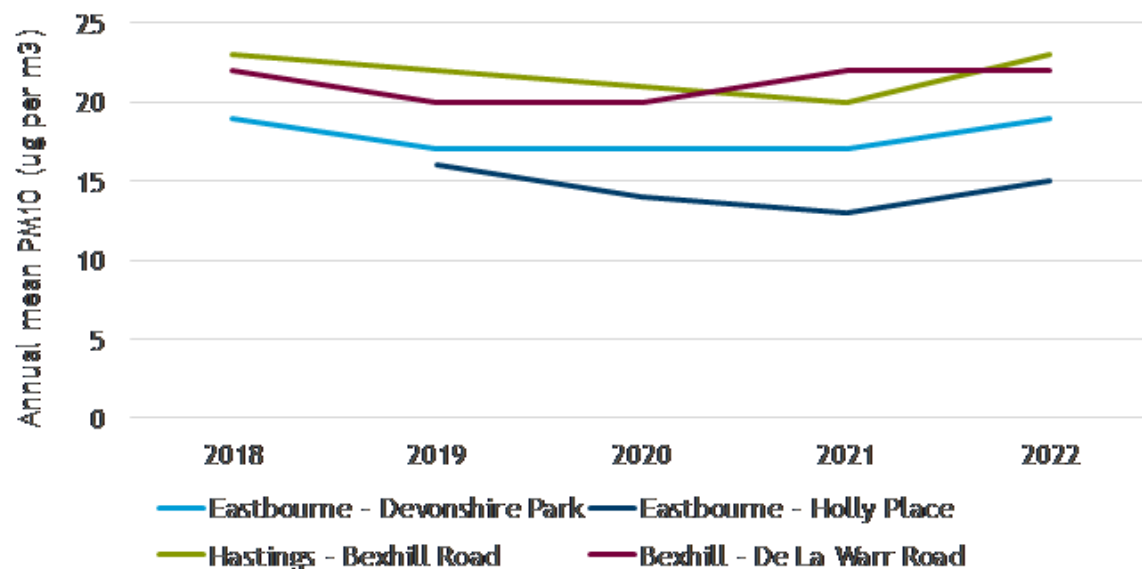
Note that no annual mean was available for Lullington Heath in 2021

### 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<sub>10</sub>' or 'PM<sub>2.5</sub>', 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<sub>10</sub> 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<sub>2.5</sub> levels complied with the health-based interim standards required to be met by 2028, as set out in the Environment Act of 2021.

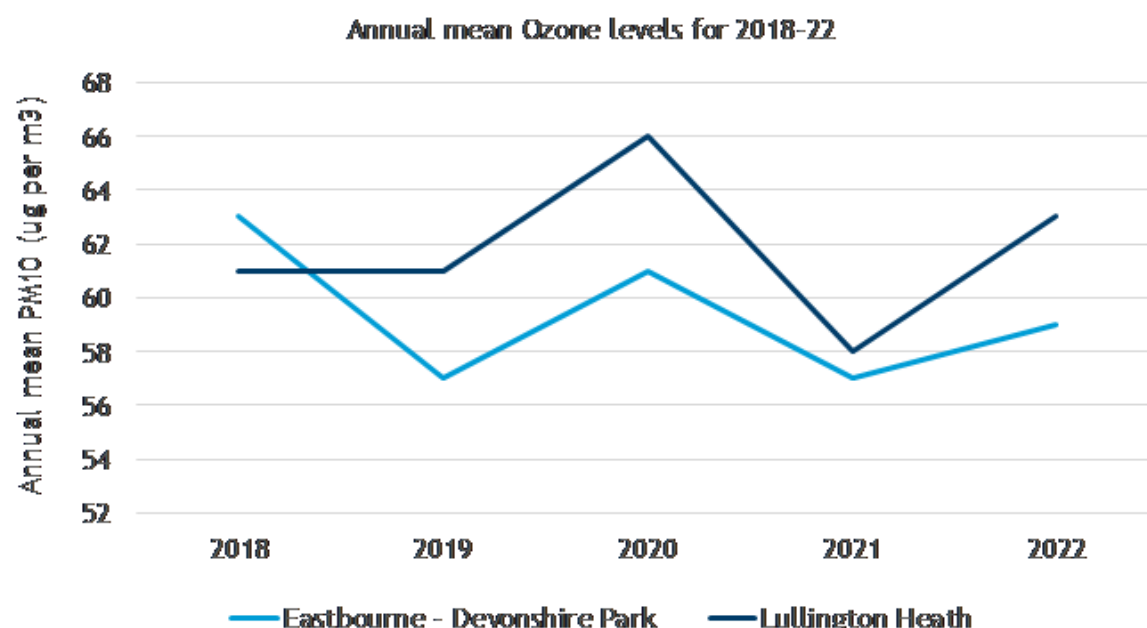
Annual mean PM10 at four East Sussex monitoring stations



### Ozone (O<sub>3</sub>)

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<sub>3</sub> 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<sub>3</sub> formation.



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<sub>3</sub> levels were measured as being either 'very high' or 'high', and one monitoring site measured 'moderate' levels on 7 days.

## Environmental designations

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
Local	Country Park	692
	Local Geological Site (LGS)	766
	Local Nature Reserve (LNR)	1,435
	Local Wildlife Site (LWS)	9,382

Designated sites and reserves		Area (ha)
	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.

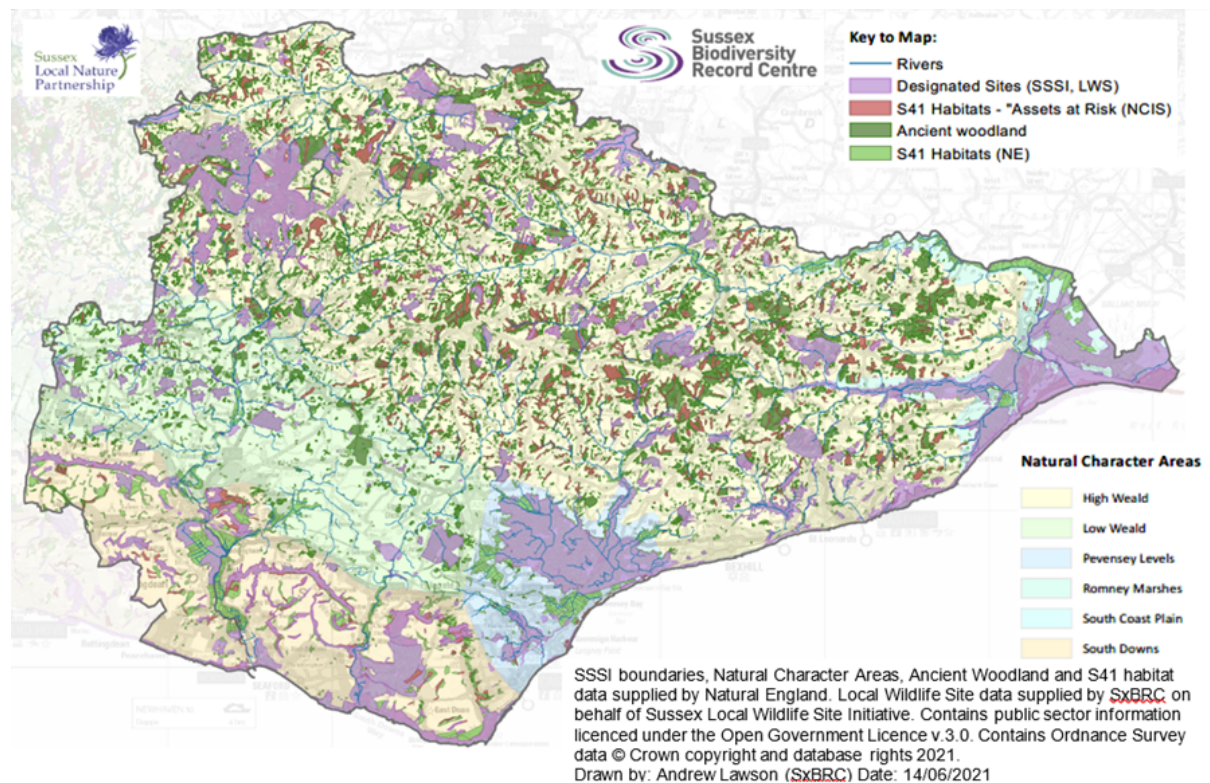
- Reedbed, fen and grazing marsh - small and highly fragmented areas remain in East Sussex, notably at Pevensey, yet they have the potential to provide a wide range of benefits, particularly flood risk mitigation in flood plains and provision of clean water.
- Floodplain woodlands - a fragmented habitat 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 2 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 6 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.



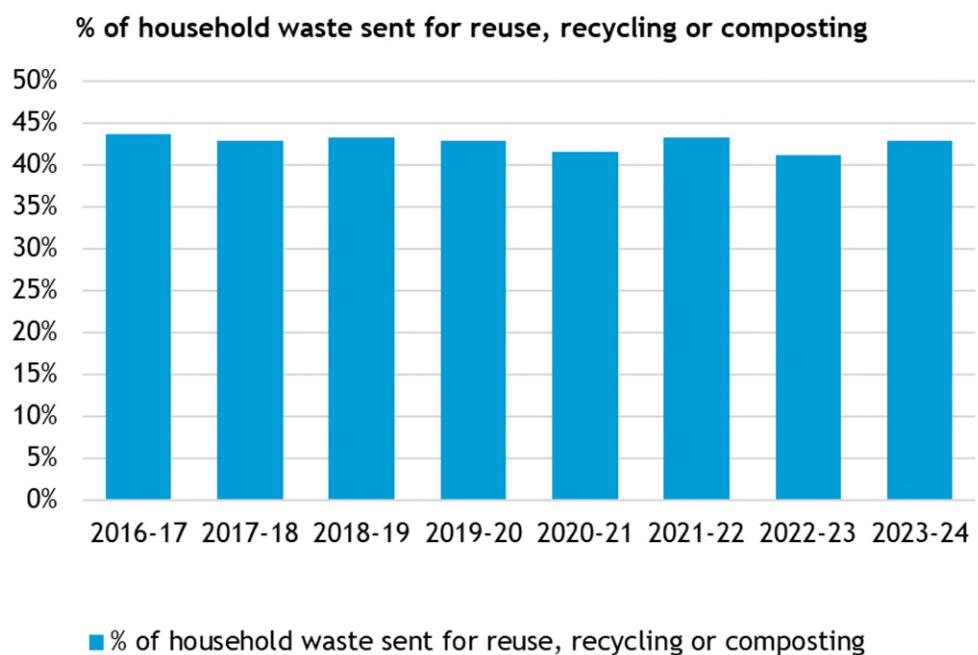
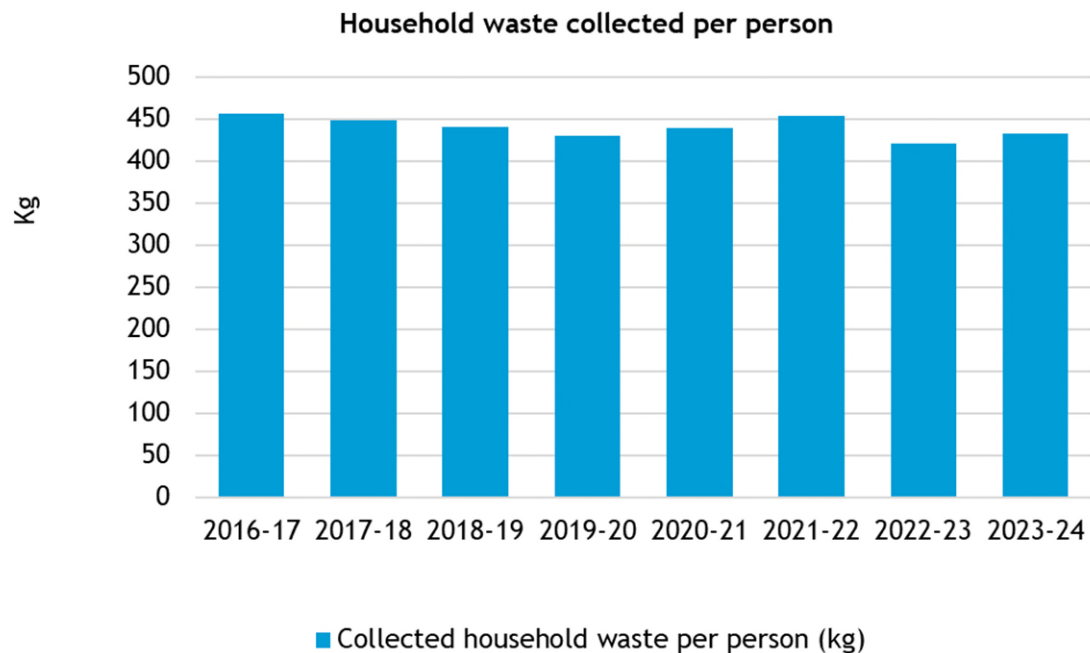
## Local Nature Recovery Strategies

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

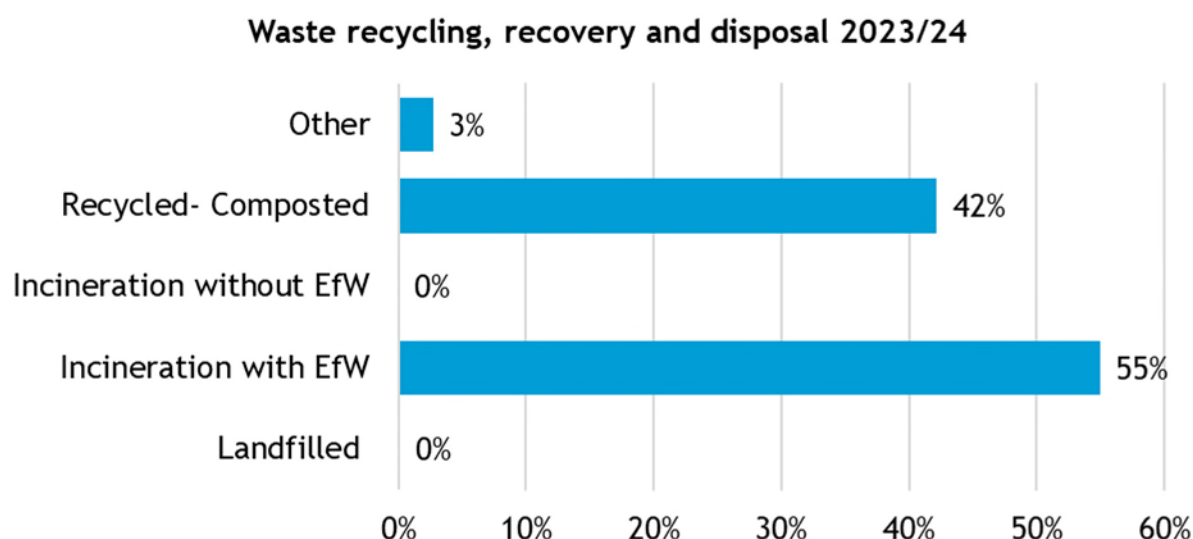
The volume of household waste collected rose slightly in 2023/24 compared to the previous year, 241,864 tonnes compared to 233,386 tonnes. This equates to 432.3kg of household waste per person living in the county.

## State of the County 2025: Focus on East Sussex



Source: Department for Environment Food & Rural Affairs

In 2023/24 42% of our waste was reused, recycled or composted. 55% of our waste was sent for energy recovery (Energy from Waste, or EfW). Newhaven Energy Recovery Facility (ERF) supplies power for over 25,000 homes. East Sussex sent less than 1% of collected waste to landfill in 2022/23.



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 2024:



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

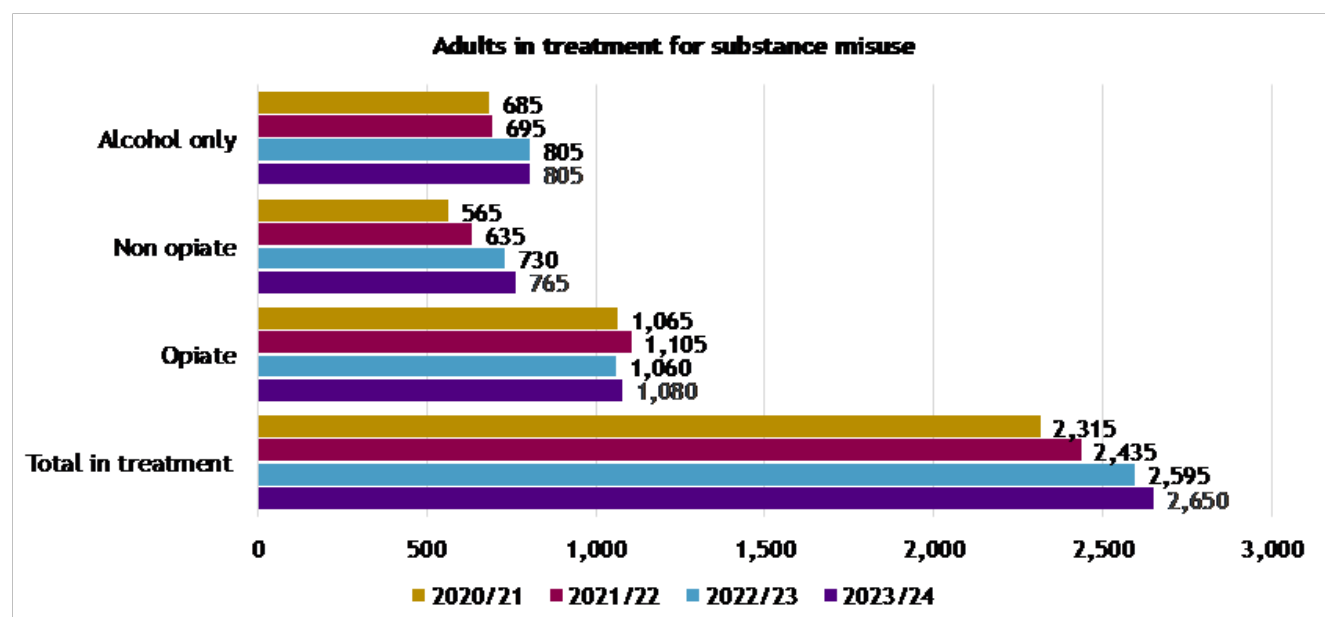
### Drug and alcohol-related harm

In 2023/24 there were 2,650 adults in treatment in East Sussex for problematic drug and/or alcohol use, this is an increase of 2.12% (+55 adults) on the previous year compared to a 6.96% increase nationally.

There has been a significant increase since 2019/20 as a result of the additional investment from Government following the Dame Carol Black Review. In East Sussex there has been a 28% increase in adults in treatment from 2019/20 to

2023/24.

In East Sussex, the largest cohort were in treatment for opiate use (1,080, 40.75%). The number in treatment for non-opiates increased by 4.79% (+35); this was notably lower than both the national figures (19.69%) and the local increase the previous year (14.96%, +95). The number in treatment for alcohol has remained the same from 2022/23 to 2023/24, while the numbers for England increased by 9.18%. The number in treatment for opiate use in East Sussex increased by 1.89% (+20) following a decrease the previous year of 4.07% (-45), compared to England where the number in treatment decreased for the third consecutive year.



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, 19,125 potential victims of modern slavery were referred to the Home Office in 2024, representing a 13% increase compared to the preceding year (16,990).

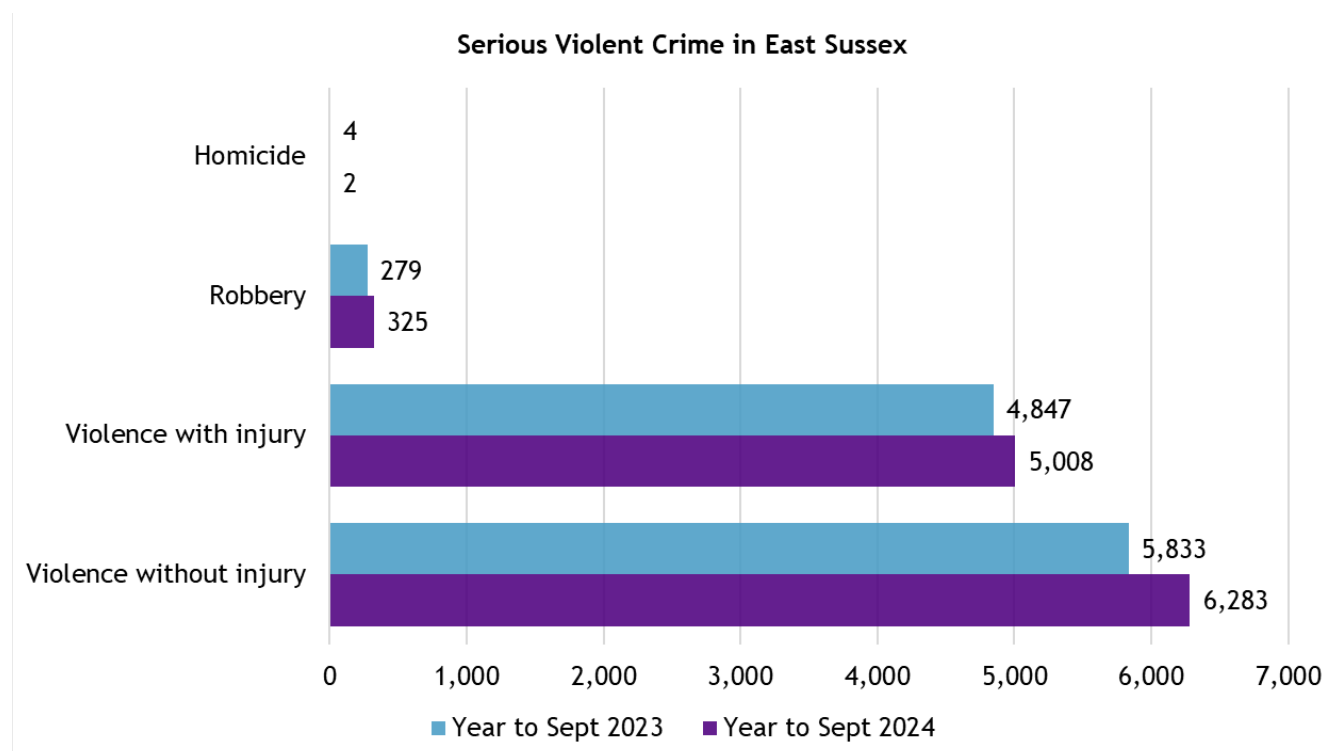
In East Sussex in 2024, 2 adults and 21 children who were potential victims of modern slavery and human trafficking were referred by the local authority through the NRM. This compares to 5 adults and 24 children in 2023.

Sussex Police made 86 NRM referrals during 2024, this compares to 98 for 2023. Please note this is for the whole of Sussex. (Source: National Referral Mechanism statistics).

## Violent Crime

Violent crime is under increasing national scrutiny. Despite rates remaining low in East Sussex, the Council has an active focus on this through the Violence and Exploitation Reduction Partnership.

There was a slight increase in violent crime in East Sussex over the period October 2023 to September 2024, when compared with the period October 2022 to September 2023. There was a 16.5% (+46) increase in robbery crimes, a 7.7% (+450) increase in violence without injury crimes (mostly assault without injury), and a 3.3% (+161) increase in violence with injury crimes. However, there was a decrease in the number of homicides.





Source: Police recorded crime, Community Safety Partnership Open Data tables

## Child criminal exploitation and child sexual exploitation

Between April 2024 and March 2025, 65 East Sussex children were experiencing either criminal or sexual exploitation or both. This is in line with the number of children experiencing exploitation in the same period the previous year.

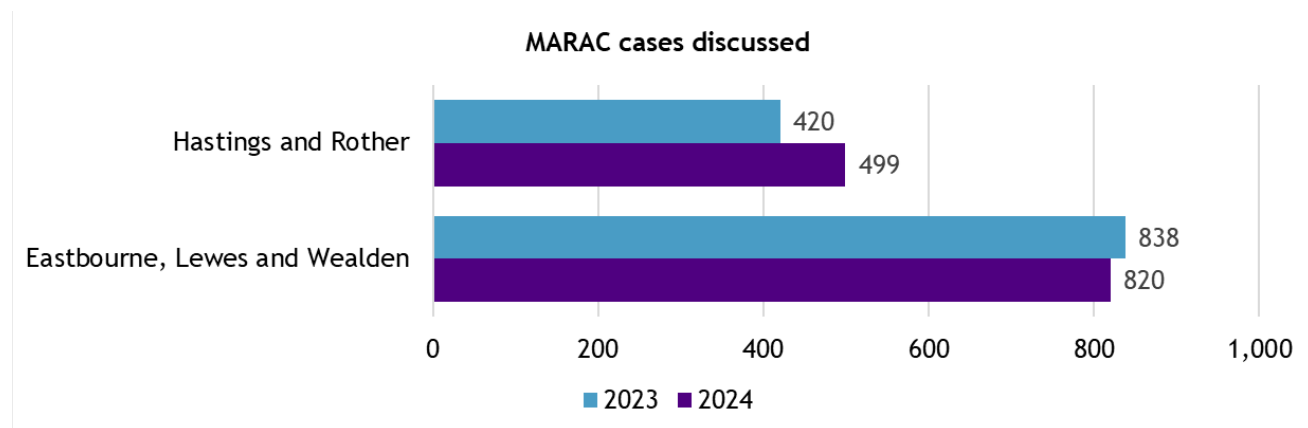
Two thirds of children experiencing exploitation were male and 82% were aged 14 or older. 43 children were removed from the Safeguarding Adolescents From Exploitation and Risk (SAFER) group during the year and the average time it took for a child to be removed from SAFER due to a lowering of their risk level was just under seven months.

## Domestic violence and abuse

Multi-Agency Risk Conferences (MARACs) are meetings that discuss the highest risk domestic abuse cases. East Sussex has historically had a high number of referrals into MARAC and both county MARACs remain over the recommended number of 40 cases per 10,000 population.

During 2024 there was a 5% increase in the number of cases discussed at MARACs compared to the previous year.

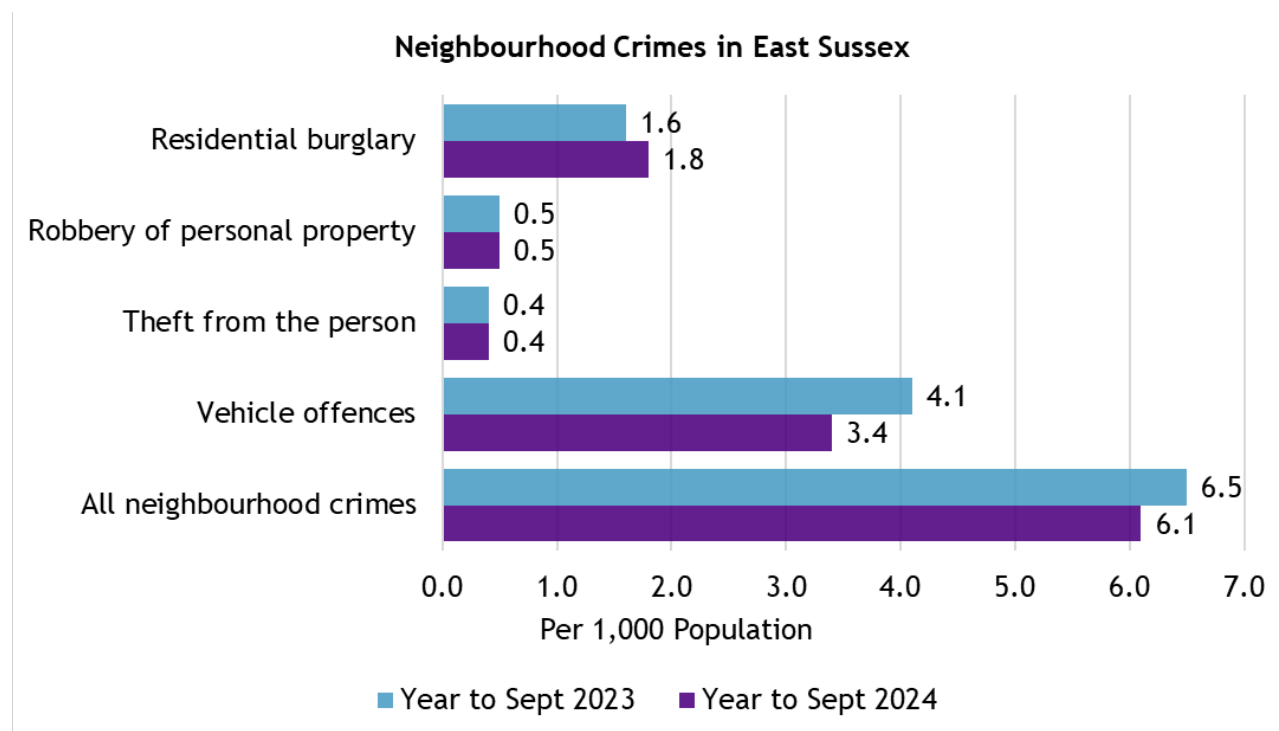
Although the Eastbourne, Lewes & Wealden MARAC saw a 2% decrease in the number of cases discussed from 2023 to 2024, Hastings & Rother saw a 19% increase.



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.



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 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. Note that standard road safety reporting is based on a three-year reporting period. 2017-2019 has been used as this is the last period not affected by COVID-19.

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 uncertain 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
2024	383	21	404
2023	352	13	365
2022	378	20	398
2021	321	18	339
2020	279	17	296
2019	395	14	409
2018	334	21	355

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	1,129 /423	1,735 / 681	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

## **National and Local Policy Outlook 2025**

### **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 2026/27 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 the most significant in several years. There have been rapid policy shifts since the general election in 2024 which we continue to respond to, both in terms of immediate impacts and implications for future planning. The Government has brought forward far-reaching reforms to local government as a whole through the English Devolution White Paper as well as in major service areas experiencing significant pressures, such as children's social care. This context will continue to evolve as the Government's plans in other key areas, such as adult social care and special educational needs and disabilities, are clarified. While many of these developments are in welcome alignment with our own priorities, they present delivery challenges in the context of serious pressures on funding and capacity.

1.3. Significant work is taking place locally, as an organisation and with our partners, to respond to these developments, progress our local priorities, and prepare for future challenges. The Government's ambitions for local government reorganisation and devolution have significant potential to facilitate reform and integration of local public services and provide increased flexibility to respond to local priorities in the future. More immediately, major national reforms already impacting on our partners, particularly district and borough councils and the local NHS, will affect how we work together on key areas such as social care, planning and infrastructure, and waste. 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 3-6)**

- National political context (pg 3)
- National economic outlook (pg 3)
- Local government finance outlook (pg 4)
- Devolution (pg 5)
- Local government reorganisation (pg 6)

#### **Section 3 – Adult Social Care and Public Health (pages 6-18)**

- National adult social care reform (pg 7)
- National NHS reform (pg 8)
- Mental Health Bill (pg 8)
- CQC assurance developments (pg 9)
- Local priorities and projects (pg 9)
- Adult social care workforce (pg 13)
- Carers Partnership Plan (pg 13)
- Adult social care market (pg 13)
- Financial Services (pg 14)

- Health and social care integration (pg 15)
- Health and Wellbeing Board (pg 16)
- Housing (pg 16)
- Public Health (pg 17)

#### **Section 4 – Children’s Services (pages 18-20)**

- Children’s Wellbeing and Schools Bill (pg 18)
- National reforms to children’s social care (pg 18)
- Local service pressures and developments (pg 19)
- Youth service developments (pg 20)

#### **Section 5 – Education and Special Educational Needs and Disability (SEND) (pages 20-24)**

- National education reforms (pg 20)
- Small schools strategy (pg 21)
- Special Educational Needs and Disabilities (SEND) reforms (pg 22)
- East Sussex Area SEND Inspection and SEND Strategy (pg 22)
- Educational attainment (pg 23)
- School attendance (pg 23)
- Home to School Transport (pg 24)

#### **Section 6 – Communities (pages 24-30)**

- Financial Inclusion and the Household Support Fund (pg 24)
- VCSE support, development and infrastructure (pg 25)
- Migration (pg 25)
- Community Safety (pg 27)
- Trading Standards – priorities and future focus (pg 28)
- Local resilience arrangements (pg 29)
- National planning reforms (pg 29)

#### **Section 7 – Highways and Transport (pages 30-36)**

- New Local Transport Plan 2024-2050 (pg 30)
- Integrated National Transport Strategy (pg 30)
- Rail reforms and services (pg 31)
- Highways maintenance (pg 31)
- Bus Services Bill (pg 32)
- Bus Service Improvement Plan (pg 32)
- Rail and Freight Strategies (pg 33)
- Active Travel developments (pg 33)
- E-vehicle charging (pg 33)
- Transport for the South East (TfSE) (pg 34)
- Road safety developments (pg 34)
- Exceat Bridge replacement (pg 35)
- National Highways Programmes (pg 35)

#### **Section 8 – Economy (pages 36-39)**

- Government plans for economic growth (pg 36)
- Local economic strategy (pg 36)
- Skills and employability (pg 37)
- Culture and tourism (pg 38)

#### **Section 9 – Environment and Climate Change (pages 39-41)**



- Climate change – national policy context (pg 39)
- Environment Act 2021 (pg 39)
- UK Emissions Trading Scheme (pg 40)

## **Section 10 – Supporting Services (pages 41-44)**

- Oracle transition (pg 41)
- National workforce reforms (pg 41)
- Workforce challenges (pg 42)
- ESCC Property Asset Management (pg 43)
- Supporting productivity – data management and Artificial Intelligence (pg 43)
- Procurement Act 2023 (pg 44)

## **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. The Government's overarching priorities were set out in December 2024 in the Plan for Change, which detailed the milestones Government aims to achieve by the end of this Parliament to deliver on the five long-term missions outlined in its manifesto. The Plan for Change milestones are to: raise living standards in all parts of the UK through increased economic growth; build 1.5 million homes in England; end hospital backlogs; increase the number of police on the street; give children the best start in life, with 75% of 5 year olds ready to learn when they start school; and secure home-grown energy, with at least 95% clean power by 2030.

### National economic outlook

2.3. The UK's Gross Domestic Product (GDP) performance stagnated in the second half of 2024. In its March 2025 economic forecast, the Office for Budget Responsibility (OBR) halved its forecast for real GDP growth for 2025 from 2% to 1%. In May 2025 the International Monetary Fund slightly increased its 2025 UK GDP growth forecast from 1.1% to 1.2%, however this remained a downgrade from earlier forecasts and reflects ongoing global economic instability. Consumer Price Index inflation rose to 3.5% in the 12 months to April 2025, impacted by rises in utility bills. The OBR forecasts that monthly inflation will rise to a peak of 3.8% in July this year, but the rate is expected to fall to the Bank of England target of 2% from 2026 onwards. In response, the Bank of England has continued to cut interest rates, with a reduction to 4.25% in May 2025, and potential for further cuts to the base rate in coming months.

2.4. Over the last few years, a series of significant shocks has contributed to falls in labour market participation, weak productivity growth, and high consumer price inflation. Following historic falls in living standards linked to sharp increases in residents' cost of living, the OBR now expects real household disposable income to grow by an average of around 0.5% each year from 2025-26 to 2029-30.

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 20.8% below the England level in 2022, the latest available data (£31.90 per hour, against £40.30 per hour in England). The unemployment rate for March 2025 was 3.8% for East Sussex, lower than the

national average of 4.3%, but above the regional average of 3.3%. The youth unemployment rate (those 18-24 claiming unemployment related benefits) was 6.4%, higher than the England rate of 5.7%. Further information on the national labour market picture, and the recruitment and retention challenges this presents for ESCC, are set out at 10.8-10.13.

### Local government finance outlook

2.6. The outlook for local government funding remains uncertain and very challenging. In light of ongoing pressures on the public finances and commitments to protect spending in areas such as the NHS and defence, the recent national Spending Review confirmed that funding for the sector as a whole will be constrained, with growth in the Ministry of Housing, Communities and Local Government's funding for local government expected to average 1.1% annually over the period to 2028/29, below anticipated increases in demand and costs in key services, together with a continued reliance on Council Tax rises to increase councils' core spending power by an average 2.6% per year overall. Funding that ESCC will receive from central Government for 2026/27 onwards will be impacted by plans to reform funding allocation formulas, which are subject to consultation ahead of a multi-year financial settlement towards the end of the year. However, Government has indicated that the direction of travel will be towards increasing the focus on levels of deprivation within local authority areas. This was reflected in the distribution of the 2025/26 Recovery Grant, from which ESCC, along with most other shire counties, received no allocation. Individual grant streams may also be subject to review and potential consolidation within the settlement. This creates significant uncertainty about the level of funding the County Council will receive in the future. The Government is also pursuing reform of business rates. This is expected to entail more frequent revaluations and redistribution of income across authorities, creating additional risk to East Sussex.

2.7. Other key uncertainties include future levels of inflation and interest rates, Government-determined increases to the National Living Wage and the nationally negotiated local government pay award. These variables, though outside of ESCC's control, have a significant impact on the Council's costs and future financial position. Locally, key risks for the Council relate to ongoing growth in demand and complexity in children's and adults' social care and special educational needs and disability. The resulting increases in costs are also largely outside of local control, particularly given market conditions in these sectors and the impact of national policy on pay and taxation, including the unfunded increase in employers' National Insurance contributions. Coupled with increased costs across other services, and the uncertain impact of national reforms, we can expect to see sustained pressures on services and budgets which will impact our Medium Term Financial Plan and ability to meet needs.

2.8. The past two years have also seen the level of debt continue to rise, particularly for adult social care contributions, and it is expected that this trend will continue. We will continue our work on debt management and maximising income as part of our response to financial pressures. Ongoing impacts on the collection of business rates and Council Tax continue to be fully assessed, as do the impact of changes to district and borough Council Tax Reduction Schemes and the potential income from their introduction of Council Tax for second homes following the national change in policy which enabled this.

2.9. The financial impact of potential devolution and local government reorganisation (LGR) is yet to be quantified. The final year of the Medium Term Financial Plan will be impacted by LGR and, subject to Government decisions on the future unitary structure for East Sussex, work will be undertaken with district and borough councils to model the collective financial position as part of wider transition planning. In the short term, both devolution and LGR will entail additional costs to support transition, with the level of Government financial support still to be determined. Any potential financial benefits will be

seen in the longer term, resulting from service transformation and consolidation following the move to a new structure. These are expected to be limited given the scale of savings already made across councils and will not be a solution to the immediate funding gap ESCC faces. Unless sufficient funding is received to support our statutory service provision, the Council will need to explore all options to set a balanced budget for 2026/27, including further service reductions and the potential to seek Exceptional Financial Support from Government. Our options and approach will be informed by the financial assurance review we have commissioned from the Chartered Institute of Public Finance and Accountancy (CIPFA).

2.10. In relation to the capital programme, the level of investment in assets which support the objectives of the Council Plan must be considered in the context of its impact on the revenue budget and wider financial position. The challenging revenue budget position for 2025/26 therefore required a full review of the capital programme during 2024/25. The review reduced and re-profiled programmes and schemes over the 10 year programme to minimise borrowing costs within Treasury Management and the revenue budget. Further review will be required in light of the significant financial gap over the medium term.

2.11. Insufficient Government funding to address pressures and increased costs in social care, requiring councils to use reserves to mitigate pressures, means that we have allocated substantial reserves to balance the budget for both 2024/25 and 2025/26, which significantly impacts on the Council's ability to use reserves to manage future financial risk. While the Council's reserves have been applied within a robust reserve policy, work to set a balanced budget for 2026/27 will take place in the context of significantly depleted reserves and increased risk.

### Devolution

2.12. The [English Devolution White Paper](#), published in December 2024, sets out the Government's plans to extend devolution to local government in England both geographically and in terms of the range of functions devolved to Strategic Authorities – the term used to describe combined authorities exercising devolved powers across multiple local authority areas. The updated framework within the White Paper details the powers available to local areas through devolution arrangements linked to different governance models, reserving the majority for areas taking up a mayoral model. The White Paper also highlights an ambition to align public service boundaries with Strategic Authorities, including across health, police, and fire services as well as councils, and for the Authorities to drive wider public service reform. Further detail is awaited in the English Devolution Bill due in the coming weeks which is expected to set out the new framework in legislation, enshrining the 'devolution by default' approach. The Bill is expected to progress through Parliament ahead of new Mayoral Strategic Authorities coming into being from spring 2026.

2.13. To maximise the potential of devolution for East Sussex and ensure the full benefit of Government support through this process, ESCC successfully applied to the Devolution Priority Programme, alongside West Sussex County Council and Brighton & Hove City Council, enabling devolution to be progressed on an accelerated timescale. Following a Government consultation on establishing a Mayoral Combined County Authority (MCCA) as the Strategic Authority for Sussex, the Ministry of Housing, Communities and Local Government is due to confirm later in summer 2025 whether it will proceed. Subject to Government approval, it is anticipated that legislation for the establishment of the MCCA will be laid out in the autumn and take effect in early 2026, ahead of a mayoral election in May 2026.

2.14. Should Government approval be received, the timescales for the establishment of the MCCA are ambitious. To take forward transitional governance arrangements consideration is being given to the establishment of a Devolution Joint Committee. The Joint Committee

would be for a limited period, until the establishment of the MCCA, and have oversight of the development of the combined authority and the successful devolution of functions to ensure that it is established in accordance with the Directions and relevant Statutory Orders issued by the Government.

2.15. Devolution in Sussex, and the establishment of a Sussex MCCA, would have significant implications for functions currently delivered by upper tier local authorities in the area, including ESCC. Areas such as strategic transport planning, economic growth and skills are expected to come under the remit of the new authority and be subject to extended powers devolved from Government. In addition, new MCCA roles in relation to spatial planning, housing and environment will require ESCC's engagement and form part of our wider operating context. Further detail on potential impacts in these areas, and how we are taking these into account in our planning, is set out in sections 7-9 below.

### Local government reorganisation

2.16. To support the Government's devolution plans, the White Paper also outlined a programme of reorganisation for two tier areas and some existing smaller unitary authorities. The Government's aim is for the creation of new unitary councils that are of sufficient size to be able to withstand financial shocks, achieve efficiencies and improve capacity. These areas were invited in February 2025 to submit proposals for reorganisation, with criteria including that new councils should aim for a population of 500,000 or more as a guiding principle, and that existing district and borough areas should be considered as the building blocks for proposals. Alongside this, Government has set out that proposals should prioritise the delivery of high quality and sustainable public services; meet local needs and be informed by local people; support devolution arrangements; enable stronger community engagement and neighbourhood empowerment.

2.17. Following the submission of the East Sussex interim plan in March 2025, jointly by ESCC and the five district and borough councils, a full proposal is being developed in partnership for agreement by all six councils ahead of the deadline of 26 September 2025. The proposal that is being developed is a single unitary council on the existing County Council boundary. The interim plan also outlined that the councils remained open to other options should the Government indicate flexibility in the current criteria, or if residents demonstrate a clear desire for us to consider an alternative configuration. The full proposal will be informed by the feedback received from Government on the interim plan and take account of feedback from resident and stakeholder engagement.

2.18. Following submission of a full proposal, Government will give consideration to all relevant proposals that have been made. It is then anticipated that the Government will launch a consultation on the preferred proposal with a view to making a decision in the first quarter of 2026 and subsequently preparing and laying the necessary legislation in the latter half of 2026 to enable a unitary shadow authority to be elected in May 2027. Once a final Government decision on the model for unitary local government in East Sussex is made, work to establish transitional arrangements and prepare services for structural change can begin.

## **3. Adult Social Care and Public Health**

3.1. Since the 2024 general election, the Government has set out its intention to significantly reform the NHS and social care through the development of a 10 Year Health Plan and a National Care Service, both of which will impact on how adult social care is delivered locally. We will contribute to shaping these reforms as well as continuing to respond to 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,

implementing a number of key local strategies and progressing initiatives to facilitate hospital discharge.

### National adult social care reform

#### *National Care Service and Independent Casey Commission*

3.2. The Department of Health and Social Care (DHSC) has indicated three priorities for the development of the adult social care sector:

- a 'home first' approach that supports people to live independently for as long as possible;
- a relentless focus on ensuring high-quality care; and
- close involvement between people receiving care and their families and carers.

3.3. These priorities will influence the development of the Government's 10 Year Health Plan and will involve close partnership working between adult social care, the NHS, the voluntary, community and social enterprise (VCSE) sector and other partners.

3.4. The Government has also stated that adult social care reforms will run alongside the health plan and will include the development of a National Care Service (NCS) and Fair Pay Agreement (FPA) for staff working in social care. An NCS could lead to a radical shift in how residents' care is funded – we would need to see adequate funding for staffing to process applications. The FPA would need to be adequately funded centrally to ensure providers can maintain their staffing levels. If properly resourced, the FPA would likely positively impact recruitment and retention, improving our ability to commission and provide high quality services.

3.5. Baroness Louise Casey is chairing an independent commission into adult social care which will inform both medium and long term reforms to adult social care. Opposition political parties have been invited to take part with the aim of creating a cross-party consensus.

3.6. The commission will take place over two phases. The first phase will focus on identifying critical issues facing adult social care and is due to report in 2026 with recommendations for medium term reforms. These will aim to be tangible and pragmatic recommendations that can be implemented in a phased way and that make adult social care more productive, preventative and give people who draw on care, and their families and carers, more power in the system. The second phase will look at the model of care needed to address the ageing population; consider how services should be organised to deliver this model; and consider how best to create a fair and affordable adult social care system for all. This is due to report in 2028 with recommendations for long term reforms.

3.7. The commission is expected to provide the Council with opportunities to feed into the national conversation around adult social care reform with the aim that the outcomes of the commission will lead to positive changes nationally, which could in turn improve the long-term sustainability of the adult social care system and market in East Sussex. We will continue to advocate with our partners for reforms that will meet the needs of people who draw on care and support, and their carers, in East Sussex.

3.8. However, the timescale of the commission indicates that significant reforms, including funding reforms, are unlikely to take place before 2028. Due to the significant pressures facing adult social care, inaction in the short term poses risks to the continuation of some services and support to residents who need them most.

## National NHS reform

### *NHS 10 Year Health Plan*

3.9. Following Lord Ara Darzi's rapid independent review of the NHS in England in 2024, the Government intends to publish a new 10 Year Health Plan imminently, after undertaking a significant consultation with the public and staff working across health and care. Building on the previous NHS long term plan, it aims to create a modern health service to meet the changing needs of the population, address health disparities across the country and improve mental health. It is anticipated the health system reforms will be structured around three shifts:

- moving care from hospitals to communities;
- making better use of technology; and
- focusing on preventing sickness, not just treating it.

3.10. These shifts provide opportunities for adult social care reform and align with local priorities including prevention. It will be important that any national changes in models of care and support, or service delivery, are sufficiently funded and resourced locally.

### *Changes to NHS England and the role of Integrated Care Boards in England*

3.11. NHS England (NHSE) is responsible for leading the NHS through a range of statutory functions and regulatory powers to oversee and support the delivery of effective and high-quality NHS care. It also supports the commissioning of healthcare services with local Integrated Care Boards (ICBs) and acute, community, mental health and primary care providers delivering local services. It directly commissions some highly specialised services.

3.12. The Government intends to return NHSE, currently an executive non-departmental public body, to direct oversight within the DHSC. It is expected to significantly reduce in size through this transition. The Government intention is that this will improve efficiency by reducing bureaucracy and allowing healthcare professionals to focus more directly on patient care. This transition will require primary legislation and is expected to take place over a two year period.

3.13. Concurrently, ICBs in England are required to reduce their operating budgets by half by autumn 2025; this is in addition to a recent 30% reduction to running costs. NHS Trusts in England also have a requirement to reduce corporate services budgets back to pre-pandemic levels. As well as impacts on local NHS staff, these proposed changes are expected to have significant implications for the role the NHS Sussex ICB has within the Sussex Integrated Care System (ICS), and the way the Council works in partnership with the NHS to transform, commission and deliver health and care services.

## Mental Health Bill

3.14. The [Mental Health Bill](#), if given royal assent, will impact how the Council delivers mental health support, particularly in relation to autistic people and people with a learning disability. The following changes in the Bill will apply to autistic people and people with a learning disability:

- they are no longer able to be detained (sometimes referred to as being 'sectioned') for treatment in a mental health hospital unless they also have a defined mental health condition;
- aftercare services currently required under section 117 of the Mental Health Act will therefore not be available in these cases;

- if they have been detained, care and treatment reviews will be required to ensure they are receiving the right support; and
- local authorities will be required to keep a Dynamic Support Register (DSR) of those people more likely to be detained ('sectioned') to try and prevent them being admitted to hospital.

3.15. DHSC has stated that the reforms for people with a learning disability and autistic people will commence once systems are able to demonstrate sufficient levels of community support as an alternative to hospital based care.

3.16. In response, the Council may need to conduct additional assessments for autistic people and people with a learning disability to ensure alternative provision is in place, such as for those detained under the Mental Health Act 1983 who are no longer eligible for aftercare. We will review policies and procedures to ensure people are not wrongfully detained under the Act. New DSR duties mean the Council, when exercising its market function, will need to ensure that necessary adult social care services are available for people with a learning disability and autistic people who are at risk of admission.

#### CQC assurance developments

3.17. The Care Quality Commission (CQC) is assessing local authority adult social care departments on how they are discharging their duties under the Care Act 2014. Following a national review into the operational effectiveness of the CQC, it has been suggested local authority assessments will continue as planned, but the scoring evidence will be more transparent and there will be a strengthened focus on nationally agreed priorities.

3.18. Following ESCC's assessment, which concluded in February 2025, a report is expected imminently and a work programme and action plan reporting to the Council's Adult Social Care and Health Improvement and Assurance Board will be updated to reflect any newly identified priorities.

3.19. We await further detail on future CQC assessments but anticipate that the Council will continue to be subject to assurance by the CQC and that our planning at both a strategic and operational level will need to be informed by the outcomes of CQC findings.

#### Local priorities and projects

3.20. Our five agreed local priorities for adult social care are:

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

3.21. The priorities will help drive a range of work to deliver positive outcomes for residents and have been informed by our CQC assurance work, including our Local Government Association (LGA) Peer Review of adult social care, and the financial context for the Council.

#### *Social Care Future*

3.22. Social Care Future (SCF) is a movement which aims to change the way people think about adult social care. The SCF community, which supports local authorities, is helping us to gain inspiration, support, ideas and methods to plan and act locally. The Council has adopted the SCF vision as a future 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”.

3.23. We will continue to embed the following SCF themes into our work in 2025/26 and beyond, including through our work driven by the Council's priorities for adult social care and our 'What Matters to You' and prevention strategies:

- Co-production: sharing power with people within our communities who draw on care and support.
- Person-centred practice: transforming how we do assessments and support planning 'with' and not 'to' the person.
- Prevention and early action: hearing what matters to people, working with carers, and understanding our local resources, such as faith groups, lunch clubs and transport options.

3.24. Learning from and collaborating with SCF will support the Council to take further opportunities to maximise people's wellbeing, utilise resident insight and prevent the need for some forms of care and support.

#### *'What Matters to You' Strategy*

3.25. Based on the priorities of the Council's adult social care strategy ['What Matters to You'](#), a two year action plan was developed and is currently in its second year of delivery. Upcoming actions will focus on working with the independent and VCSE sectors, improving the information and advice available to residents throughout their care journey, and supporting people to stay at home and healthy for longer.

#### *Prevention strategy*

3.26. The Council has also produced a prevention strategy focusing on adult social care, having developed a strategic approach with the VCSE, residents, and provider stakeholders. The strategy seeks to maintain and maximise people's wellbeing to prevent, reduce, and delay the need for care and support. This approach supports the Government's aims to shift towards more preventative activity in health and social care.

3.27. Implementation of the strategy started in early 2025 and we are considering how we can integrate and strengthen preventative work in Adult Social Care and Health. Initial strategic priorities include focusing on physical wellbeing; community wellbeing; and the knowledge, skills, connections and other resources people have to maintain their wellbeing and independence. Work to increase preventative capability and wellbeing will seek to complement and add value to related work across the Council, for example, supporting and being influenced by transformation programmes within Children's Services.

3.28. The 'What Matters To You' strategy and the prevention strategy are now aligned and an action plan developed to support both sets of strategic aims. This means that work in response to the priorities of our residents will also support the wider national shift to building preventative capacity alongside work that improves current care and support.

3.29. Delivery of these strategies over the next three years will consider how we take forward and assess existing work, population priorities, resources, and how the landscape of providing care and support and working preventatively will evolve through reforms to local government structures. Plans for local government reorganisation may change, for example, strategic interaction between housing and adult social care, and thus how the aims of the 'What Matters to You' are best achieved.



### *Waiting times programme*

3.30. Waiting times are one of our five priorities for adult social care. The effective management of our waiting lists will help the Council to manage increasing demand for our services and target resources at those who need them the most over the coming years.

3.31. We continue to develop our relationships with organisations such as the Department of Health and Social Care (DHSC) and programmes such as Partners in Care and Health to ensure we are up to date with national developments linked to waiting times and can respond to these locally. The Council supported the DHSC to develop the [‘Operating Model Toolkit for Local Authority Assessments’](#). We will use the toolkit to self-assess where we are as a local authority and use the outcomes to identify ways to streamline our adult social care assessments and reduce waiting times.

### *Safeguarding Adults Board and workstreams*

3.32. The East Sussex Safeguarding Adults Board (SAB) is a multi-agency statutory partnership which provides leadership and strategic oversight of adult safeguarding work across East Sussex. Its strategic plan priorities 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 caring, for can access.
- Safeguarding and homelessness - promote positive practice with professionals working at the interface of multiple exclusion homelessness and adult safeguarding.

3.33. We will continue to build on our safeguarding practice and outcomes through safeguarding workstreams, which will introduce better checks and reporting. This includes audits linked to self-neglect, improving decision-making, and the contact adults or their representatives receive from the Council as part of safeguarding enquiries. We will be working with the voluntary, community and social enterprise (VCSE) sector and carers to support their understanding of adult safeguarding. We will also be introducing new safeguarding reporting arrangements and oversight to enable us to continually monitor and improve our performance.

### *Safeguarding - Health and Social Care Connect pilot and review*

3.34. In response to the LGA Peer Review feedback, the Council commissioned an independent review of our safeguarding triage function within Health and Social Care Connect (HSCC). We are running a pilot to increase management oversight of referrals linked to safeguarding, improve sign-off for referrals leading to safeguarding enquiries, and develop how we gather information and communicate with adults, their representatives, and to referrers as part of our ‘make safeguarding personal’ initiative. The learning from this pilot is being used to develop a new operating model for the management of safeguarding screening and triage to improve consistency of safeguarding decision making across Adult Social Care and Health, and to ensure timely review of referrals. We will introduce a standardised and streamlined way to manage, process and respond to safeguarding contacts across all operational teams.

3.35. The new operating model, safeguarding processes and governance arrangements will help the Council meet its statutory duties while making best use of the resources required to keep people safe.

### *Quality practice and assurance framework*

3.36. The Quality Practice and Assurance Framework describes the elements of good practice and assurance and how these support the promotion of the Council's vision for ASCH. Using the framework, we will enable staff across Adult Social Care and Health to know and develop social work and care, best practice and provide opportunities to assure we are providing good quality responses to people who draw on support and make better use of Council and partner resources. This includes supporting staff to continually develop, make specific practice improvements in the quality of their assessment, care and support planning, and use data and insight to identify how to provide more personalised support.

### *Equality, diversity and inclusion*

3.37. Our Adult Social Care and Health [equality, diversity, and inclusion \(EDI\) strategy](#) sets out ambitions to transform care and support services so that everyone feels they belong, have a voice and an equal opportunity to thrive. Following the strategy launch, we are working to improve outcomes for people from seldom heard communities, conducting a review of our approach to implementing actions from equality impact assessments as well as delivering a range of EDI learning opportunities for staff.

3.38. As part of the implementation of the recommendations from the [scrutiny review of equality and inclusion in adult social care](#), we are improving engagement with people from seldom heard groups and their representation on our engagement forums. Informed by the diverse range of people who live and work in East Sussex, this work will help us to identify and plan any improvements required to support people and services that Adult Social Care and Health delivers and commissions.

3.39. We will also enhance our approach to EDI through improving our use of data to identify areas of focus and to monitor impact and outcomes for local people.

### *All-Age Autism Action Plan*

3.40. Following consultation with autistic people and wider stakeholders across the county, the East Sussex Autism Partnership Board has produced an [East Sussex All-Age Autism Action Plan](#). The plan, which will be implemented over the next three years, aims to improve the lives of autistic people, their families, carers, and wider support networks in our county. The priorities in the plan are:

- improving the health and wellbeing of autistic people;
- improving autistic children and young people's access to education and supporting positive transitions into adulthood; and
- supporting autistic people into employment and helping them sustain their employment.

3.41. The Council and partners will use the Action Plan to support autistic people to find support earlier and lead independent lives, preventing crisis and increased need for support in the future. This includes increasing autism awareness and improving education, employment, wellbeing and life opportunities. The plan has been produced in the context of funding challenges for the Council, the NHS Integrated Care Board, and other partners, and focuses on priorities considered achievable whilst delivering meaningful change for the East Sussex autistic community.

### Adult social care workforce

3.42. The adult social care workforce is undergoing significant changes, and as with all local authorities, we need to make substantial savings and efficiencies. However, it is crucial that we maintain a trained and knowledgeable workforce with the right values and skills. This commitment is encapsulated nationally in the [Skills for Care strategy](#), and locally in our Workforce 2030 programme.

3.43. As the needs of our community continue to become more complex and more people require adult social care support, we will adopt new technologies and ways of working. Through demographic analysis, we will also consider what our workforce needs to look like in 2030 and beyond. This is significant to our planning and budgeting as our workforce is central to the Council and our providers' capability to meet the needs of people in East Sussex.

3.44. The national care workforce pathway will guide the Council's efforts to attract more people into the workforce, including a focus on young people and succession planning. Our training offer will reflect the need for a skilled workforce capable of meeting changing demands. Whilst we will prioritise our budget on mandatory and statutory training, we will also continue to support succession planning and career development initiatives. Additionally, we will continue to support the development of a skilled workforce by maximising the use of artificial intelligence and implementing our local Adult Social Care and Health workforce strategy.

#### Carers Partnership Plan

3.45. The Council and NHS Integrated Care Board, Care for the Carers, Amaze and Imago have signed a public 'Commitment to Carers' setting out priorities to meet the needs of carers in East Sussex.

3.46. As part of this commitment, a multi-agency [Carers' Partnership Plan](#) for East Sussex with eight key themes has been developed and will progress with partners and carers using a phased approach across five years.

3.47. Initial actions will consist of developing a multi-agency communications plan with partners to co-ordinate messaging during Carers Week and the Care for the Carers Annual Carers Voices Conference. This supports work linked to the Carers' Partnership Plan themes of 'caring about equality' and 'how health and social care can work better for carers'. It supports aspirations of the Council to reach out to more carers (including those who are seldom heard) and highlight the needs of carers to our partners. We will also develop peer support for carers.

#### Adult social care market

3.48. Financial pressures continue for the social care sector and recent increases to employer's National Insurance contributions and the National Minimum Wage will impact on adult social care providers' business sustainability. Many providers are small to medium sized local businesses and will have limited ability to absorb these cost increases. Significant workforce, recruitment and retention challenges remain, whilst upcoming changes to international recruitment visa requirements may further impact provider capacity.

3.49. In May 2025, as part of the [Restoring Control over the Immigration System White Paper](#), the Government announced the social care visa route will be ending. A transition period will be in place until 2028, allowing people already in the UK on this scheme to continue to extend their stay, change sponsors, and apply to settle, although this will be kept under review. Responses from the adult social care sector have highlighted concerns

regarding recruitment and retention of care workers following the announcement, as the sector relies on international recruitment to fill vacancies.

3.50. The Council will continue to engage providers on how these changes are affecting the market and offer a range of support to help mitigate the impact on service sustainability.

3.51. The East Sussex allocation of the Market Sustainability and Improvement Fund for 2025/26 will be used to support ongoing sustainability of the adult social care market through our annual fee uplifts to providers, which DHSC has confirmed as one of the target areas for the fund. In a change for 2025, the Market Position Statement now forms part of the submission for the fund. Our [Market Position Statement](#) will be updated dynamically to set out market position changes and recommissioning opportunities for providers.

#### *Provider payment policy: net to gross*

3.52. We are piloting a change to how the Council pays residential and nursing home providers - from paying net to paying gross of the client contribution. Moving to gross would mean we pay the provider the full cost of the resident's care and collect any client contributions directly from the people drawing on care and support, or their representatives. The pilot evaluation will inform a recommendation in autumn 2025 on whether to pay all residential and nursing home providers in this way.

3.53. If the Council does go ahead, it will represent a change in policy and processes for provider payments and align our approach with most other local authorities (including neighbouring authorities). This would increase market sustainability and reduce the administrative burden on providers through changes such as transferring invoicing of adults from providers to the Council. The change would also support Adult Social Care and Health to secure residential and nursing home placements with providers who might previously have been deterred by our payment terms.

3.54. Transferring the collection of client contributions to the Council would however increase and expedite our exposure to some levels of financial risk. This would be mitigated through work to assess and improve our debt management processes (see below) and a research project to better understand how to support adults to pay for care and support on time.

#### Financial Services

3.55. A programme of change is currently underway within Adult Social Care and Health Financial Services which involves a strategic review of key documents and processes, such as the charging for care and support policy and disability related expenditure procedure. One option under review is the introduction of administrative fees for support set up by the Council on behalf of adults who have been financially assessed as able to fully fund their care. This work is subject to a public consultation taking place between May and July 2025. The work will support the Council to maximise efficiency within the service, respond to national changes in case law and explore opportunities to fulfil what we can legally charge for under the Care Act, whilst minimising levels of debt.

#### *Debt management project*

3.56. We will undertake a strategic review of debt recovery processes linked to how service users make payments, looking at both secured and unsecured debt, and explore opportunities to improve our recovery success. This is important given the context of financial pressures and the impact cost of living is having on residents and the Council, as

well as the potential change to care home provider payments from net to gross outlined above, which poses a risk of increased debt exposure for the Council.

### Health and social care integration

#### *Sussex integrated care strategy and shared delivery plan*

3.57. The Council continues to play a lead role in the Sussex Integrated Care System (ICS). This includes having a seat on the NHS Sussex Integrated Care Board (ICB), co-leading the Sussex Health and Care Assembly, a formal joint committee set up with West Sussex County Council, Brighton & Hove City Council and NHS Sussex ICB, and hosting the Independent Chair. The Sussex Health and Care Partnership Executive oversees shared system challenges and risks, for example around hospital discharge.

3.58. Shared priorities are set out in the five-year Sussex integrated care strategy [Improving Lives Together](#) and the subsequent supporting Sussex shared delivery plan. Both are built on our understanding of population health needs in East Sussex, and the Health and Wellbeing Board strategy. An annual refresh of the shared delivery plan takes place to ensure it is updated and progress towards shared objectives can be built on.

#### *Better Care Fund policy framework and plan*

3.59. [The Better Care Fund \(BCF\) policy framework](#), in line with the Government's plans for health and care, sets out the Government's vision for funding, oversight and support arrangements for the Better Care Fund (BCF) for 2025 to 2026. It is focused on overarching objectives linked to the 10 Year Plan, including a focus on prevention, providing more care at home, and using technology to transform care. BCF plans now include use of additional national discharge funding, promoting a joint approach to care and support required for timely hospital discharges.

3.60. East Sussex BCF plans will continue to support these objectives through close alignment to the East Sussex Health and Wellbeing Board strategy, Healthy Lives, Healthy People. We will work closely with system partners, including on our shared focus on hospital discharge. Our BCF plans include significant consideration of how adequate community resources can support people after they return home and to remain independent within their communities. The recent Spending Review indicated that there will be an increase to the NHS' minimum contribution to adult social care via the Better Care Fund in future years and we await further details.

#### *Hospital discharge initiatives*

3.61. As part of our Integrated Care System (ICS) we will continue to work with NHS Sussex and provider trusts to improve performance and outcomes in hospital discharge. This includes developing a common NHS and social care discharge data set and a clear escalation framework for patients with complex needs waiting a long time in acute hospitals.

3.62. Successful improvements in hospital discharge initiatives can avoid prolonged stays in hospital for people awaiting assessment or commissioned services and make effective use of the resources available to the Council, NHS and Voluntary, Community and Social Enterprise (VCSE) partners.

#### *Neighbourhood health*

3.63. NHS England published [Neighbourhood health guidelines](#) to help NHS Integrated Care Boards (ICBs), local authorities and health and care providers progress plans for

neighbourhood health in 2025/26 with local partners. The guidelines include progress on the three shifts in advance of the publication of the 10 Year Health Plan and a framework for action that can be tailored to local needs, building on the local developments and integrated service provision already in place.

### *Integrated community teams*

3.64. As a shared ambition in the Sussex integrated care strategy Improving Lives Together and the Shared Delivery Plan, integrated community teams (ICTs), which bring together a 'team of teams' focused on local communities in a fixed footprint, are a key development to deliver the Government's shifts for health and care and vision for neighbourhood health. The programme will be supported by data and insight to better coordinate delivery of an integrated offer of health, care and wellbeing and reduce health inequalities. Over time, ICTs will help strengthen the way we deliver prevention as well as proactive, integrated care better suited to supporting independence and wellbeing.

3.65. In East Sussex there are five ICTs coterminous with local borough and district council footprints. Following our launch of [ICT Profiles](#), development sessions with partners and connections with the wider network of support in each ICT area will continue to co-design our model for multi-disciplinary teams to support people with complex needs. Leadership groups are now being formalised in each ICT footprint to develop their plans for implementation during 2025/26.

### Health and Wellbeing Board

3.66. The East Sussex Health and Wellbeing Board is undertaking a programme of informal development sessions on topics from our East Sussex Joint Strategic Needs Assessment (JSNA), including looking at the long-term health outlook for our population, improving healthy life expectancy and wider determinants of health. This programme aims to support understanding of our population's needs and priorities and will link to Shared Delivery Plans and the next refresh of the [East Sussex Health and Wellbeing Board strategy](#) Healthy Lives, Healthy People which is due in 2026/27.

3.67. These discussions are helping to strengthen relationships and mutual accountability for whole system collaboration on shared priorities, particularly the challenging financial context being experienced by our organisations. This is contributing to a shared vision for the Health and Wellbeing Board's unique stewardship role for the system and unlocking the added value of partners collaborating at 'Place'. In 2025/26 the Council and partners will further embed this way of working throughout our East Sussex Health and Care Partnership to support improved outcomes for our population.

### Housing

#### *Place based housing strategy*

3.68. The East Sussex Housing Partnership continues its work to develop a place-based housing strategy which will provide a framework for cross sector working to reduce health inequalities linked to housing and make the best use of capacity and resources across the system. The partnership priorities are:

- homelessness prevention;
- housing, health and care integration;
- improving housing management and standards;
- increasing housing supply, climate change and retrofit; and



- the private rented sector.

3.69. The strategy includes work to tackle financial challenges such as the rising cost of temporary accommodation and the need to increase supply of affordable housing. It will guide preparations for upcoming legislative changes, including the Renters' Rights Bill, which will impact on households living in the private rented sector, and the Supported Housing Regulations which will apply to support accommodation and will require local housing authorities to work with Adult Social Care and Health and Children's Services to develop plans to address gaps in provision.

3.70. The partnership is seeking feedback to help refine the strategy before it is adopted in September 2025.

### *East Sussex Mental Health and Housing Strategy*

3.71. Our Mental Health Commissioning team will lead on the delivery of the East Sussex Mental Health and Housing Strategy. This has four priority areas for development over 2025/26 - 2027/28:

- Improve integration between housing and mental health services;
- Review the effectiveness and impact of 'discharge to assess' and develop support models prepared for emerging funding in East Sussex;
- Improve supply and flexibility of the current support offer; and
- Improve the quality and inclusiveness of the current supported housing offer across the system.

3.72. The priorities in our plan aim to strengthen the availability, quality and effectiveness of accommodation and housing support in East Sussex. The plan will support the Council and partners to drive integration and collaboration to enable a recovery focused accommodation and housing provision, helping people to live their best life whilst reducing the likelihood of illness and crisis developing.

### *Housing retrofit programme and strategy*

3.73. People's homes and their energy efficiency are one of the building blocks of health. Homes are also one of the largest sources of carbon emissions in the county, with climate change expected to exacerbate challenges with inefficient houses due to extreme heat, cold and weather events. The East Sussex Housing Partnership Board's housing retrofit programme aims to accelerate housing retrofit across the county. Time-limited Public Health funding is supporting the creation of a strategic plan in collaboration with partners, building on work to future-proof homes, reduce people's energy bills, and improve indoor air quality and ambient comfort. The programme aims to unblock local challenges and increase the county's capacity to achieve retrofit at scale, draw in more external funding, improve the supply of trained tradespeople and address poor consumer trust in the sector and misconceptions about retrofit.

## Public Health

### *Tobacco and Vapes Bill*

3.74. The [Tobacco and Vapes Bill](#) raises the age of sale for all tobacco products by one year every year from 2027 onwards. The Bill also introduces Government powers to halt the branding and marketing of vapes and other nicotine products, such as nicotine pouches, to

appeal to children and young people. The ban on smoking in public may be extended to some outdoor spaces along with the introduction of vape free areas.

3.75. The Council will respond by reaching key smoking populations with innovative support and smoking cessation interventions which are responsive to needs. This includes our Public Health team working with colleagues in Trading Standards to disrupt the supply of illegal tobacco and underage vape sales, as well as working with local businesses during the transition period in which disposable vapes are banned.

#### *Gambling related harm and statutory levy*

3.76. The gambling sector is seeing substantial growth. This is being fuelled by the rise in smartphone use, targeted advertising, and sophisticated technology. Gambling-related harm carries hidden economic costs in healthcare expenditure, welfare support, criminal justice and homelessness services. The Government has reviewed legislation set in 2005 and plans to introduce a new levy on all operators to be collected during 2025/26. Detailed plans are not yet available but the anticipated £100m to be raised will fund treatment, prevention and research.

3.77. Locally we are working with partners to raise awareness and assess the risk to residents of both land based and online gambling. We will learn from good practice in other authorities to develop a local action plan to address the availability, accessibility, advertising, awareness and environment of gambling products.

## **4. Children's Services**

4.1. This section and section 5 below outline significant reforms in both children's social care and education, including those outlined in the [Children's Wellbeing and Schools Bill](#). They also outline local priority focus areas for Children's Services, including reshaping the delivery of early help and social care services in line with national policy and the ongoing response to demand pressures, work to improve educational outcomes and to develop support for special educational needs and disabilities, and on home to school transport.

### **Children's Wellbeing and Schools Bill**

4.2. The Children's Wellbeing and Schools Bill was introduced to Parliament in December 2024 and is currently nearing its final stages in Parliament. Through 39 new policies, it sets out significant reforms for children's social care and education which aim to enhance child welfare and educational standards across England. ESCC Children's Services has been working towards these reforms for some time. This includes work to strengthen partnerships between councils, schools, health services, and other agencies; to drive a strong focus on prevention; and holistic family support. We believe that this approach will achieve better outcomes for children and families and deliver the most effective use of limited resources. However, the Bill is more prescriptive than expected, and the timeline for delivery is challenging. The following paragraphs detail reforms, and local responses, in social care. Education reforms are outlined in section 5.

### **National reforms to children's social care**

4.3. The majority of the social care reforms set out in the Bill were foreshadowed in the policy paper [Keeping Children Safe, Helping Families Thrive](#), published in November 2024. This built on previous work including the Independent Review of Children's Social Care, published in 2022, which proposed a variety of reforms aimed at improving the care system for vulnerable children, and the subsequent strategy published by the previous Government in response to this review, *Stable Homes, Built on Love*, in 2023.



4.4. In March 2025, the Department for Education (DfE) launched the Families First Partnership Programme (FFPP), the Government's umbrella initiative for the major children's social care reforms. It aims to provide early support to families, helping them to overcome challenges before problems escalate. This includes, for Early Help and Social Care, changes to working more preventatively with children and families, setting up new Family Help services and Multi-Agency Child Protection Teams, and optimising use of family networks and kinship care.

4.5. In East Sussex, we are building upon existing strengths as we adapt services to meet the key priorities of this programme. These priorities are designed to achieve four main outcomes:

- Children and families stay together, reducing the need for children to enter the care system.
- Children and families are supported by an extended family network.
- Children and families are safe inside and outside the home – addressing risks in both domestic and community settings.
- Children in care and care leavers have stable, loving homes.

4.6. The Government's strategy will reshape the delivery of early help and social care services by integrating targeted early help with social work teams (Family Help teams) to drive improvements in outcomes and ensure that families receive the right help at the right time. The aim is to create a more responsive, seamless system for families and ensure efficiencies in the provision of services.

#### Local service pressures and developments

##### *Transformation Programme*

4.7. Locally we are working with our partners to take forward the national reforms and a Transformation Board, chaired by the Director of Children's Services, has been established to oversee the delivery of these key changes. This will support our vision of providing help when problems emerge, tilting the balance from statutory intervention to one of prevention and support, by:

- enhancing the prevention offer at a much earlier stage;
- planning for the integration of early help and social care teams into a Family Help service;
- creating a Multi-Agency Child Protection Team with police, health and education colleagues;
- strengthening our kinship offer, including strengthening family-led plans and family group conferencing and embedding the kinship national guidance and support;
- establishing clearer leadership and accountability for multi-agency safeguarding, including an enhanced role for education and wider corporate parenting responsibilities for health and police; and
- developing the workforce, improving data systems, and ensuring services are responsive to local needs through better multi-agency information sharing.

##### *Care placements*

4.8. A key pressure for Children's Services continues to be care placements for looked after children. Increased demand and complexity of needs, coupled with significant limitations on the availability of suitable placements and dysfunction in the care market, has led to a substantial increase in the cost of placements over the past two years. The Children's Wellbeing and Schools Bill sets out measures to address these pressures,

including increased transparency, improvements to local authority commissioning, and boosting the supply of provision. The Bill also sets out Government's intention to address excessive profit making by including a backstop law to potentially cap the profit providers can make. However, this will only come into effect if the other measures introduced do not have an impact.

4.9. Our focus remains on taking forward programmes of work to address this, including:

- refreshing our sufficiency strategy to continue to broaden the range of high-quality placement options for our looked after children, particularly those with complex needs;
- playing a leading role in the South East Regional Care Cooperative to improve placement sufficiency across the whole region;
- working more closely with our neighbouring local authorities on foster carer recruitment through a hub model; and
- further developing an integrated commissioning approach to ensure the best use of our shared resources to support our looked after children.

4.10. These areas of work are included as part of the wider transformation programme in Children's Services and progress and impact is driven through the Transformation Board.

#### *Service demand*

4.11. Children's Services nationally and locally continue to see a sustained high level of demand and complexity in the needs of children and their families. We are seeing a lasting impact from Covid, particularly with regards to growing levels of mental health need (with increasing issues relating to neurodiversity), heightened inequalities, and cost of living challenges. There has been an increase in the number of families in temporary accommodation, increases in domestic abuse and substance misuse, rising school exclusions and behaviours that challenge, developmental delay in younger children, and an increase in overlapping complexities of need.

4.12. Over the past two years, ESCC has experienced a 17% increase in the number of social care assessments undertaken with children and families, and a 5% increase in the number of looked after children (not including unaccompanied asylum-seeking children). Positively there has been a 7% decrease in children subject to child protection planning over the same period. This demand is contributing to increased pressure on Children's Services and wider partners and we need to ensure we have sufficient capacity to meet our statutory duties. We are continuing to address these demands through our early help services and a range of preventative approaches and interventions.

#### Youth service developments

4.13. Funding from the Department for Digital, Culture, Media and Sport (DCMS) via the Youth Investment Fund allowed us to upgrade two outdated youth centres in 2024/25. Heathfield Youth Hub and the JOFF Youth Hub in Peacehaven are due to reopen in the summer of 2025. Capital funding has also been secured through the national Levelling Up programme for a major refurbishment and extension of facilities for the Hollington Youth Hub in Hastings. The Hub closed at Easter 2025 and will reopen in March 2026.

### **5. Education and Special Educational Needs and Disability (SEND)**

#### National education reforms

5.1. The Children's Wellbeing and Schools Bill contains significant reforms related to education which will impact locally on ESCC and schools. It aims to reshape key aspects of England's education system, provide clarity on key areas of work and strengthen the role of local authorities. The Bill also contains important provisions for children not in school, who are often amongst the most vulnerable.

5.2. The Bill also includes a commitment to a national rollout of free breakfast clubs in every primary school in England. The first phase began in April 2025. Schools in Hastings, Seaford and Eastbourne were among those chosen to pilot the new scheme, which is expected to be expanded in summer 2025.

### *Elective Home Education*

5.3. The number of electively home educated children in East Sussex continues to rise, reflecting a national trend. In the 2023-2024 academic year, 2,636 children were home educated, a 25% increase from the previous year. The majority of these children are secondary aged. Urban areas and areas with economic disadvantage continue to have higher proportions of elective home education children.

5.4. The Children's Wellbeing and Schools Bill will introduce mandatory registration for electively home educated families, replacing the current voluntary system. Local authorities will have clearer responsibilities for tracking and supporting home educated children. In preparation, we will:

- review our existing related infrastructure, policies, and procedures;
- ensure our case management systems track electively home educated registrations and assessments; and
- continue to build trust and transparency with the home education community and engage proactively with families.

### *Approach to academies*

5.5. The Bill also contains key reforms related to academisation. Academies will lose some of their current flexibilities and be required to align more with local authority maintained schools. Academies will also be required to follow the national curriculum. The Bill will repeal the duty to issue academy orders for maintained schools that are judged 'inadequate' by Ofsted. This will allow the Secretary of State the flexibility to determine what the most appropriate action is to drive school improvement in each individual case. The presumption that any new school is an academy will also be removed.

5.6. The Bill also outlines new duties for local authorities and schools to cooperate on areas such as admissions and place planning and will give local authorities the ability to direct academies to admit a child. It focuses on the role of local authorities to ensure that children can attend their local schools and brings more alignment between academies and maintained schools. We will continue to work through our strong school partnerships to ensure that all schools are meeting the needs of their school communities.

### Small schools strategy

5.7. Working with our school leaders and the Dioceses, we believe that the future of our schools is best safeguarded through groups of schools working together in partnership, within their locality. We will continue to encourage small schools to work together, developing a variety of strong partnership models which contribute to the broader school-led system across the county.

## Special Educational Needs and Disabilities (SEND) reforms

5.8. There have been a number of reviews of the SEND system in recent years, leading to the publication of a [Green Paper in March 2022](#). As a result, the SEND Change Programme was established to look at different areas that could be reformed to make improvements to the system. Along with the other Sussex local authorities and Portsmouth City Council, East Sussex has been part of the South East Change Programme.

5.9. The current Government has indicated that it views SEND reform as a priority. Since the autumn of 2024, there has been a shift in the work of the Change Programme with greater focus on improving inclusive practice in mainstream schools. This shift, along with proposed changes to the school inspection framework, will support improvements to inclusion, outcomes and financial viability across the SEND system. However, we are still awaiting a clear policy direction from the Department for Education (DfE) on the broader issues around SEND and how the system will be funded sustainably in the future. At the Spending Review in June 2025 it was confirmed that details of the Government's intended approach to SEND reform will be set out in a Schools White Paper in the autumn. Further details on supporting local authorities with the transition to a reformed system are also expected as part of the upcoming local government funding reform consultation.

## East Sussex Area SEND Inspection and SEND Strategy

5.10. In November 2024, Ofsted and the Care Quality Commission (CQC) undertook an Area SEND (ASEND) inspection of the East Sussex Local Partnership (ESCC and NHS Sussex Integrated Care Board). The local area was given the middle outcome. The [ASEND inspection report](#) highlighted what the area partnership is doing well, including areas of good practice and examples of multi-agency working with professionals to provide holistic support for children and young people and their families.

5.11. The report also identified some areas for improvement, including:

- Improving the quality of Education, Health and Care Plans (EHCPs) to better identify the provision that children and young people require to meet their needs. This should include:
  - improving joint working of practitioners, particularly health, to contribute to EHCPs; and
  - ensuring a more timely and precise annual review process.
- Taking further action to reduce overall waiting times in relation to neurodevelopmental pathways, Child and Adolescent Mental Health Services (CAMHS) interventions and the provision of wheelchairs and ensuring that support provided to families while waiting is well used and beneficial.
- Developing and embedding work with education settings on improving inclusion.
- Ensuring that there is sufficient and suitable alternative provision and post-16 options for children and young people with SEND.

5.12. As a partnership, we have published a new [ASEND Inspection Improvement Plan](#) to address these areas. This further builds on our work and aligns with the Ofsted and CQC requirements. We have also extended our [SEND strategy](#) for an additional year, to run until the end of the 2025-26 academic year, whilst the national direction of travel is clarified.

5.13. 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. Improving outcomes for children with SEND is a key priority for the Partnership and focused work is underway with schools and partners through our SEND Strategy. We

continue to monitor the impact of increased demand on SEN funding and sufficiency of provision.

#### Educational attainment

5.14. The Council has a statutory duty to promote high standards in education. This currently is discharged within the context of the removal of the DfE grant for school improvement and the expectation that schools themselves should lead improvement. In East Sussex, we deliver this duty through working collaboratively with all schools through our partnership structures and supporting a school led system of improvement.

5.15. Children and young people in East Sussex achieve above the national average for Early Years Good Level of Development, however, at other key stages results remain below the national average.

5.16. Despite results remaining below the national average, there have been improvements and encouraging performance by several schools/trusts. Partnerships with and across schools are a strong feature of education in the county.

5.17. Actions we will take to improve primary school attainment include reviewing and analysing data collaboratively with school leaders to help us identify joint priorities and plan accordingly, and targeting school improvement resources through the Primary Board, including using our alliance partner programme to deliver bespoke support as needed.

5.18. Actions we will take to improve secondary school attainment include targeting school improvement resources through the Secondary Board, including using our external adviser programme to deliver bespoke support as needed, focusing on improving outcomes for disadvantaged pupils, and embedding a programme of 'Study Visits' for headteachers and senior leaders. Attendance is a critical factor when considering attainment and progress outcomes for all key stages and pupil groups. We continue to support all secondary schools to implement the statutory guidance on attendance (see section 5.22 below).

#### *SEND attainment*

5.19. Attainment for pupils with SEND is above the national average for Early Years Good Level of Development for children with SEN support but not for children with EHCPs. At Key Stage 2 performance is below the national average. At Key Stage 4 attainment for East Sussex pupils with SEN support is below the national average and for pupils with an EHCP it is slightly above the national average.

5.20. We will continue to take action to improve SEND attainment including continuing to develop capacity in early years providers, primary and secondary schools to support children with EHCPs effectively, and continuing to improve identification and planning for children, including better joining up working across teams. We will also continue to champion young people with SEND, ensuring that the outcomes and needs of young people with SEND are central to the plans of our school partnerships and our work with multi-academy trusts.

#### School attendance

5.21. The impact of the Covid pandemic continues to significantly impact school attendance locally and nationally. Whilst we have seen some marginal gains, East Sussex continues to have high levels of non-attendance, suspensions, and exclusions. School leaders are experiencing increased levels and complexity of need in their school populations and the demand for support services remains high.

5.22. In accordance with the national statutory guidance [Working Together to Improve School Attendance](#), which clarifies roles for local authorities, schools, and families, we continue to strengthen oversight of attendance through regular individual dialogue with all schools and by providing early help and support to schools and all families of children whose attendance is less than 50%. We will continue to collaborate with schools to monitor attendance and identify pupils at risk from persistent absence.

### Home to School Transport

5.23. Home to school transport (HTST) is under significant budgetary pressure, primarily due to increases in the number of children and young people eligible for HTST and increased costs associated with providing transport. The majority of spend for HTST relates to children with SEND and there has been an increase in the number of children with SEND with more complex needs. The number of pupils with an EHCP is currently forecast to rise in East Sussex by 22.7% over the next three years, having increased by 32.2% in the last three years.

5.24. In addition, some children are transported to schools some distance from their home; this can be due to local schools being unable to meet their needs or because of tribunal decisions. This results in children being transported further distances at greater cost.

5.25. Updated national guidance on home to school transport is expected and we will consider the implications when this is issued. Children's Services will work with Communities, Economy and Transport to maintain the delivery of the Council's statutory responsibilities and continue to look at ways we can reduce costs, including:

- Conversion of solo transport to shared routes.
- Route optimisation.
- Implementing a new strategy for an enhanced personal transport offer where this is cost effective.
- Promoting independent travel training.
- Increasing the number of pupils travelling on public transport to school.

## **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 and the Household Support Fund

6.2. The multi-agency Financial Inclusion Steering Group continues to oversee a programme of activities to improve financial wellbeing and help residents with the cost of living. Priorities include maximising resident income, building capacity in the system and improving the inclusivity of services.

6.3. To achieve this we continue to maintain the Council's [cost of living webpages](#), as a central information source for residents and partners, promote information through non-digital communications, and design and deliver targeted welfare benefits campaigns to enable residents to access support.

6.4. Our East Sussex Money Guiders training programme, delivered in partnership with the Money and Pensions Service, offers training and resources to workers across all sectors

to build capacity, ensure the correct information, guidance and advice is given, and enable residents to access the right services.

6.5. The Department for Work and Pensions has extended the Household Support Fund (HSF) for a further full year to March 2026. The fund supports households in the most need with essential costs including food, energy and water bills, and helps manage demand on services provided by the Council and other partners. HSF in East Sussex is delivered through a wide range of partners including Adult Social Care and Health, Children's Services, Warmer Homes, foodbanks and food partnerships, district and borough councils, and twenty VCSE partner organisations. At the recent Spending Review the Government set out its intentions to reform crisis support, including a multi-year settlement to transform the HSF into a new Crisis and Resilience Fund incorporating Discretionary Housing Payments. Further details are awaited and we will continue to administer these funds whilst they are made available by Government.

#### VCSE support, development and infrastructure

6.6. The Council has renewed our investment in the [VCSE Alliance](#) for a further three years from 2025. The Alliance brings together organisations to share insight on community needs and to enable the VCSE sector to increase its influence, voice and trust amongst partners.

6.7. A new three year programme funded by the Council has been developed to support VCSE capacity building, infrastructure support and asset based approaches to resident and community wellbeing. This programme will support the shift to more person and community centered approaches to improve health and wellbeing. This will include mobilising assets within communities, encouraging equity and social connection, and increasing people's control over their health and lives. VCSE partners in each of the five district and borough council areas will work together with residents, groups and organisations to support all communities to be connected and thrive.

6.8. In 2025, the Council is collaborating with the Alliance and Sussex Community Foundation to commission a new research project on the state of the VCSE sector. A refreshed understanding of the sector is essential to the Council and partners given the range of pressures and demands on the system in recent years, so that there is a contemporary assessment of the health and resilience of the VCSE sector to inform future planning and policy.

#### Migration

6.9. A new [Restoring Control Over the Immigration System White Paper](#) was published in May 2025 setting out reforms to legal migration.

6.10. The White Paper has five key principles:

- Reduce net migration;
- Link the immigration system to skills and training requirements in the UK, so that no industry is allowed to rely solely on immigration to fill its skills shortages;
- The system must be fair and effective;
- Rules must be respected and enforced; and
- The system must support integration and community cohesion.

6.11. Updated measures in the White Paper include increasing the threshold for skilled worker visas to reduce lower skilled migration; workforce strategies to increase training and participation rates in the UK; closing the social care visa route to overseas recruitment;

restricting dependants; increasing English language requirements; and increasing the length of time people need to be in the UK to achieve settled status.

6.12. The White Paper puts forward changes the Government intends to make, and we await further details and implementation timescales to help us to fully understand the impact. However, we anticipate that these measures could have a significant impact on the care workforce and we will work with our providers to understand this as proposed measures progress.

#### *Humanitarian protection schemes*

6.13. Separate from this White Paper, new measures specifically to respond to 'irregular migration', including small boat crossings, are included in the [Border Security, Asylum and Immigration Bill](#). This repeals some provisions within the previous Government's legislation. However, plans remain in place to deliver dispersal accommodation across the UK, with all areas expected to participate in accommodating people seeking asylum. The Home Office holds procurement plans and targets for dispersal accommodation for all areas, including the South East. Indications are that the current Government will seek to take a more 'place based approach' that considers asylum dispersal in the wider context of other types of asylum accommodation and refugee resettlement, and this may require greater engagement and accountability at a local level. At the recent Spending Review Government allocated additional funding to reduce the asylum backlog and committed to ending the use of hotel accommodation by the end of the parliament.

#### *Homes for Ukraine and the Ukraine Permission Extension Scheme*

6.14. The Ukraine Permission Extension (UPE) scheme opened for applications in February 2025 to allow Ukrainian nationals, or family members of Ukrainians living in the UK with existing permission on one of the Ukraine schemes, to live in the UK for a further 18 months. The Council continues to support Ukrainians in East Sussex through the Homes for Ukraine programme, which will support to people on UPE where this is needed and appropriate. The Homes for Ukraine scheme also remains open to new applications.

#### *Afghan Resettlement Programme*

6.15. The Government is consolidating resettlement schemes under a single Afghan Resettlement Programme (ARP) to streamline support and funding. The revised programme will update arrangements for funding, transitional accommodation, and resettlement, and will require local authorities to put forward proposals for support. In East Sussex, the ARP is led by district and borough councils.

#### *Safe and legal migration routes*

6.16. A consultation on capping other safe and legal migration routes was halted due to the general election. Further updates on safe and legal routes and any associated caps will be determined following future consultation, in which the Council and partners will participate, once details of this become available.

#### *Support for Separated Migrant Children*

6.17. The Council remains committed to the [National Transfer Scheme](#) for Separated Migrant Children (previously known as 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.

6.18. Under a new Government policy, young people seeking asylum status are now processed more quickly and, as a result, can spend longer in appeal. Supporting a young person who is in appeal is not as well funded and could result in financial pressures for the Council. We are working through the implications of this change.

## Community Safety

### *Preventing violent extremism*

6.19. The terrorism threat to the UK remains 'substantial', meaning an attack is likely. To prevent future incidents, several national developments are taking place in 2025 including the Terrorism (Protection of Premises) Act 2025 (or Martyn's Law); a rapid review into counter extremism policy; a national review of Police Led Partnerships; and a national evaluation of the Channel programme.

6.20. Locally, we expect to see an increase in the number and complexity of Channel cases (those relating to people susceptible to radicalisation). The counter extremism review will see the introduction of new powers to tackle the rapid increase in youth radicalisation and measures to strengthen the Prevent programme. The Safer East Sussex Team will continue to work with system partners, including Sussex Police, to respond to national updates and co-ordinate efforts to prevent violent extremism in East Sussex.

### *Serious violence and adult exploitation*

6.21. The Government's Safer Streets mission to halve knife crime within a decade will influence how Violence Reduction Partnership funding is allocated and will introduce a new power to seize knives in public places, including schools. Youth Futures prevention partnerships and panels will be introduced to manage suspects in crimes, young people at risk of offending, and anti-social behaviour. The Serious Violence Duty national guidance (2025) has also been refreshed.

6.22. The remit of the East Sussex Violence Reduction Partnership will be expanded to include criminal and sexual exploitation of adults due to recent increases in serious violent crimes, and links between serious crime and exploitation. The Council's Children's Services panels (Immediate Justice, Turnaround and REBOOT) will influence how Violence Reduction Partnership funding will be allocated.

6.23. Multi-Agency Risk Assessment Conferences (MARACs) are regular multi-agency meetings to discuss victims of domestic abuse who are at the highest risk of serious harm or death. In East Sussex, the number of cases discussed are 29% above recommended levels and that of the national average, with volumes reaching 35 – 40 cases a week. In order to address this, a pan-Sussex MARAC review will be led by Sussex Police, drawing on national best practice examples. East Sussex is leading the way with proposed changes to referral criteria and the introduction of a separate High Risk Domestic Abuse Panel. The proposal is for the majority of multi-agency liaison and action planning on high risk victims to take place online rather than at in person meetings which will be used only for cases that would most benefit from a multi-agency discussion.

### *Domestic and Sexual violence and abuse and violence against women and girls*

6.24. We are working with partners to tackle domestic and sexual violence and abuse, and violence against women and girls through a locally produced action plan. The plan is

informed by the pan-Sussex needs assessment and strategy in fulfilment of Domestic Abuse Act 2021 duties, including those related to domestic abuse-related death reviews.

6.25. The Council's application to reinstate White Ribbon accreditation has been accepted and the action plan to February 2027 demonstrates a commitment to ending violence against women and girls. However, as we have not seen an increase in funding to match rising costs in delivery, it will be challenging for the Council to sustain its offer with current resources.

#### *Substance misuse*

6.26. In response to a relative funding reduction in 2025/26 of the Drug and Alcohol Treatment, Recovery and Improvement Grant (DATRIG), the Safer Communities Team is working with the commissioned treatment provider to ensure continuity of service provision.

6.27. The DATRIG is for one year, which means that the recommissioning of drug and alcohol treatment services can only be specified against the core budget available which has reduced due to the financial pressures on the Council. Services such as 'Carer Provision' and 'Outreach and Navigators' will have reduced capacity and direct funding will cease for a women-specific service, recovery activities, and some elements of the psychosocial interventions previously provided. However, some specific support services will be integrated into the commissioned treatment provider, such as prison in-reach services, and our specialist partners and providers, to minimise impact on the people accessing these services and the wider community.

6.28. The 'Harm to Hope' Board will oversee developments in recommissioning of substance misuse services in East Sussex and its strategic work will continue, focusing on improving joint working protocols, access to primary care, continuity of care in the justice system, services for underrepresented groups and respiratory and liver conditions.

#### Trading Standards – priorities and future focus

6.29. Legislation previously agreed, or currently progressing through Parliament, will result in several new powers available to Trading Standards to underpin and develop work to protect consumers and businesses in East Sussex and ensure fair trading in the county. The service will integrate the new legislative provisions outlined below into business as usual as they come into effect.

6.30. In April 2025, the Digital Markets, Competition and Consumers Act 2024 came into force. The Act gives Trading Standards new powers to deal with issues such as drip pricing (where consumers are initially shown a low price for a product or service, but additional fees are added later in the buying process) and fake reviews, but also encourages more collaborative work with the Competitions and Markets Authority to deal with large scale consumer issues in partnership.

6.31. The Tobacco and Vapes Bill (see 3.74 above) will provide new powers to Trading Standards to issue fixed penalty notices for contraventions of the legislation when it comes into force. In addition, from 1 June 2025, Trading Standards powers to enforce regulations banning the sale of disposable vapes came into force.

6.32. The Product Safety and Metrology Bill is likely to receive royal assent in the coming year. The Bill aims to update product safety and metrology law since EU transition and adapt the legal framework to accommodate technological advancements like artificial intelligence (AI) while ensuring an equitable landscape, particularly regarding online marketplaces and product safety.

### Local resilience arrangements

6.33. Martyn's Law, officially the Terrorism (Protection of Premises) Act 2025, has now received royal assent. The Act mandates that certain premises and public events in the UK take steps to enhance preparedness for and protection from terrorist attacks. It applies to publicly accessible locations and events, dividing them into two tiers based on capacity, each with specific requirements, with the goal to improve public safety by making premises and events better prepared to respond to attacks and reduce harm. The Government intends for there to be an implementation period of at least 24 months before the legislation is commenced, which will provide those responsible for premises and events to have sufficient time to understand the new obligations, and to plan and prepare accordingly. An assessment of the ESCC estate has concluded that all ESCC premises fall into the standard tier and therefore premises will be expected to have procedures in place for evacuation, invacuation, locking down the premises, and communicating with individuals on the premises. Government will release guidance on the implementation of this legislation in the coming months, which will be required to fully assess the impact of the Act.

6.34. One of the recommendations arising from the Covid-19 Inquiry was to hold regular UK-wide pandemic response exercises. The Government accepted this recommendation and work has commenced on preparation of a national pandemic preparedness exercise (exercise Pegasus), to be held in autumn 2025. The exercise is designed to test the nation's preparedness, capabilities, and response arrangements in the context of a novel infectious disease pandemic. The exercise will test the Council's response plans, ensuring ESCC is resilient in the event of another pandemic.

### National planning reforms

6.35. In March 2025, the Government introduced the [Planning and Infrastructure Bill](#), which is expected to receive royal assent later this year. The overarching aim of the Bill is to reform the planning system to increase housing and infrastructure delivery, modernise planning authorities, and to speed up decision making and the Local Plan making process.

6.36. Aspects of the Bill are unlikely to have a substantial impact upon ESCC, in terms of our existing role as the County Planning Authority. Measures proposed include a national scheme of delegation (i.e. prescribing which planning applications need to be considered by a Planning Committee), mandatory training for Planning Committee members and specifying the composition of Planning Committees. Although close attention will need to be paid to these measures, they are unlikely to result in the need for substantial changes to be made in the way the County Planning Authority, including the Planning Committee, is run and managed.

6.37. Of greater significance to the County Council is the element of the Bill that sets out the return of statutory strategic planning, with the requirement for Spatial Development Strategies (SDS) to be prepared by Strategic Planning Authorities (SPA). An SDS will set out policies that broadly distribute development (i.e. how many houses will be built in particular areas), as well as the infrastructure to support that development. The geography of an SDS is expected to be consistent with combined authorities.

6.38. The Bill sets out that SPAs which will be required to produce a SDS include combined county authorities, and upper-tier county councils and unitary authorities which do not form part of a combined authority. As the Sussex Mayoral Combined County Authority is proposed to be in place by May 2026, it is expected that it will take responsibility for the production of the SDS, subject to Government approval. The Council will have a significant role in its production, contributing towards and influencing the evidence base to inform the

SDS, as well as its content. There will be clear resourcing and budgetary implications of this for ESCC, although further detail is required from Government to accurately assess these.

6.39. Other reforms in the Planning and Infrastructure Bill relating to the Nature Restoration Fund and Nationally Significant Infrastructure Projects will have implications for relevant development proposals that the Council is either promoting, determining the applications for, or acting as a consultee.

6.40. The Government has also recognised the important role played by statutory consultees in the planning system and is proposing a number of changes, reforms and reviews as to how they operate. This is an important matter to ESCC given that we perform a statutory consultee role as Highways Authority, Lead Local Flood Authority and County Planning Authority. The Government wants statutory consultees to make more timely responses on applications, for local planning authorities to limit the occasions when consultations take place and to introduce a new performance framework for consultees. The Government has recognised that statutory consultees need to be resourced adequately and on a sustainable basis and is expected to announce further details on this in the coming weeks. Until such details are forthcoming, along with further information on the already announced measures, the implications of these changes to ESCC cannot yet be fully established.

## **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, bus and rail reforms, the update to the Local Transport Plan and associated strategies, and planned improvements to local public transport.

### **New Local Transport Plan 2024-2050**

7.2. The East Sussex [Local Transport Plan 4](#) (LTP4) 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. Following extensive public and stakeholder consultation, the LTP4 and associated documents were adopted by the Council in October 2024. This included an Investment Plan of short, medium and long-term interventions and initiatives which support the delivery of the Plan's vision and objectives. Both LTP4 and its Investment Plan now provide the strategic platform to help prioritise and determine investment in transport infrastructure in the county in the short term. The main implications are in managing public and partner expectations on what can be delivered within the limited budgets available as opportunities to successfully secure external funding, usually via competitive bidding rounds, may impact on our ability to deliver on the strategy going forward.

7.3. LTP4 will also provide a strong evidence base for the proposed Mayoral County Combined Authority (MCCA) for Sussex, as the new Mayor would have powers to develop a joint transport plan for the MCCA geography.

### **Integrated National Transport Strategy**

7.4. The Government is developing an Integrated National Transport Strategy which will set the high-level direction for how transport should be designed, built and operated in England over the next 10 years. It will set out a single national vision which intends to put people who use transport and their needs at its heart, and empower local leaders to deliver integrated transport solutions that meet the needs of their local communities.

7.5. Last year, the Government issued a 'call for ideas' consultation. In our response we advocated for a vision led, 'people and places' approach, which the Council applied in the development of LTP4. Our response also advocated that funding (both capital and revenue) should be available to reflect the multi-modal approach of transport over a longer time period. In addition, where infrastructure is linked to development and supporting growth, we suggested that an 'infrastructure first approach' is key, with the appropriate funding needing to be in place to enable delivery in advance or alongside development. It is expected the Integrated National Transport Strategy will be published later in 2025.

#### Rail reforms and services

7.6. One of the five strategic priorities for the Department for Transport (DfT) is improving performance on the railways and driving forward rail reform. The Passenger Railway Services (Public Ownership) Act 2024 received royal assent in November 2024, and means nearly all passenger rail services will be re-nationalised when existing contracts expire. Government will be bringing forward further legislation to establish Great British Railways (GBR), the organisation which will absorb Network Rail and the train operating companies. Government consulted on its proposals for GBR in its 'A railway fit for Britain's future' consultation undertaken in spring 2025.

7.7. Together these changes will 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 GBR to ensure these changes benefit our residents, those visiting East Sussex, and businesses operating in and out of the county.

7.8. 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 Transport for the South East (TfSE) Strategic Investment Plan and the LTP4 Implementation Plan. In the meantime, KentSussex Connect, involving business and other interested parties, and the local authorities in East Sussex and Kent continue to work collaboratively to explore opportunities to lever in private sector finance or investment to fund the delivery of the rail schemes identified in the study.

#### Highways maintenance

7.9. In December 2024, Government announced £21m maintenance funding allocation for ESCC in 2025/26, which supports our planned capital programme. £5.5m of this funding is contingent on the Council demonstrating to Government that it is complying with certain criteria aimed at driving best practice and continual improvement in highways maintenance and publishing information on our website regarding asset plans, asset condition and spending.

7.10. Additionally, ESCC needs to provide more detailed information on how we are meeting best practice by 31 October 2025. This will include not only highway maintenance, but how we are managing our street works to minimise disruption (including the introduction of the lane rental scheme), what we are doing to understand any risks to the network arising from climate change, how we are decarbonising our operations and how we apply a risk-based whole life cycle asset management approach to all highways assets, including bridges, footways, cycleways, street lighting, drainage, and soft estate. The East Sussex Highways team is in a good position to provide the required data and documentation and

evidence our compliance with best practice, although this will take additional officer time and cost to commission some data we do not currently hold.

### Bus Services Bill

7.11. The [Bus Services Bill](#) aims to make it easier, faster, and more flexible for local authorities across England to take greater control over their bus services through franchising, ultimately aiming to improve services for passengers. The Bill will empower all Local Transport Authorities (LTAs) to franchise bus services without needing prior consent from the Secretary of State, and it will accelerate the process of doing so. At this stage we have indicated to the DfT that our current position on franchising is that we are open to exploring whether franchising could deliver benefits in East Sussex and opportunities for franchising in the future.

7.12. Other provisions include the direct awarding of initial contracts, allowing LTAs to directly award the first franchise contracts to incumbent operators for a maximum of five years, greater flexibility in service descriptions, streamlined data sharing and enhanced enforcement powers. The Bill will also grant the Secretary of State for Transport powers to issue guidance on making bus stops and stations more accessible and safer for people with disabilities, as well as to set an end date (no earlier than 1 January 2030) for the sale of new non-zero emission buses for local services outside of franchised areas.

### Bus Service Improvement Plan

7.13. ESCC received £41.4m in BSIP funding (£22m capital and £19m revenue) in 2022. The majority of the capital funding (£20m) was allocated to deliver bus priority measures by the end of the financial year 2024/25, which was subsequently extended to 2025/26. £13m of the revenue funding was allocated to bus service improvements, including the Flexibus Digital Demand Responsive Transport services, and these improvements are funded to April 2026. £5m of the revenue funding was allocated to providing reduced fares in East Sussex and will do so until April 2026. Delivery of the East Sussex BSIP has played a key role in East Sussex's bus passenger numbers being one of the highest in England in 2023/24, compared to pre-Covid levels. We are sixth nationally and the top rural and shire authority.

7.14. Following public consultation in both 2023/24 and 2024/25 across bus priority proposals, schemes in Eastbourne and Newhaven are progressing with continued engagement with stakeholders which will support the final designs. The cost of delivering these schemes will come from external funding so will not impact on our budgets but there will be an ongoing maintenance cost to some of these schemes.

7.15. East Sussex County Council published the [East Sussex Bus Service Improvement Plan 2](#) (BSIP) in May 2025. The BSIP 2 outlines a range of deliverables aimed at enhancing bus services in East Sussex:

- Conventional Bus Services: Maintain the existing bus network where possible and the BSIP enhanced services that have been in place from July 2023.
- Rural Service Improvements: The continuation of the Flexibus service which provides rural residents with access to key services and to the wider public transport network.
- Traffic Light Priority: bus priority at 30 traffic signal-controlled junctions in areas including Eastbourne, Hastings, Peacehaven and Newhaven.
- Fares and Ticketing: including fare reductions for young people, a new multi-operator day ticket, and discounted single trip fares.
- Passenger Experience: Improvements to real-time information at bus stops, QR codes for accessing live information, interchange enhancements, and bus stop upgrades



across the county. Construction of key interchange facilities, with Uckfield completed in October 2024 and Hailsham expected in summer 2025.

- Fleet Improvements: Working with bus operators to increase the number of low and zero-emission buses in East Sussex.
- Ongoing Support: funding for BSIP delivery through the bus team, marketing and communications initiatives.
- Infrastructure Integration: Integrating bus improvements with wider transport infrastructure programs in the county.

7.16. The BSIP also sets out longer-term ambitions beyond 2026, focusing on further improvements to the bus network, bus priority measures, fares, passenger experience, and fleet.

### Rail and Freight Strategies

7.17. Following the adoption of the East Sussex LTP4, the supporting Rail and Freight Strategies have been updated to reflect its vision led approach, revised objectives and policies. For the Rail Strategy, this has included assessing the opportunities in relation to Operations and Infrastructure, Planning, Policy and Data and Urban Delivery. For the Freight Strategy, this has included assessing the opportunities in relation to infrastructure, service enhancement, customer experience and connectivity to the station. Both strategies are currently subject to stakeholder and public consultation, before being presented to the Lead Member for Transport and Environment for approval and adoption.

### Active Travel developments

7.18. 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 active travel infrastructure projects and is being used to inform the review of borough and district councils' Local Plans. The LCWIP will be refreshed in 2025 as a supporting document to LTP4.

7.19. The Council's local authority self-assessed active travel grade was re-affirmed in September 2024 by Active Travel England (ATE) as Level 1, securing active travel funding to deliver the development of pipeline schemes for future capital funding bids in 2025. 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 for both officers and Members regarding active travel. In addition, we have received consolidated revenue and capital funding for the development and delivery of active travel schemes during 2025/26.

7.20. The Council continues to aim towards achieving beyond the current ATE level 1 assessment so that we can unlock further external funding from ATE to support the delivery of the vision and objectives set out within our LTP4. However, without significant external funding for these programmes, we will not be able to deliver our ambitious plans for active travel infrastructure in the county.

### E-vehicle charging

7.21. Transport is now the greatest contributor to carbon emissions in East Sussex. Supporting this area will be a major part of carbon reduction within the county, and the Council has made a commitment to develop a strategy to support the growing demand and needs of Electric Vehicles (EV) users within East Sussex. Reflecting the national strategy at

a local level, a draft EV Charging Strategy has been developed as a supporting document to our LTP4.

7.22. The ability to charge at or close to home is a major concern to many EV users. In November 2023, £4.441m was secured under tranche 1 of the Government's Local Electric Vehicle Infrastructure (LEVI) Fund. The funding will help the Council to scale up the delivery of local on street chargepoints, enabling 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.

7.23. Separate grant funding has 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 in line with Government best practice guidance, as well as the liability and ongoing maintenance of these channels, alongside how this affects the commercial viability of potential on-street chargepoints delivered using the LEVI funding.

7.24. Procurement of a chargepoint operator will be undertaken during 2025 with an expectation that the initial roll out of on-street chargepoints will commence from autumn 2025 onwards. Following the initial investment and installation of chargepoints across the county the effectiveness of the take up by the public will determine the future implications of this work as there is the potential for a proportion of the income generated to be used to support Council services.

#### Transport for the South East (TfSE)

7.25. We have provided evidence for the refresh of TfSE's Transport Strategy and a response to its consultation on the draft strategy which will inform the final draft to be presented to the TfSE Board in summer 2025 before submission to Government in October. We will also work with TfSE to support their review and update of the Strategic Investment Plan (SIP) first approved by TfSE's Board in November 2022. The SIP identifies key transport priorities across the region and has helped to access funding for eight key schemes last year.

7.26. Launched last summer, we have provided case study evidence to the TfSE Centre of Excellence which now has over 200 recognised users and has been recognised as an exemplar by the Department for Transport. This also means we can collaborate and learn with national organisations, universities, and professional institutions to share best practices and strengthen our capability.

#### Road safety developments

7.27. The statutory duty placed on us, and the expectation of our residents, in terms of road safety is significant. To manage this, we have a range of measures and programmes designed to fulfil the wide-ranging pressures we face, including an annual assessment of crashes occurring on our road network to inform prioritisation of road safety schemes. Nationally, the Government has confirmed the first Road Safety Strategy for over a decade is in development and expected to be published later in 2025.

7.28. A review of speed limits on all A and B-class roads across the county was recently undertaken which identified 13 roads where a lower speed limit would be more appropriate and three roads where measures to improve compliance with an existing speed limit would be beneficial. £500,000 has been allocated to take forward schemes at these sites, and consultations are underway for four of the lower speed limits, with a further two planned to commence during 2025/26. The measures to encourage compliance with existing speed



limits are due to be completed in summer 2025. The remaining speed limit changes will take place in 2026/27.

7.29. 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), launched in February 2024, is continuing into 2025/26. 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 during 2025.

#### Exceat Bridge replacement

7.30. Following the reallocation of some Bus Scheme Improvement Programme (BSIP) funding to the bridge replacement project, the preferred option of a two-lane, offline bridge is progressing. In view of the objections received by the Department for Transport against the Compulsory Purchase Orders necessary to secure the land needed for the new bridge, a Public Inquiry was held in May 2025 and we await the decision from the Secretary of State in the autumn. Construction of the new bridge is expected to commence in early 2026.

#### National Highways Programmes

##### *Strategic Road Network (SRN) - A27/A21*

7.31. The Government's second [Roads Investment Strategy](#) (RIS2), covering 2020-2025, identified further work would be undertaken to develop 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 by National Highways (NH) to DfT in January 2023 for consideration alongside the other RIS3 pipeline scheme studies.

7.32. The RIS3 was expected to be published by March 2025. However, Government announced in February 2025 that RIS3 will cover the five-year period from April 2026 to March 2031 with an interim settlement for NH being put in place covering 2025-26. It is expected that the draft strategy will be published in summer 2025 and the final strategy in place at the end of 2025.

7.33. NH's Strategic Road Network Initial Report and South Coast Central Initial Report, published in May 2023, indicated that the A27 Lewes to Polegate will slip to become a pipeline project in RIS4. Alongside our partners, it is important we 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 at Kippings Cross to Lamberhurst, Flimwell and Hurst Green through future RISs. The schemes for the A27 and A21 corridors, included within the TfSE SIP and the LTP4 Implementation Plan, will improve the economic connectivity of the county.

##### *Major Road Network (MRN)*

7.34. The MRN sits between the Strategic Road Network and the local road network and includes the busiest and most economically important local authority A roads. In East Sussex there are a number of roads included as part of the MRN, including the A259 between Rottingdean and Pevensey Bay and A22 Eastbourne to Forest Row (including Golden Jubilee Way).

7.35. The Outline Business Case for the A22 Corridor Package, focused on the Hailsham, Polegate and Stone Cross section of the corridor, was approved in May 2024 with the full business case planned for submission to Government in March 2026. A decision is still pending from Government on the Strategic Outline Business Case submitted for the A259 South Coast Corridor Package. Further business cases are being developed should further rounds of MRN funding become available. The development and delivery of these packages of MRN funded schemes are required to meet infrastructure needs that will come forward through the Local Plan processes as well as support the objectives of our adopted LTP and its supporting documents, our Prosperity Strategy, alongside TfSE's Transport Strategy and Strategic Investment Plan and national policies.

## **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, including through the East Sussex Prosperity Strategy, skills and employability programmes.

### Government plans for economic growth

8.2. The Government has indicated that delivering economic growth is its number one priority, with an aim for the UK to achieve the highest sustained growth in the G7. To support this, in November 2024 the Government published [Invest 2035: The UK's Modern Industrial Strategy Green Paper](#), a 10-year plan to provide certainty and stability to businesses to encourage investment in the high growth sectors. The growth sectors identified in the Green Paper were: advanced manufacturing; clean energy industries; creative industries; defence; digital and technologies; financial services; life sciences; and professional and business services. The Council responded to the consultation on the Green Paper, noting the importance of flexibility in the Industrial Strategy so it can align with local high growth sectors including health and social care, agri/viticulture and the visitor economy. The Government's final Industrial Strategy, to be published in June 2025, will set out how it plans to accelerate growth in the eight growth-driving sectors and strengthen economic resilience.

8.3. A second key pillar of the Government's growth plans is its ambition to build 1.5m new houses by the end of the parliament, including a new generation of new towns to be built across England. The Council will need to work to ensure that any new significant developments in East Sussex have the necessary infrastructure and services in place to support communities. The Government also intends to speed up the development of critical major infrastructure, and to this end has indicated that it is minded to approve the use of a second runway at Gatwick Airport, with a final decision expected later in 2025. A 10 year national Infrastructure Strategy is also expected imminently.

### Local economic strategy

8.4. Under the Government's devolution plans, the proposed Sussex Mayoral Combined County Authority will have powers that cover economic development and regeneration, including a statutory duty to produce a Sussex-wide Local Growth Plan. Devolution and plans for local government reorganisation will create both opportunities and complexity for local economic development teams to respond to, alongside delivery of existing functions and schemes.

8.5. We will continue work to develop a strategic investment plan to support the delivery of the missions in the [East Sussex Prosperity Strategy 2024-2050](#), which we envisage will feed into any proposed Sussex-wide Growth Plan. The missions encompass Business,

People and Place with associated interventions aimed at increasing prosperity across the county. We will also continue to support Team East Sussex (TES) which is the county's business-led public/private advisory growth board and will also continue to support a range of sectoral special interest boards to further work on economic prosperity.

8.6. We are awaiting the publication of the Government's new Industrial Strategy and Small Business Strategy in 2025, alongside the launch of a new national Business Growth Service to work alongside the Growth Hub network to support business growth. The Economic Development Team continues to deliver the East Sussex Growth Hub, alongside a raft of business support programmes.

#### *Levelling Up Partnerships*

8.7. Rother and Hastings are Levelling Up Partnership areas, each receiving a funding package of £20m to invest in areas such as housing, health and wellbeing, skills, and economic development. As part of the programmes, ESCC has been awarded funds including to deliver: a Youth Hub in Hastings; a £1m skills fund; and monies to assist with the completion of the Queensway Gateway Road.

#### *Plan for Neighbourhoods*

8.8. Under the previous Government, Bexhill, Eastbourne and Hastings were identified as recipients of Long Term Plan for Towns investment of up to £20m endowment fund each over 10 years. The current Government has since agreed to 'retain and reform' the programme rebranding it as a 'Plan for Neighbourhoods'. Accompanying guidance has been designed to offer support and tools for Neighbourhood Boards and accountable bodies (the relevant district and borough councils) to deliver the plans. We will seek to maximise investments to support our priorities and those of our partners.

#### Skills and employability

##### *Skills England*

8.9. Skills England has been established as a new arms-length body to identify and address skills needs nationally. It will prioritise key growth-driving sectors to shape and direct technical education to respond to skills shortages and it is due to announce reforms to the Growth and Skills Levy, to replace the existing Apprenticeship Levy. Changes to the Levy include more flexible and shorter/accelerated provision, as well as the development of foundation apprenticeships aimed at supporting younger workers into the system.

8.10. It is expected that Skills England will work closely with Combined Authorities and upper-tier local authorities to create a unified and coherent skills landscape. This collaboration aims to ensure that the workforce is equipped with the necessary skills to drive economic growth and meet local and national priorities. The local response to any national policy and reforms will be considered and overseen by the Skills East Sussex (SES) Board.

##### *Bootcamps*

8.11. Skills Bootcamps will be rolled out in 2025/26 across East Sussex to upskill adults aged 19+ via intensive 16-week Level 2-5 provision with a wide variety of courses on offer to those who are unemployed and those who wish to upskill and progress in work. Training for up to 450 people in East Sussex will be available in areas such as construction, green skills, viticulture, early years learning and a range of digital skills. We will focus on maximising take up of courses in order to achieve the outcomes envisaged from the programme.

## *Connect to Work*

8.12. The Department for Work and Pensions funded Connect to Work Programme is anticipated to start in 2025/26 as part of the Government's Get Britain Working plan (see paragraph 10.7 below). It will provide support to economically inactive people in East Sussex, supporting people from specific cohorts into work, including care leavers, homeless adults, people with disabilities or mental health needs, those at risk of unemployment, refugees, people aged over 50 and ex-offenders. The programme is planned to run for up to five years, supporting over 2,500 people into work. ESCC will oversee the programme implementation, working with local providers to ensure that there is good take-up of the offer in line with objectives, that a high quality of employment support is given to participants, and we will draw on our links with local employers to support access to jobs in the local economy for project participants.

## *Skills provision*

8.13. The Council's Employability and Skills Team run several programmes, many of which are time bound and subject to funding. There will be a need to respond to substantial changes in national policy and funding reforms in relation to skills and employability in partnership with Council services and external partners. A number of projects will continue until or beyond March 2026, including the 'Steps to Success' Effective Transitions pilot for disadvantaged young people, the Moving on Up employability programme, Support in to Work for Ukrainians and refugee groups, and Homelessness Prevention Employment Service.

8.14. ESCC will continue to deliver the Transform service to support East Sussex 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. ESCC is able to allocate up to 50% of its unspent Apprenticeship Levy (up to £600,000) to local SMEs if not used by the Council for its internal apprenticeship training. The Skills England reforms to the Growth and Skills Levy to be announced in 2025/26 may impact the amount of Levy that Transform is able to transfer to SMEs going forward.

8.15. The Adult Skills Fund (ASF), which is a vehicle for supporting adults towards employment, has been reduced by 6% for 2025/26 and will decrease by a further 11% over the next two years. The ASF is a funding area that would be transferred to a Sussex Mayoral Combined County Authority, meaning in future there would be opportunity to determine the application of the funding to support local needs.

## Culture and tourism

8.16. VisitEngland has rolled out Local Visitor Economy Partnerships (LVEPs) which segment England into strategic tourism areas, each with its own LVEP board. The East Sussex, Brighton and Hove and West Sussex LVEP was accredited in February 2024. An open recruitment has now secured a business led LVEP board for the region and a Visitor Economy Growth Plan has been endorsed, which sets out a strategy to grow the Sussex visitor economy from its current value of £5bn a year to £7.5bn a year. To support the delivery of this ambition ESCC and West Sussex County Council have launched Experience Sussex, a Destination Management Organisation which targets international and high spending markets whilst supporting visitor economy sector development.

8.17. Both the culture and tourism sectors are operating in an uncertain economic environment, creating challenges for businesses. Although overseas visits to the UK and visitor confidence have now returned to pre-Covid levels, the impact of inflation and cost

pressures on businesses and customers, and geopolitical instability continue to affect these businesses. Those parts of the cultural sector that rely on grant funding are reporting a significant decrease in funds available, resulting in fewer projects, shorter opening hours and less work for creative freelancers. The creative industries are identified in the Government's Industrial Strategy Green Paper as one of eight priority sectors. As a consequence South East Creatives, a business programme to support high growth potential creative businesses, has received a funding extension from the Department of Culture, Media and Sport.

## **9. Environment and Climate Change**

9.1. The following paragraphs detail 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 and waste management. It is important to note that net zero is increasingly integrated into wider policy, for instance housing, transport and public procurement.

### **Climate change – national policy context**

9.2. One of the Government's five missions is to 'make Britain a clean energy superpower through delivering clean power by 2030 and accelerating to net zero'. The [Great British Energy Act 2025](#) has established Great British Energy Ltd, which will be responsible for investing £8.3bn over the current Parliament in clean energy projects. This represents an opportunity to draw significant investment into East Sussex in support of delivering Council objectives set out in the Economic Prosperity Strategy, the Local Transport Plan 4 and other strategies.

9.3. The Energy Act 2023 established the National Energy System Operator (NESO), which is responsible for planning the transition to net zero in an integrated way across the electricity and gas networks. NESO has established regional teams to prepare Regional Energy Systems Plans during 2025, which will look to identify what investment in the energy system is required where and when. Local authorities are expected to play an important role in developing the plans, for instance in identifying where new housing and other development is required and when it is likely to come forward.

9.4. The proposed Sussex Mayoral Combined County Authority (MCCA) would take on responsibility for some aspects of responding to climate change. This includes co-ordinating heat network zoning, energy infrastructure planning and work on green jobs and skills, as well as working strategically with Great British Energy. Most of these roles are not currently being carried out by any organisation in Sussex, so this provides a further opportunity to draw new investment into East Sussex. There is also the need to define what role the current and future local authorities in Sussex need to play in addressing climate change, to work most effectively alongside the new structures that are emerging, including GB Energy, NESO and the MCCA.

### **Environment Act 2021**

9.5. The Environment Act 2021 placed a number of duties and responsibilities on ESCC with implications as outlined below.

#### ***Local Nature Recovery Strategy***

9.6. The Act placed a requirement on ESCC to produce a Local Nature Recovery Strategy (LNRS) for East Sussex and Brighton & Hove. LNRSs are a means to identify and agree the local priorities and direct future action and funding needed to deliver bigger, better and more connected habitats, as well as wider environmental benefits such as

carbon storage and sequestration and flood management.

9.7. ESCC is continuing to work closely with West Sussex County Council (WSCC) to share expertise and resources and carry out joint engagement. Extensive stakeholder engagement has been undertaken, as well as regular updates with our Supporting Authorities (Local Planning Authorities and Natural England). We are currently planning to go out to public consultation in summer 2025, with publication of the final strategy likely to be in Quarter 4 of 2025/26.

9.8. Delivery of the LNRS, once published, remains unclear, with many actions falling to individuals and organisations other than the Council. However, the Department for Environment, Food and Rural Affairs (Defra) has indicated that it sees Responsible Authorities such as ESCC playing a role in delivery, for example providing local leadership and oversight, coordinating delivery and creating a project pipeline. Additional burdens funding for such a role is currently under consideration by Defra. In parallel, the English Devolution White Paper has indicated that, over time, Government envisages that Strategic Authorities, such as the proposed Sussex MCCA, will be appointed to be the LNRS Responsible Authority.

#### *Biodiversity Net Gain*

9.9. The Environment Act 2021 requires the majority of developments considered through the local planning system to deliver a minimum of 10% biodiversity net gain (BNG). This system has now been mandatory for a year and the Government has provided local authorities with additional burden monies to support implementation. ESCC has provided training to relevant staff at district and borough councils on BNG requirements and is continuing to support them on assessing BNG, through our service level agreements.

9.10. To support the need to deliver BNG, habitat banks (areas of land where biodiversity enhancements are being implemented to generate biodiversity units which can be sold on to developers) are being developed, with at least two live and registered in East Sussex, and several more in development.

9.11. One of the main challenges with BNG is securing the means to meet the requirement to maintain, monitor and report on the ecological schemes that are being implemented for at least 30 years following development. This is usually done through planning conditions and/or Section 106 Agreements. ESCC is working to develop best practice, including learning from other authorities across the country, to help ensure that BNG is being delivered as promised.

#### *Waste provisions*

9.12. The Environment Act introduces several changes to how waste services operate. Extended producer responsibility for packaging (EPRP) began in 2024 and the Council will receive its first payment towards the management of this material in winter 2025. Weekly food waste collections and the inclusion of cartons in the recycling bin will begin in April 2026, with plastic film collected from April 2027. A deposit return scheme for plastic drinks bottles and metal beverage cans will be introduced in October 2027. These changes will impact the Council's waste contracts, will require changes to facilities and will alter the amount and composition of waste and recycling that we manage.

#### UK Emissions Trading Scheme

9.13. In summer 2024, the Government conducted a consultation on the expansion of the UK Emissions Trading Scheme to include energy from waste from 2028, the results of which are expected in summer 2025. Inclusion of Newhaven Energy Recovery Facility in the UK Emissions Trading Scheme would have significant financial and operational impacts. Should this go ahead, starting in January 2026, the plant will need to monitor, report, and verify its emissions. From January 2028, it will also be required to purchase carbon allowances. The Council has engaged technical support to investigate potential ways to decarbonise the facility and reduce the financial liability of joining the scheme.

## **10. Supporting Services**

10.1. The below section provides updates on key local and national developments for ESCC's supporting services. This includes local priorities relating to the transition to Oracle, responding to workforce and pay challenges, asset management, supporting productivity and reforms to data & digital/AI and public procurement.

10.2. ESCC support services such as IT & Digital, Human Resources (HR), Property, Internal Audit, Finance and Procurement will be comprehensively and fundamentally affected by local government reorganisation. There will be further complexity related to the delivery of some support functions (IT & Digital, Procurement and Internal Audit) through a shared service model across ESCC, Brighton & Hove City Council and Surrey County Council, as part of the Orbis public sector partnership. The scope and scale of the change will be significant, alongside business as usual activity, and will include areas such as property assets and their use, team structures, IT systems and data infrastructure, cyber security, and existing contractual commitments across all authorities concerned.

### Oracle transition

10.3. The Oracle implementation 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, making the implementation of a replacement unavoidable in order to sustain critical business functions, such as running a payroll. 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. In addition, a more modern system is more intuitive for users, has a single sign-on, and brings with it improvements to the Council's internal control environment.

10.4. Oracle Fusion was selected as the new software platform with Infosys as the implementation partner, and the system is being implemented in a three phased 'Adopt not Adapt' approach. The 'Adopt not Adapt' approach involves using as much off-the-shelf Oracle functionality as possible, meaning that some changes in organisational ways of working are instead required. These changes are therefore supported by considerable staff, and wider stakeholder, engagement and assistance.

10.5. Most modules of Phase 1 (Enterprise Performance Management) and all of Phase 2 (Finance with dependent HR processes, Procurement, Recruitment and Helpdesk modules) are now live. Phase 3 (Payroll and all remaining HR processes) will be delivered during 2025 and 2026.

### National workforce reforms

10.6. The Government's Plan to [Make Work Pay](#) is a core part of its mission to grow the economy, raise living standards across the country and create opportunities. The Plan seeks to help more people to stay in work, improve job security and boost living standards, of which the [Employment Rights Bill](#) is a key element. Containing a number of reforms, once



implemented, the Bill will support family friendly rights by improving flexibility and security, prioritise fairness, equality and wellbeing of workers and strengthen individual and collective employment rights, placing new obligations on employers.

10.7. As a good employer, the Council already has in place an extensive suite of employment related policies and procedures which set out our approach to staffing matters. We have well established consultation and engagement arrangements with the recognised trade unions and these have served us well in handling a complex range of workforce issues in recent years. We will ensure we follow the progress of the Bill and other wider workforce related reforms, such as those coming out of the [Get Britain Working White Paper](#) and the Keep Britain Working Review, and will update our policies and procedures as necessary to ensure compliance.

### Workforce challenges

#### *Pay*

10.8. 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.

10.9. To address the NLW pressures, recent national pay awards have removed pay points and front loaded the pay award to provide a higher increase 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.

#### *Recruitment and retention*

10.10. The Council continues to face 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, IT/digital, property, 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.

10.11. In order to respond to these pressures and attract staff to work for the Council, a number of initiatives have been put in place which position ESCC as an 'employer of choice'. These include building on our 'We Choose East Sussex' recruitment brand to create additional engaging and informative content on the jobs pages of our website, as well as attending local careers fairs to showcase the range of job opportunities at the Council. As well as seeking to attract experienced individuals, we are also utilising approaches such as apprenticeships (making use of the Apprenticeship Levy), traineeships and intern arrangements as a way of bringing new talent into the Council. We are 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, supported by wider work to attract candidates from a younger demographic to the Council.



10.12. 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, the People Strategy, covering the three-year period 2024 to 2027, has been updated to reflect the areas of workforce challenge. We are reviewing our leadership development offer following the second cohort of our innovative 'Ladder to Leadership' programme to build on the programme's successes and ensure it remains relevant to the needs of the Council and our future workforce. We continue to develop our extensive wellbeing offer to support our staff to remain healthy and well, both in and out of work.

10.13. Subject to the detail to be announced by Government, we will look to utilise increased flexibility in the new 'Growth and Skills' Levy to pursue wider training options to directly address our workforce needs and skills gaps.

#### ESCC Property Asset Management

10.14. The [Strategic Asset Plan 2020-2025](#), which is being reviewed and updated this year, includes actions to support efficient use of the Council's property assets. There is an ongoing focus on ensuring our assets are optimally utilised to reduce the physical footprint, which reduces property running costs and carbon emissions from the whole estate.

10.15. Following the review of County Hall in 2024/25 and the rationalisation of the Council's use of the space, we are pursuing opportunities to secure external tenants alongside Council operational teams to further reduce our property running costs. There will be a further review of all operational assets aligned to service changes reflecting the financial and budget pressures the Council faces.

#### *Asset disposals*

10.16. The Council will continue its ambitious disposal of assets programme to secure capital receipts which support the capital programme. This is particularly important at a time of significant financial constraints. We are working with district and borough councils to ensure relevant groups are aware of the Assets of Community Value lists under the Localism Act 2011. This gives town and parish councils and defined community or voluntary groups a right to nominate buildings or land for listing by the local authority as Assets of Community Value, with the aim of preserving buildings or land that are of importance to their community's social well-being.

#### Supporting productivity – data management and Artificial Intelligence (AI)

10.17. The [Data \(Use & Access\) Bill](#), currently in its final stages in Parliament, proposes comprehensive regulations on the use and access of data within local government, aiming to enhance transparency and accountability in digital governance. The Bill mandates stricter guidelines for the implementation and usage of AI in local government operations, requiring AI systems to be thoroughly vetted for biases and ensuring they operate within ethical standards. Additionally, it promotes the adoption of AI to improve service delivery while safeguarding residents' privacy and data security.

10.18. One of the critical impacts of the Bill is on resident-facing systems, such as online portals and customer service platforms. The Bill advocates for these systems to be more responsive and accessible, providing residents with real-time updates and personalised services. We will monitor closely the progression of this Bill to legislation and adoption, and revisions to existing approaches relating to the testing and adoption of new technologies will be made as required.

10.19. The Secretary of State for Science, Innovation and Technology has set out a vision and set of initiatives for AI within governmental operations which focus on improving efficiency and enhancing service delivery by automating routine tasks. This includes the deployment of AI-powered chatbots in customer service, predictive analytics for resource management, and machine learning algorithms to enhance decision-making processes. This drive from Government will complement the work underway within local government to explore how and where AI-powered systems can enhance the efficiency of resident-facing platforms, such as online portals and customer service interfaces as well as central functions. The Council is conducting trials with Microsoft Copilot to assess productivity gains, quality improvements, and to develop ethical and security guidelines.

#### Procurement Act 2023

10.20. The Procurement Act 2023 came into force in February 2025 and is the most significant change in public procurement legislation for 30 years. It has required a number of changes to our systems, process and procedures, as well as corporate governance arrangements, and engagement with service stakeholders on the impacts of this legislative change. The Council's Procurement and Contract Standing Orders have been rewritten to comply with national legislation and were approved by Full Council in March 2025. As well as procedural changes and new opportunities to procure differently, the Council has a number of new transparency and contract management obligations. All procurement staff have been trained to understand these, and support and information has been provided to officers more widely affected by the new regulations.

10.21. The Council must also have regard to a revised [National Procurement Policy Statement](#), which also came into effect in February 2025. It includes four priorities: social and economic benefit; supporting small and medium-sized enterprises (SMEs) and voluntary, community and social enterprises (VCSEs); sustainability and Net Zero; and procurement/commercial capability. Associated Procurement Policy Notices require social value in contracts to be obtained through the use of the Government's Social Value Model (though this is not binding on local authorities). We will keep the new regulations and changes made under review in the short term to ensure these are embedded effectively in Council operations.

## Appendix 4 – State of the County 2025 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 and within the resources available.

1.2 At Full Council in February 2025 the target led basic need capital strategy of 20 years, supported by a 10-year planned capital programme was approved. The programme reflected the outcome of the capital programme review undertaken during 2024 that reduced planned borrowing costs by an estimated £3.9m over the medium term period (2025/26 to 2027/28).

1.3 The capital programme 2024/25 to 2023/24 reported as part of the Budget in February 2025 had a total programme expenditure of £713.9m and a borrowing requirement of £218.3m. Table 1 below provides details of the approved capital programme and funding.

Table 1 – Capital Programme (Budget 2024/25) (£m)	Previous Year 2023/24	MTFP Period			2027/28 to 2033/34	Total
		2024/25	2025/26	2026/27		
<b>Gross Expenditure</b>	<b>(104.651)</b>	<b>(130.758)</b>	<b>(54.046)</b>	<b>(44.527)</b>	<b>(379.936)</b>	<b>(713.918)</b>
Specific Funding	(33.851)	(51.046)	(5.815)	(2.883)	(1.002)	<b>(94.597)</b>
<b>Net Expenditure</b>	<b>(70.800)</b>	<b>(79.712)</b>	<b>(48.231)</b>	<b>(41.644)</b>	<b>(378.934)</b>	<b>(619.321)</b>
Formula Grants	(25.772)	(29.530)	(29.330)	(30.919)	(208.370)	<b>(323.921)</b>
Capital Receipts	(4.802)	(3.950)	(2.248)	(2.198)	(4.424)	<b>(17.622)</b>
Reserves and Revenue Set Aside	(14.671)	(12.141)	(0.385)	(0.452)	(14.187)	<b>(41.836)</b>
Developer Contributions Target	-	-	-	-	(17.601)	<b>(17.601)</b>
<i>Slippage Risk Factor</i>	<i>(20.068)</i>	<i>(18.278)</i>	<i>(7.337)</i>	<i>(3.924)</i>	<i>(49.607)</i>	<b>(0.000)</b>
<b>Programme Borrowing</b>	<b>(5.487)</b>	<b>(15.813)</b>	<b>(8.931)</b>	<b>(4.151)</b>	<b>(183.959)</b>	<b>(218.341)</b>

1.4 The financial outlook for local authorities continues to become ever more 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.

## 2 Capital Programme

2.1 Table 2 below summarises the gross movements since budget setting in February 2025, reflecting the 2024/25 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 Expenditure Updates	Ref:	Outturn 2024/25 £m	MTFP Period			2028/29 to 2034/35 £m	Total £m
			2025/26 £m	2026/27 £m	2027/28 £m		
<b>Approved Capital Programme (Budget 2025)</b>		<b>104.651</b>	<b>130.758</b>	<b>54.046</b>	<b>44.527</b>	<b>379.936</b>	<b>713.918</b>
Approved Variations	A	1.937	(0.734)	0.263	0.227	0.000	<b>1.693</b>
Capital Programme Slippage / Reprofiles	B	(19.088)	(30.347)	36.610	11.914	0.911	<b>0.000</b>
Capital Programme Over / Underspend		(0.464)	0.000	0.000	0.000	0.000	<b>(0.464)</b>
Other Programme Updates	C	0.000	3.304	0.623	0.623	4.361	<b>8.911</b>
<b>Total Updates</b>		<b>(17.615)</b>	<b>(27.777)</b>	<b>37.496</b>	<b>12.764</b>	<b>5.272</b>	<b>10.140</b>
<b>Revised Capital Programme</b>		<b>87.036</b>	<b>102.981</b>	<b>91.542</b>	<b>57.291</b>	<b>385.208</b>	<b>724.058</b>
Capital Slippage Risk Factor	D	0.000	(18.890)	0.000	0.000	18.890	<b>0.000</b>
<b>Approved Capital Programme (after Capital Slippage Risk Factor)</b>		<b>87.036</b>	<b>84.091</b>	<b>91.542</b>	<b>57.291</b>	<b>404.098</b>	<b>724.058</b>

### A Approved Variations

There is a gross increase to the programme of £1.7m relating to several fully funded schemes that have a net nil impact on the capital programme. One of the schemes – the purchase of the Pacific House site was funded via internal borrowing as set out in table 3 below:

Table 3 – Approved Variations since State of the County 2025	Outturn 2024/25 £'m	MTFP Period			2028/29 to 2034/35 £m	Total £'000
		2025/26 £'000	2026/27 £'000	2027/28 £'000		
Children's Essential System Developments net change (revenue set aside)	0.017	0.000	0.000	0.000	0.000	<b>0.017</b>
Youth Service Mobile Resource Bus (specific grant funding)	0.070	0.000	0.000	0.000	0.000	<b>0.070</b>
Sidley Family Hub Refurbishment (specific grant funding)	0.090	0.000	0.000	0.000	0.000	<b>0.090</b>
Youth Investment Fund (revenue set aside)	0.200	0.000	0.000	0.000	0.000	<b>0.200</b>
Sorrel Drive Refurbishment (50/50 revenue set aside & health funding)	0.165	0.000	0.000	0.000	0.000	<b>0.165</b>
Oracle Implementation - training to revenue (reserve funding)	(0.290)	0.000	0.000	0.000	0.000	<b>(0.290)</b>
Flood Management and SUDs in Schools (specific grant funding)	0.060	0.080	0.000	0.000	0.000	<b>0.140</b>
Pacific House purchase (internal borrowing)	0.002	0.000	0.000	0.000	0.000	<b>0.002</b>
Schools Basic Need (external contribution)	0.793	0.000	0.000	0.000	0.000	<b>0.793</b>
Special Educational Needs (school contribution)	0.035	0.000	0.000	0.000	0.000	<b>0.035</b>
Climate Emergency Works (external contribution)	0.083	0.000	0.000	0.000	0.000	<b>0.083</b>
Schools Delegated Capital (specific grant and schools contributions)	0.713	0.000	0.000	0.000	0.000	<b>0.713</b>
Capital Building Improvements Corporate (external contribution)	0.000	0.070	0.000	0.000	0.000	<b>0.070</b>
Urban Tree Challenge (specific grant)	0.000	(0.117)	(0.044)	(0.044)	0.000	<b>(0.205)</b>

Other Integrated Transport Schemes (Formula Grant)	0.000	(0.505)	0.000	0.000	0.000	<b>(0.505)</b>
ATF Eastbourne Liveable Town Centre (Formula Grant)	0.000	0.075	0.000	0.000	0.000	<b>0.075</b>
Hailsham/Polegate/Eastbourne Movement & Access Corridor (Formula Grant)	0.000	0.240	0.000	0.000	0.000	<b>0.240</b>
A22 North of Hailsham (Formula Grant)	0.000	0.190	0.000	0.000	0.000	<b>0.190</b>
Other Integrated Transport Schemes (S106 & External Contribution)	0.000	(0.805)	0.000	0.000	0.000	<b>(0.805)</b>
Hastings Bexhill Movement and Access Programme (S106 Contributions)	0.000	(0.372)	0.000	0.000	0.000	<b>(0.372)</b>
Area-wide Traffic Management Scheme - Schools Streets (S106 Contributions)	0.000	0.010	0.000	0.000	0.000	<b>0.010</b>
Hastings Town Centre Public Realm and Green Connections	0.000	0.000	0.307	0.000	0.000	<b>0.307</b>
Hastings Town Centre Public Realm and Green Connections	0.000	0.400	0.000	0.000	0.000	<b>0.400</b>
Exceat Bridge Replacement	0.000	0.000	3.037	8.362	0.000	<b>11.399</b>
Bus Service Improvement Plan - Bus Prioritisation	0.000	0.000	(3.037)	(8.091)	0.000	<b>(11.128)</b>
<b>Total Net Nil Approved Variations</b>	<b>1.937</b>	<b>(0.734)</b>	<b>0.263</b>	<b>0.227</b>	<b>0.000</b>	<b>1.693</b>

### C Other Programme Updates

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

- the DFE Grant for Schools, which has increased by £0.6m per annum above previous planning assumptions.
- the allocation of additional High Needs Capital Funding, which has been added to the programme in line with the Capital Strategy.

### D 2024/25 Capital Programme Outturn

Total 2023/24 capital expenditure was £87.0m against an approved budget (after variations) of £106.5m, resulting in a variation to budget of £19.5m. This variation is made up of £19.1m net slippage, and a £0.4m net underspend against the planned programme. Net slippage has been re-profiled to future years. In addition, work has been undertaken to re-profile future expenditure to construct a programme that reflects a realistic projection of when work will take place at a project level.

### E Capital Slippage Risk Factor

The Capital Programme continues to experience significant levels of budget slippage compared to original budgets, 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 was introduced in 2024/25 to reflect likely slippage based on a risk assessment of historic levels of actual expenditure and slippage at a project/programme level. The original slippage risk factor applied to the 2024/25 budget was £19.1m. This compares with final slippage of £19.5m. A further risk factor of £18.9m has been applied for 2025/26, proportionate to the slippage reported in the 2024/25 outturn, to bring the total planned expenditure over the MTFP period to a figure which reflects the general risk to delivery of the programme.

### 3 Capital Programme Funding Update

3.1 Table 4 below shows the funding for the programme.

Table 4 – Capital Programme Funding Update	Ref:	Current Year 2024/25 £m	MTFP Period			2028/29 to 2034/35 £m	Total £m
			2025/26 £m	2026/27 £m	2027/28 £m		
<b>Gross Expenditure</b>		<b>87.036</b>	<b>84.091</b>	<b>91.542</b>	<b>57.291</b>	<b>404.098</b>	<b>724.058</b>
Specific Funding	E	(21.666)	(21.191)	(18.647)	(12.214)	(8.900)	<b>(82.618)</b>
Specific Developer Contributions	F	(3.279)	(1.771)	(2.305)	(1.674)	(2.402)	<b>(11.431)</b>
Net Expenditure		<b>62.091</b>	<b>61.129</b>	<b>70.590</b>	<b>43.403</b>	<b>392.796</b>	<b>630.009</b>
Formula Grants	G	(23.815)	(36.453)	(29.953)	(29.953)	(214.130)	<b>(334.304)</b>
Capital Receipts	H	(4.802)	(1.288)	(4.910)	(2.198)	(4.424)	<b>(17.622)</b>
Reserves and Revenue Set Aside		(7.155)	(4.568)	(1.843)	(0.723)	(11.532)	<b>(25.821)</b>
Capital Reserve		(2.005)	(4.624)	(0.535)	(0.682)	(7.957)	<b>(15.803)</b>
Developer Contribution Target		0.000	0.000	0.000	0.000	(17.601)	<b>(17.601)</b>
<b>Capital Programme Borrowing</b>	<b>I</b>	<b>24.314</b>	<b>14.196</b>	<b>33.349</b>	<b>9.847</b>	<b>137.152</b>	<b>218.858</b>

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. The capital programme review undertaken has significantly reduced the borrowing required to fund the future programme.

#### F Formula Grants Update

The capital programme is supported by £327.3m of non-specific formula grant, which represents 45% 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 both the notification of additional High Needs Provision capital grants in 2025/26 of £7.0m and the reduction of basic need funding to zero in 2026/27 and 2027/28.

#### 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 several surplus properties to the point of sale. Capital receipts have been re-profiled based on recent sales. Further work will be undertaken during budget setting 2025/26 to reflect recent legislative changes to the use of capital receipts.

#### I Borrowing

The borrowing figure in 2024/25 reflects a level of internal borrowing required to fund capital expenditure incurred in 2024/25. No additional external borrowing was undertaken. The requirement for future external borrowing will depend on projected treasury balances, interest rates and future slippage.

### 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 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 – Detailed Capital Programme

Detailed Capital Programme (Gross Expenditure) (£m)	Previous Year 2024/25	MTFP Period			2027/28 to 2033/34	Total
		2025/26	2026/27	2027/28		
Adult Social Care						
Older People's/LD Service Improvements (House Adaptations)	(0.003)	-	-	-	-	(0.003)
Learning Disability Supported Living Scheme	3.165	1.829	0.043	-	-	5.037
Greenacres	-	0.140	-	-	-	0.140
Adult Social Care Total	3.162	1.969	0.043	-	-	5.174
Business Services						
SALIX Contract	0.094	-	-	-	-	0.094
Lansdowne Secure Unit - Phase 2	0.001	-	-	-	-	0.001
Youth Investment Fund	5.458	1.745	-	-	-	7.203
Hollington Youth Centre	0.336	3.037	0.039	-	-	3.412
Hastings and Rother Skills Capital	0.907	0.093	-	-	-	1.000
Youth Service Mobile Resource Bus	-	0.070	-	-	-	0.070
Sidley Family Hub and Main Building Refurbishment	0.090	-	-	-	-	0.090
Sorrel Drive Refurbishment	0.165	-	-	-	-	0.165
Special Educational Needs	0.522	3.673	1.000	1.000	3.500	9.695
Special Educational Needs – Additional Places	1.068	3.350	11.272	1.430	-	17.120
Disability Children's Homes	0.010	0.014	-	-	-	0.024
Westfield Lane (delivered on behalf of CSD)	-	0.017	-	-	-	0.017
Core Programme - Schools Basic Need	0.232	0.546	0.512	0.460	60.149	61.899
Core Programme - Capital Building Improvements (Schools)	4.064	6.909	5.012	5.012	35.084	56.081
Core Programme - Capital Building Improvements (Corporate)	3.526	4.966	4.000	4.000	28.000	44.492
Pacific House Purchase	0.713	-	-	-	-	0.713
Core Programme - IT & Digital Strategy implementation	5.208	5.094	4.281	2.880	53.342	70.805
IT & Digital Strategy implementation - Oracle Implementation	6.722	8.800	2.622	-	-	18.144
IT & Digital Strategy implementation (utilising automation)	-	0.024	-	-	-	0.024
Business Services Total	29.116	38.338	28.738	14.782	180.075	291.049



House Adaptations for Disabled Children's Carers Homes	0.167	-	-	-	-	<b>0.167</b>
Schools Delegated Capital	1.943	1.150	1.150	1.150	-	<b>5.393</b>
Children's Services Essential System Developments	0.462	1.279	0.958	0.774	-	<b>3.473</b>
<b>Children's Services Total</b>	<b>2.572</b>	<b>2.429</b>	<b>2.108</b>	<b>1.924</b>	-	<b>9.033</b>
Broadband	0.172	0.338	0.500	0.500	0.500	<b>2.010</b>
Bexhill and Hastings Link Road	0.034	-	-	-	-	<b>0.034</b>
BHLR Complementary Measures	0.009	0.132	-	-	-	<b>0.141</b>
Economic Intervention Fund - Grants	-	-	-	-	-	-
Economic Intervention Fund - Loans	0.020	0.022	0.300	0.300	1.055	<b>1.697</b>
Growing Places Fund Loan Scheme	-	-	-	-	4.958	<b>4.958</b>
Stalled Sites	-	-	-	-	-	-
EDS Upgrading Empty Commercial Properties	-	-	-	-	-	-
Community Match Fund	0.048	0.397	-	-	-	<b>0.445</b>
Community Road Safety Interventions	0.125	0.422	-	-	-	<b>0.547</b>
Newhaven Port Access Road	0.107	0.028	-	-	-	<b>0.135</b>
Real Time Passenger Information	0.264	0.267	-	-	-	<b>0.531</b>
Passenger Services Software	-	0.005	-	-	-	<b>0.005</b>
Bus Service Improvement Plan - Bus Prioritisation	1.308	5.877	-	-	-	<b>7.185</b>
Bus Service Improvement Plan - Passenger Transport	1.068	0.183	-	-	-	<b>1.251</b>
Bus Service Improvement Plan 2025-26	-	4.555	-	-	-	<b>4.555</b>
Queensway Depot Development (Formerly Eastern)	0.002	0.001	-	-	-	<b>0.003</b>
Queensway Gateway Road	2.888	0.470	-	-	-	<b>3.358</b>
The Keep	-	0.212	0.085	0.152	0.628	<b>1.077</b>
Other Integrated Transport Schemes	2.379	4.063	4.818	3.523	20.587	<b>35.370</b>
Integrated Transport Schemes - A22 Corridor Package	1.031	1.112	-	-	-	<b>2.143</b>
A22 North of Hailsham	0.066	0.242	-	-	-	<b>0.308</b>
Exceat Bridge Replacement	0.427	2.587	5.323	9.282	-	<b>17.619</b>
Emergency Active Travel Fund - Tranche 2	0.035	0.403	-	-	-	<b>0.438</b>

Area-wide Traffic Management Scheme - Schools Streets	0.006	0.154	-	-	-	<b>0.160</b>
ATF Eastbourne Livable Town Centre	0.274	0.117	-	-	-	<b>0.391</b>
Hastings Town Centre Public Realm and Green Connections	0.384	0.772	8.881	-	-	<b>10.037</b>
Core Programme - Libraries Basic Need	0.727	0.489	0.574	0.449	0.898	<b>3.137</b>
Core Programme - Highways Structural Maintenance	28.537	16.667	21.000	21.000	147.000	<b>234.204</b>
Safer Roads Fund	0.011	0.864	-	-	-	<b>0.875</b>
Core Programme - Bridge Assessment Strengthening	2.409	2.180	6.758	1.830	14.447	<b>27.624</b>
Bridge/Structures Assessment Strengthening - Essential Maintenance	0.100	1.300	1.000	-	-	<b>2.400</b>
Core Programme - Street Lighting and Traffic Signals - life expired equipment	3.369	2.596	4.974	1.041	8.790	<b>20.770</b>
Core Programme - Rights of Way Surface Repairs and Bridge Replacement Programme	0.589	0.642	0.662	0.702	5.780	<b>8.375</b>
Gypsy and Traveller Site Refurbishment	0.003	0.137	0.070	0.070	0.490	<b>0.770</b>
Visibly Better Roads	0.256	0.248	-	-	-	<b>0.504</b>
Local Electric Vehicle Infrastructure	-	0.500	2.320	1.721	-	<b>4.541</b>
Flood & Coastal Resilience Innovation Programme	1.119	0.840	0.683	-	-	<b>2.642</b>
Flood Management and SuDS in Schools	0.398	-	-	-	-	<b>0.398</b>
Urban Tree Challenge	0.011	0.015	0.015	0.015	-	<b>0.056</b>
Climate Emergency Works	2.036	0.242	-	-	-	<b>2.278</b>
Eastbourne Town Centre Phase 2a	0.374	2.290	1.161	-	-	<b>3.825</b>
Eastbourne Town Centre Phase 2b	0.744	4.328	-	-	-	<b>5.072</b>
Eastbourne/South Wealden Walking & Cycling Package	0.083	1.892	-	-	-	<b>1.975</b>
Hailsham/Polegate/Eastbourne Movement & Access Corridor	0.064	0.310	-	-	-	<b>0.374</b>
Hastings Bexhill Movement and Access Programme	0.709	2.346	1.529	-	-	<b>4.584</b>
<b>Communities, Economy and Transport Total</b>	<b>52.186</b>	<b>60.245</b>	<b>60.653</b>	<b>40.585</b>	<b>205.133</b>	<b>418.802</b>
<b>Capital Programme Total</b>	<b>87.036</b>	<b>102.981</b>	<b>91.542</b>	<b>57.291</b>	<b>385.208</b>	<b>724.058</b>