

National and Local Policy Outlook 2022

1. Introduction and Contents

1.1. This appendix provides a detailed overview of the key national policy developments that will influence and inform our future service and financial planning. 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 fast-moving and extensive, with major national reforms planned across many of our services, each with associated risks and implications that we are required to work at-pace to understand, assess and respond to.

1.3. National Government policy remains centrally focussed on delivering the 'levelling up' agenda to address geographic disparities between places and regions in the UK, as well as responding to the recent significant increases in the cost of living and the Russian invasion of Ukraine. Alongside this, in recent months the Government has progressed a number of public service policy reforms that will have implications for the way we deliver Council services in future. These include Adult Social Care (ASC) charging reforms; reforms to arrangements for working with health partners legislated for in the Health and Care Act; proposed changes to the education and Special Educational Needs and Disability (SEND) systems arising from the Education White Paper, Schools Bill, and SEND and Alternative Provision Green Paper; the recently-published national review of Children's Social Care; planning reforms to be progressed through the Levelling Up and Regeneration Bill and the range of reforms emerging from the Environment Act. Further information on these reforms and what they mean for East Sussex County Council (ESCC) is set out below.

1.4. Locally, significant work is taking place to respond to national developments and progress our local priorities. Working with partners, we have rapidly responded to new developments such as the need to establish support arrangements for Ukrainian refugees, while also working to align a range of local medium- and long- term strategies and approaches to the changing national context. Detail on this work is set out below, particularly in sections on our work with communities, to deliver transport improvements, to protect the environment and tackle climate change, and to drive sustainable economic growth.

1.5. 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:

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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.

Economic Outlook

2.2. The UK has experienced a steep increase in inflation in the first half of this calendar year. The cost of goods and services has increased in recent months and Consumer Price Index (CPI) inflation rose to 9% in April, its highest level for more than 40 years. This increase is being driven by a number of factors including the global rise in energy and fuel prices, linked to the war in Ukraine and which led to the price cap on energy bills increasing by 54% in April; and global restrictions on supply chains due to disruption from the war and the coronavirus pandemic.

2.3. Rising inflation, along with the increasing cost of fuel, energy and food, tax increases and interest rate rises are all contributing to a significant increase in the cost of living for households, which is outpacing average growth in earnings. In March, the Office for Budget Responsibility (OBR) projected that real household disposable incomes per person would fall by 2.2% in 2022/23, the largest fall in a single financial year since Office for National Statistics records began in 1956/57. The impact of the increased cost of living will, however, have a greater impact on those on lower incomes or already in financial hardship; and the Institute for Fiscal Studies has suggested that the real CPI inflation rate experienced by those on the lowest incomes in April was closer to 11% due to those households spending a greater proportion of their total budget on energy.

2.4. On 26 May, the Government announced a £15bn package of measures to support households with the rising cost of living. Measures include:

- A one-off £650 payment to low-income households on Universal Credit, Tax Credits, Pension Credit and legacy benefits, with separate one-off payments of £300 to pensioner households who receive Winter Fuel Payments and £150 to individuals

receiving disability benefits. Payments will be made directly by the Government to households.

- An increase to £400 in the previously announced universal discount on energy bills planned for October. Households will also no longer be required to repay this over 5 years. This support is in addition to the £150 Council Tax rebate for households in England in bands A-D and the £144m Discretionary Fund for billing authorities to support households in need but not eligible for the Council Tax Rebate, both announced in February.
- An extra £500m Household Support Funding, extending the fund from October 2022 to March 2023. This is in addition to £500m Household Support Funding announced at the Spring Statement (ESCC distribution of this funding is detailed below at 2.6). Government will issue guidance to councils to ensure support is targeted towards those most in need of support, including those not eligible for the cost of living payments above.

2.5. While the OBR revised their projections for Gross Domestic Product (GDP) growth this year down from 6% to 3.8% in March, there have since been predictions that the UK economy may go into recession later this year as inflation damages consumer spending and business investment. This may result in further fiscal and/or policy interventions by the Government to provide support to households and businesses.

2.6. The impact of the increases in the cost of living on residents, particularly those already experiencing financial hardship, can be expected to result in an increase in need for public services and voluntary sector support locally. In East Sussex, we have been allocated a further £3.9m in Household Support Funding (for 1 April – 30 September 2022) which we are using to support those in need. The funding has been split with:

- £2.6m distributed to Voluntary, Community and Social Enterprise (VCSE) organisations, food partnerships, Warmer Homes and district and borough councils to provide support directly to those in need. The funding will be used to help households with paying for energy and water, essentials linked to energy and water, food, housing costs (in exceptional circumstances) and wider essentials;
- £1.1m allocated to provide food vouchers to eligible free school meal pupils for the school holidays between May 2022–September 2022; and
- other funding distributed directly to vulnerable families and children via Children’s Services teams who work with this cohort.

With our borough and district and VCSE partners we will monitor the impact of the rising cost of living and economic uncertainty on residents and businesses. Details of plans for a renewed partnership approach to supporting community wellbeing to improve resilience against crises such as the COVID-19 pandemic and increase in the cost of living is set out below in paragraphs 3.39 to 3.42.

2.7. Data on the East Sussex economy, cost of living and labour market are set out at 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 25.8% below the England level in 2019 (£26.47 per hour, against £35.69 per hour in England). The pandemic led to a sharp increase in the number of people claiming unemployment related benefits in East Sussex and although this has reduced, the number of people claiming unemployment related benefits remained 44% higher in March 2022 than in March 2020. The Claimant Count unemployment rate for March 2022 was 4.1% for East Sussex, slightly lower than the national average of 4.2%, but above the regional average of 3.2%. The youth unemployment rate (those 18-24 claiming unemployment benefits) rose faster in the pandemic than the rate for the working-age population, but is now falling faster than for all claimants. At 6.2% in March 2022, it remains higher than the rate for all working-aged people, and higher than the

national rate (4.9%). Further information on the national labour market picture and recruitment and retention challenges this presents for ESCC are set out at 10.9-10.16.

Levelling Up

2.8. One of the Government's central policy objectives for this Parliament is to 'level up' the country and address the imbalance in economic performance and life opportunities between places and regions in the UK.

2.9. The Government's detailed strategy to deliver this was set out in the Levelling Up White Paper, published in February 2022. The White Paper gives an analysis of the geographical disparities in the UK and the history of policy approaches to addressing these. Based on this analysis, it proposed a new, long-term approach to ending geographical inequality; and a framework to take this forward and deliver on the four levelling up aims to:

1. **boost productivity, pay, jobs and living standards** by growing the private sector, especially in those places where they are lagging;
2. **spread opportunities and improve public services**, especially in those places where they are weakest;
3. **restore a sense of community, local pride and belonging**, especially in those places where they have been lost; and
4. **empower local leaders and communities**, especially in those places lacking local agency.

2.10. As part of the framework, 12 medium-term national levelling up missions were also outlined, aligned to the above aims. These set out overarching objectives for a range of national policy areas, including transport infrastructure, digital connectivity, education, skills, health, wellbeing and local leadership, which are intended to anchor national policy making and to be used to measure the success of levelling up over the next decade. The paper also set out a new policy regime for Government, underpinned by five pillars: a mission-orientated approach to setting policy; reorientation of central government decision-making; greater empowerment of local government decision-making; a revolution in data and transparency at the subnational level; and enhanced transparency and accountability of this new regime. The new regime may present opportunities for local areas in future as the Government takes a more 'place-based' approach, to policy and decision making. There was no new funding announced specifically to meet the challenges identified in the White Paper.

2.11. In terms of detailed policy proposals, the White Paper largely draws together existing Government initiatives under the levelling up aims and missions. Notable new announcements included:

- publication of a devolution framework – the White Paper's local leadership mission is that 'By 2030, every part of England that wants one will have a devolution deal with powers at or approaching the highest level of devolution and a simplified, long-term funding settlement', and the paper set out a framework to give consistency and clarity over pathways to devolution for areas that wish to pursue it. The framework also set out clearly the devolved powers and funding available to places under different devolution governance arrangements.
- plans to introduce a new independent data body to improve transparency of local government performance.
- planned initiatives for improving community empowerment and engagement, with more detail on these awaited. This includes a planned new Strategy for Community Spaces and Relationships which the White Paper indicates will include proposals 'making it easier for communities to set local priorities and shape neighbourhoods', a review of neighbourhood governance to improve community empowerment and a plan to pilot new models for community partnership.

- plans to 'simplify the local growth funding landscape' and further information on UK Shared Prosperity Funding (see 8.6 - 8.7 for further information).
- an ambition for up to 5% of Local Government Pension Funds to be invested in local areas.
- potential transfer of taxi and private hire vehicle licensing to upper-tier authorities.
- designation of East Sussex as an Education Investment Area (see 4.25 below) and announcement of plans for a White Paper to reduce Health Disparities (see 3.33 below).

2.12. Nine County Deal pilot devolution areas were also announced alongside the White Paper: Cornwall; Derbyshire & Derby; Devon, Plymouth & Torbay; Durham; Hull & East Yorkshire; Leicestershire; Norfolk; Nottinghamshire & Nottingham; and Suffolk. These areas are now working with the Department for Levelling Up, Housing and Communities (DLUHC) to develop and negotiate plans for devolution to their areas, in line with the powers and funding set out in the devolution framework. ESCC will continue to monitor how these deals progress to better understand the opportunities and risks associated with County Deals.

2.13. A Levelling Up and Regeneration Bill was announced at the Queen's Speech in May and makes provision for the legislative changes required to deliver on some aspects of the levelling up programme set out in the White Paper, including creating a legal duty for the Government to set and report on delivery of levelling up missions; and introducing measures and reforms to deliver on plans for devolution, such as creating a new model of combined authority - combined county authorities - to provide the governance structures needed to progress devolution to some County Deal areas. The Bill includes provision to allow billing authorities to double the standard Council Tax rate on any home left empty for longer than a year, rather than 2 years, and will introduce a new discretionary Council Tax premium on second homes of up to 100%. The Bill also incorporates legislative changes to deliver some of the planning reforms outlined in the previous Planning for the Future White Paper (more detail provided at 6.25-6.27).

2.14. In general, the levelling up agenda presents both opportunities (from a more place-based focus on policy making) and risks for East Sussex. Levelling up aims to address geographic disparities, with a particular focus on bringing economic performance and living standards across the country in line with the South East. There is therefore a focus on prioritising Government funding and interventions outside the South East region. While the White Paper does recognise that there are areas of deprivation in the South East region which also require levelling up, we expect to need to continue to strongly advocate for the needs and interests of East Sussex, as there is a risk that the opportunities and challenges facing places within this region are overlooked in future national policy making.

Queen's Speech

2.15. The May 2022 Queen's Speech set out the Government's legislative programme for the new Parliamentary session, announcing that its top priorities are to grow and strengthen the economy to ease the increasing cost of living for families; reduce crime and improve community safety; and fund the NHS to address coronavirus backlogs.

2.16. Key pieces of legislation the Government announced in the speech include the Levelling Up and Regeneration Bill (see above) and the Schools Bill which makes provision for the legislative changes required to implement plans in the Education White Paper (see 4.19-4.21 below). Other legislation of relevance to local government included:

- Non-Domestic Rating Bill – covering previously announced changes to the business rates system, specifically enabling more frequent revaluations and reliefs for decarbonisation and property improvements (all reliefs to be reimbursed in the usual way).

- Data Reform Bill – which will help to improve appropriate access to data in health and social care contexts, whilst reforming the General Data Protection Regulation (GDPR) and Data Protection Act post-Brexit.
- Draft Audit Reform Bill – which establishes the Audit, Reporting and Governance Authority (ARGA), a proposed audit regulator intended to replace the Financial Reporting Council. The Bill also makes provisions intended to increase resilience and choice in the statutory audit market (see further information on audit reforms and challenges at 10.30-10.33 below).
- Procurement Bill – previously announced in the 2021 Queen’s Speech, this Bill will aim to reform the current procurement regime, which currently reflects EU law, and make public procurement more accessible for new entrants (more details below at 10.26-10.29).
- Transport Bill – which establishes a new body, Great British Railways to ‘act as the single national leader of the railways’ (more detail on rail developments is set out at 7.16-7.19) and supports the installation of more electric vehicle charge points throughout the UK (more details on plans to improve electric vehicle infrastructure in East Sussex are set out at 7.26-7.27).
- Energy Security Bill – which will support the transition to a more secure, affordable and cleaner domestic energy system through measures such as supporting industry to invest in the growing consumer market for electric heat pumps, extending the energy price cap beyond 2023 and enabling the first large-scale hydrogen heating trial.
- Product Security and Telecommunications Infrastructure Bill – previously announced in the 2021 Queen’s Speech, this Bill will accelerate and improve the roll out of mobile and broadband networks through measures such as reforming the Electronic Communications Code to support faster and fairer negotiations for the use of private and public land to enable deployment of telecommunications networks.
- Draft Mental Health Act Reform Bill – further detail on reforms is set out at 3.24-3.25.

Local government finance outlook

2.1. There remains significant uncertainty regarding future local government funding. Although Government has given a strong commitment to undertake a funding review, covering the formula on which funding allocations to individual local authorities are based, it is considered increasingly likely that funding reforms will be delayed until after 2023/24, due to the lack of time available to undertake a full consultation and implement major funding changes. It has been suggested that a smaller-scale consultation on the approach to future distribution of some specific grants, such as the Services Grant, may be launched before the Parliamentary recess this summer to inform funding allocations for 2023/24.

2.2. Increases in the cost of energy and fuel and overall rates of inflation set out above impact directly on ESCC as an organisation. Whilst the 2022/23 budget and Medium Term Financial Plan (MTFP), approved by Full Council in February 2022, included forecasts for inflation and additional cost pressures, the impact of rising inflation and the cost of living crisis will be monitored through the normal quarterly reporting process. Inflation models, including pay inflation, and the MTFP will be updated regularly to assess the impact of the challenging economic environment, which may also impact on Council Tax collection. At this point, there is sufficient contingency and reserves to address revenue budget risks in 2022/23.

2.3. For the Capital Programme, there remain challenges in the supply chain for materials and price pressures within existing contracts. Further significant pressures may materialise as new schemes are developed and go out to tender. The Capital Programme holds a contingency of £7.5m to meet these uncertainties.

2.4. As set out in the section below, extensive changes to the way people pay for ASC are planned and present significant financial risks for ESCC.

3. Adult Social Care and Public Health

3.1. Teams across the Adult Social Care (ASC) and Health department are responding to a range of national and local developments which are set out in more detail in the following sections. These include making preparations to implement national reforms to ASC charging arrangements and implementing the Government's ten-year vision for ASC; working with health partners to progress local health and social care integration and implement reforms set out in the Integration White Paper and the Health and Care Act; and developing public health processes to support living with COVID-19 long-term. Work to deliver local priorities and respond to strategic challenges, including supporting the resilience of local communities, providing support to the local care market and responding to workforce challenges, is also covered here.

National ASC reforms

3.2. Government has long committed to bring forward national reforms of the ASC system, to ensure provision is high-quality, sustainable, equitably funded and affordable to those who require it. To deliver this, proposals to transform social care and support to adults in England and on how that would be funded were published by the Government in late 2021, through the Build Back Better: Plan for Health and Social Care report (in September 2021) and the People at the Heart of Care: Adult Social Care Reform White Paper (in December 2021).

3.3. From April 2022, a new Health and Social Care Levy on National Insurance contributions has been in place to fund these reforms. While the Levy will raise an average £12bn funding per year for health and social care, the majority is initially to be allocated to the NHS to support tackling COVID-related backlogs, and only £5.4bn has been allocated nationally to deliver planned reforms to social care across the three years to 2024/25. Whether the additional monies from the Levy will be sufficient to cover the increased costs linked to the Government's reforms of social care set out below is highly uncertain; and no funding from the Levy is allocated to address existing pressures within the system and growth in demand generated by ongoing demographic changes.

Build Back Better: Plan for Health and Social Care

3.4. This paper, and further details published in November and December 2021, set out that the social care charging system will be reformed, to:

- **Introduce a cap on personal care costs** - from October 2023, there will be a cap on the amount anyone in England will need to spend on personal care over their lifetime. This will be set at £86,000 in the first year. Assessments of an individual's eligible care needs and costs will determine what counts towards the cap; only the amount that an individual contributes towards their eligible care costs (at the local authority rate) will count towards the cap. Where someone's needs are being met in a care home, daily living costs (such as food and rent), which are assumed to be the proportion of residential care fees not directly linked to personal care, will not count towards the cap on care costs. If a person reaches the cap while in bedded care, the proportion of residential care fees not directly linked to personal care will continue to be subject to financial assessment and client contributions. These costs will be set at a national, notional amount of £200 per week. ESCC will need to start care accounts to monitor the progress of every resident with eligible care needs (local authority- and self- funded) towards the cap and notify them when they are close to reaching the cap to discuss how their needs will be met after this point.

- **Introducing a more generous means-test for local authority support** - the upper capital limit (the point below which people become eligible to receive some financial support from their local authority) will be raised to £100,000 from the current £23,250. As a result, people with less than £100,000 of chargeable assets will never contribute more than 20% of these assets per year. The lower capital limit (the threshold below which people will not have to pay anything for their care from their assets) will increase to £20,000 from £14,250.
- **Equalise costs between people who fund their own care (self-funders) and local authority clients** – self-funders will be able to ask councils to arrange residential care at the same rates as local authority-funded clients (this is in addition to domiciliary care for which this arrangement is already in place).
- **Move towards paying providers a ‘fair rate’ for care** – to sustain the market given anticipated reductions in self-funding clients. Local authorities are required to prepare local care markets for this reform and ESCC has been allocated £1.7m in 2022/23 for this. Further funding of £600m per annum will be available nationally in each of the subsequent two years subject to local authorities providing:
 - a cost of care exercise (a survey of local providers to determine a sustainable fee rate);
 - a provisional market sustainability plan (covering 2022-25); and
 - a spend report (detailing how the money has been spent).

3.5. Modelling and assessments of the potential impact of these reforms on service demand and resourcing are being undertaken. As a result of the reforms, local authorities will become responsible for funding care for a larger number of people as more residents will become eligible for local authority funded care and support through either reaching the cap on personal care costs (and this will be reached faster in places with higher care rates, such as in authorities across the South East), or qualifying for more means-tested support. As outlined above, Government has allocated funding to support the reforms but it is highly unclear if this will be sufficient to meet the costs. Additionally, requirements such as the need to establish a care account for every resident with eligible care needs are significant new administrative responsibilities and will have resourcing implications for the Council. A significant increase in Care Act assessments, reviews, and financial assessments is expected from 2022 in anticipation of the introduction of the care cap and new capital threshold. This is likely to have an impact on the capacity of our Adult Social Care and Health assessment teams and other teams, council wide.

3.6. In terms of preparing the market for reforms, we are undertaking a fair cost of care exercise for both our care home and home care providers to determine a sustainable fee rate and will produce a market sustainability plan to demonstrate how we will meet this cost of care. This could result in increased financial pressure on ESCC through increased fees to be paid to providers.

3.7. The Government is currently undertaking a period of co-production of statutory guidance with the sector and has committed to publish final guidance this year to inform preparations. Government is also testing implementation of these reforms with a small group of volunteer local authorities ahead of national roll-out. We are working closely with neighbouring authorities to model the potential impact of reforms to inform future financial and service planning.

3.8. While ESCC-specific modelling is still being undertaken, recent national analysis published by the County Councils Network (CCN) highlighted the potential for both significant financial and workforce pressures to arise from the reforms. The analysis

estimated the cost of the reforms (excluding cost estimates in relation to working age adults) in the nine years from when they are introduced to 2032 could be a minimum of £10bn higher than currently estimated by Government and could require over 5,000 extra staff nationally to carry out extra care and financial assessments. The analysis also assessed the regional impact of reforms and identified the South East region as facing the most significant costs. The CCN has therefore called on Government to not only ensure the right funding is made available for reforms, but that it is appropriately regionally distributed.

People at the Heart of Care White Paper

3.9. People at the Heart of Care is a ten-year vision for ASC and provides information on funded proposals planned for the next three years.

- 3.10. Based on the principles of personalised care, it has three objectives, that people:
- Have choice, control, and support to live independent lives: this will mean prioritising care and support in people's own homes and developing new types of preventative care and support, maximising use of equipment and digital technology.
 - Can access outstanding quality and tailored care and support: a £500m investment over three years will support a national workforce strategy. This will include a knowledge and skills framework, supporting career progression for care workers and registered managers. Locally, we will ensure our training offer delivers this strategy and follow best practice in recruitment.
 - Find adult social care fair and accessible: people should receive affordable care and support, access care at local authority rates, and be offered information and advice about services, tailored to their own needs.

3.11. The Government will also introduce a new assurance framework for ASC, implemented through new Care Quality Commission (CQC) assessments of how local authorities deliver their ASC duties. The assurance framework will improve accountability, ensure the national vision for ASC is being delivered, and be supported by an improvement offer that provides resources and bespoke support to local authorities. This will link to existing, and developing, improvement approaches within our ASC and Health department. A core part of this CQC assessment will see an ASC data framework introduced to improve quality and availability of data nationally and locally.

Health and Social Care integration

3.12. The below sections outline national and local developments informing and impacting work to integrate health and social care services to achieve better outcomes, improve patient experience and use public funds more efficiently.

The Health and Care Act and Integration White Paper

3.13. In April 2022, the new Health and Care Act became law. Under the Act every part of England will be covered by an Integrated Care System (ICS) and there will be 42 in total. ICSs are designed to bring all key partners together to work in a more formal way to achieve four key objectives:

- Improving outcomes in population health and healthcare
- Addressing inequalities in outcomes, experience and access
- Enhancing productivity and value for money
- Supporting broader social and economic development

3.14. The Act imposes a duty to collaborate and removes some barriers to make working together within the NHS an organising principle, moving away from competition. It also supports collaboration between the NHS and others, principally local authorities, to improve health and wellbeing for local people. A unitary NHS Integrated Care Board will be created in each ICS to be accountable for NHS spending, performance and meeting patients' needs.

The statutory functions and responsibilities of local government are unchanged, and NHS Trusts and Foundation Trusts also remain separate statutory bodies, with their functions and duties broadly unchanged.

3.15. The new Act will see two new statutory entities created which, together, will provide and support the infrastructure for partners to work together as an ICS:

- An Integrated Care Partnership – in Sussex known as the **Sussex Health and Care Assembly** – will be the statutory joint committee between the NHS and local government that comes together to formally agree the overall strategic direction for the system. The core purpose will be to facilitate joint action across organisations to improve the outcomes, equality of access and experience of health and care services for all people and communities across Sussex.
- The Integrated Care Board – to be known locally as **NHS Sussex** – will become a new organisation that will agree the strategic plans and resource allocation for all NHS organisations in Sussex, responding to the priorities set by the Assembly. This will involve leading the improvement and integration of high-quality health and care services for all communities. NHS Sussex will take on the commissioning functions previously carried out by Clinical Commissioning Groups (CCGs).

3.16. The start date of the introduction of statutory ICSs under the new Act was delayed nationally to 1 July 2022. Locally, the governance arrangements have been progressed between local NHS organisations, local authorities and wider partners in our Sussex ICS, so that the two new bodies can start to operate in shadow form ahead of 1 July. This has included agreement of the principles for how the ICS will work with and at ‘place’ (i.e. at the East Sussex, West Sussex and Brighton and Hove geographies within Sussex), and the role of Health and Wellbeing Boards and the existing place-based Health and Care Partnerships in supporting delivery of our shared objectives across joint commissioning and delivery. ESCC Cabinet formally approved the Council’s role and representation in these new statutory arrangements in April 2022. A further report will be presented to Cabinet in the coming months that will set out, and seek support for, the East Sussex place-based governance arrangements which are currently in development.

3.17. In February 2022, the Government published the Health and Social Care Integration: Joining Up Care for People, Places and Populations White Paper. This builds on the Health and Care Act and focusses on the specific role of local government and the NHS to integrate care and improve population health, setting out expectations about the role of ‘place’ as the key interface for health and care and the engine for delivery and reform within ICSs.

3.18. The White Paper sets out a vision for integrated health and care services, and focusses on the role of place in co-ordinated, joined up and seamless services that support people to live healthy, independent, and dignified lives and which also improve outcomes for the population. The Government has been keen to underline the continuing flexibility available to local ICSs and places in taking the White Paper forward in ways that are appropriate to local circumstances. A brief overview of the key aspects of the White Paper is as follows:

- Joining up care across primary care, community health, ASC, acute, mental health, public health and housing services which relate to health and social care.
- A new national shared outcomes framework for implementing national priorities that will better incentivise collaborative working across the NHS, social care, public health and also reflect wider existing outcome objectives for local government. This will include space for prioritisation of local outcomes, which places will be able to choose based on local priorities and what matters to local people. It is expected to go live from April 2023.

- Leadership and accountability for delivering shared outcomes with a single lead accountable for delivery to the Local Authority and NHS Integrated Care Board. A formal model for pooling resources, making decisions and planning jointly to be adopted by Spring 2023, and all areas should work towards extending the number of services included within the scope of the formal arrangements by 2026.
- Increased financial flexibility through a strengthened approach to section 75 (pooled budget) Agreements. The current pooling mechanisms will be reviewed by the Department of Health and Social Care (DHSC) and new guidance on the scope of pooled budgets will be published by Spring 2023. Fair and appropriate contributions will still be determined locally.
- Several measures to better-support workforce and carers including joint workforce planning, training and career progression arrangements, and increasing the number of clinical placements in ASC for health undergraduates. Commentary from a number of areas has pointed out that this will not address the underlying structural challenges faced which requires long-term planning and investment to solve.
- Digital and data requirements - commits ICSs to connecting all providers to the 'shared care record' by 2024 (there are over 300 care homes in East Sussex), and to developing digital investment plans to bring all organisations to the same level of digital maturity.

Local health and social care integration

3.19. There is a history and shared commitment to integrated working with the local NHS, as this provides the opportunity to deliver the best possible outcomes for residents and achieves the best use of collective public funding in East Sussex. ESCC is a lead member of the Health and Social Care Partnership, which is overseen by the East Sussex Health and Wellbeing Board. The partnership includes representation from: district and borough councils; East Sussex NHS CCG; East Sussex Healthcare NHS Trust; Sussex Community NHS Foundation Trust; Sussex Partnership NHS Foundation Trust; Primary Care Networks; Healthwatch; and the VCSE sector.

3.20. To support our statutory ICS to be operational from 1 July our East Sussex Health and Care Partnership governance and plans were reviewed to ensure they enable shared and collective leadership of priorities at place level. Initial discussions have also taken place to identify the critical areas of focus for our next stage of work and as outlined above, a report on East Sussex place-based governance arrangements within the new ICS will be brought to Cabinet later this year.

3.21. In addition, we made a full response to the Government's Integration White Paper (see paragraphs 3.17 – 3.18 above). Our initial review evidenced that our direction of travel as an ICS in Sussex, and at the local level in East Sussex, reflects the White Paper expectations about the role of place as the key interface for health and care and the engine for delivery and reform within ICSs.

3.22. To support the implementation of the Health and Care Act and the role of place within ICSs, a 20-week national development programme was set up by NHS England and Improvement and the Local Government Association (LGA) in the latter part of 2021/22. Our Sussex ICS was invited to participate in the programme, and as part of this the East Sussex Health and Care Partnership was chosen to help accelerate development of the role and function of place within ICSs.

3.23. We have taken opportunities to tailor the national programme to support our local priorities and build on our progress to date and in 2022/23, through participating in the programme, we expect to agree our future roadmap and next steps for delivering increased levels of integrated care and improved population health. This will include partnership

actions with the local NHS aimed at improving the social and economic wellbeing of our communities and implementation of the expected new Integration White Paper Guidance. A critical focus will be agreeing the next steps for integrated community health and social care services including Trusted Assessor opportunities, Integrated Rapid Response model, Virtual Wards (frailty) and locality and neighbourhood working.

Mental Health Act reform

3.24. The Government is proposing a wide range of changes to rebalance the Mental Health Act (MHA), the main piece of legislation that covers the assessment, treatment and rights of people with a mental health disorder, to put patients at the centre of decisions about their own care and ensure everyone is treated equally. The changes are based on four principles that have been developed with people with experience of the MHA. They are: choice and autonomy (ensuring service users' views and choices are respected); ensuring the MHA's powers are used in the least restrictive way; therapeutic benefit (ensuring patients are supported to get better, so they can be discharged from the MHA); and treating the person as an individual.

3.25. ESCC will implement the changes outlined for local authorities within the Act alongside the Mental Health National Service Framework to improve the way mental health services are delivered. This will be reflected in both policy and practice to ensure people have a better experience when accessing information, assessment and treatment. In keeping with the new legislation, ESCC will develop services that people will value and use and enable them to seek help earlier.

Deprivation of Liberty Safeguards reforms

3.26. As with the MHA, the Government is proposing changes to the Deprivation of Liberty Safeguards and will be replacing them with the Liberty Protection Safeguards. The original launch date of October 2020 was moved to April 2022, which has been further delayed because of COVID-19 and no new date has yet been set. However, a 16-week consultation for the new Code of Practice for the Liberty Protection Safeguards was launched in March 2022 and is due to conclude in June 2022. ESCC will implement the new legislation working in close partnership with client representative groups, the NHS, and private sector care providers ensuring our clients receive the appropriate client centred service, delivered safely with the appropriate levels of oversight identified in new legislation.

Living with COVID-19

3.27. The Government published the COVID-19 Response: Living with COVID-19 Guidance in February 2022 and its ongoing response is structured around four principles:

- Living with COVID-19: removing domestic restrictions while encouraging safer behaviours through public health advice, in common with longstanding ways of managing most other respiratory illnesses.
- Protecting people most vulnerable to COVID-19: vaccination guided by Joint Committee on Vaccination and Immunisation advice and deploying targeted testing.
- Maintaining resilience: ongoing surveillance, contingency planning, and the ability to reintroduce key capabilities such as mass vaccination and testing in an emergency.
- Securing innovations and opportunities from the COVID-19 response: including investment in life sciences.

3.28. Vaccination, therapeutics, higher levels of immunity and the Omicron variant have adjusted the risk the virus poses. The virus is yet to become endemic, and it is difficult to predict when this state may be attained. It will likely continue to disrupt many aspects of life and there remains a degree of unpredictability about the course ahead. We can potentially expect further waves of transmission because of waning immunity and the emergence of

new variants. Disadvantaged communities and areas are likely to be more at risk from surges and outbreaks, and at risk of prolonged disruption of education and economy.

3.29. National testing policy and public testing behaviour has changed. After a wave of infection during March 2022, rates of COVID-19 have declined, however routine testing for the general population ceased from 1 April 2022. Free testing is still available to those working in health and care and those more vulnerable to the virus. The Office for National Statistics COVID-19 Infection Survey is continuing to provide insight into the prevalence of the virus alongside local intelligence surrounding outbreaks in line with other infectious disease management processes. Ongoing work to manage outbreaks in health and care settings and increasing vaccination uptake continues with partners. County level vaccination rates are higher than the region and England average. However, specific localities and populations have lower uptake, and a range of programmes continue to address this.

3.30. The national Public Health infrastructure has been redesigned with Public Health England ceasing to exist from 1 October 2021. In its place the Office for Health Improvement and Disparities has been created, within the Department for Health and Social Care (DHSC), along with the UK Health Security Agency. The role of these organisations and relationship with local authorities is developing through on-going consultation.

3.31. Locally, Public Health and the wider health and care system are developing processes to ensure we can live with COVID-19. This will follow well established processes for managing outbreaks of other communicable diseases. It is likely that this response will be required to be scaled up or down over the next two years as we adjust to COVID-19, respond to seasonal increases and new variants. We will maintain capacity and capability that enables us to maintain resilience.

3.32. An equitable recovery from the pandemic is important and returning to business as usual to address other priorities is essential. Many opportunities exist to maximise the learning and relationships from the pandemic and apply this to actions to improve health and wellbeing. This aligns with the levelling up agenda and will involve a focus on addressing disparities in health and collaborating with partners to address the wider determinants of health.

Health Disparities White Paper

3.33. As announced in the Levelling Up White Paper (see 2.9-2.12 above), to further progress work on reducing health disparities, the DHSC will publish a Health Disparities White Paper later in 2022. It will set out a strategy to tackle the core drivers of health inequalities with a strong focus on prevention and disparities by ethnicity, socioeconomic background, and geography.

3.34. Furthermore, the Government has commissioned two significant independent reviews to tackle health disparities: one into potential ethnic bias in the design and use of medical devices; and a separate and independent review of the Government's ambition to make England smoke free by 2030. The latter review was published in early June and made 15 recommendations for Government to achieve a smokefree society, with four critical recommendations. These are: investing £125m per year in a comprehensive smokefree 2030 programme, potentially funded by a 'polluter pays' levy; increasing the age of sale by one year, every year; offering vaping as a substitute for smoking, with accurate information about the benefits of switching; and for the NHS to prioritise further action to stop people from smoking. While the Government has made progress in reducing smoking rates to their lowest ever level, there are an estimated six million smokers in England and smoking is still one of the largest drivers of health disparities.

3.35. The Government has said it will consider the findings of the review and publish its response as part of the Health Disparities White Paper. Both independent reviews form part of the Office for Health Improvement and Disparities' agenda to tackle inequalities in health and care, which will include the publication of a new Tobacco Control Plan later in the year. Locally, ESCC will have a new multi-agency strategy in 2022 outlining a systems approach to make East Sussex smokefree in line with the national plan.

3.36. The Public Health department will continue to address health inequalities with partners which include the Sussex Health and Care Partnership (SHCP) and wider partners in local authorities, education, business and the VCSE sector. We will use evidence-based interventions aimed to address local need through three domains of work, known as the Public Health Core Offer, which is as follows:

- Health protection and addressing threats to health
 - Maximising our health protection expertise and impact to protect health in a wide range of settings. This will include developing a health protection strategy beyond COVID-19.
- Health improvement across the system and life course
 - Maximising prevention and health improvement across the Council, education, workplaces, Integrated Care System and Integrated Care Partnership.
 - Building on the prevention agenda outlined in the SHCP place-based plan.
 - Our programmes will aim to ensure our residents have better beginnings and healthier and longer lives. New work on healthy ageing and 'everyday creativity' will evolve.
- Health in all policy and communities
 - Maximising our work on the wider determinants of health through collaboration with partners in education, employment, housing and planning to achieve better health.
 - Building on community assets, social prescribing and resilience aligned to SHCP programmes.

Food Strategy

3.37. The independent National Food Strategy for England, published in two parts in July 2020 and July 2021, looked at the entire food chain, from 'field to fork'. It made a number of recommendations, which Government committed to respond to and the Government's Food Strategy was subsequently published in mid-June. This set out plans to deliver three objectives: a prosperous agri-food and seafood sector that ensures a secure food supply and contributes to the levelling up agenda through good quality jobs; a sustainable, nature positive, affordable food system that provides choice and access to high quality products that support healthier and home-grown diets for all; and trade that provides export opportunities and consumer choice through imports, without compromising our regulatory standards for food.

3.38. The Strategy includes plans for changes to public sector procurement of food and catering, and Government are now consulting on updating the Government Buying Standards for Catering Services policy to ensure it promotes procurement of local, sustainable, healthier food and catering; opens up public sector supply chains to a wider range of companies, particularly small and medium-sized enterprises (setting a target that 50% of public sector food spend is on food produced locally or certified to higher environmental production standards); and increases transparency of food supply chains. Government is consulting on making the updated policy mandatory for educational institutions, local authorities and residential care; and on requiring public sector

organisations to report on the food they buy, serve and waste. A number of the recommendations previously made in the independent National Food Strategy are already being delivered locally through the East Sussex Healthy Weight Partnership and the East Sussex whole-system Healthy Weight Plan 2021-2026. This includes working with partners across the county to establish local food partnerships, which are focused on building more secure and sustainable food systems in their area. In 2022, an additional £200,000 from the Household Support Fund will be going to foodbanks and food partnerships to support emergency food provision across the county.

ASC and Health: Local policy priorities and strategic challenges

Development of a partnership approach to community wellbeing

3.39. In response to the COVID-19 pandemic five community hubs were established by a new collaborative partnership between ESCC, East Sussex district and borough councils, VCSE organisations and the NHS East Sussex CCG. A national requirement in the first phases of the pandemic response, these focussed on ensuring that vulnerable and Clinically Extremely Vulnerable people had access to food, medicines and social contact. Working together across organisational boundaries towards a very clear common purpose left partners with an understanding of what is possible, and an ambition to embed their learning for the future.

3.40. The pandemic further exposed pre-existing vulnerabilities within the county's communities, which are likely to be further exacerbated by pressures from the cost of living crisis and other economic trends. Partners have agreed on the need to develop a longer-term approach to collectively address these problems building on the ethos of the initial community hubs model.

3.41. In light of this, engagement was undertaken in 2021/22 to set out a shared vision for a community hubs model in East Sussex. The community hub model is based on a vision of upstream prevention and early intervention, with the aim of supporting the capacity of local communities to help themselves, with access to formal and specialist services and support where this is helpful and needed. By working effectively at a community level the goal is to build strength and resilience and, as part of wider partnership action, reduce demand for more costly services in the future.

3.42. The next step in 2022/23 will be to agree the shared vision for community hubs that has come out of the initial engagement work and build on this to develop the business case for the model with partners in district and borough councils, and the VCSE sector.

COVID-19 - ASCH recovery and learning

3.43. The Adult Social Care and Health Programme was established in June 2020 to respond to the COVID-19 pandemic. The project ran until August 2021. The Programme's objective was to ensure that ASC and Health will be able to operate to the best of its abilities in the longer term, taking into account lessons learned from the immediate and short-term responses to, as well as the overall effects of, the pandemic. 13 projects were established to deliver the objectives of the programme and a number delivered changes to the way we support our clients and to the way we work. Moving beyond this work, a key area of focus is continuing to employ the use of technology to complete remote Care Act assessments and reviews where face-to-face visits are not deemed necessary. This will be key to supporting delivery of the reforms to ASC charging outlined at 3.4-3.8. We will ensure ongoing focus is given to the client and carer experience of this and the impact on the outcome for clients and carers, ensuring that we continue to use strength-based practice methodologies during assessments and reviews.

Care Market Support and Resilience

3.44. During the pandemic, the challenges faced by the care market have been significant and have varied according to the type of service. Council staff have liaised closely with providers throughout to support them in continuing to provide services whilst managing COVID-19 outbreaks and staffing shortages. For example, ESCC supported care homes with the provision of temporary staff, meals, deep cleaning, infection prevention and control advice and guidance, psychological wellbeing support for staff and weekly virtual meetings where current issues were discussed with local clinicians. The regular Social Care COVID-19 Bulletin continues to be produced regularly and is a valued channel of communication by providers. At the time of writing, over 260 Bulletins have been published.

3.45. More broadly, as part of wider health and social care system working, ASC has secured home care provision and residential and nursing placements to enable people to be discharged from hospital in a timely way.

3.46. ESCC has also managed the allocation of more than £30m in Government grants to independent sector providers, used to support providers to meet the increased costs of providing social care services during the pandemic, including increased staffing costs and infection prevention and control measures.

3.47. COVID-19 has brought into sharp focus the challenges facing independent sector providers. Workforce shortages continue to be a significant challenge both locally and nationally. Looking forward, work has now commenced on the Fair Cost of Care review, funding reforms and wider social care reforms (see 3.2-3.11 above).

ASC workforce challenges

3.48. The national demand for social care staff far outstrips supply. The challenge is heightened by the competition at entry level from other industries, with many paying higher hourly rates. The Government has put care staff on the shortage occupation list (roles deemed by the Government to be in short supply and therefore afforded more relaxed eligibility criteria for sponsored work visa applications); however many care roles would not meet the minimum salary requirements and appointees could only stay for up to 12 months.

3.49. Approximately one third of our local care workforce are over 55, which means succession planning and retention of existing staff is essential and a focus for the ASC department. We are responding to this through a range of innovative interventions, with the following as just some examples:

- Recruitment of staff to pro-actively promote the sector and maximise community opportunities.
- Working with partner networks, such as the Armed Forces Network, to establish ongoing recruitment campaigns for veterans, reservists and cadets.
- Engaging with sixth form colleges to attract students to ASC through placements and training.
- Piloting a programme with the Department of Work and Pensions (DWP) to offer 'try before you apply' placements for over 50s on Universal Credit.
- Attending careers/recruitment fairs across the county.
- Working closely with partners in the Association of Directors of Adult Social Services South East and ICS colleagues to generate new ideas and undertake strategic planning.
- Developing an East Sussex Recruitment Hub to facilitate access to jobs across the county.
- Providing a free training offer across provider services to support with retention, for example through offering wellbeing workshops.
- Supporting overseas recruitment initiatives by four Home Care providers, resulting in 49 new carers working in East Sussex, with 29 more yet to arrive in the UK.

4. Children's Services

4.1. Major national policy reviews relating to Children's Services have been published in recent months, including the national review of children's social care and linked review of the children's social care market, both of which propose a range of reforms to transform the children's social care system to improve outcomes for children and sustainability. The report of the review by the National Child Safeguarding Practice Panel into recent high-profile child deaths has also made recommendations for improving child safeguarding practice. The Education White Paper and related Schools Bill have been published, proposing a number of initiatives to secure improved educational attainment nationally, announcing the ambition for a fully academised education system, and clarifying the role of local authorities in education; and proposals for changes to the SEND and Alternative Provision systems to address long-term pressures and challenges are currently out to consultation. Further details of these proposed reforms, and how they will be responded to locally are set out below.

4.2. This section also summarises priority areas of focus for the Department for now and future years, including in supporting increasing numbers of Unaccompanied Asylum Seeking Children and care leavers; responding to sustained high demand and increased complexity of need in early help and social care services following the pandemic; working with schools to support education recovery, attendance and mental health and emotional wellbeing; supporting Electively Home Educated children; and planning for effective use of new, short-term funding to establish Family Hubs.

National Review of Children's Social Care

4.3. The Government-commissioned Independent Review of Children's Social Care, described as "a once in a generation opportunity to transform the children's social care system and provide children with loving, safe and stable families" was published on 23 May, along with the Government's response. The review has considered the whole system of support, safeguarding, protection and care, and the child's journey into and out of that system. The final report [Final Report - The Independent Review of Children's Social Care \(independent-review.uk\)](https://www.independent-review.uk) makes a wide range of significant recommendations including:

- (i) Significant new investment in practical, multi-disciplinary early help support for families, including support to meet adult needs as well as those of children, with a view to enabling more children to continue to be cared for by their families rather than come into local authority care, and to return to the care of their families wherever possible.
- (ii) A new national framework for children's social care based on a clear vision for the purpose of social care which is to enable all children to grow up supported by enduring, loving relationships with people other than professionals involved in their care.
- (iii) A new early career framework for social workers and significant workforce development investment.
- (iv) Ensuring that the right, multi-agency, experience and skills are brought to bear when children need to be the subject of child protection plans.
- (v) A national recruitment campaign for foster care.
- (vi) New arrangements for commissioning care for children with complex needs.
- (vii) Making experience of local authority care a "protected characteristic" for the purpose of discrimination legislation.

4.4. In response, Government has committed to developing the proposed national framework and has promised a major statement of policy, responding to the review recommendations by the end of the year.

4.5. The publication of the care review report was closely followed by the publication of the report of the review by the National Child Safeguarding Practice Panel into the cases of two children, Arthur Labinjo-Hughes and Star Robson, whose murders were the subject of extensive national publicity in the autumn of 2021. This in-depth review made both national and local recommendations. The Government's response signalled that it intended to accept the national recommendations which will have implications for the way safeguarding services are organised in East Sussex. The Government statement set out a proposal to include its plans within the major statement of policy proposed for later in 2022.

4.6. ESCC and its safeguarding partners (in particular the NHS and Sussex Police) will be reviewing carefully the learning set out in the National Panel's review to ensure that our joint working and safeguarding practice continues to provide the best possible support for children, young people and families. The values and direction of travel set by the wider care review resonate well with our early help and social care practice in the county. Using our well-established Connected Care practice model we are committed to doing everything we can to ensure that all children, including those in our care, grow up supported by enduring loving relationships. Implementation of the key recommendations of the review would provide a significant opportunity to further improve outcomes for children, young people and families in East Sussex.

Review and regulation of the Children's Social Care market and providers

4.7. Alongside the Independent Review of Children's Social Care, the Government asked the Competition and Markets Authority to review current market activity and the role of independent/private placement provision for children within it. The market study, published in March 2022, found that there is a shortage of appropriate placements in children's homes and with foster carers, meaning that children are not getting the right care from their placement. Some children are also being placed too far away from where they previously lived or are in placements that require them to be separated from their siblings.

4.8. This shortage also means that high prices are often being paid by local authorities. The report's analysis finds that the main reason for this is the fragmented system by which services are commissioned, which means that local authorities are not able to leverage their role as purchaser of placements.

4.9. The report recommends that the Government creates or develops national and regional organisations that could support local authorities with their responsibilities. The report also addresses concerns regarding the financial sustainability of private sector providers, and the options for bringing more foster carers in house. It recommends that its findings are reflected within the Independent Review of Children's Social Care. The published Independent Review has recommended that to address current weaknesses in the system, Regional Care Cooperatives (RCCs) should take on responsibility for the creation and running of all public sector fostering, residential and secure care in a region, as well as commissioning all not-for-profit and private sector provided care for children, as necessary. The Review suggests that local authorities would have direct involvement in running RCCs and children would continue to be in the care of local authorities.

4.10. ESCC is experiencing the same challenges and pressures in relation to placements. Whilst 78% of our looked after children are placed with in-house foster carers, it is becoming increasingly challenging to identify appropriate placements and the price of placements has significantly increased. East Sussex is part of a commissioning framework agreement with other local authorities to improve leverage in purchasing placements. Rigorous steps are taken to ensure the safety and quality of placements.

Early Help and Family Hubs

4.11. In March 2021, the Government published the Leadsom Review into early years services, *The best start for life: a vision for the 1,001 critical days*. The report stressed the importance of children having the best possible support as early as possible and the important role of staff such as health visitors and experts in early language development.

4.12. The Government continues to promote early help for children and young people of all ages and their families through its service transformation and payment by results programme, Supporting Families (see below), and in summer 2021 linked the Leadsom review to a revised Government plan for the development of Family Hubs, delivering integrated early help such as maternity, health visiting, parenting and family support and benefits advice through hubs within the community.

4.13. In March 2022, the Department for Education (DfE) announced that East Sussex was one of 75 local authorities chosen as eligible for a share of £302m to establish Family Hubs. We are awaiting final details of the funding available and the expectations in terms of delivery. A plan is under development, and it is anticipated that the programme will be rolled out over the next 2 years. The additional funding is unlikely to be able to replace fully the £1.7m savings which the Council made in early help from 2019-2022, when the service was reshaped in the context of reduced resources to focus support on those most in need. The funding is also expected to be time-limited so we expect to need to work to ensure it is used on developments that create a lasting legacy and develop community capacity wherever possible, rather than establishing increased levels of long-term service provision. It will provide an opportunity, however, to develop our digital offer, enhance volunteering and support integration of services with the NHS including potential expansion of maternal and infant mental health services.

4.14. In May 2022, the Government announced a significant new £300m investment in relation to the prevention of youth offending. Over the next three years local authorities will be provided with additional funding to support youth justice teams to deliver 'Turnaround', early intervention schemes. This is intended to provide targeted wraparound support to stop children and young people going down a path of criminality. Support could include mentoring, extra school tuition, sports clubs and activities. The funding will also bolster existing youth justice schemes. We await further information on funding that will be made available for ESCC and any conditions attached.

Supporting Families Programme

4.15. Supporting Families (previously called Troubled Families) is the national programme for the delivery of whole family support. Led DLUHC, the programme encourages local authorities to take a 'whole family, whole system' approach and promotes the use of data in planning and delivery of services to families. In East Sussex it is known as 'Family Focus' and keywork support is provided through our Early Help 0-19 Service. We exceeded our target of 602 families for 2021/22. This was a minimum expectation of the number of families who would achieve their goals, making positive progress and enabling the Council to make payment by results claims. We anticipate being able to achieve the target set for us in 2022/23; the funding for the programme will be kept at the same level as 2021/22.

Unaccompanied Asylum Seeking Children and the National Transfer Scheme

4.16. In June 2021, Kent County Council declared it could no longer safely accept new Unaccompanied Asylum Seeking Children (UASC) into its care. In response, the Government proposed changes to the National Transfer Scheme (NTS) to encourage more authorities to accept transfers of UASC. East Sussex was amongst a number of local authorities that have participated in this scheme from the outset. The Government announced in November 2021 that the scheme was to become mandatory and directed local authorities to provide care placements for UASC through an NTS rota. Although East

Sussex does not see the same volume of UASC presenting in the county as in Kent, UASC do still arrive in the area. Through a combination of spontaneous arrivals and UASC received through the NTS we have seen a steady increase in the numbers we are supporting, which currently stands at 63 looked after children and 95 care leavers.

Impact of the COVID-19 pandemic on children

4.17. Throughout the pandemic Children's Services have remained focussed on the needs of children, particularly vulnerable children, and their families. Children's Services were effective in making swift and careful adaptations to the way we work during the pandemic and also distributed COVID-19 grant funding direct to vulnerable families, through the food voucher schemes, and the Holiday Activity programmes.

4.18. The long-term impact of the pandemic remains unclear at this stage, however Early Help and Social Care services, alongside key partners, are experiencing significant and sustained high demand and increased complexity of need. This is particularly in relation to children and adults' emotional wellbeing and mental health, domestic abuse and substance misuse. Between April 2021 and end of March 2022, there has been a 29% increase in the number of contacts through our integrated Single Point of Access, and a 9% increase in referrals. The rates of children in need and children subject to child protection planning have also been impacted. We have been able to avoid an increase in contested care proceedings, particularly through our Family Drug and Alcohol Court and Foundations programmes. We have had increased numbers of teenagers entering care with their parents' agreement, however, particularly teenagers who are neuro-diverse and those who are victims of criminal exploitation. Through our well-established 'Connected Practice' approach, our stable and skilled workforce, and our robust performance management and effective quality assurance, the service continues to prioritise meeting the needs of our most vulnerable children.

Schools' future policy and funding

4.19. The Education White Paper Opportunity for All: Strong Schools with Great Teachers for your Child was published in March 2022. The White Paper sets out the ambition that by 2030, 90% of all children will leave primary school having achieved the expected standard in reading, writing and maths. Various programmes and initiatives have been announced to help achieve this, including teacher development, curriculum support, tutoring, a parent pledge and an increased focus on school attendance. The role of the local authority is clarified as champion of children, ensuring the system works for vulnerable children and planning services that are best co-ordinated locally. Local authorities will continue to have a core statutory role in relation to school place planning and admissions.

4.20. The White Paper also announces the ambition for a fully academised, trust-led system, with all maintained schools joining an academy trust by 2030; and that local authorities will be able to establish new trusts where too few strong trusts exist. Local authorities will cease to have a role in improving the quality of school provision. The School Improvement Monitoring and Brokering Grant that has supported local authorities to deliver a range of school improvement functions has been reduced by 50% this financial year and will end completely from April 2023. ESCC will work closely with the Regional Schools Commissioner and the Diocese during 2022/23 to develop area-based plans for academisation, guided by discussions with local schools, academies, trusts and the boards.

4.21. As covered above (see 2.15-2.16), the 2022 Queen's Speech announced a new Schools Bill which will introduce the legislative provisions needed to deliver reforms outlined in the Education White Paper, as well as progress other recent national education policy proposals. The Bill will include provisions to:

- strengthen the regulatory framework for academy trusts and establish new statutory standards for trusts;

- make reforms to the attendance legal framework, requiring schools to publish an attendance policy and putting attendance guidance on a statutory footing, making roles and responsibilities clearer;
- establish 'children not in school' registers, and create a duty on local authorities to provide support to home educating families;
- improve safeguarding by expanding registration requirements for independent educational institutions, enhancing enforcement, and working with Ofsted to expand investigatory powers; and
- support full implementation of a direct National Funding Formula (NFF) so each mainstream school is allocated funding on the same basis, determined nationally. The DfE launched a consultation on plans to finalise implementation of the Direct NFF at the beginning of June, with some proposals relating to the interaction between the direct NFF and funding for high needs provision. ESCC will consider the proposals in the consultation, the impact these may have on future funding of high needs provision in East Sussex and respond.

Education recovery, attendance and attainment

4.22. The Primary and Secondary Boards have played an important role in supporting schools through the COVID-19 pandemic. Local partnerships have enabled schools to share practice and solve problems whilst the Boards have provided strategic direction and additional resources to address key priorities, particularly focused on our most disadvantaged pupils. ESCC is committed to working closely with the Boards and all schools, academies and Multi Academy Trusts to develop the most effective possible leadership and structures for education in the county.

4.23. The Council continues to work closely with the Boards to ensure that schools are able to access resources which relate to the national school catch-up programme. This includes the National Tutoring Programme (NTP), which continues into the 2022-23 academic year. The Boards continue to play a vital role in assessing the impact and effectiveness of education provision in the county.

4.24. Improving school attendance remains a high priority for the Council; current rates of persistent absence (less than 90% attendance) are high at 21% for primary schools and 27% for secondaries. A Rapid Improvement Plan brings together all activity across the education division in relation to improving attendance, including clear roles and responsibilities for working with schools in relation to their own strategic plans to improve attendance. The DfE consulted on new Attendance Guidance in February 2022 with updated guidance published to schools, trusts and local authorities on 6 May. No additional funding has been provided and the Council will need to consider how to meet requirements in the updated guidance within existing resources. The Schools Bill announced in the Queen's Speech (see above) places this guidance on a statutory footing.

Education Investment Areas

4.25. As part of the Levelling Up White Paper, the Government announced the establishment of 55 Education Investment Areas which have been identified for access to additional support to improve outcomes in literacy and numeracy. East Sussex is an Education Investment Area, and Hastings has been identified as one of 24 Priority Investment Areas. The Government will invest to support academy trusts to expand in Education Investment Areas, and Priority Investment Areas will have access to a national total of £40m additional funding for bespoke interventions to address local needs. Access to the funding is through bids, based on evidence from previous interventions; we do not know at this stage how much funding will be allocated to Hastings.

Electively Home Educated children

4.26. The Council provides information, guidance and signposting to families who choose to electively home educate (EHE) their child. The EHE team ascertains the suitability of home education on an annual basis, to ensure that every child is receiving their educational entitlement. The EHE team also supports dialogue between families and schools where a family wants their child to attend school but have concerns about their child's provision.

4.27. There were 1345 EHE children on 26 April 2022 compared to 1274 on 26 April 2021. We work in partnership across Children's Services to monitor and respond to EHE numbers and any safeguarding indicators. The Council will need to consider how to meet the expectations associated with the new register for children not in school, referred to in the Education White Paper, and to be legislated for in the Schools Bill, when further guidance is published.

Mental health and emotional wellbeing in schools

4.28. As COVID-19 restrictions were lifted over the past year, an increased need for Mental Health and Emotional Wellbeing (MHEW) support for schools and families has become evident. The Schools MHEW Advisers continue to have an impact through advice and support for schools and colleges. An additional Schools MHEW Adviser has been appointed, which has led to the development of the 'MHEW in Education Team', within the Educational Psychology Service. This team has delivered training for Senior Mental Health Leads in 36 schools, which has been supported by a grant from the DfE.

4.29. The MHEW in Schools Steering group oversees the MHEW whole school approach and multi-agency project work. The group oversees the offer around MHEW for all schools in East Sussex. One example of joint working is the guidance and training for schools and parent/carers around Emotionally Based School Avoidance (EBSA).

4.30. Mental Health Support Teams (MHSTs) provide interventions for mild to moderate mental health issues for children and young people in 53 schools across the county. There are four MHSTs which continue to be integrated into the existing education and clinical landscapes. The MHST service received 573 referrals in the six months between September 2021 and April 2022. The programme of intervention and support that can be offered to MHST schools has been broadened and strengthened over the past year, through training on working with children with SEND, solution-focussed approaches, and offering direct support to parents and carers.

4.31. Recruitment is underway for the second MHST in the Hastings/Rye area which is due to be in place for September 2022. This will provide further resources in an area which experiences the most health inequalities. It is anticipated that approximately 52% of East Sussex schools will be part of MHSTs by 2024.

SEND reforms

4.32. In March 2022, the DfE published a Green Paper to consult on proposals for changes to the existing SEND and Alternative Provision Systems. This was informed by the outcome of the SEND Review, which was originally due to be published in summer 2021. The Council contributed to the original SEND review consultation and the DfE have identified proposals to address significant issues with the current arrangements.

4.33. The Green Paper makes proposals across five broad areas with a view to, amongst other things, improving mainstream provision for children with SEND, improving parental confidence in mainstream provision, creating a national framework for the assessment and provision of children with SEND, reform of the tribunals process, and clarifying roles and responsibilities across key partners in education, health and social care. The Green Paper also makes proposals to address the significant escalation in costs that the SEND system has seen nationally, which include new costing frameworks for SEN provision as well as

increasing special schools and the continuation of the 'safety valve' programme for Local Authorities who are struggling to meet costs within allocated budgets (these do not include East Sussex).

4.34. The Green Paper consultation concludes on 22 July and a national board will be set up to review the responses and make further proposals for legislative change. As part of the proposals, there will be a revised inspection framework for local areas (the Council, plus statutory partners) which is due to come into effect in 2023.

Local SEND strategy

4.35. As a result of the delays in the publication of the Green Paper, the timeline for the new SEND strategy has been pushed back. This will now be completed in autumn 2022. The strategy will be informed by both the direction of the Green Paper and the outcomes of a Public Health-led Joint Strategic Needs Assessment that was produced in August 2021.

4.36. A working group has been set up with representatives from all key partners and the strategy will be co-produced with parents and carers. Extensive consultation has been undertaken with stakeholders across the county (including schools, parents and young people) and the new strategy will identify the main priorities for the Council over the next 2 to 3 years. We will set up a SEND Partnership Board to oversee the delivery of the strategy with representatives drawn from the various stakeholders in the SEND system. We will use both the strategy and the partnership board to ensure that we are well placed to deliver on the final outcomes of the Green Paper.

5. Refugee Resettlement and Asylum Dispersal

5.1. Recent global events including the withdrawal of NATO troops from Afghanistan and the Russian invasion of Ukraine have led to Government establishing new formalised schemes to enable refugees to resettle in the UK. Local authorities have played a central role in establishing these schemes, working with local partners to ensure that those arriving will have access to safe accommodation, public services and community support. The latest position in delivering these schemes in East Sussex and future risks surrounding them are set out below, along with details of Government plans for a new approach to asylum dispersal.

Afghan Resettlement Schemes

5.2. The Government has established two resettlement schemes for Afghan citizens. An Afghan Relocations and Assistance Policy (ARAP) Scheme, for people who were Locally Employed Staff by the British Government in Afghanistan and Afghan Citizens Resettlement Scheme (ACRS), for other people made vulnerable by the crisis in Afghanistan.

5.3. For councils who support refugees to resettle through the above schemes, Government has provided a standard integration funding package, similar to that provided for the previous Syrian refugee resettlement scheme. Refugees waiting to be resettled are placed in 'bridging accommodation' (usually hotels) until more permanent housing is found. This is arranged and supported by the Home Office, although upper tier local authorities have safeguarding responsibilities for people placed in bridging accommodation. £10m has also been provided nationally to support local housing authorities with finding appropriate long-term accommodation and to reduce reliance on temporary accommodation in resettlement.

5.4. Under the ARAP scheme, 8 families will be resettled in East Sussex and these resettlements are in progress. The ACRS scheme formally opened on 6 January 2022 and aims to accommodate up to 5,000 people in the first year and up to a total of 20,000 over 5 years. A task and finish group was established by East Sussex borough and district councils last autumn to oversee preparations for this in East Sussex (bringing together partners from

across housing, health, education, social care, and the community sector) to build on existing good practice through the Syrian Vulnerable Persons Resettlement Programme and identify potential capacity gaps within services. 200 individuals will be resettled in East Sussex with 40 in each of the 5 district/borough areas over the next 5 years. These will begin as people move out of bridging accommodation into identified accommodation.

Ukrainian refugee response

5.5. In response to the refugee crisis arising from the Russian invasion of Ukraine, the Government has established two routes through which Ukrainian refugees can enter the UK:

- Ukraine Family Scheme – an extension and adaptation of the existing family visa process; and
- Homes for Ukraine – for Ukrainian nationals to be sponsored to come to the UK by private individuals, organisations or community groups.

5.6. To enable local authorities to provide support for arrivals, undertake safeguarding checks of hosts and safety checks of housing, and arrange access to services, Government is providing funding at a rate of £10,500 per Ukrainian national arriving under the Homes for Ukraine scheme for the first year. This is intended to enable councils to provide support to families to rebuild their lives and fully integrate into communities. Future years' funding will be considered at a later date. There is no funding associated with the Ukraine Family Scheme.

5.7. Cabinet received a detailed update in April on work taking place with our partners to support Ukrainian refugees arriving in East Sussex, particularly through the Homes for Ukraine Scheme. As highlighted in that report, while extensive work is taking place with our partners to respond robustly and positively to ensure refugees are welcomed and well-supported - and it has been heartening to see the support offered by local communities underpinning this - there are significant risks for ESCC and our partners related to the resettlement of Ukrainian refugees, which we will need to continue to manage in future. These include:

- Capacity - the need for a rapid, and now sustained, response by ESCC and partner services which continue to be stretched by COVID-19 and other pressures.
- Vulnerability – both refugees and sponsors may fall into vulnerable groups and be at risk of exploitation and we are taking steps to manage safeguarding risks.
- Support needs – refugees, including children, are likely to arrive with significant health support needs, notably need for mental health support. Schools will need to find additional spaces, and wider support, for newly arrived children.
- Breakdown in arrangements - there may be some cases where the sponsor/guest relationship breaks down and the guest is homeless or at risk of homelessness. Government has established a mechanism and some guidance to enable local authorities to rematch Homes for Ukraine guests with new sponsors where it is unviable or unsafe for the sponsorship relationship to continue, but the detail of how this will be delivered is to be determined locally. Although Government have asked councils to keep rematches to a minimum and said that homelessness duties will still apply in instances of early sponsorship breakdown, this approach does not accommodate the complex reality of real scenarios and the need to ensure traumatised Ukrainian refugees are supported with due care and compassion. Additionally, families who arrived on the Ukraine Family Scheme may encounter problems with their accommodation and they are unable to transfer schemes at present, and if they present as homeless will not be eligible for any additional funding. Government has indicated that district and borough councils' statutory homelessness duties will apply in this instance.
- Community integration – the need to support new arrivals to settle into communities and to support communities in welcoming refugees who have been through an ordeal

and may be traumatised by their experiences. It is possible that community tensions could arise. Language support is likely to be required and this capacity may be stretched nationally.

- Longer-term resourcing and planning – there is a risk that resources allocated to deliver the Homes for Ukraine scheme are insufficient to meet the ongoing support needs of arrivals, and as highlighted above, no specific funding is associated with providing support for people arriving through the Ukraine Family Scheme. Ongoing support and funding after the initial 6-month provision of accommodation by sponsors is currently unclear presenting challenges for longer-term planning.

5.8. Our central role in the Homes for Ukraine scheme is prompting a review of our overall support offer to refugees to ensure we are adequately prepared and resourced and able to deliver a fair and equitable response to all refugees in future (see 5.13-5.14 below).

Asylum dispersal system

5.9. On 13 April, the Home Office announced a ‘Full Dispersal’ system whereby all local authorities in England, Scotland and Wales will be expected to be asylum dispersal areas and will receive new Government funding to support this. Government has said the change is needed as the asylum system is under enormous and unsustainable pressure due to the challenges of the pandemic and significant increase in small boat crossings in the English Channel. Home Office statistics released in February showed that 28,526 migrants crossed the Channel in 2021, up from 299 in 2018. Almost all claimed asylum.

5.10. The UK has a legal obligation to provide asylum seekers who would otherwise be destitute with accommodation and other support while their claim is being considered. The pandemic and increase in Channel crossings has led to an increased use of hotels as accommodation and the expansion of asylum dispersal areas is planned to support a move away from use of hotels to more suitable dispersed accommodation. The Home Office has started to expand procurement of private sector rental properties and will make local authority areas aware of proposed properties to allow any specific concerns to be raised for consideration. Objections can be raised on four grounds: concerns around social cohesion, if procurement will impact on development or community plans, the issues with the provision of wraparound services, and if a property has special characteristics in short supply (for example, a property adapted for someone with disabilities). Local authorities will not be expected to accommodate asylum seekers beyond 0.5% of their total population.

5.11. Alongside this change, an informal 8-week consultation with local authorities also commenced in May to shape the design of the reformed system to ensure it is:

- Fair, sustainable and value for the taxpayer
- Collaborative, providing increased engagement and involvement of local authorities
- Innovative and responsive to changing demands and needs
- Responds to local factors and competing demands in local regions and places

The consultation is not on the policy of full dispersal, which the Home Office state is necessary, but on how it will be implemented.

5.12. In addition to the online consultation, the Home Office is also undertaking regional engagement workshops with local authorities to agree a regional allocation model, to implement full dispersal for the coming years. The model will consider the impacts on urban and rural areas as well as market capacity. ESCC is working with local district and borough councils to ensure that the impact of Full Asylum Dispersal in East Sussex is fully considered and reflected in our consultation responses.

Future local support

5.13. As outlined above, at the same time as increasing numbers of refugees have arrived through the Ukrainian and Afghan schemes, increasing numbers of people are arriving in the UK through small boat crossings over the Channel seeking asylum. This has contributed to increasing numbers of UASC (see 4.16 above) and pressure on the asylum system that the above reforms are intended to address.

5.14. Given the recent trend in increasing arrivals, expectation that numbers of refugees and asylum seekers will increase in future in response to climate change and other international conflicts, and an expectation that all regions will contribute to supporting arrivals, we can expect activity to support refugees and asylum seekers to be a significant and long-term area of work and focus for the Council in future. This will require development of our local resources, expertise and knowledge in these areas, a strengthening of existing and new partnerships, and a clear and joined up strategic approach across East Sussex and the wider region.

6. Communities

6.1. ESCC provides a range of services, and acts with our partners, to support our local communities, delivering on our strategic priorities to keep vulnerable people safe and drive sustainable economic growth. The following sections outline the latest developments and local priorities for our work to support victims of domestic abuse and violence; tackle Violence Against Women and Girls; support drug and alcohol misusers; and provide trading standards advice and support to businesses and residents, and prepare for implementation of new post-EU border checks at Newhaven Port. It also summarises recent national policy developments that will inform our future work to prevent extremism; improve community safety; support local resilience; and deliver our planning functions.

Implementing the Domestic Abuse Act 2021 and Tackling Domestic Abuse Plan 2022

6.2. Work continues to ensure new national requirements for local authorities relating to domestic abuse support and services are reflected in local plans and activities. The Pan-Sussex Strategic Framework for Domestic and Sexual Violence and Abuse and Violence Against Women and Girls (VAWG) has been refreshed to incorporate the new statutory definition of domestic abuse within the Domestic Abuse Act 2021, which now includes economic abuse, and considers children as victims of domestic abuse in their own right. The strategic priorities within the framework align with the national Tackling Domestic Abuse Plan published at the end of March 2022, prioritising prevention, supporting victims, pursuing perpetrators, and building a stronger system. The East Sussex action plan for delivery of the strategy is being developed in partnership with key stakeholders to ensure implementation of both the Act and the national plan, with the East Sussex Domestic and Sexual Violence and Abuse Management Group overseeing its development and delivery.

6.3. Section 57 of the Domestic Abuse Act 2021 places a new duty on local authorities to provide support to victims of domestic abuse and their children in refuges and other safe accommodation. A needs assessment was completed by a project team in the Office of the Sussex Police and Crime Commissioner and funded by the three Sussex Tier 1 authorities. The Pan-Sussex Domestic Abuse Accommodation and Support Strategy 2021-2024 was published on 5 January 2022, incorporating local priorities based on need. A local action plan has been developed in partnership with key stakeholders to deliver on the recommendations and priorities for East Sussex. The needs assessment will be refreshed annually to enable monitoring of progress and effectiveness of the strategy, with a full needs assessment being completed every 3 years.

6.4. A Pan-Sussex Domestic Abuse Partnership Board has been established, responsible for supporting ESCC, Brighton and Hove City Council and West Sussex County Council in meeting their local authority duty under Part 4 of the Domestic Abuse Act (which outlines support to be provided by local authorities to victims of domestic abuse). The Board works to

improve outcomes for victims of domestic abuse, including their children, through a strategic approach to identifying and addressing gaps in support. To deliver on the statutory requirement for those with lived experience to be represented on the Board, a Community Development Officer has been appointed working across Sussex to establish a Lived Experience Board and to support survivor engagement and co-production.

National and local plans for tackling Violence Against Women and Girls

6.5. The National Tackling Violence Against Women and Girls (VAWG) Strategy was published in July 2021, shaped by a comprehensive Call for Evidence on VAWG run by the Home Office, which was re-opened following the tragic rape and murder of Sarah Everard. As part of this, the Safer Streets Fund was established to invest in crime prevention initiatives and local projects across the country aimed at increasing the safety of public spaces for all, but with a particular focus on tackling VAWG.

6.6. A successful Pan-Sussex partnership bid for Safer Streets 3 focussed on the night-time economy and VAWG, funding healthy relationship education in East Sussex schools, Bystanders training, VAWG Co-ordinators, Street Pastors, VAWG Police Patrols, 'stop tops' for distribution to bars, pubs and clubs to reduce the risk of drink spiking, and environmental safety improvements (lighting and CCTV) in Alexandra Park (Hastings) and Gildredge Park (Eastbourne). Partners have bid to Safer Streets 4 to continue many of these initiatives.

6.7. The Pan-Sussex Strategic Framework for Domestic and Sexual Violence and Abuse has been refreshed to explicitly incorporate VAWG and it aligns with the priorities in the National VAWG strategy, while the local action plan is driving the coordination of an effective response to VAWG in East Sussex. ESCC is committed to commissioning effective services in line with the latest National Statement of Expectations to tackle VAWG to ensure a collaborative whole system response to ensure that victims and survivors and their children can get the help they need.

Police, Crime, Sentencing and Courts Act

6.8. The Police, Crime, Sentencing and Courts Act will introduce a serious violence duty on specified authorities, including local authorities, to work together to prevent and reduce serious violence (including domestic abuse and sexual offences). The duty requires the specific authorities to work together to formulate an evidence-based analysis of serious violence in a local area and then formulate and implement a strategy detailing how they will respond to those issues. The Act also places a duty on chief officers of police, local authorities and Integrated Care Systems or local health boards to undertake offensive weapons homicide reviews to learn the lessons from such deaths and help prevent future homicides. We will work to implement the guidance that relates to these new duties once it is received.

Drug and alcohol treatment work and Project ADDER

6.9. There continues to be increased investment into drug and alcohol treatment in East Sussex. In 2021/22, the core substance misuse services were supplemented by Project ADDER funding targeted at opiate and crack users in Hastings, and the Public Health England Universal Allocation which has benefitted the whole county.

6.10. Project ADDER has completed its second year and has embedded a whole system approach to providing a comprehensive model of support and disruption activity. The model provides treatment for drug misuse and focusses on wider issues including mental and physical health, housing and employment. The initiative has successfully engaged some of the most chaotic heroin and crack cocaine users in Hastings, many of whom were treatment naïve or resistant in the past. There has been a return to the face-to-face delivery of some treatment support for drug and alcohol misusers across the county, while retaining a model of hybrid support after the successful delivery of services during the pandemic.

6.11. There have been notable increases in those presenting for support with alcohol misuse as well as an increase in the number of 18-21 year olds in treatment. This may be due to the raising of the upper age range of the under- 19s service to under- 21s. The East Sussex Recovery Community continues to develop and there will be further investment in this area through the year.

Police and Crime Commissioner (PCC) review

6.12. The Government has conducted a review of Police and Crime Commissioners (PCCs) and the conclusions of the second part of the review - designed to ensure that PCCs have the information, levers and tools to help cut crime, drugs misuse and anti-social behaviour – were published in March.

6.13. The second part of the review includes recommendations to give PCCs levers to bring together crime and justice partnerships and some recommendations within this impact on local authorities in their roles in Community Safety Partnerships (CSPs) and supporting Police and Crime Panels (PCPs). The Home Office will undertake a full review of CSPs to improve their transparency, accountability, and effectiveness, before assessing their position within the wider landscape of local partnerships. Through this review, the Home Office will also consider a new duty for CSPs to report on their anti-social behaviour strategies and delivery plans to PCCs; with potential for the PCC's role in the Anti-Social Behaviour Community Trigger process to be set out in the new legislation. The Home Office has also committed to clarify the existing legislation on PCC representation on local government committees, in order to facilitate greater collaboration between PCCs, local government leaders and Local Enterprise Partnerships. To support this, the Home Office will develop guidance to help facilitate closer engagement between PCCs and those charged with responsibility for economic regeneration within the core PCC guidance.

6.14. With regards to PCPs, the Home Office plans to work with the LGA to take forward changes intended to drive up the standard of scrutiny applied by PCPs to PCCs. These changes include looking at ways to improve the recruitment and retention of independent members on PCPs, and whether a regional approach could improve the professionalism, quality and consistency of the support provided to panels.

6.15. ESCC will engage, with our partners, with implementation of the recommendations of the review as they progress.

Independent Review of Social Cohesion and Resilience

6.16. The Government's independent adviser for social cohesion and resilience, Dame Sara Khan, launched a call for evidence in April this year to examine the harm and impact extremism is having at a local level on communities and individuals. The call for evidence has three main sections:

- Experiences of those targeted by extremists such as Extreme Right-Wing, Far Left, Islamist and other religious fundamentalists.
- Understanding the role of local authorities and public bodies in promoting social cohesion and countering extremism.
- Supporting local communities and civil society to challenge extremism, develop community resilience and promote social cohesion.

6.17. The consultation will seek to make recommendations on how Government can strengthen social cohesion and build community and institutional resilience and has been shared with all East Sussex Prevent Board partners. Responding to the consultation, ESCC highlighted ongoing work to understand loneliness in East Sussex and the development of community hubs. Also highlighted is the work of the dedicated ESCC Prevent Project Officer

delivering training to local authority colleagues, staff in schools, colleges and public facing roles about the requirements of the Prevent Duty, recognising extremist behaviour, hate crime and referring to Prevent. We also outlined the need for a national strategy and central government guidance specific to implementing cohesion and resilience.

Trading Standards priorities and focus

6.18. Trading Standards, Sussex Police and the district and borough Environmental Health teams worked closely together during the pandemic, enforcing any business restrictions and providing comprehensive advice, guidance and support to residents and local businesses. Whilst there are no restrictions currently in force, Trading Standards continues to be a member of the Public Health-led Operational Cell to monitor the spread of COVID-19 and has also continued with the Enforcement Cell created during the pandemic; but has broadened its remit to provide an opportunity for the exchange of information and support between local regulators across all of Sussex.

6.19. Another key area of focus this year has been in preparing for the implementation of new border checks at Newhaven Port. After the post-Brexit Trade Deal with the EU was agreed, the Government published a Border Operating Model to outline how the borders would be managed in future. Trading Standards has a role in this around product safety checks. At the time of writing, a further delay to border control measures has been announced by Government, the fourth time the date for implementation has been put back. The latest announcement suggests a scheme will be introduced by the end of 2023. ESCC Trading Standards has already liaised with the Port and UK Border Force and undertaken pilot check projects to ensure that we are ready and able to respond to these additional demands. This delay will enable Trading Standards to focus resources in the short-term on local businesses, supporting them with new regulations and controls brought about by our exit from the EU, and freedom for Government to develop a new regulatory regime.

Local Resilience and National Reviews

6.20. In July 2021, Government launched a consultation on a national resilience strategy. The consultation asked questions on a range of topics, including risk and resilience, partnerships, community, investment, and resilience in an interconnected world. The Civil Contingencies Act 2004 (CCA) is also being reviewed. The early results have been published in spring 2022.

6.21. Respondents have said they believe more can be done at the national and local level to communicate national risks. Greater transparency and accessibility in relation to risk information was also a common theme. There was a consensus that everyone has a part to play in improving the UK's resilience, particularly in the light of the COVID-19 pandemic and the active partnerships this created between organisations and volunteers.

6.22. The CCA prescribes the local arrangements for civil protection (Part 1) and the UK's emergency powers (Part 2). Evidence submitted shows that the Act has served the responder community well. There was broad agreement that current information sharing arrangements are insufficient and the duty to share information should be placed on central Government. The majority of respondents also recognised funding as a key factor in the ability to deliver emergency preparedness in the UK. Government have said the review of the CCA will carefully consider how the Act can support organisations to use their resources as efficiently as possible.

6.23. ESCC will keep a close eye on developments in this area. Our clear message to Government has been that we support a refreshed Resilience Strategy and CCA, but new burdens on the Sussex Resilience Forum and ESCC must be matched by funding. Government is piloting funding across the UK to Local Resilience Fora at £7.45m in 2022/23.

Sussex has received £177,684 and plans are in place and being developed to improve partnership working and resilience across Sussex thanks to this injection of funding.

Fire Reform White Paper

6.24. In May 2022, the Government published the Fire Reform White Paper which outlines plans to reform fire safety across England to strengthen fire and rescue services and put the majority of the Grenfell Tower Inquiry recommendations into law. The proposed reforms include governance changes that would see fire and rescue committee structures replaced with a single elected official, who is ideally directly elected. The single elected individual could be a mayor, county council leader, or police, fire and crime commissioner. The Government has opened a ten-week consultation on the proposed reforms.

National planning reforms

6.25. On the 11 May, the Government introduced the Levelling Up and Regeneration Bill in Parliament. Significant parts of this Bill relate to reforms and changes to the planning system. Whilst detail around some of the reforms will not emerge until consultations around aspects of the Bill are issued later in the year, a clear direction of travel for the planning system is given. Aspects of the Bill are relatively consistent with proposals that were set out in the Planning for the Future White Paper, which was published in September 2020. However, some of the previously proposed reforms, such as introducing a land zoning system and removing the need for planning applications in certain instances, have been seemingly withdrawn.

6.26. The Bill emphasises the importance of a plan-led system (i.e. the Local Plan sets out where, when and how development will take place) and proposes that more weight is given to the content of Local Plans in decisions on planning applications. Whilst this approach is to be broadly welcomed from a County Council perspective, it will “ramp-up” the need for timely and effective input into the Local Plan processes, particularly through our role as an infrastructure provider (the Bill proposes a duty for infrastructure providers to engage in the Local Plan process, although this is something the County Council already does).

6.27. Other changes and reforms proposed focus on matters such as infrastructure funding, environmental assessment of proposals, enforcement and providing additional protection to heritage assets. All of these matters will impact upon the County Council, both within our County Planning Authority role and through our statutory consultee/infrastructure provider role. Establishing these impacts and ensuring that the County Council can adapt its relevant service provision will be a critical task as the Bill progresses towards Royal Assent and more detail is published by the Government. When it comes to service provision in the planning field, there is a recognition from Government that planning departments are generally under-resourced and the Bill proposes some significant increases in planning application fees (potentially up to a 35% increase) and the ability for statutory consultees to charge for their advice and input.

7. Highways and Transport

7.1. The below sections outline future priorities for our work to deliver local transport improvements and maintain East Sussex highways. We will be focussed on delivering the final stages of the East Sussex Highway Maintenance Contract re-procurement project; undertaking additional highway improvements and structural maintenance using investment agreed for 2022/23 and beyond; further pressing for improvements to sections of the A21 and A27; delivering electric vehicle charging infrastructure improvements and working with partners in Transport for the South East to robustly present the case for investment in strategic transport improvements in the region.

7.2. With regards to public transport and active travel, we will work to utilise indicative new funding to deliver our Bus Service Improvement Plan; use the Local Cycling and

Walking Infrastructure Plan to secure revenue and capital funding for schemes where opportunities arise; and lobby for, and engage with national plans for, rail improvements. At the same time, we will progress a refresh of our Local Transport Plan to reflect recent national, regional and local policy changes, and develop a strategic approach to transport decarbonisation in the county.

East Sussex Highway Maintenance Contract

7.3. The current highway maintenance contract is a seven-year contract awarded to Costain in April 2016. The contract does not allow for any extensions, by design, and therefore a new contract will need to be in place before the end of April 2023. A project team has been established, reporting to the Highway Re-procurement Board and a Scrutiny Reference Group has been established, drawn from Members of the Place Scrutiny Committee, to provide oversight and scrutiny of the project.

7.4. The project team is working to the Corporate Strategic Commissioning template and has completed the Outline Business Case, which was approved by Cabinet in January 2021, and a Detailed Business Case (DBC), which was approved by Cabinet in July 2021. In considering the DBC, a Single Provider Integrated Service Delivery Model, for a new contractor to provide both the works and design service, was approved by Cabinet to be developed into a set of tender documents.

7.5. On 12 November 2021, a notice was placed on the Find a Tender Service (FTS). The FTS is used by public buyers in compliance with Public Contracts Regulations 2015, calling for expressions of interest. Six candidates completed the Selection Questionnaire. Following evaluation, three organisations were notified to tender for the contract in January 2022. These three organisations have submitted their detailed tenders, and these are currently being evaluated by the project team. A report recommending the preferred tenderer will be submitted to Cabinet in November 2022. Once awarded, there would then be a five to six month mobilisation period with the new contract commencing on 1 May 2023.

7.6. Engagement of Members has been key to the success of this project. The Scrutiny Reference Group has held eleven meetings and four briefing sessions to date, which have included an overview of the current contract, contract form, and business case development. The Reference Group signalled their support of the options appraisal long list to shortlist and identified key priorities to be included in the DBC in their interim report. Scrutiny involvement will continue and it is envisaged that the Scrutiny Reference Group will hold further meetings to receive an update on the bids that have been submitted. Scrutiny will continue its engagement with the next stages of the project as the new contract is mobilised.

Additional investment in Highways

7.7. At February Full Council, additional capital funding totalling £46.3m was approved for highways maintenance over the next 10 years with increased work programmes to stem the deterioration of key highway assets and to maintain our current network carriageway condition scores. This investment will also enable us to address the backlog of life-expired streetlighting columns and undertake specific safety improvements to highway structures across the county. This investment was allocated as follows:

- £3.1m (per annum) for next 10 years for carriageway assets.
- £6.5m for specific structure maintenance projects. This will include refurbishment and painting of Newhaven Swing Bridge (£1.1m), Iden Lock bridge bearing replacement (£1.3m) and Shinewater bridge bearing replacement and refurbishment (£4.1m)
- £8.8m across the next four years to address a backlog of life-expired street lighting columns. This will enable a reduction in the budget in 2026/2027 from £1.5m per annum to £0.8m per annum.

7.8. In addition, one-off investment in highways of an additional £5.8m was agreed by Cabinet in November 2021 for the 2022/23 financial year. This was agreed with a view to it complementing the services and budgets already in place. It provides an opportunity for additional improvements to the road network, which would not have necessarily met the criteria for funding but are considered important to local communities. This investment complements other works identified through our policies and asset management approach. This additional funding has been allocated as follows;

- Carriageway patching £2.5m
- Pavements £1.8m
- Lines and Road Markings £0.5m
- Road signs and signposts £1.0m

7.9. Works have already started to be delivered using this one-off additional investment and in the period to end of April 2022 circa £250,000 has been spent on this additional improvement programme.

Bus Service Improvements

7.10. The Council has developed an Enhanced Partnership with local bus operators following the launch of the Government's National Bus Strategy 'Bus Back Better', and we have developed a Bus Service Improvement Plan (BSIP) which was submitted to Government at the end of October 2021.

7.11. The East Sussex BSIP is an ambitious plan that seeks to stimulate and drive significant improvements to bus services across the local authority area and the wider region (working with our local authority partners) to deliver to East Sussex residents and visitors the highest possible quality bus services, that provide frequent and comprehensive choice, reduce congestion, and make a positive contribution to better air quality and decarbonisation. The plan also aims to deliver a raft of supporting measures on fares and ticketing, information provision, technological innovation, and bus stop facilities.

7.12. The Government announced in April 2022 that East Sussex has received an indicative 3-year allocation of up to £41.4m to deliver the plan. Our allocation is the third highest for county councils, and the highest per head of population amongst these authorities.

7.13. The team are now working on the prioritisation of the indicative funding allocation, to begin implementation in 2022/23. The Department for Transport (DfT) have made it very clear in their communication and guidance that they expect the vast majority of our allocation to be spent on bus priority measures, ambitious and eye-catching initiatives to reduce and simplify fares, increased service frequencies and new or expanded routes.

Local Cycling and Walking Infrastructure Plan

7.14. In response to the Government's Cycling and Walking Investment Plan and the more recent 'Gear Change' strategy, we have developed, with key local partners, a Local Cycling and Walking Infrastructure Plan (LCWIP). This sets out proposed local cycling and walking networks for the key coastal towns and the market towns within the county. The LCWIP was approved by Cabinet in September 2021.

7.15. The LCWIP will be used to work with our partners to explore and secure both revenue funding for walking and cycling initiatives and capital funding for infrastructure from various sources such as the DfT's Capability Fund. This forms part of the £2bn Government funding available to local authorities up to March 2025 for active travel infrastructure and initiatives. The LCWIP is also being used to inform the borough and district councils'

development of their emerging spatial plans for development through the updates to their Local Plans.

Rail developments

7.16. The Kent and East Sussex Rail Connectivity study, funded by DfT and the County Council, considered four options to potentially improve rail connectivity to the Kent and East Sussex coast. Two of these options are in East Sussex; the first with partial line speed improvements on the Marshlink and the use of bi-mode (diesel or battery) trains, whilst the second involves further line speed improvements and the electrification of Marshlink. Both options include a new platform between platforms 2 and 3 at Ashford International and track reconfiguration to enable trains to run between the HS1 link and Marshlink.

7.17. The study informed the development of a Strategic Outline Business Case (SOBC) which set out the strategic case for each option; the estimated costs; an economic analysis of the benefits of each option relative to its cost; and recommendations on which options should be taken to the next development stage. The SOBC was submitted to Government in May 2021 for their consideration. This remains with Government who will direct which options in the SOBC, if any, should be taken forward. We will continue to lobby Government, and through Transport for the South East, for investment in high speed rail into the county to level up the coastal communities it would serve.

7.18. The Williams-Shapps Plan for Rail, published by Government in May 2021, intends to transform the railway by making it more efficient and responsive to the modern environment and catering to the needs of passengers and the freight industry. A key element of the Plan is the creation of a new public body, 'Great British Railways' which under a single leadership will run and plan the network, own the rail infrastructure, procure passenger services, and set and collect most fares and timetables. A Transport Bill will be brought forward through the 2022 Parliament to bring Great British Railways, currently in shadow form, into effect. In addition, private partners will be contracted to operate trains, with franchising being replaced by Passenger Service Contracts. Fares and tickets will be simplified, including standardising mobile and online ticketing and flexible season tickets, and there will be better integration of rail with buses and cycling, as well as other forms of transport.

7.19. 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 Great British Railways to ensure these changes benefit our residents, those visiting East Sussex, and businesses operating in and out of the county.

National Highways Programmes - A27 and A21

7.20. In 2020, Government published its second Roads Investment Strategy (RIS2), covering the period 2020 – 2025. RIS2 identifies that further work will be undertaken on developing proposals for the A27 between Lewes and Polegate as a potential pipeline scheme for construction between 2025 and 2030. This further work, managed by National Highways (previously Highways England), has commenced but is at an early stage. Alongside our partners, the County Council will continue to engage with National Highways on making the case for investment in a more comprehensive solution for this section of the strategic road network to improve the economic connectivity of the county and level up our communities compared to others in the South East region.

7.21. RIS2 also included the development of a package of road safety improvements for the A21 corridor north of Hastings. National Highways continues work on the development of proposed safety package study for the A21 which will be rolled out over the life of RIS2. While not included in the current RIS, we will continue to lobby and make the case to Government, including through Transport for the South East, for improvements to the

Kippings Cross to Lamberhurst, Flimwell and Hurst Green sections of the A21 in the next Roads Investment Strategy.

Refresh of Local Transport Plan

7.22. The East Sussex Local Transport Plan 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. While our current Local Transport Plan covers 2011 to 2026, we plan to refresh it to reflect the national, regional and local policy changes in recent years that will influence how we plan and deliver transport in East Sussex in the future. This includes the County Council's declaration of a climate emergency, along with many of the developments referred in this section above.

7.23. Government is expected to publish guidance on updates to Local Transport Plans later this year and our Plan will need to align with this. Over the course of the coming year, we will be developing the evidence base to inform the plan's development, undertaking early engagement and consultation with the public to seek their views and ideas on the future of transport and mobility for the county, as well as identifying and testing potential future transport scenarios for the county.

7.24. The Government's Transport Decarbonisation Plan, Decarbonising Transport: a better, greener Britain was published in July 2021. This sets out the Government's pathway to net zero transport in the UK, the wider benefits that net zero transport can deliver and the principles that underpin the Government's approach to delivering net zero transport.

7.25. The Transport Decarbonisation Plan will influence our own transport policies and plans for the county through the update to the Local Transport Plan. To tackle transport related emissions, we will need to consider how we can use our cars less, how we move away from planning for vehicles to planning for people and places more in the future; and ensure active travel (walking and cycling) and public transport become the preferred choice for our daily activities. Our Local Cycling and Walking Infrastructure Plan (see 7.14-7.15), Bus Service Improvement Plan and Enhanced Bus Partnership (see 7.10-7.13) supports this. Working with partners, we are considering our approach and the role we play in delivering electric vehicle charging infrastructure in the county (see below) as well as engaging with bus operators on greening their fleets.

Electric Vehicle Infrastructure

7.26. The Council has made a commitment to develop a strategy to support the growing demand and needs of electric vehicle users within East Sussex and has now appointed an Electric Vehicle Infrastructure Manager to support these activities. Transport is the greatest contributor to carbon emissions in East Sussex and supporting this area will be a major part of carbon reduction within the county.

7.27. ESCC has commissioned reports to evaluate needs across the County and is working closely with local district and borough councils as well as other public service organisations to deliver electric vehicle charging infrastructure across our own estates. The strategy aims to support the take up of electric vehicles with the installation of charging infrastructure at ESCC's corporate sites and highway locations. The ability to charge at or close to home is a major concern to many electric vehicle users and the consultation and development of essential and practical locations is a priority. Other measures include the influence on local policy through planning, and the measures outlined in the Government policy paper, Taking Charge: the Electric Vehicle Infrastructure Strategy. The rationale for the County Council to take up these roles includes the addressing of market failure and the need to support economic growth and social mobility by ensuring that charging infrastructure supports future mobility needs and the path to net zero.

Transport for the South East

7.28. Transport for the South East (TfSE) was established in 2017 by ESCC and partners, as a partnership to speak with one voice on the South East region's transport needs and priorities. TfSE published its Transport Strategy in 2020 and has recently completed a programme of geographic and thematic studies including the publication of its Future Mobility Strategy and Freight, Logistics and Gateways Strategy.

7.29. Over the next 12 months, TfSE will go out to public consultation on its draft Strategic Investment Plan (SIP) - the blueprint for future investment in strategic transport infrastructure in the South East over the next thirty years. This plan will set out a long-term investment plan designed to deliver the vision at the heart of TfSE's Transport Strategy. Following a 12-week consultation, commencing on 20 June, and approval by TfSE's partnership board, the final SIP will be submitted to Government early in 2023.

7.30. Following confirmation of DfT funding for 2022/23, TfSE will also be progressing work in some key thematic areas, including:

- Decarbonisation – identifying potential routes to net zero carbon emissions from transport by 2050.
- Electric vehicle charging – with the delivery of a regional electric vehicle charging infrastructure strategy.
- Bus Back Better - supporting Local Transport Authorities (LTA) with the delivery of their Bus Service Improvement Plans (see 7.10-7.13 above for detail on ESCC's plan).
- Local Capacity and Capability – Supporting LTAs with the delivery of their Local Transport Plans (LTPs) (see 7.22-7.25 above for detail on ESCC's LTP refresh) by enhancing capabilities in key areas.
- Freight – relaunching the Freight Forum following the publication of the Freight, Logistics and Gateways Strategy and driving forward the action plan that accompanies the strategy.
- Future mobility – developing a geographic planning tool that will help identify where specific future mobility interventions will have the greatest and most meaningful impact for residents.

8. Economy

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

Supporting the local economy

8.2. The impacts of the COVID-19 outbreak on East Sussex businesses continue to be felt. Financial and other support has been provided by Government, however the long-term impacts of the pandemic on our national and local economy will continue for some time to come. This, coupled with the rising cost of living, inflation and staff shortages in a number of sectors could result in unwanted impacts on the East Sussex economy. We will monitor those impacts and identify what measures could be brought in to mitigate them. Business East Sussex (BES) (the East Sussex Growth Hub and part of the ESCC Economic Development Team) continues to identify priorities to support businesses to emerge stronger and more robust than before the pandemic. The Economic Development team continues to invest in businesses by offering grants and loans, whilst commissioning a range of specialist support programmes aimed at helping businesses “pivot”, thrive and grow for the coming year.

8.3. Since its publication last summer, great strides have been made in delivering the Team East Sussex (TES) Economy Recovery Plan (ERP) and helping businesses, people and communities recover from COVID-19. Between September 2020 and April 2022, £220m has been secured for investment in East Sussex. This is a combination of £186m of new money and a further £34m already secured that has been realigned to support business survival, reset and recovery.

National Economic Investment Programmes - UK Community Renewal Fund

8.4. In March 2021, the Government's launched the prospectus for the pilot £220m UK Community Renewal Fund (UKCRF) for the period April 2021 to March 2022. The UKCRF was a precursor to the much larger multi-year UK Shared Prosperity Fund (see below), which replaces EU structural and development funding from April 2022. A UKCRF bid was submitted in June 2021 and the outcome determined in November 2021 with East Sussex securing five projects unlocking £2.5m investment. As a result of delays to the programme start, Government have provided the option for projects to consider extending their activity up to December 2022. [A list of the successful projects can be viewed here.](#)

8.5. The purpose of the UKCRF is mainly to support revenue funded activity, piloting innovative projects that can respond to the four investment themes of employment support, skills, business support and community/place shaping. Upper tier authorities are responsible for administering and programme managing the fund with delivery partners.

UK Shared Prosperity Fund

8.6. UK Shared Prosperity Fund (UKSPF) is the Government's domestic replacement for the European Structural and Investment Fund Programme (ESIF) in which the UK continues to participate until 2023. The Government launched the prospectus for the new UKSPF programme on 13 April 2022 with a focus on three main investment themes: Communities and Place, Supporting local business, and People and Skills.

8.7. The responsibility for administering and managing the programme has been awarded to district and borough councils. Each lower tier local authority has received its allocation and must develop a local investment plan to be submitted to Government between 30 June and 1 August 2022, with announcements anticipated to be made from October 2022 onwards. Each district and borough council in East Sussex has been allocated £1m, with the exception of Wealden District Council which has been allocated £1.2m. The allocations cover the three-year period from April 2022 – March 2025 and are not per annum, so a total allocation of £5.2m has been made to East Sussex. This is significantly lower than the previous ESIF funds leveraged into the county supporting many successfully run pan-county business support, employment and skills projects, which will start to close in the period between now and April 2023. For the limited UKSPF funding available, priorities will be determined by each borough and district authority against the three investment themes.

Multiply Programme

8.8. In April, Government also released details of the new UK-wide Multiply Programme (part of the UKSPF) worth £559m. The aim of the programme is to reach adults over 19 years old to improve their functional numeracy skills to a qualification at Level 2. The purpose is to help people improve their ability to understand and use maths in daily life, home and work and the interventions delivered with Multiply funding need to be additional and differentiated from what is already fully funded through the Adult Education Budget and should not displace that provision.

8.9. ESCC is a lead authority responsible for managing the programme and has been indicatively allocated £2.5m over the three year period from April 2022 to March 2025, subject to the submission of an investment plan by 30 June 2022. Officers are reviewing the

prospectus and technical guidance and have allocated resources to submit the investment plan, which will involve conversations both internally with teams involved in adult education provision and with external partners to prioritise the interventions within the limited funding available.

Levelling Up Fund

8.10. Government announced its £4.8bn Levelling Up Fund (LUF) in 2021, which will provide funding to invest in local infrastructure that has a visible impact on people and their communities. The fund covers the period April 2021 to March 2024 (with some schemes funded up to March 2025 in exceptional circumstances) and is for bids of up to £20m capital funding (or more by exception). The LUF addresses the three investment themes of transport, regeneration and town centre, and cultural.

8.11. Each upper tier local authority has the right to submit one bid on transport investment throughout the lifetime of the LUF programme. As such, the County Council submitted a transport funding bid in June 2021 which was approved with just under £8m awarded to deliver the replacement of Exceat Bridge on the A259 near Seaford, linking two of our growth areas, Eastbourne and Newhaven, which are also within the highest priority areas for the LUF.

8.12. In addition, borough and district councils can put forward bids across all three investment themes but will need the support of the local transport authority for any bid that contain transport investments. In 2021, all East Sussex borough and district councils considered bid submissions for projects or packages under the LUF Round One in their respective areas around the three investment themes. All bids were submitted (except in Hastings) to Government in June 2021. Government announced in October 2021 that both the Eastbourne Borough Council and Lewes District Council LUF Round One bids were successful with £19.8m and £12.7m respectively awarded. The Eastbourne LUF bid included £4.8m towards the pedestrianisation of the Seaside Road to Grand Parade section of Terminus Road (Victoria Place) which forms part of the wider public realm and pedestrian improvements that have been delivered in the town centre in recent years. The Lewes bid focussed on Newhaven, with investment in Newhaven fisheries providing two new fish landing stages to accommodate small commercial fishing vessels, build a new centre of excellence for seafood processing in the town and create a new restaurant and community destination to stimulate the local market and spend in the area.

8.13. Government announced the opening of the second round of the LUF in late March 2022. It focusses on the same three investment themes as Round One and on smaller scale, local projects that require less than £20m funding. Applicants that were unsuccessful in the first round, such as Wealden and Rother (Hastings did not bid but intend to in this round) are eligible to re-apply in this round. Second round bids will need to be submitted to Government by 6 July 2022, but as the County Council was successful in securing funding from Round One, we are not able to bid again. We are, however, working with each local council submitting a bid to understand what their bids may comprise and where we can support in the implementation of the programmes, subject to the bids being approved.

Local Enterprise Partnership and Growth Hub futures and funding

8.14. Local Enterprise Partnerships (LEPs) were introduced across England in 2011 as a more locally driven replacement for the 9 regional development agencies abolished in 2010. The 38 LEPs are partnerships between councils, businesses and other stakeholders, focussed on driving productivity and job creation. LEPs are led by a business chair and board members who are leaders of local businesses and public bodies. East Sussex is part of the South East LEP (SELEP), which also includes Essex, Kent, Medway, Southend and Thurrock.

8.15. The 2021 Autumn Budget signalled change, with the Government undertaking to evolve the form and function of LEPs as part of their ‘levelling up’ agenda. The Levelling Up White Paper published in February 2022, together with additional Government correspondence sent directly to LEPs, set out the “pathway to devolution”, where LEP functions are to be integrated into local democratic institutions across the country by 2030. In the short/medium term, LEPs have been given a remit to continue in areas where Mayoral Combined Authorities or Devolution Deals do not presently exist.

8.16. For now, the expectation is that SELEP will continue ‘as normal’ for 2022/23, albeit with core funding reduced by 25%, and will begin working with local authority areas on transitioning LEP functions next year.

8.17. In terms of the East Sussex Growth Hub, work continues to put in place measures to support the economy as the number of UK businesses in critical financial distress rises as costs spiral and COVID-19 loan repayments become due. The majority of business support programmes in East Sussex will close by December 2022 as EU funding comes to an end. As set out above, the Levelling Up White Paper set in motion changes to the roles and functions of LEPs and the ensuing reduced funding settlement was accompanied by a halving of Growth Hub funding given to LEPs. This will clearly have an impact on Growth Hub services across the SELEP region but probably most so in East Sussex where the allocation received was always the smallest of the three Hubs.

Skills

8.18. The Skills East Sussex (SES) Board has agreed its priorities for the period to 2030, with a progress review planned for 2025. The priorities are:

- ensuring that national policy and funding supports the delivery of learning and skills in East Sussex;
- enabling our Further Education and Higher Education establishments to recruit excellent educators with specialist technical knowledge;
- improving our digital skills and digital inclusion;
- upskilling our workforce to increase regional productivity;
- supporting the unemployed and unqualified; and
- developing skills and provision for a net zero future.

8.19. To meet the SES priorities, sector-based task groups have set out action plans which include actions such as coordinated recruitment campaigns, mapping and improving training pathways, development of Level 4-6 provision, supporting recruitment through sector-based work academy programmes and educator recruitment campaigns, and continuing professional development.

8.20. The Employability and Skills team continue to progress a number of projects to address the county’s skills issues and the SES priorities. These include:

- The Careers East Sussex platform – which includes information on jobs in the local economy; education, training, apprenticeships and pre-employment pathways; a careers search tool; and an e-prospectus for applications to post-16 education and training.
- East Sussex Careers Hub - is working with all secondary schools, special schools and colleges, and volunteer Enterprise Advisers from business to drive up understanding of careers, the labour market and employability. It is one of the top performing Hubs in the country as measured against the national Gatsby Benchmarks.
- ‘Steps to Success’ Effective Transitions pilot - was launched in January 2022, one of only 10 pilots in a national research project to understand what works to support transitions into post-16 education of the most vulnerable young people, persistently absent from school in the current year 10 cohort. Learning from the research pilot will be shared nationally and locally.

- The Employability for Supported, Temporary Accommodation and Refugees team - works in partnership with a range of stakeholders to improve opportunities for those experiencing, or at-risk of homelessness in the county. This includes leading on Moving on Up, a programme to support people in these setting into training, employment and ultimately independent living.
- The Transform programme - supports East Sussex Small- and Medium-sized Enterprises with advice and support on apprenticeships and skills training; and to access Government incentives and unspent Levy funds to pay for apprenticeship training.

8.21. Research is currently underway to identify future skills needs and shifts in local employment and skills trends, following COVID-19 and Brexit, and in the context of increasing digital transformation, automation and the transition to a net zero economy. The research findings will help to inform local provider development of training and plan volumes of delivery.

8.22. The Skills for Jobs White Paper and the Post-16 Education Bill were presented to Parliament in May 2021. The White Paper aims to bridge current skill gaps by providing a Lifetime Skills Guarantee, placing employers in a more central role within the education system and investing in higher-level technical qualifications and apprenticeships. The paper presents a range of opportunities for East Sussex, including scope for the development of modular learning (where individuals access multiple modules of study, rather than taking a full degree or technical qualification in one go, providing greater flexibility in learning), lifelong learning grants for all adults to undertake technical or academic learning pathways, support with teacher recruitment and capital investment in Further Education facilities to improve the range and quality of local provision.

8.23. The White Paper also heralded the development of Local Skills Improvement Plans (LSIPs), and Sussex Chamber of Commerce has successfully applied to be one of eight national trailblazers. The LSIP is a collaboration with employers, education providers, local authorities and partners across Sussex, and builds on the successful model developed by SES and sector-based task groups. The LSIP was submitted in March 2022 and now awaits response from the DfE, with major funding proposals to support the plan expected in the financial year 2023/24.

9. Environment and Climate Change

9.1. The Council declared a climate emergency in 2019 and set a target of achieving carbon neutrality from its activities as soon as possible and in any event by 2050. This is in line with the updated target for the whole UK agreed by Parliament in 2019. In 2020, the Council committed to cutting its corporate carbon emissions by an average of 13% per year and agreed a Climate Emergency Action Plan covering 2020/22. The Council's 2022/23 target is to achieve a 34% reduction on baseline year (2019/20) emissions (emissions not to exceed 8,206 tonnes CO2 equivalent). In 2021, the Council committed an additional £3.8m to help meet this reduction target and a further £3m per year between 2023-25.

9.2. A number of projects to cut carbon emissions are being delivered in 2022, including low energy lighting, solar photovoltaics schemes and whole-building retrofit. Alongside this, modelling work is being completed to identify the most cost-effective options to reach net zero and an updated corporate Climate Emergency Plan will be produced during 2022 to cover 2023-25. This level of investment and activity demonstrates that work to tackle climate change and carbon emissions has become a part of ESCC's core business, with investment in carbon reduction being a basic need and key priority for the Council.

9.3. In 2021 the Council worked with its partners on the East Sussex Environment Board to produce a Climate Emergency Road Map for the whole county, which was adopted by

Team East Sussex in January 2022. The road map summarises many of the areas of work that the Council either leads on, or works with partners on, to mitigate and adapt to climate change. These include programmes to support more walking, cycling and local bus services, to address fuel poverty, to support businesses to become more energy efficient and residents to invest in renewable energy, and to manage flood risk to homes and businesses. A key area of activity for the Council, following the Government's climate change strategies published over the last year and summarised below, is to continue to bid for external funding to maximise the impact and reach of its own resources.

9.4. The following sections detail the range of recent national commitments, strategies and legislation that will have implications for the Council's work to deliver climate change mitigation and adaptation; achieve carbon neutrality as soon as possible; and protect the local natural environment. In many cases, Government has committed to publishing further guidance or detail on plans for delivery which is still awaited, including, notably, clearer expectations on how central and local government will interact in delivery of net zero and how many commitments made in the Environment Act are to be delivered. At the same time, it is anticipated that the level of funding allocated to delivering some national commitments in these areas may be insufficient, and we await further information on funding to be provided for new burdens for ESCC arising from the Environment Act.

International Context

9.5. There was a wide range of agreements made at Conference of Parties 26 (COP26), the governing body of the UN Convention on Climate Change, in Glasgow in November 2021. These included the phase-down of unabated coal power and fossil fuel subsidies, a request for countries to improve their 2030 national climate targets and plans by the end of 2022, the development of rules for the global trading of carbon offset credits, and pledges to reverse deforestation by 2030 and cut methane emissions. If all current climate pledges are met then the International Energy Agency estimates that global warming could possibly be limited to an average of 1.8°C above pre-industrial levels. COP27 will convene in Egypt in November 2022.

The Government's Net Zero Strategy (published in November 2021)

9.6. The Strategy sets out the action the Government plans to take to achieve the carbon emissions reduction target set out in the national Sixth Carbon Budget that runs up to 2037. It follows on from the Government's Ten Point Plan published in 2020 and sets out indicative delivery pathways for all key sectors. The key points of relevance to the Council were that funding was announced for transport and waste, though it was unclear how much was previously unannounced; and the Government committed to setting clearer expectations on how central and local government interact in the delivery of net zero, notably by establishing a Local Net Zero Forum to bring together national and local government senior officials on a regular basis to discuss policy and delivery options on net zero.

The Government's Heat and Buildings Strategy (published in November 2021)

9.7. The key points of relevance to the Council were that:

- the Government will decide in 2022 on whether to shift some environmental levies from the cost of electricity to gas to make electric heating more cost-effective;
- a decision will be made by 2026 on the role of hydrogen in decarbonising heating;
- the sale of gas boilers will be banned from 2035; and
- funding will continue to be made available to public sector organisations to decarbonise heat.

9.8. Both the Net Zero Strategy and the Heat and Buildings Strategy set out a large number of commitments. However, there is a lack of detail about how delivery will take place

in many areas and the consensus amongst most commentators is that the funding on offer is not enough to meet the commitments made.

The Treasury's Net Zero Review (published November 2021)

9.9. The purpose of the review was to consider the macroeconomic effects, the possible economic opportunities and risks, and the policy levers and likely fiscal implications of the transition to net zero. The review concluded that UK climate action could boost the economy as a result of investment contributing to growth, alongside co-benefits such as improved air quality. The Treasury considers competitive markets to be the most effective way of delivering an efficient transition but recognises that Government policy levers and well targeted and designed regulation will also be needed to address market failures during the transition and to mitigate the impact of higher costs on lower income households. The Treasury will continue to develop the Green Book to include the latest evidence on carbon pricing.

Environment Act

9.10. The Environment Act received Royal Assent in November 2021 and the Government is now in the process of introducing secondary legislation, policy and guidance that will enable many elements of the Act to be implemented over the coming 18 months. It is apparent that many aspects of the Act will have implications for the County Council, but in some areas the extent of these will not be fully understood until that secondary legislation, guidance and/or policy emerges.

9.11. One additional duty already known is that the County Council will be a Responsible Authority for preparing a Local Nature Recovery Strategy (LNRS). In broad terms, the LNRS will set a spatial strategy for how and where measures to achieve nature recovery will be achieved. It has been provisionally agreed that the County Council will work in partnership with West Sussex County Council, Brighton & Hove City Council and the Local Nature Partnership to prepare the evidence base and undertake the necessary stakeholder engagement for the preparation of LNRSs. This should ensure a degree of consistency between the two strategies that will eventually exist – one for West Sussex and one for East Sussex and Brighton & Hove. Some initial seed funding has been provided by the Department for Environment, Food & Rural Affairs (DEFRA) to commence preparation of a Strategy. However, we await the full extent of what the additional burdens monies will be, along with the necessary regulations and guidance before this work can fully progress. At this stage, there is every indication that the LNRS will need to be in place by autumn 2023. Additional resourcing, utilising the additional burdens monies, will be required to meet this target.

9.12. Related to the production of the LNRS is the mandating, through the Environment Act of the requirement for new developments to deliver a minimum of a 10% gain in biodiversity, known as Biodiversity Net Gain (BNG). A phased approach to the implementation of BNG is due to commence from autumn 2023 and whilst the preference will be for the gain to be delivered on the development sites in question, there will be occasions where off-site gain is necessary and the LNRS will be used to guide this to some extent. It is acknowledged by DEFRA that assessing and monitoring the implementation of BNG will create additional resourcing pressures on planning authorities. It is expected that some clarity over what additional burdens monies will be provided to planning authorities will be available by this autumn.

9.13. The Environment Act also contains provisions relating to water, air and waste, the latter of which are expected to have significant consequences for the County Council in its role as Waste Disposal Authority. Changes to how waste is managed in the county will include the provision of weekly food waste collections and the introduction of a Deposit Return Scheme. These changes will impact upon the County Council's waste contracts and

are likely to include the need to modify transfer stations and changes to the volumes and type of recycling materials. There are still a lot of unknowns in respect of these changes, including how certain elements will be funded, although some clarity is expected over the coming 12 months.

Glover review

9.14. With over half of East Sussex falling within a protected landscape (South Downs National Park and High Weald Area of Outstanding Natural Beauty (AONB)), the Glover Review into protected landscapes and how this is taken forward by the Government will have implications for the county. The Government has published a response to the recommendations in the Glover Review. Although somewhat high level, it does provide some indication of the direction of travel that the Government wishes to take with regards to protected landscapes. Proposals include re-branding of AONBs, ensuring that public bodies give greater weight to the statutory purposes for AONBs and National Parks in their own decisions, granting AONBs statutory consultee status for planning applications and, changes to the governance arrangements of AONB Partnerships. The majority of these changes are more likely to indirectly impact upon certain services in the County Council, particularly within the highways and planning areas.

Upcoming reforms and consultations

9.15. Government is taking the opportunity to review a range of regulations and schemes carried over into UK law following our exit from the EU, and a number of consultations will be brought forward on matters that may have operational or financial impacts on the Council. This includes a consultation on developing the UK Emissions Trading Scheme, and on implementing planned reforms to waste and recycling, including extended producer responsibility.

9.16. Government is also currently consulting on proposals for construction waste from DIY activities to be considered DIY waste to allow householders to deposit DIY waste for free. Local authorities would still be able to charge for other construction waste produced as a result of commercial activity. If implemented, this would have financial implications for the Council.

10. Supporting Services

10.1. The below section provides updates on key local and national developments for ESCC's supporting services. Local priorities for 2022/23 are to deliver the implementation phase of the Modernising Back Office Systems programme; continue to implement the new Orbis Business Plan; deliver measures in response to workforce challenges; continue the investments and adaptations to support ESCC's new hybrid working model; continue delivery of the Council's Asset Management Plan; and transition services onto a new corporate and schools data network. Key national developments include public procurement and audit reforms.

Modernising Back Office Systems Programme

10.2. The Modernising Back Office Systems (MBOS) Programme was established to replace the Council's core finance and Human Resources (HR) systems. The current SAP system will no longer be supported by the supplier beyond 2027. Replacing a system originally implemented over 15 years ago provides opportunities to take advantage of new technology better able to support an agile and flexible workforce, and to provide easily accessible data and insight to support management decision-making. The vision of the MBOS Programme is to "implement a suite of back-office systems that best meet the current and future needs of the Council and which provides optimal return on investment".

10.3. The programme has undertaken an extensive and robust procurement process and has chosen Oracle Fusion as the new software platform and Infosys as the implementation

partner. The replacement system will deliver clear benefits, including a better user experience, undertaking transactional activity (freeing staff up to focus on more complex and value-added advice), and better availability of data and management reporting.

10.4. The programme has now moved to its implementation phase, with governance and resourcing having been refreshed to ensure that it is fit for purpose for a complex implementation involving the replacement of the organisation's critical finance, HR, recruitment and procurement systems. Closure of the programme is expected in late 2023 or 2024.

Orbis Partnership

10.5. The Orbis Partnership drives efficiencies in support functions through integration and standardisation and creates greater operational resilience to deliver value for money and improved service delivery for the customer.

10.6. East Sussex and Surrey County Councils have been working in partnership on business services since 2015 and Brighton & Hove City Council joined the partnership in May 2017. The Orbis Partnership has achieved £13.9m ongoing savings since 2016/17 for the partner councils. A further £8.7m of one-off savings has also been delivered.

10.7. Following a review of the partnership, it was agreed that IT and Digital, Procurement and Internal Audit would remain as integrated Orbis services, along with two Centres of Expertise (on Insurance, and Treasury Management and Tax), and the remainder of services have now returned to sovereign authority control. A new business plan was approved as a result of these changes, and a refreshed Inter Authority Agreement will be signed by partners in 2022/23, with costs being apportioned based on level of usage.

10.8. Services within the partnership have moved to a more service-led approach to governance and delivery with less reliance on centralised Orbis activity, though an element of central coordination will continue. For 2022/23, the partnership will consolidate the changes made during 2021/22 to ensure that Orbis has sound governance, leadership, and a strong operational platform for the coming years.

Workforce Challenges

10.9. As we move beyond the COVID-19 pandemic, a range of recruitment and retention challenges have emerged. The national labour market picture is of concern, with March 2022 figures showing a further fall in unemployment to its joint lowest level since 1974, whilst at the same time, a continued decline in the size of the labour force with economic inactivity (the measure of those not looking for work and/or not available for work) rising. There are now 490,000 more people economically inactive than pre-pandemic.

10.10. Recent research by the Institute of Employment Studies (IES) has identified that there are now 1.1 million fewer people in the labour force than would have been expected based on pre-pandemic trends. Vacancies are up across all industries and the further falls in unemployment mean that there are now just 1.1 unemployed person per vacancy – the tightest labour market in at least 50 years.

10.11. This reflects our experiences locally where we are now seeing significant challenges in recruiting to some of our posts. In particular, front line social care worker roles such as in Joint Community Rehabilitation, Learning Disability Services and Children's Looked After Services, as well as some of our technical and professional roles (our response to particular recruitment challenges in the ASC workforce is outlined at 3.48-3.49 above). The position is exacerbated in our more rural locations with recruitment in these areas being especially difficult and there is evidence to show that this tight labour market is putting pressure on pay levels.

10.12. The Council has put in place a number of strategies to respond to these pressures. Work is currently underway on updating our recruitment branding, promoting the Council as an excellent place to work and 'employer of choice'. In support of this we are attending events like careers fairs and shows in order to maximise our presence with job seekers.

10.13. As well as seeking to attract experienced individuals, we are also looking to utilise approaches such as apprenticeships, traineeships and intern arrangements as a way of bringing new talent in to the Council. For example, we made good use of the recent 'apprenticeship incentive scheme' and 'Kickstart' programme. In addition, we also have links to organisations that support people back into employment in the county such as People Matters. These schemes will support individuals to 'learn on the job' and enable us to 'grow our own' workforce for the future.

10.14. Ensuring our workforce is reflective of our residents is also an important part of our strategy. As the largest employer in the county, we provide good employment opportunities for our local residents which in turn, supports them in being economically active. Being a diverse and inclusive place to work further supports our recruitment and retention aims.

10.15. Retention of our existing workforce is also a key aim. Ensuring we have in place policies and approaches that support individuals in the workplace is a crucial part of our approach. Our Wellbeing offer consistently receives positive feedback from staff and we have recently re-procured our employee benefits platform.

10.16. Enabling our staff to be their best is a further element of our approach. As well as an extensive training and development offer, we have recently launched two leadership development programmes: 'Ladder to Leadership' and a series of masterclasses aimed at our Heads of Service. We are committed to supporting our staff with continuous professional development and are creating the environment where staff are encouraged to learn and grow.

Workstyles – hybrid working model

10.17. The Council's new hybrid working model was launched on 19 April 2022 to support the wider return to the office, bringing staff back together again after 2 years of working arrangements being affected by the COVID-19 pandemic. Subject to the needs of the service, hybrid working is a way of structuring work to enable our staff to be as productive as possible, regardless of where they are working. Hybrid working also supports staff wellbeing and a reduction in our carbon footprint.

10.18. The new working model has been developed following an extensive programme of engagement with all services across the Council. We anticipate that for many of our staff, hybrid working will mean working from the office for a couple of days a week, rather than the traditional 5 days. Decisions around working patterns will be led with business need at their core and not driven by personal preferences.

10.19. There are many benefits to the Council in adopting a hybrid model. By adapting the way we work, we will be able to build on the carbon emissions reductions realised during the periods of lockdown through reduced travel to the office or attendance at face to face meetings, thereby supporting our carbon reduction aims. In addition, it will also support recruitment and retention needs, as recent research has shown that hybrid working is the top search term used by job applicants and that 47% of employees would likely look for a job elsewhere if their employer did not adopt a flexible working model. Feedback from our own staff has confirmed the benefits felt in relation to improved wellbeing and resilience.

10.20. To ensure that we can maximise the benefits of a hybrid working model, we are investing in the technology needed, as well as configuring our workspaces differently to reflect our revised business needs. Through a process of engagement with services, adaptations are being made to our buildings, for example, enhancing the amount of hybrid meeting spaces available with video conferencing facilities, increasing the amount of smaller private meeting spaces to support confidentiality requirements, and implementing quiet desk zones by using acoustic screens. This is currently being rolled out across our office hub sites in a planned programme of work.

10.21. To support managers and staff, a resources toolkit has been developed, covering a range of key information. Each team has developed a Team Agreement to deal with practical considerations such as the number of working days each member of the Team will be working in the office and a number of e-learning resources have also been developed, including 'managing teams remotely', 'running hybrid meetings' and 'performance management and remote working'.

10.22. We have continued to keep in place appropriate safety measures in our buildings, such as ventilation, temperature checks, enhanced cleaning regimes and CO2 monitors in hub buildings. Taking a Risk Assessment approach has enabled us to identify any risks and therefore put appropriate mitigations in place.

10.23. We will monitor the success of the various measures and adaptations made so far and will review the position in 6 to 9 months' time in order to understand whether any changes are needed.

ESCC Property Asset Management

10.24. The Council's Asset Management Plan 2020-2025 contains an action plan to ensure operational assets are used efficiently. The Property Service continues to deliver outcomes as part of the plan, including a renewed focus on providing bespoke asset management advice to frontline services as they adapt their delivery models following COVID-19. There is increasing focus on ensuring the Council's assets continue to reduce their carbon footprint and that capital investment is targeted to improve environmental sustainability as part of the Council's net zero commitment, as well as ensuring that property assets support all Council objectives and services.

Ultra-Fast Digital Network

10.25. The Council's IT service will be transitioning services onto a new corporate and schools data network during 2022/23. The primary outcome will be an ultra-fast digital network that can be used by the Council and its schools, as well as other public service partners within East Sussex. This upgraded infrastructure will support the Council's digital ambitions by providing faster, secure, and resilient connectivity to cloud hosted services. This investment in gigabit capable fibre infrastructure will also provide additional infrastructure to the investment already made in improving broadband in East Sussex for the wider benefit of residents.

Transforming Public Procurement Green Paper and Bill

10.26. Following the UK's exit from the EU, the Government is taking the opportunity to replace the current procurement regime, which was transposed from EU procurement directives. This will be the biggest change to procurement regulations since their introduction in 1996 and reduces four regulations (Public Contracts Regulations 2015, Utilities Contracts Regulations 2016, Concession Contracts Regulations 2016 and Defence and Security Public Contracts Regulations 2011) down to one set of regulations.

10.27. The Government published its Green Paper on Transforming Public Procurement in December 2020, with a consultation period open to buyers and suppliers until March 2021.

The Government's response to the consultation was published in December 2021 which indicates that implementation will be towards the end of 2023 at the earliest but is dependent on the conclusion of legislation (the Procurement Bill, which was re-introduced in the 2022 Queen's Speech – see 2.15-2.16 above). The Government has confirmed its intention to provide a six-month implementation period prior to the legislation coming into force.

10.28. The Green Paper stated that the objectives of the new regulations are to ensure public procurement is simpler, less bureaucratic and provides a fairer and more flexible approach, whilst taking greater account of Social Value to deliver the best possible outcomes. The onus will be on procurement professionals to take advantage of the flexibility and apply their commercial skills, whilst also aligning with local and national priorities as set out in the National Procurement Policy Statement.

10.29. During the implementation period, there are likely to be additional costs to implement the changes, with pressures around resourcing and training to fully assess and develop Orbis Procurement to be confident and compliant in delivering under the new regulations.

Redmond Review and Audit Reforms

10.30. In 2019, Sir Tony Redmond undertook an independent review of the effectiveness of local authority audit and local authority financial reporting transparency. The Redmond Review reported 23 recommendations to the then Secretary of State for Housing, Communities and Local Government for consideration.

10.31. It was announced in 2019 that the Audit, Reporting and Governance Authority (ARGA) would be set up to replace the Financial Reporting Council (FRC). In this year's Queen's Speech, the Draft Audit Reform Bill was announced, which will see the ARGA fully implemented by 2023. Neil Harris has been appointed as the first Director of Local Audit to lead the move from the FRC to the ARGA.

10.32. Challenges with the delivery of local authority audits continue, with Public Sector Audit Appointments (PSAA) Ltd, reporting that only 9% of 2020/21 local authority audits were completed on time. For the Council, the deadline of 30 September 2021 was missed by 19 days. Heightened regulatory expectations have resulted in increased audit activity particularly with regard to Property, Plant and Equipment valuations and Pensions. Audit firms have struggled to recruit and retain staff, adding to the pressures. Audit fees have increased, with grant funding of £15m nationally being announced to support local authorities to meet these costs. This is an evolving agenda and updates will be taken to the Audit Committee.

10.33. On 31 May 2022, the Government's response to the local audit framework: technical consultation was published, which reconfirmed plans to establish the ARGA as the body to drive through regulatory and cultural change within local authority audit. It also confirmed that, when parliamentary time allows, it will be compulsory for all council audit committees to have at least one independent member appointed. In addition, CIPFA are refreshing their "Audit Committee: Practical guidance for local authorities and police" for issue in June 2022.