

# REPORT OF THE CABINET

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The Cabinet met on 7 March 2023. Attendances:-

Councillor Glazier (Chair)

Councillors Bennett, Bowdler, Claire Dowling, Maynard, Simmons and Standley

## 1. Council Monitoring - Quarter 3 2022/2023

1.1 The Cabinet has considered a report on performance against the Council Plan targets, Revenue Budget, Capital Programme, and Savings Plan, together with Risks at the end of December 2022.

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

Council Plan 2022/23 amendments and variations

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

1.4 The Strategic Risk Register, Appendix 7, was reviewed and updated to reflect the Council's risk profile. Risk 12 (Cyber Attack) has an updated risk definition. Risk 8 (Capital Programme) has an updated risk definition and risk controls. Risk 1 (Roads) has an updated risk definition and risk controls, together with an updated risk rating.

Risk 4 (Health), Risk 5 (Reconciling Policy, Performance and Resources), Risk 6 (Local Economic Growth), Risk 9 (Workforce), Risk 15 (Climate) and Risk 17 (Safeguarding of Children and Young People) have updated risk controls.

Risk 14 (Post European Union (EU) Transition) related to potential border control issues immediately following the transition and has been removed from the register.

Budget Outturn

1.5 The details of revenue over and underspends in each department are set out in the relevant appendices, and show a total forecast overspend of £10.8m (£8.2m at quarter 2). The main headlines are:

- Children's Services (CSD) has a forecast overspend of £11.6m, an increase of £3.1m since quarter 2. The main movements relate to Early Help and Social Care where the forecast overspend has increased by £3.5m, comprising £4.4m increase in Looked After Children (LAC) Agency Placements, £1.2m reduction for Lansdowne and £0.3m increase to Children's Homes and Locality.

The forecast increase in LAC of £4.4m arises from the continued increase in the number of Looked After Children (an additional 15 at the end of Q3) together with increased costs of care. The projection has been supported by the review and alignment of actual spend, data recorded within the care management system "Controcc" and the LAC model. In common with many other local authorities, the needs of children in care are increasing in complexity and the price of care is rising on a weekly basis.

Actions to mitigate these costs include: further engagement with regional local authority commissioning groups to drive down costs and increase purchasing power for commissioned placements, Head of Service and Assistant Director sign off required for all external placements, continuing to seek contributions from health partners wherever possible and

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monthly Head of Service and Assistant Director review of top 20 high-cost placements including scrutiny of move on / exit plans.

The forecast reduction of £1.2m for Lansdowne has resulted from the decision to temporarily close Lansdowne, plus further application of COVID-19 funding and other small changes which has improved the forecast overspend position since quarter 2, reducing the forecast overspend for Lansdowne to £1.3m.

Other movements across the department can be found in Appendix 4.

- The Adult Social Care (ASC) projected outturn is an overspend of £0.2m (£0.4m at quarter 2); just over 0.1% of the net budget. This comprises an overspend of £1.7m in the Independent Sector, offset by an underspend of £1.5m in Directly Provided Services, the latter due mainly to staffing vacancies.
- Communities, Economy & Transport (CET) is projecting an underspend of £0.7m (£1.0m at quarter 2). The main underspend arising primarily within Waste Services, due to increased income from recycling, electricity sales, and third parties. £2.5m of this windfall Waste income has been transferred to the Waste Reserve to cover future budget pressures. There is a net overspend of £0.9m on the Highways budget due to extraordinary high inflation-based compensation claim and additional tree work due to Ash Die Back. There are small underspends across other services due to, staff vacancies, project slippage and additional income from developer contributions.
- The Business Services (BSD) forecast underspend of £0.3m (£0.3m overspend at quarter 2). The movement is mainly the result of a rigorous review of the Property reactive maintenance programme, allocating appropriate costs to the relevant capital projects and capturing works attributed to managing the COVID-19 requirements.

1.6 Within Treasury Management (TM), Corporate Funding and other centrally held budgets there is an underspend of £11.0m (including the general contingency):

- Corporate Funding budgets are overspending by £0.9m, because of a £0.6m error by Rother District Council in their precept returns to the Council at budget setting, and a £0.3m reduction in the income from Business Rate Pooling arrangements compared with the district and borough forecasting used for budget setting.
- The General Contingency of £4.3m will be required in full to offset part of the Service and Corporate Funding overspend.
- There is currently an estimated £6.7m underspend on TM as a result of improved returns on market investment. The slippage on the capital programme, and an increase in our cash balances, has also removed the need to borrow externally in 2022/23. All of £6.7m will be required to offset part of the Service and Corporate Funding Overspend.
- The remaining £0.743m of the Service and Corporate Funding overspend can be met from reserves.

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

COVID-19 Grants 2022/23 (£m)	Carried forward	Estimated use in-year (including payback*)	Specific set-aside for LAC in future yrs	Estimated balance remaining
COVID-19 General Funding	14.1	(5.5)	(3.1)	5.5
COVID-19 Specific Funding	9.0	(9.0)	-	-
<b>Total funding</b>	<b>23.1</b>	<b>(14.5)</b>	<b>(3.1)</b>	<b>5.5</b>

\* to date the Council has repaid £2.0m of unused grant

1.8 Capital Programme expenditure for the year is projected to be £78.7m against a budget of £82.2m, a net variation of £3.5m. Of the net variation, £1.3m relates to Local Enterprise Partnership (LEP) funded projects being delivered by or in partnership with others.

Main variations include:

- Westfield Lane – Underspend of £0.6m due to budget provisionally held for potential land charge not being required.
- Bus Service Improvement Programme – Slippage of £0.6m as awaiting outcome of consultants reports before commencement of bus priority infrastructure work.
- Street Lighting and Traffic Signals Replacement Programme – Slippage of £1.0m due to combination of long lead of times of stock and availability of contractor resources to install new street lighting columns.
- Hastings Bexhill Movement and Access Programme (LEP funded project) – slippage of £1.1m mainly due to elements of the project being delayed until commencement of new highways contract in May 2023.
- Managing Back Office System (MBOS) Programme – Slippage of £1.0m due to system testing taking longer than anticipated.
- Bexhill and Hastings Link Road – Overspend of £1.4m due to Part 1 claims settled this year, the balance of claims should be settled and paid in 2023/24, with an estimated further £1.0m needed to close the project.

Driving sustainable economic growth

1.9 The Council has spent £295m with 908 local suppliers over the past 12 months, which equates to 67% of our total spend. The Procurement team continues to promote our contract opportunities to local suppliers, as well as building local supply chain opportunities into our tenders where possible (Appendix 3).

1.10 Trading Standards provided training and bespoke advice to 31 businesses and individuals in quarter 3, which was fewer than expected. This is partly due to capacity issues within the team, which are expected to improve in quarter 4, and partly due to fewer requests for advice from businesses than expected (Appendix 5).

1.11 13 contracts were awarded in quarter 3, of which seven were in-scope of the Social Value Measurement Charter, which quantifies the economic, social and environmental benefits of Council procurement. The seven applicable contracts had a total value of £318m and secured £185m in social value commitments, which equates to an outturn of 58%. The social value secured included apprenticeships, employability support, providing jobs for the long-term unemployed and support for the voluntary sector. The Council's Social Value Marketplace featured at the Eastbourne Big Sparks Event in quarter 3. The event celebrates, inspires and showcases the amazing things communities are doing in East Sussex. The Marketplace was demonstrated at the event, with attendees being given a walkthrough of the site, to understand how it benefits residents and communities. Engagements were also made with local charities and projects, including All Sorts Youth Project, Black Butterfly and Wayfinder Woman (Appendix 3).

1.12 Highways works, utilising the one-off investment agreed by Cabinet in November 2021, have continued in quarter 3. Over 752 road improvement schemes have been completed at the end of quarter 3 at 398 sites, with a further 100 sites expected to be completed by the end of 2022/23. 328 small footway patching schemes have been completed at the end of quarter 3. £0.1m worth of new signs were installed in quarter 3, with a further £0.1m of road marking works also completed. Further sign and road marking improvements are scheduled for quarter 4 (Appendix 5).

1.13 The statutory process to agree the Enhanced Partnership Plan and Scheme as part of the £41m Bus Service Improvement Plan (BSIP) for East Sussex is now complete. The final plan and

scheme were approved by the Lead Member in quarter 3, and the new Bus Team have started work to deliver the BSIP and the Enhanced Partnership (Appendix 5).

1.14 Plans were developed in quarter 3 to improve the temporary bus stops at the bottom of School Hill in Lewes, which were necessitated by the owners of Lewes Bus Station stopping buses using the town's bus station earlier in the year. Works to widen the footways and install bus shelters started on 9 January 2023 and are expected to be completed in quarter 4 (Appendix 5).

1.15 73% of Looked After Children at academic age 16 were participating in education, training or employment with training in quarter 3, against a target of 80%. At academic age 17, 58% of children were participating against a target for 70%. The Virtual School and through care teams are continuing to work together to support young people into education, employment and training. Post 16 pupil premium funding is being used to support providers and prevent the breakdown of educational placements. We will also fund a small number of bespoke packages for young people who are unable to engage with existing providers (Appendix 4).

1.16 Attainment results for Key Stage 2 have been published for the first time since the start of the pandemic. 37.6% of disadvantaged pupils in East Sussex achieved at least the expected standard in reading, writing and maths at Key Stage 2 in academic year 2021/22, compared to 42.8% nationally. The target for this measure is 45.8% based on our 2018/19 results. Education Improvement Partnerships have focussed on the needs of individual schools, looking at where schools can work together to support improvement (Appendix 4).

1.17 Provisional results are also available for Key Stage 4. The average Progress 8 score for state funded schools in East Sussex for academic year 2021/22 was -0.11. This is below the target set of  $\geq -0.06$  and the national average which was -0.03. The average Attainment 8 score for disadvantaged pupils for academic year 2021/22 was 33.2. This was just below the target of  $\geq 33.6$ , and below the national average of 37.6. Council maintained schools are being given support to improve their outcomes. Four academies, which are attended by a fifth of all pupils in Year 11, significantly underperformed which has impacted on the overall outturn for East Sussex (Appendix 4).

1.18 69% of pupils achieved a good level of development in the Early Years Foundation Stage compared to a national average of 65%. 98% of early years providers in East Sussex are rated as good or outstanding, compared to 96% nationally (Appendix 4).

### Keeping vulnerable people safe

1.19 Trading Standards made 274 positive interventions to protect vulnerable people in quarter 3. This total has increased significantly on previous quarters due to engagement with the financial inclusion group and talks to various groups. Work to protect vulnerable people included installing call blockers and CCTV at their homes. Trading Standards have obtained Proceeds of Crime Act (POCA) confiscation orders against convicted individuals this year totalling nearly £100,000. The POCA ensures that criminals do not profit from their crimes (Appendix 5).

1.20 Funding has been secured to deliver projects for children and young people experiencing mild to moderate emotional difficulties and other health inequalities. The projects will offer the children support and pay for the activities they will be encouraged to participate in, according to their interests and wishes. One project will target specific groups of children including those who are receiving free school meals, those with Special Educational Needs and Disabilities, those known to early help and social care, those with higher rates of absence in schools, or children demonstrating other signs of emotional difficulties, in four primary schools in the High Weald area. The second project will be targeted at children and young people fleeing the war in Ukraine (Appendix 4).

1.21 The rate of Looked After Children (LAC) at quarter 3 is 61.6 per 10,000 children, which equates to 656 children. 72 are Unaccompanied Asylum Seeking Children (UASC). This is above the target set of 59.8 per 10,000 children. Higher numbers of children are staying as LAC for longer due to significant delays in the court system, which impacts on our ability to move children,

for example, from a Special Guardianship Order or for very young children to adoptive families (Appendix 4).

1.22 A new Connected Families Service was launched in quarter 3 for families with children aged 11-17 who are on the edge of care. The service aims to enable children to live safely at home or, where care is necessary, to maintain relationships and work to support children to return home when appropriate. Connected Coaches provide proactive, tailored support for families at their point of need. 43 young people engaged with the service in quarter 3 (Appendix 4).

1.23 The Percentage of Health and Social Care Connect (HSCC) referrals triaged and progressed to required services within 24 hours is 87%, which is lower than the target for the year of 95%. HSCC saw a 22% increase in referrals in 2021/22 and this has continued in 2022/23. Alongside the increased demand there has also been a 25% vacancy rate in the service. The service has also been impacted by sickness absences. Staffing levels are improving, and sickness absence is being managed, with some phased returns to work in recent months (Appendix 2).

1.24 The latest available figures, as of 11 January, show that 1,170 guests are currently in East Sussex under the Homes for Ukraine scheme. The guests are at 503 different properties across the county, and more than 400 school places have been allocated to Ukrainian children. During quarter 3 the Third Sector support team has continued to work with the Voluntary Actions (3VA, HVA and RVA) and local Voluntary, Community and Social Enterprise organisations in East Sussex to support Homes for Ukraine guests and hosts across the county (Appendix 2).

### Helping people help themselves

1.25 In quarter 2 (reported a quarter in arrears) 30.7% of eligible people from the 20% most deprived areas in East Sussex took up a health check for the five-year period 2018/19 – 2022/23. The target is 35% uptake. Health checks are due to start being delivered by Hastings & St Leonards Primary Care Network by the end of 2022/23, they will be targeting invitations at those living in the most deprived areas. Discussions with Bexhill Primary Care Network about setting up a similar partnership specifically targeting those experiencing worse health inequalities are ongoing (Appendix 2).

1.26 Work to support health and social care integration has continued in quarter 3. Schemes to support people who were medically fit to leave hospital into appropriate onward care settings were mobilised early in quarter 3, to help alleviate pressures on the NHS. Our teams also worked with urgent community response healthcare services to support people and their carers to remain within their own homes. The Sussex Health and Care Assembly's Sussex Integrated Care Strategy was developed and approved in quarter 3. The next step will be to develop a draft Joint Forward Plan which will support delivery of shared priorities, this is expected to be complete in quarter 4 (Appendix 2).

1.27 There were 331 members registered with Support With Confidence at the end of quarter 3 against a target for the year of 360. There have been 46 new approvals made since April 2022, and there are currently 70 live applications in progress. There has been a higher turnover of membership in 2022/23 than in previous years, which has impacted on the outturn (Appendix 2).

1.28 Five infrastructure schemes to improve road safety in the county were completed in quarter 3. These schemes were in Duddleswell, Bexhill, St Leonards, Eastbourne and Hadlow Down. 142 'Bikeability' courses were delivered to 1,131 individuals at participating schools and the Cycle Centre at Eastbourne Sports Park in quarter 3. We also delivered 47 'Wheels for All' sessions to 704 attendees at the Sports Park (Appendix 5).

### Making best use of resources now and for the future

1.29 Lobbying continued in quarter 3, including the Leader writing to the new Prime Minister, Rishi Sunak MP, the Secretary of State for Levelling Up Housing and Communities and East Sussex MPs to call for action to enable remote council meetings to take place. We have also corresponded with Government on actions needed to improve the current approach to the

placement of asylum seekers in the county. We also contributed to the County Councils Network's research on the impact of inflation and other pressures on county authorities' budgets, which fed into the County Councils Network's national lobbying ahead of the provisional Local Government Finance Settlement (Appendix 6).

1.30 There was a 29% reduction in carbon emissions at the end of quarter 2 (reported a quarter in arrears) compared to the baseline year of 2019/20, below our target for the year of 34%. The need to provide ventilation in our building as part of COVID-19 safety measures continues to have an impact on our reported performance. Several energy efficiency projects continued in quarter 3. Nine LED lighting projects have been completed, with the final project due to be complete in quarter 4. Three Solar Photovoltaic (PV) projects have been completed, with six more due to complete in quarter 4. One Solar Photovoltaic project has been delayed due to supply chain issues and is now expected to be completed in 2023/24. The Ninfield Primary School decarbonisation project was completed in quarter 3 and it is estimated this will save the equivalent of 18 tonnes of CO2 per year. The second decarbonisation project at Hertsmonceux Primary School has had all of the equipment installed and is expected to be complete in quarter 4 (Appendix 3).

1.31 The Council has continued to work with a range of partners to develop and deliver carbon reduction and climate change adaptation work in quarter 3. Climate change needs assessments were carried out at 30 local business, while 15 businesses were provided with grants, totalling £75,000 to cut their carbon emissions and energy bills. An online engagement event was held with over 200 Council staff, and feedback from this is being used to guide future communications with staff and Members (Appendix 5).

1.32 The Council achieved Cyber Essentials Plus accreditation in quarter 3. Cyber Essentials Plus is the industry standard for the private and public sectors, underpinning safe sharing with partners and helping assure sufficient controls are in place to minimise the risk of a cyber incident. Delivery of business continuity preparedness exercises has continued in quarter 3, and an enhanced network detection and response solution has been purchased. This system will use artificial intelligence, machine learning and data analytics, in near real-time, to detect threats before they become destructive or damaging (Appendix 3).

7 March 2023

KEITH GLAZIER  
(Chair)