

**Title:** Council Monitoring Report – Q3 2023/24  
**Report to:** Cabinet  
**Date:** 05 March 2024  
**Report by:** Chief Executive  
**Purpose:** To report Council monitoring for Q3 2023/24

## **RECOMMENDATIONS**

Cabinet is recommended to:

- 1) note the latest monitoring position for the Council; and
  - 2) approve the proposed deletion of the performance measure set out in paragraph 2.1.
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### **1. Introduction**

1.1 This report sets out the Council's position and year-end projections for the Council Plan targets, Revenue Budget, Capital Programme, and Savings Plan, together with Risks at the end of December 2023.

1.2 Broad progress against the Council's four strategic priority outcomes is summarised in paragraph 4 and an overview of finance and performance data is provided in the Corporate Summary at Appendix 1. Strategic risks are reported at Appendix 8.

### **2. Council Plan 2023/24 amendments and variations**

2.1 There is 1 Adult Social Care & Health performance measure proposed for deletion:

- Number of providers registered with Support With Confidence

The Support with Confidence scheme was a directory of accredited providers offering care and support services in the local area. The scheme was closed by the licence holder on 31 December 2023 and the measure is therefore proposed for deletion.

2.2 The Strategic Risk Register, Appendix 8, was reviewed and updated to reflect the Council's risk profile. Risk 1 (Roads), Risk 5 (Reconciling Policy, Performance and Resources) and Risk 6 (Local Economic Growth) have updated risk definitions and risk controls, together with updated risk ratings. Risk 8 (Capital Programme) has an updated risk definition and risk control. Risk 4 (Health), Risk 9 (Workforce), Risk 15 (Climate) and Risk 20 (Placements for Children and Young People in our Care) have updated risk controls.

### **3 Budget Outturn**

3.1 The details of revenue over and underspends in each department are set out in the relevant appendices, and show a total forecast overspend of £29.1m. This is an increase of £4.3m from quarter 2. The main headlines are:

- Children's Services (CSD) is forecast to be overspent by £28.5m (£23.0m at quarter 2).

The main area of projected overspend is in Early Help and Social Care (EH&SC) of £27.9m, an increase from quarter 2 of £4.6m. The main pressures are within External Residential costs for Looked After Children. Whilst numbers of children have not increased since last quarter, the increasingly complex care needs of a relatively small number of children mean that there are further pressures on this budget area. Additionally, several high-cost placements have been extended beyond the expected step-down date, contributing to the increase in forecast expenditure this quarter. The service has worked with Impower to support longer term placement sufficiency and identify opportunities for delivering improved care placement options for children and young people through the 'Valuing Care' approach. The aim of this work is also to identify cost reductions and efficiencies within the service.

There is also an increased overspend of £0.9m within the Home to Schools Transport service. The new 2023/24 cohort started in September 2023, which also brought with it wage increases and higher fuel costs, resulting in increased contract costs. There is also a lack of market competition due to some operators leaving the market. The CSD team will be working closely with the CET transport service to explore all possible mitigations to reduce costs.

The CSD overspend will be funded Corporately for 2023/24 as follows:

<b>Mitigation of CSD Overspend</b>	<b>£m</b>
Forecast overspend	(28.5)
Mitigated by:	
Treasury Management underspend	7.4
Underspend on Capital Programme	1.8
General Contingency	4.9
Use of provision for budgetary risks	3.5
Part of Business Rates Levy surplus	0.3
Covid-19 General Funding (balance held Corporately)	5.7
Agreed use of COMF	1.6
Council Tax Collection Fund Surplus	2.0
Use of Financial Management Reserve	1.3
Subtotal Mitigation	28.5

- The projected outturn for Adult Social Care (ASC) is an overspend of £2.0m (£1.7m at quarter 2). It comprises an overspend of £2.9m in the Independent Sector due to a number of factors including increasing complexity of need, plus pressures arising from demand and demographic growth returning to pre-pandemic levels of modelling. This is offset by an underspend of £0.9m in Directly Provided Services, mainly being due to staffing vacancies which reflects difficulties in recruitment.
- Communities, Economy and Transport (CET) is forecast to underspend by £1.3m (£0.2m at quarter 2). The largest underspend is £2.0m in Transport and Operations where current market prices mean that electricity and recycling income is exceeding expectations in the Waste Service. The underspend of £0.3m in Communities is mostly due to staff vacancies in Trading Standards and Road Safety with additional income from Emergency Planning training. These are netted against an overspend of £0.6m in Highways due to the estimated increased cost of electricity for streetlighting; an overspend of £0.3m in Transport Development Control within Planning and Environment due to an increase in speculative planning applications for residential developments, which often have challenging transport issues that need addressing; and a £0.1m overspend in Economy which is mostly due the cost of consultants engaged to help transition SELEP funded projects back into Council control.

3.2 Within Treasury Management (TM), centrally held budgets (CHB) and corporate funding there is an underspend of £18.5m including the general contingency (£15.9m at quarter 2):

- In CHB there is a forecast underspend of £0.5m for Pensions because of the actuarial revaluation. This is offset by an accounting adjustment estimated at £0.7m to reflect the potential risk that increasing outstanding debt levels will not be settled. The General Contingency of £4.9m will be required in full to offset part of the service overspend.
- There is currently an estimated £7.4m underspend on TM, based on a continued improvement in the current forecasts for our market investment returns and increased cash balances. The anticipated average investment return for the year has increased to 5.37% from the 4.45% assumed when the budget was set, based on the latest forecasts from our external treasury management advisors. In addition, slippage on the capital programme and an increase in our cash balances has reduced the need to borrow externally in 2023/24.

- The Chartered Institute of Public Finance and Accountancy published the revised Treasury and Prudential codes in 2021. These require quarterly reporting of performance against forward looking prudential indicators. The performance of the Council's treasury management activity against benchmarks and the key indicators in the Council's Treasury Management Strategy, as approved by Full Council on 7 February 2023, are provided at Appendix 2.
- The aforementioned slippage on the capital programme has resulted in an underspend of £1.8m, where two transfers for Capital Expenditure from Revenue Account (CERA) will not be utilised this financial year.
- There is a planned £3.5m use of the in-year provision made for budgetary risks to cover part of the remaining overspend on service budgets.
- The £0.6m underspend on Business Rates is mainly due to the Levy Surplus Distribution for 2023/24, announced alongside the Local Government Finance Settlement on 5 February 2024.

3.3 The Council is still experiencing residual COVID-19 related costs and income losses which are being mitigated from general and specific COVID-19 grant funding. The balance of COVID-19 General Funding will be used to meet CSD cost pressures. The following table shows the use of this funding in 2023/24:

COVID-19 Grants 2023/24 (£m)	Carried forward	Estimated use in-year (including payback*)	Balance to offset CSD overspend	Specific set-aside for LAC in future years	Estimated balance remaining
COVID-19 General Funding	9.1	(1.7)	(5.6)	(1.8)	-
COVID-19 Specific Funding	4.3	(3.9)	-	-	0.4**
<b>Total funding</b>	<b>13.4</b>	<b>(5.6)</b>	<b>(5.6)</b>	<b>(1.8)</b>	<b>0.4</b>

\*To date the Council has repaid £2.1m of unused grant.

\*\* £0.4m will be spent in 2024/25 on the Additional Measures 4 scheme for specialist money advice services, as approved at Cabinet on 12 December 2023.

3.4 Capital Programme expenditure for the year is projected to be £73.9m against a budget of £80.4m, a net variation of £6.5m. The main headlines are:

- Total slippage of £7.3m across a number of projects as the programme continues to experience extended lead-in times, and where inflation and material cost increases has resulted in the pause and reassessment of a number of projects to ensure delivery within budgets, as well as other project specific factors. The largest areas of slippage include the Highways Structural Maintenance programme (£2.0m), Youth Investment Fund project (£1.1m), Integrated Transport Schemes (£1.0m), Bridge Assessment and Strengthening (£0.6m) and the Visibly Better Roads programme (£0.5m).
- A net overspend of £0.5m, mainly relating to the Bexhill and Hastings Link Road where project costs remain for post excavation archaeology, landscaping, and compensation.
- Minor spend in advance totalling £0.3m across a number of projects.

Whilst the implications of slippage in the capital programme are being managed in this financial year, future years profiling has been reviewed as part of the Reconciling Policy, Performance and Resources process and a slippage risk factor will be applied in 2024/25 to mitigate the impact of likely slippage.

## 4 Progress against Council Priorities

### Driving sustainable economic growth

4.1 The Council has spent £307m with 853 local suppliers over the past 12 months. This is 64% of our total spend and exceeds our target of 60%. We continued throughout quarter 3 to work with suppliers to maximise the social value delivered by our contracts. In quarter 3 we achieved benefits that were equal to 21% of the contract value, against a target of 10% (Appendix 4).

4.2 Work on our highways continued in quarter 3 using the additional funding approved by Council in recognition of the deterioration of the network following the last prolonged, wet and cold winter. 132 patch works have been completed so far in 2023/24 across 62 sites. Around 100 road signs had been replaced by the end of quarter 3, with further signs scheduled to be replaced in quarter 4 and 2024/25. Around 150 minor drainage schemes had been completed at the end of quarter 3, with 50 larger schemes also identified, and these will be delivered in quarter 4 2023/24 and 2024/25. 22 road improvement schemes were completed in quarter 3, and 5,194 potholes were repaired (Appendix 6).

4.3 The road condition outturns (where a lower figure indicates better road condition), have been published, these figures are only available at one point each year and are based on specialist laser surveys undertaken in summer 2023. The surveys identify roads that should be considered for maintenance, based on the Department for Transport's criteria. The percentage of Principal roads requiring maintenance was 4%, meeting the target for the year. This is also an improvement on the 2022/23 outturn of 5%. The percentage of Non-Principal roads requiring maintenance was 5%, above the target of 4%. However, this is also an improvement from 2022/23 when the outturn was 6%. The percentage of Unclassified roads requiring maintenance was 17%, above the target of 14%, and also increasing from the 2022/23 outturn which was 13%. 2022/23 saw a wet winter and this has continued with a generally cool and wet summer and a wet start to winter 2023/24. The survey results for the unclassified roads reflected this with a noticeable increase in edge of carriageway defects identified. Road condition is influenced by a number of factors, including the make-up of the road, the volume of traffic, weather conditions and the level of investment in maintenance. The condition of our roads will vary from year to year depending on those factors. Our targets are based on modelling which tries to predict the rate of deterioration and therefore expected road condition. The targets are aligned to the Council's ten-year investment programme. (Appendix 6).

4.4 A number of projects have continued to progress in quarter 3 as part of the Council's Bus Service Improvement Plan. Improvements have been made to the FlexiBus service which now covers nearly 90% of East Sussex. The FlexiBus app has been improved to make it easier for users. Several of the FlexiBus zones have also been merged, providing greater travel opportunities for residents. Details of the amended services can be found here. The improvements, together with promotion and marketing of the service, has helped to continue the growth in passenger numbers during quarter 3. All bus stops in the county now have QR plates, which enable people to scan the plate and receive information about the next bus due at that stop (Appendix 6).

4.5 4.1% of children at academic age 16 (year 12) were Not in Education, Employment or Training (NEET) in December 2023. 5.8% of children at academic age 17 (year 13) were NEET for the same period. The Council has concerns about the lack of vocational/work-based learning offers for young people. We have raised this local and national concern with Ofsted, the Department for Education and the Education Skills and Funding Agency (ESFA). The Council has also taken a number of measures itself to try and reduce the number of NEET children, including refocussing the newly re-commissioned Youth Employability Service Programme more closely on NEET children and encouraging existing education providers to run January course starts to allow young people to start courses as soon as possible (Appendix 5).

4.6 The Libraries team have worked with colleagues across the Council and schools to reintroduce work experience placements at libraries across the county. 49 young people have started placements in libraries in quarters 1 – 3 (Appendix 6).

### **Keeping vulnerable people safe**

4.7 The inspection of the Council Local Authority Children's Services (ILACS) by the Office for Standards in Education, Children's Services and Skills (Ofsted) Inspections took place from 11 – 15 December. This was a short inspection. The inspection report was published 6 February, and we were awarded an overall effectiveness grading of Good with the experiences and progress of children in care graded as Outstanding (Appendix 5).

4.8 The rate of Looked After Children has decreased, from 64.4 (686 children) at quarter 2, to 63.0 (671 children), at quarter 3. Of the 671 children, 82 are unaccompanied asylum seeker children, an increase of 5 children from quarter 2. The rate of children with a Child Protection plan has continued to increase, from 63.0 per 10,000 (671 children) at quarter 2 to 70.6 (753 children) at quarter 3. We continue to keep these plans under review with a range of actions to look at how this number can be safely reduced (Appendix 5).

4.9 The 2022 figures (the latest data available) indicate that 79 people in East Sussex died as a result of drug and alcohol misuse. Although this represented a significant decrease in drug-related deaths compared to the previous three years, every death is a tragedy and these numbers remain higher than anyone would wish for. We continue to work with our commissioned providers and partners to ensure that all people requiring support are provided with this as early as possible, and aim for the number of deaths to decrease further in future. It should also be noted that there was an error in the Office of Health Improvement and Disparities (OHID) baseline data used to calculate the target – OHID have confirmed that this should have been 77, rather than 74. Targets for future years will be revised based on the corrected baseline data. (Appendix 3).

4.10 The latest data for quarter 2 (reported a quarter in arrears) suggests that we may not reach the 2023/24 target for the number of people accessing treatment for opiate misuse. This reflects a national trend of decreasing numbers of people accessing treatment for opiate misuse. The Government recognises this trend and is revising down its expectations for the numbers of people accessing treatment for future years. We will continue to prioritise work to develop this service and locally increase the number of people that we reach (Appendix 3).

4.11 The Government's Sustainable Warmth Scheme, which was delivered through the Council's Warm Home Check Service came to an end in October 2023. Since May 2021, the £3.65m scheme has provided nearly 500 home energy improvements for low-income households, including installing insulation, solar PV and low carbon heating systems. These improvements supported residents to keep warm and safe in their homes, while also reducing the county's carbon emissions (Appendix 3).

4.12 16 Days of Activism Against Gender-Based Violence and the White Ribbon Day took place during quarter 3. The Safer Communities Team developed a joint social media campaign, which was adopted across Sussex, and led a joint webinar with West Sussex County Council. The webinar included a range of guest speakers, including Sussex Police, local specialist services, and the Voices of Lived Experience Board (Appendix 3)

4.13 The Council's Public Health team received a Silver Award from the Infection Prevention Society for Nurturing Infection Prevention and Control Talent 2023. The award recognised the work done by the team in 2023/24 with the wider remit of groups such as unpaid and informal carers, day services and volunteers working in the community and people's homes (Appendix 3).

### **Helping people help themselves**

4.14 The Employability and Skills Service for people in Supported and Temporary Accommodation and Refuges held job fairs in Newhaven and Eastbourne in quarter 3 for people who are furthest from the workplace. Over 200 local people who were unemployed and also had additional requirements to getting and sustaining work, such as a history of homelessness or veterans etc., attended. 12 people were referred to the Moving on Up Programme which supports people into apprenticeships and work with training via a work mentor and provides funding for childcare, travel and rent arrears or to pay a deposit for private rent. Mentors are currently working with 61 people to support them into work and the private rented sector. In quarter 3, a total of 16 people who were furthest from the workplace were supported into jobs, of which 8 were also supported to move into private rented accommodation. This included people who may have never worked before and were homeless and living in temporary accommodation (Appendix 3).

4.15 The number of volunteer opportunities listed on the Council funded Tribe platform has continued to grow in quarter 3, enabling people to connect to volunteering opportunities in their area. Work is underway with voluntary, community and social enterprise partners to promote Tribe

to group and organisations in the county, and a promotional campaign for residents will be developed in quarter 4 (Appendix 3).

4.16 There has been a sustained effort by GP practices across the county to provide NHS Health Checks to those living in the most deprived areas of the county. At the end of quarter 2 (reported a quarter in arrears) 1,119 people living in some of the most deprived parts of the county had received a Health Check (Appendix 3).

4.17 The number of people in receipt of Direct Payments has increased from 1,520 at the start of 2023/24 to 1,562 on 31 December 2023. However, the overall the number of people receiving community-based long-term support has increased at a greater rate (4,792 to 5,165) meaning we will not achieve the target. Despite the reduced proportion of people in receipt of Direct Payments, the Council's performance is still good compared to national benchmarks. Based on current national data, performance would fall within the upper-middle quartile (Appendix 3).

4.18 The number of carers supported through short-term crisis intervention improved in quarter 3 as referrals to the service increased, meaning we are now expecting to meet the target for 2023/24. The service relies on receiving referrals either direct from carers or via other organisations (Appendix 3).

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

4.19 As part of our corporate lobbying work during quarter 3 the Leader took the opportunity to meet with local MPs and continued to raise the issues and priorities of the county with them. This included a specific update on the November RPPR Cabinet report drawing attention to the significant pressure the Council was under due to increasing demand and complexity in statutory services, particularly children's social care and special educational needs and disabilities. The Leader highlighted the very challenging medium term financial outlook for the Council and sought MPs' support in lobbying for certainty of future funding for local government, that reflects local need, and to ensure that service reforms are sustainable and properly funded. Ahead of the Autumn Statement the Leader also took the opportunity to write jointly with other county leaders in the South East to the Chancellor of the Exchequer, expressing the urgent need for additional funding in children's services and home to school transport (Appendix 7).

4.20 16 energy efficiency projects have been completed in quarters 1 – 3, including 4 LED lighting projects and 5 solar PV energy generation schemes. Triple glazing and loft, door and wall insulation has been installed at a number of schools in the county. Further projects to reach the target of 23 schemes in 2023/24 have been identified, however, inclement weather, supply chain or onsite issues could still hamper achievement. Total energy consumption in quarter 2 (reported a quarter in arrears) was down 9% when compared with the same period last year and down 25% on the baseline year 2019/20. There is not yet enough data to accurately estimate the end of year outturn for 2023/24, however if consumption for the remainder of 2023/24 is the same as 2022/23 carbon emissions would decrease by 0.39% this year. The main contributing factor to the increase in emissions projected for 2023/24 is the increase in the electricity emissions factor (the carbon intensity of the national grid) which has risen 7% year on year. This is due to an increase in the use of natural gas for electricity generation and a decrease in renewable energy generation, which is out of the Council's control (Appendix 4).

4.21 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. This included, securing £245,000 from the Department for Energy Security and Net Zero to develop a plan to provide people with the skills to enable the retrofit of domestic properties to reduce their carbon emissions. The plan is due to be developed by the end of March 2025 (Appendix 6).

**Becky Shaw, Chief Executive**

## How to read this report

This report integrates monitoring for finance, performance and risk. Contents are as follows:

- Cover report (includes how to read this report)
- Appendix 1 Corporate Summary
- Appendix 2 Treasury Management Prudential Indicators
- Appendix 3 Adult Social Care and Health – (ASCH)
- Appendix 4 Business Services (Department) – (BSD)
- Appendix 5 Children’s Services (Department) – (CSD)
- Appendix 6 Communities, Economy and Transport – (CET)
- Appendix 7 Governance Services – (GS)
- Appendix 8 Strategic Risk Register

### Cover report, Appendix 1 and Appendix 2

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

The cover report highlights a selection of key topics from the departmental appendices, for the four Council priorities:

- driving sustainable economic growth;
- keeping vulnerable people safe;
- helping people help themselves; and
- making best use of resources now and for the future.

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

### Departmental Appendices 3-7

The departmental appendices provide a single commentary covering issues and progress against key topics for the department (including all those mentioned in the cover report). This is followed by data tables showing progress against Council Plan Targets, Savings Targets, Revenue Budget, and Capital Programme for the department.

For each topic, the commentary references supporting data in the tables at the end of the appendix, e.g. **(ref i)**. The tables include this reference in the ‘note ref’ column on the right hand side. Where the commentary refers to the Revenue Budget or Capital Programme, it may refer to all or part of the amount that is referenced in the table, or it may refer to several amounts added together. Performance exceptions follow these rules:

Quarter 1	All targets not expected to be achieved at year end i.e. not RAG rated Green, and any proposed amendments or deletions. Changes to targets early in Q1 should be made under delegated authority for the Council Plan refresh in June.
Quarter 2	Targets that have changed RAG rating since Q1 including changes to Green (except where target was amended at Q1), plus proposed amendments or deletions.
Quarter 3	Targets that have changed RAG rating since Q2 including changes to Green (except where target was amended at Q2), plus proposed amendments or deletions.
Quarter 4	Targets that have changed RAG rating since Q3 to Red or Green (except where target was amended at Q3). Outturns that are not available are reported as Carry Overs. All target outturns for the full year are reported in the year end summary at Appendix 1.

### **Strategic Risk Register Appendix 8**

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

### **Supporting Information regarding proposal for use of COMF funding Appendix 9**

Information in support of the recommendation to approve a further and final annual extension of the Additional Measures Scheme for specialist money advice services through 2024/25, funded from the Contain Outbreak Management Fund (COMF).



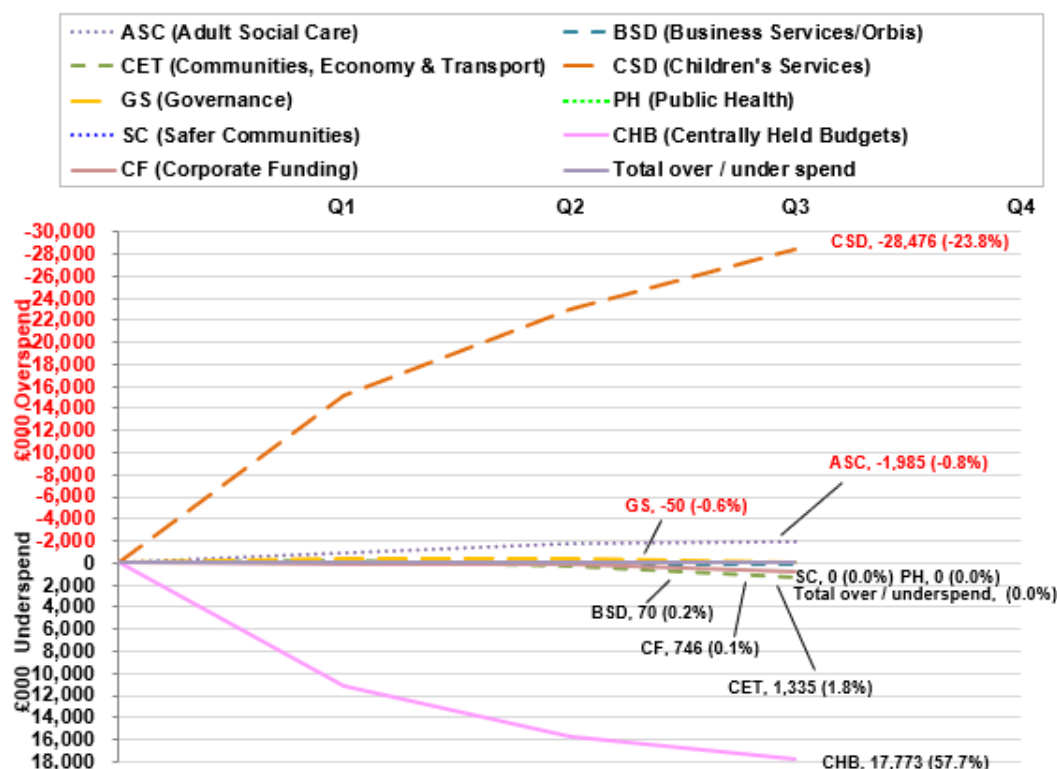
## Council Monitoring Corporate Summary – Q3 2023/24

### Council Plan performance targets

Priority	Red	Amber	Green	Amend / Delete
Driving sustainable economic growth	3	5	17	0
Keeping vulnerable people safe	2	2	8	0
Helping people help themselves	1	0	13	1
Making best use of resources now and for the future	1	1	5	0
<b>Total</b>	<b>7</b>	<b>8</b>	<b>43</b>	<b>1</b>

Performance overview Q2 2023/24	Performance overview Q3 2023/24	Measures off target by department
<p>Green, 47, 80% Amber, 7, 12% Red, 5, 8%</p>	<p>Green, 43, 73% Amber, 8, 13% Red, 7, 12% Amend/Delete, 1, 2%</p>	<p>There are 59 measures in the Council Plan. 4 departments had off-target measures in Q3.</p> <p>ASCH – 2 Red measures, 1 Amber measure, 1 Amend/Delete measure</p> <p>BSD – 1 Red measure, 1 Amber measure</p> <p>CET – 3 Red measures</p> <p>CSD – 1 Red measure, 6 Amber measures</p>

### Revenue budget outturn (net £000)



**Revenue budget summary (£000) 2023/24****Services:**

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net
Adult Social Care	344,354	(108,474)	235,880	380,678	(142,813)	237,865	(36,324)	34,339	(1,985)
Safer Communities	2,055	(909)	1,146	3,084	(1,938)	1,146	(1,029)	1,029	-
Public Health	33,777	(33,777)	-	33,379	(33,379)	-	398	(398)	-
Business Services / Orbis	55,738	(26,729)	29,009	59,103	(30,164)	28,939	(3,365)	3,435	70
Children's Services	403,167	(283,395)	119,772	437,042	(288,794)	148,248	(33,875)	5,399	(28,476)
Communities, Economy & Transport	160,969	(87,778)	73,191	162,504	(90,648)	71,856	(1,535)	2,870	1,335
Governance Services	9,058	(744)	8,314	9,139	(775)	8,364	(81)	31	(50)
<b>Total Services</b>	<b>1,009,118</b>	<b>(541,806)</b>	<b>467,312</b>	<b>1,084,929</b>	<b>(588,511)</b>	<b>496,418</b>	<b>(75,811)</b>	<b>46,705</b>	<b>(29,106)</b>

**Centrally Held Budgets (CHB):**

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net
Treasury Management	21,630	(7,700)	13,930	18,349	(11,867)	6,482	3,281	4,167	7,448
Capital Programme	527	-	527	-	(1,300)	(1,300)	527	1,300	1,827
Unfunded Pensions	5,202	-	5,202	4,653	-	4,653	549	-	549
General Contingency	4,880	-	4,880	-	-	-	4,880	-	4,880
Provision for Budgetary Risks	4,272	-	4,272	740	-	740	3,532	-	3,532
Apprenticeship Levy	772	-	772	781	-	781	(9)	-	(9)
Levies, Grants & Other	7,003	(5,779)	1,224	6,939	(5,924)	1,015	64	145	209
Debt Impairment	-	-	-	663	-	663	(663)	-	(663)
<b>Total Centrally Held Budgets</b>	<b>44,286</b>	<b>(13,479)</b>	<b>30,807</b>	<b>32,125</b>	<b>(19,091)</b>	<b>13,034</b>	<b>12,161</b>	<b>5,612</b>	<b>17,773</b>

**Corporate Funding:**

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net
Business Rates	-	(94,336)	(94,336)	-	(94,962)	(94,962)	-	626	626
Revenue Support Grant	-	(4,076)	(4,076)	-	(4,076)	(4,076)	-	-	-
Service Grant	-	(2,916)	(2,916)	-	(3,036)	(3,036)	-	120	120
Council Tax	-	(351,828)	(351,828)	-	(351,828)	(351,828)	-	-	-
Social Care Grant	-	(44,612)	(44,612)	-	(44,612)	(44,612)	-	-	-
New Homes Bonus	-	(351)	(351)	-	(351)	(351)	-	-	-
<b>Total Corporate Funding</b>	<b>0</b>	<b>(498,119)</b>	<b>(498,119)</b>	<b>0</b>	<b>(498,865)</b>	<b>(498,865)</b>	<b>0</b>	<b>746</b>	<b>746</b>

**APPENDIX 1**

<b>Divisions</b>	<b>Planned Gross</b>	<b>Planned Income</b>	<b>Planned Net</b>	<b>Projected Gross</b>	<b>Projected Income</b>	<b>Projected Net</b>	<b>(Over)/ under spend Gross</b>	<b>(Over)/ under spend Income</b>	<b>(Over)/ under spend Net</b>
<b>TOTAL</b>	<b>1,053,404</b>	<b>(1,053,404)</b>	<b>0</b>	<b>1,117,054</b>	<b>(1,106,467)</b>	<b>10,587</b>	<b>(63,650)</b>	<b>53,063</b>	<b>(10,587)</b>
Use of Covid-19 general funding to cover operational overspend	-	-	-	-	(5,666)	(5,666)	-	5,666	5,666
Agreed use of COMF to offset CSD pressures	-	-	-	-	(1,596)	(1,596)	-	1,596	1,596
Council Tax Collection Fund Surplus	-	-	-	-	(2,031)	(2,031)	-	2,031	2,031
Use of FM Reserve to cover operational overspend	-	-	-	-	(1,294)	(1,294)	-	1,294	1,294
<b>FINAL TOTAL</b>	<b>1,053,404</b>	<b>(1,053,404)</b>	<b>0</b>	<b>1,117,054</b>	<b>(1,117,054)</b>	<b>0</b>	<b>(63,650)</b>	<b>63,650</b>	<b>0</b>

**Revenue Savings Summary 2023/24 (£'000)**

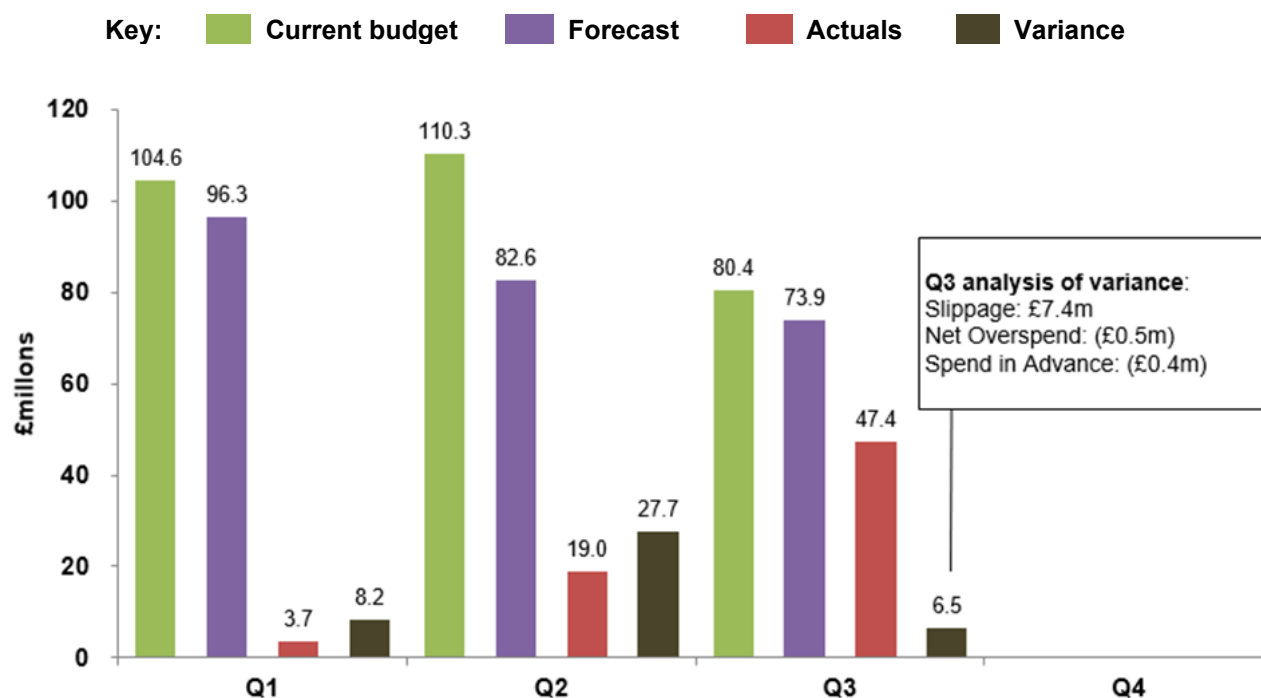
Service description	Original Target for 2023/24	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved
ASC	-	-	-	-	-
BSD / Orbis	869	869	659	210	-
CS	-	-	-	-	-
CET	105	910	105	745	60
GS	-	-	-	-	-
<b>Total Savings</b>	<b>974</b>	<b>1,779</b>	<b>764</b>	<b>955</b>	<b>60</b>
ASC			-	-	-
BSD / Orbis			-	-	-
CS			-	-	-
CET			-	-	-
GS			-	-	-
<b>Subtotal Permanent Changes <sup>1</sup></b>			<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Savings &amp; Permanent Changes</b>	<b>974</b>	<b>1,779</b>	<b>764</b>	<b>955</b>	<b>60</b>

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding <sup>2</sup>	Part of reported variance <sup>3</sup>	Total
ASC	-	-	0
BSD / Orbis	210	-	210
CS	-	-	0
CET	745	60	805
GS	-	-	0
<b>Total</b>	<b>955</b>	<b>60</b>	<b>1,015</b>

<sup>1</sup> Where agreed savings are reasonably unable to be achieved other permanent savings are required to be identified and approved via quarterly monitoring.

<sup>2</sup> Temporary funding will only replace a slipped or unachieved saving for one year. The saving will still need to be made in future years (or be replaced with something else).

<sup>3</sup> The slipped or unachieved saving will form part of the department's overall variance. It will either increase an overspend or decrease an underspend. The saving will still need to be made in future years (or be replaced with something else).

**Capital Programme (gross £ millions) – approved projects****Capital Programme Summary 2023/24 (£'000)**

	Budget Q3	Actual to date Q3	Projected 2023/24	Variation (Over) / under Q3 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance
Adult Social Care	1,259	360	920	339	30	309	-
Business Services	21,162	16,218	19,191	1,971	369	1,602	-
Children's Services	1,215	1,175	1,420	(205)	(205)	-	-
Communities, Economy & Transport	56,714	29,616	52,347	4,367	(711)	5,386	(308)
<b>Gross Expenditure (Planned Programme)</b>	<b>80,350</b>	<b>47,369</b>	<b>73,878</b>	<b>6,472</b>	<b>(517)</b>	<b>7,297</b>	<b>(308)</b>
Section 106 and CIL	1,607	-	-	-	-	-	-
Other Specific Funding	9,426	-	-	-	-	-	-
Capital Receipts	817	-	-	-	-	-	-
Formula Grants	32,502	-	-	-	-	-	-
Reserves and Revenue Set Aside	18,979	-	-	-	-	-	-
Borrowing	17,019	-	-	-	-	-	-
<b>Total Funding</b>	<b>80,350</b>	-	-	-	-	-	-

## **Treasury Management**

The Treasury Management Strategy (TMS), which provides the framework for managing the Council's cash balances and borrowing requirement, continues to reflect a policy of ensuring minimum risk, whilst aiming to deliver secure realistic investment income on the Council's cash balances.

The average level of Council funds available for investment purposes during Q3 was £269.102m. The total amount received in short term interest for Q3 was £3.646m at an average rate of 5.38%, compared to £3.540m at an average rate of 4.79% for Q2 2023/24. The anticipated average investment return for the year is currently 5.37%, from the 4.45% assumed at budget setting, based on the latest forecasts from our external treasury management advisors.

The Bank of England Base Rate was maintained in Q3 at 5.25%. The investment return outlook has improved however, the potential for increased interest rates into the future has reduced. 5.25% is expected to be the peak and the latest forecasts suggest marginal decreases in the bank rate from the summer 2024. Where possible a number of fixed term deposits with banks were placed for periods up to 1 year in Q3 at improved rates. These investments have been 'laddered' and will mature at different intervals in the next 12 months. This will take advantage of securing investment returns in future quarters.

In seeking investment opportunities, as defined by the TMS, opportunities have been taken to reinvest in maturing bank deposits that aligns to the United Nations' Sustainable Development Goals (SDGs). In Q3, a total of £5m was reinvested for a duration of six months, the current balance of £23m is in place for investment in SDG deposits. We will look to place deals maturing with other local authorities in Q4 if the rates are favourable compared to traditional bank deposits.

No short-term borrowing was required in Q3. The majority of the Council's external debt, totalling £216.6m at Q3, is held as long-term loans. No long-term borrowing was undertaken in Q3, and no further cost-effective opportunities have arisen during Q3 to restructure the existing Public Works Loan Board (PWLB) or wider debt portfolio.

The Treasury Management budget is currently forecasting to underspend by £7.4m. This is based on the position outlined above with regard to balances held and investment returns and slippage on the capital programme reducing the need to borrow externally in 2023/24.

The performance of the Council's treasury management activity, against benchmarks and the key indicators set in the Treasury Management Strategy, as approved by Full Council on 7 February 2023, are set out at Appendix 2.

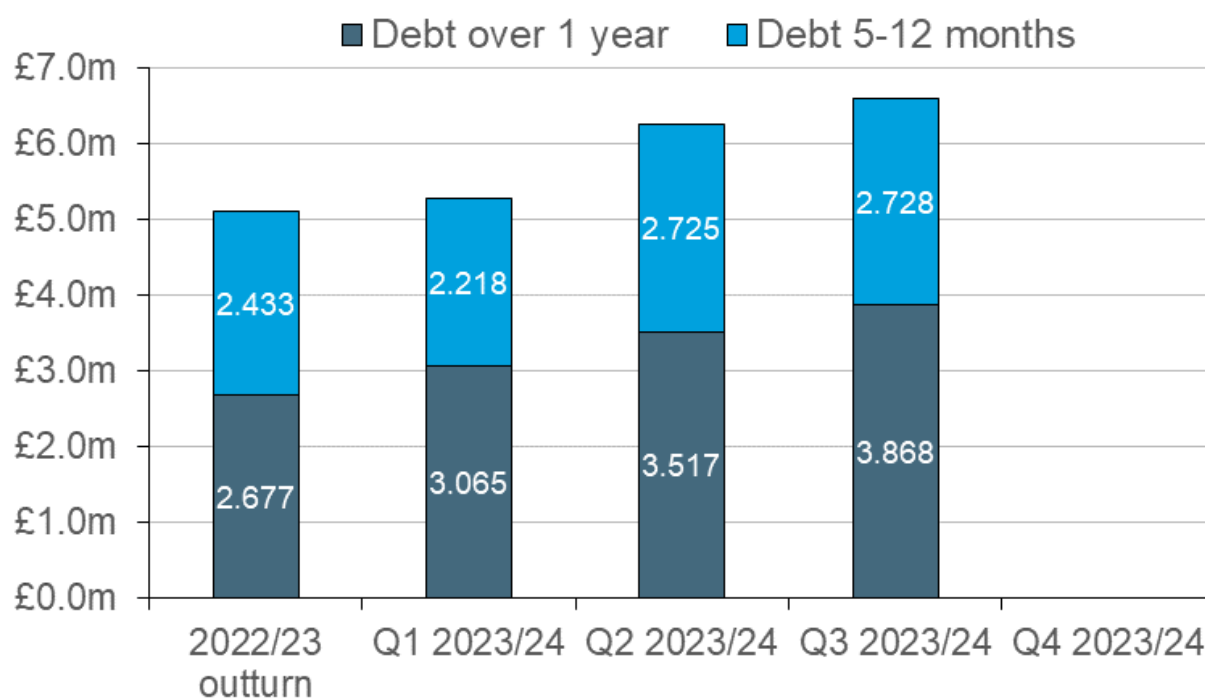
**Reserves and Balances 2023/24 (£000)**

Reserve / Balance	Balance at 1 Apr 2023	Forecast net use at Q2	Forecast net use at Q3	Movement	Estimated balance at 31 Mar 2024
<b>Statutorily ringfenced or held on behalf of others:</b>					
Balances held by schools	20,082	-	-	-	20,082
Public Health	7,812	(1,704)	(1,704)	-	6,108
Other	6,983	(882)	(867)	15	6,116
<b>Subtotal</b>	<b>34,877</b>	<b>(2,586)</b>	<b>(2,571)</b>	<b>15</b>	<b>32,306</b>
<b>Service Reserves:</b>					
Corporate Waste	19,883	(470)	(440)	30	19,443
Capital Programme	13,425	(4,062)	(4,061)	1	9,364
Insurance	7,363	133	133	-	7,496
Adult Social Care	3,099	-	-	-	3,099
<b>Subtotal</b>	<b>43,770</b>	<b>(4,399)</b>	<b>(4,368)</b>	<b>31</b>	<b>39,402</b>
<b>Strategic Reserves:</b>					
Priority / Transformation	17,398	(11,469)	(11,474)	(5)	5,924
Financial Management	41,880	(8,397)	(10,115) <sup>1</sup>	(1,718)	31,765
<b>Subtotal</b>	<b>59,278</b>	<b>(19,866)</b>	<b>(21,589)</b>	<b>(1,723)</b>	<b>37,689</b>
<b>Total Reserves</b>	<b>137,925</b>	<b>(26,851)</b>	<b>(28,528)</b>	<b>(1,677)</b>	<b>109,397</b>
General Fund	10,000	-	-	-	10,000
<b>Total Reserves and Balances</b>	<b>147,925</b>	<b>(26,851)</b>	<b>(28,528)</b>	<b>(1,677)</b>	<b>119,397</b>

<sup>1</sup> Currently excludes any transfers relating to Q3 variances

**Changes to Fees & Charges**

Changes over 4% during quarter 3 were reported to Cabinet on January 23, 2024, as part of the RPPR report.

**Outstanding debt analysis (£ millions)**

The value of debt aged over 5 months at Q3 has increased by £1.486m to £6.596m compared to the 2022/23 outturn position of £5.110m.

£6.269m (95.04%) relates to Adult Social Care (ASC), which has increased by £2.054m compared to the 2022/23 outturn position of £4.215m. £0.457m of this increase relates to income due from the NHS Integrated Care Board (ICB) and other Local Authorities and ongoing communications take place to facilitate repayment.

Recovery of debt continues to be a high priority focus with a continual review of systems and processes. During this quarter, ASC have started work on a debt recovery project with the aim of ensuring that there are clear, visible pathways to support clients to pay their client contributions and to recover any debt that arises as a result of non-payment. A monthly ASC debt panel has also been introduced to review complex and ongoing cases and ensure the most appropriate steps are taken to recover debt.



## Treasury Management Prudential Indicators – Q3 2023/24

The Chartered Institute of Public Finance and Accountancy published the revised Treasury and Prudential codes in 2021, which now requires quarterly reporting of performance against forward looking prudential indicators. The performance of the Council's treasury management activity, against benchmarks and the key indicators in the Council's Treasury Management Strategy, as approved by Full Council at its meeting of 7 February 2023, are set out below.

### Investments

The average investment return over Q3 was 5.38% performing above the benchmark rate by 19 basis points (or 0.19 percentage points). Performance has improved as a result of reinvesting maturing investments in a duration matched to a peak in the forecast Bank of England (BoE) bank interest rate.

Quarter	Average Investment Balance £m	Average Investment return	Average Benchmark Rate*	Difference
Q1	295.687	4.19%	4.34%	(0.15%)
Q2	293.169	4.82%	5.09%	(0.27%)
Q3	269.102	5.38%	5.19%	0.19%

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

During Q3 we have monitored the security of the Council's investment, to assess the risk of those investments losing their value. These risks were assessed using the financial standing of the groups invested in, the length of each investment, and the historic default rates. Our investment strategy sets an allowable risk level of 0.050% (i.e. that there is a 99.95% probability that the Council will get its investments back). The actual indicator ranged between 0.005% and 0.007%, reflecting the high proportion of investments held in highly secure and/or very liquid investments.

Investment Risk benchmark	0.050%
Maximum investment risk experienced Q3	0.007%

### Borrowing

The table below shows the Council's total external borrowing and average rate as at 31 December 2023:

	Balance as at 31 December 2023 £m	Average Rate
PWLB	210.142	4.53%
Market Loans	6.450	4.25%
<b>Total borrowing</b>	<b>216.592</b>	<b>4.52%</b>

The table below shows the Q3 forecast of the Capital Financing Requirement (CFR) compared to the estimate within the 2023/24 strategy approved in February 2023. The CFR is expected to give rise to new borrowing required of £64.905m by the end of the year, compared to the original estimate of £83.932m. The strategy currently forecasts that the level of reserves and balances in the medium term allows internal borrowing of up to £50.000m, and therefore it is currently expected that external borrowing of £14.905m may be required to support the capital programme.

<b>Capital Financing Requirement (CFR) (Underlying Borrowing Need)</b>	<b>Original Estimate 2023/24 £m</b>	<b>Revised forecast as at 31 December 2023 £m</b>
Opening CFR	274.367	271.882
Borrowing Need	34.904	17.019
Minimum Revenue Provision	(7.429)	(7.404)
<b>Closing CFR</b>	<b>301.842</b>	<b>281.497</b>
<b>External Borrowing as at 31 December 2023</b>		<b>216.592</b>
<b>Forecast Underborrowing (if no action taken)</b>		<b>64.905</b>

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

<b>Borrowing Limits</b>	<b>Operational Boundary £m</b>	<b>Authorised Borrowing Limit £m</b>
Limit set for 2023/24	376.000	396.000
Less: PFI & Leases	65.000	65.000
Limit for Underlying Borrowing	311.000	331.000
Actual External Borrowing at 31 December	216.592	216.592
Headroom*	94.408	114.408

\*Authorised Borrowing headroom cannot be less than zero

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

<b>Maturity Structure of borrowing</b>	<b>Lower Limit set</b>	<b>Upper Limit set</b>	<b>Actual as at 31 December 2023</b>
Under 12 Months	0%	25%	2%
12 months to 2 years	0%	40%	2%
2 years to 5 years	0%	60%	7%
5 years to 10 years	0%	70%	16%
Over 10 years	0%	90%	72%

## Adult Social Care and Health – Q3 2023/24

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

#### **Adult Social Care (ASC)**

##### **Health and Social Care integration**

Collaborative work has continued in Q3 to develop a pan-Sussex core offer for 'Integrated Care Teams' (ICTs), building on the agreement in Q2 to create an ICT footprint in each of East Sussex's boroughs and districts.

During Q3, intelligence and insight profiles have been produced to set out a picture of population health needs and service demand across each of the footprints. These will be used as part of the broader development of ICTs, alongside local community engagement, to support planning discussions about local priorities. A focused leadership meeting took place in Hastings to explore how ICT development can build on and add value in the context of local activity and challenges. A follow up meeting with frontline services and teams is being planned for Q4, alongside a phased plan for the other 4 ICT footprints.

##### **Adults are able to take control of the support they receive**

The number of people in receipt of Direct Payments (**ref iii**) increased from 1,520 as of 31 March 2023 to 1,562 as of 31 December 2023, but the overall the number of people receiving community-based long term support increased at a greater rate (4,792 to 5,165). Despite the reduced proportion of people in receipt of Direct Payments, the Council's performance is still good compared to national benchmarks. Based on current national data, performance would fall within the upper-middle quartile. It is important to note that this measure is a snapshot at the end of each reporting period, so performance can fluctuate.

##### **Reabling people to maximise their level of independence**

Reablement services are provided to help people to regain mobility and daily living skills, especially after a hospital stay. Data shows that our reablement services are having a positive impact on the ongoing support needs of our residents and enable people to stay in their own homes after a stay in hospital. In particular:

- Between April and December 2023, 95.1% of people who received short-term services did not request any further support.
- Between April and September 2023 (reported a quarter in arrears), 93.5% of older people discharged from hospital to reablement / rehabilitation services were at home 91 days after their discharge from hospital. Based on current national data, this performance would fall within the upper quartile.

**Homes for Ukraine** - As at 31 December 2023, 1,762 guests had arrived in East Sussex under the Homes for Ukraine scheme, sponsored and hosted by 812 sponsors. A significant number (601) have moved on from their hosts into private sector accommodation, which is a positive achievement.

##### **Third Sector support**

During Q3, we continued to co-develop the Community Network Support Programme including by connecting with networks in each district and borough area to scope support needs.

In Q3, the number of volunteer opportunity listings on the Council-funded Tribe platform has continued to grow, to over 150, enabling people to connect to volunteering opportunities in their area. During Q3, listings for local activities and events were collected and will be added to Tribe over the next month, thereby providing information for Social Prescribers and Community Connectors to use. Work is underway with Voluntary, Community and Social Enterprise sector partners to promote Tribe to groups and organisations, and a promotional campaign for residents will be developed in Q4.

## **Support With Confidence**

The scheme closed on 31 December 2023, therefore this measure is proposed for deletion (**ref iv**). A public consultation on the future of the Support with Confidence scheme ran from 27 September to 5 December 2023. In October 2023 the licence holders informed us that they are withdrawing the brand so the scheme closed on 31 December 2023. Our future offer to personal assistants, businesses and residents will be agreed by Lead Member on 6 March 2023.

## **Number of carers supported through short-term crisis intervention**

The number of carers supported through short-term crisis intervention (**ref vi**) has improved in Q3 as referrals to the service increased. The service relies on receiving referrals either direct from carers or via other organisations.

## **Safer Communities**

### **Domestic Violence and Abuse, Sexual Violence and Abuse Services**

During Q3, we led a partnership bid to participate in the Domestic Abuse Commissioner's (DAC) national pilot for the Domestic Homicide Oversight Mechanism. This bid was developed collaboratively between the Council, West Sussex County Council (WSCC) and the Office of the Sussex Police and Crime Commissioner. Participation in this pilot will provide guidance and support from the DAC office, and the opportunity to showcase good practice nationally.

Q3 also saw the annual 16 Days of Activism Against Gender-Based Violence and White Ribbon Day campaigns. The Safer Communities Team developed a joint social media campaign, adopted by partners across Sussex, and led a joint webinar with WSCC with a range of guest speakers, including Sussex Police, local specialist services, and the Voices of Lived Experience Board. As well as a White Ribbon promotion day at County Hall, the team participated in local events, including the Safer Hastings Partnership's White Ribbon 'Blue Light' event, focused on the safety of older people.

### **Fraud and Scams**

During Q3, the Safer Communities Team worked with partners to offer [Get Safe Online](#) training to interested parties who work with those vulnerable to scams across the county and continued to deliver a 'digital ambassador' scheme aimed at building further resilience to scams.

### **Preventing Violent Extremism**

During Q3, the Safer Communities Team delivered 37 community safety awareness sessions and Prevent-themed educational interventions across the county including to students and staff in schools and colleges, partners and the wider community. A total of 1,215 students and staff benefitted from this training during Q3.

### **East Sussex Violence Reduction Partnership - Serious Violence Duty**

We worked with Sussex Police to identify communities and groups with lived experience of serious crime in hyper-local areas during Q3. We are engaging with these groups to develop holistic action plans to tackle violent crime. This work is funded by the Home Office Serious Violence Duty Implementation Grant.

### **Devonshire Safer Streets Project**

During Q3, the Safer Communities Team worked with voluntary sector and grassroots partners to co-produce a Community Strategy and Action Plan. The Action Plan sets out calls to action to promote dialogue between statutory partners and community networks; counter perceptions; build capacity of local networks, and foster a culture of information sharing.

## **Harm to Hope**

During Q3, the three sub-groups of the Harm to Hope Board were established. These groups are focused on ensuring a whole system approach to address the aims of the Government's Drug Strategy. The Treatment and Recovery Sub-Group is developing pathways to support a range of specific groups into structured treatment, including those with co-occurring conditions and those leaving prison.

## **Drug and alcohol related deaths**

The latest figures for deaths resulting from drug or alcohol misuse have been released (**ref i**). These are for 2022, reported in arrears. These indicate that 79 people died as a result of drug or alcohol misuse. Although this represented a significant decrease in drug-related deaths compared to the previous three years, every death is a tragedy and these numbers remain higher than anyone would wish for. We continue to work with our commissioned providers and partners to ensure that all people requiring support are provided with this as early as possible, and aim for the number of deaths to decrease further in future. It should also be noted that there was an error in the Office of Health Improvement and Disparities (OHID) baseline data used to calculate the target – OHID have confirmed that this should have been 77, rather than 74. Targets for future years will be revised based on the corrected baseline data.

## **Treatment for opiate misuse**

Latest figures for Q2 (reported a quarter in arrears) suggest that we may be unable to reach the target of 1,247 people accessing treatment for opiate misuse this year (**ref ii**). This reflects a national trend of decreasing numbers of people accessing treatment for opiate misuse. The Government recognises this trend and is revising down its expectations for the numbers of people accessing treatment for future years. We will continue to prioritise work to develop this service and increase locally the number of people that we reach.

## **Public Health**

### **Sustainable Food Places**

Sustainable Food Places is a network of cross-sector partnerships that helps people and places to share challenges, explore practical solutions and develop best practice in all aspects of healthy and sustainable food. In Q3 the Lewes District and Eastbourne areas were awarded the Sustainable Food Places Bronze Award. This award recognises that each place has a cross-sector food partnership, with activity and impact delivered across the six key issues identified by Sustainable Food Places. Both areas have a wide range of initiatives, policies and strategies in place to support the local community to access to healthy and sustainable food.

### **Wellbeing at Work East Sussex**

Affinity Select Insurance LTD are the first small business to achieve the East Sussex Wellbeing at Work scheme (WAW) 'GOLD' accreditation for their commitment and range of initiatives to promote the health and wellbeing of their 16 employees. A Mental Health strategy was introduced as well as mandatory completion of Zero First Aid Suicide Awareness training for all staff which has resulted in a safe and more open environment for discussions and support for mental health. In addition, a no smoking policy was introduced in tandem with education and support which has successfully reduced the number of employees that smoke. The Government has set a clear aim to end smoking for good in this country and the WAW scheme will help to achieve this amongst many other health and wellbeing aims.

## **Employability and Skills Service**

The Employability and Skills Service for people in Supported and Temporary Accommodation and Refuges (ESTAR) held job fairs in Newhaven and Eastbourne in Q3 for people who are furthest from the workplace. Over 200 local people who were unemployed and also who have additional requirements to getting and sustaining work (history of homelessness, contact with criminal justice service, veterans, refugees etc.) attended. 12 people were referred to the Moving on Up Programme which supports people into apprenticeships and work with training via a work mentor and provides funding for childcare, travel and rent arrears or to pay a deposit for private rent. This included people who may have never worked before and were homeless and living in temporary accommodation. Mentors are currently working with 61 people to support them into work and the private rented sector. In Q3, a total of 16 people who were furthest from the workplace were supported into jobs, of which 8 were also supported to move into private rented accommodation. This included people who may have never worked before and were homeless and living in temporary accommodation.

## **Infection Prevention Society for Nurturing Infection Prevention Control (IPC) Talent 2023**

Public Health received a Silver Award from the Infection Prevention Society for Nurturing Infection Prevention and Control Talent 2023. The award recognised the work undertaken in 2023/24 with the wider remit of groups such as unpaid and informal carers, day services and volunteers working in the community and people's homes.

## **Sustainable Warmth scheme in East Sussex**

In October 2023, the delivery phase of the government funded Sustainable Warmth scheme, delivered through the Council's Warm Home Check service, came to its planned end in East Sussex. This included Green Homes Grant Local Authority Delivery and Home Upgrade Grant Phase 1 schemes. Since May 2021 the £3.65m scheme enabled the completion of nearly 500 fully funded home energy efficiency improvements for low-income households, including home insulation, solar PV (photo-voltaic) installations and low carbon heating systems, directly supporting residents to keep warm and safe.

## **Improving targeting of NHS Health Checks**

We continue to see a sustained effort by GP practices to provide NHS Health Checks to those living in the most deprived areas of the county (**ref v**). Data for Q2 (reported a quarter in arrears) shows that 1,119 people in the eligible criteria for the measure have received a Health Check. GP practices in the Hastings and St Leonards area have increased their performance and are now delivering the majority of the health checks to being offered to those eligible under this measure.

## **Revenue Budget Summary**

### **ASC**

The net ASC budget of £235.880m includes a 10% inflationary uplift of £25.797m to support the care market across the Independent Sector. This uplift is in addition to £4.546m to fund growth and demographic pressures, with the costs of the increases being partially funded by £6.635m raised through the 2% ASC Care Precept. In July 2023, the Department of Health and Social Care (DHSC) announced an additional £3.932m Market Sustainability and Improvement Fund (MSIF), which has been fully invested to support the market.

The ASC net projected outturn is £237.865m. This gives a forecast overspend of £1.985m, an increase of £0.295m since Q2. The movement in Q3 comprises of an increase in the overspend of £0.507m on Independent Sector care provision (£2.943m total overspend), offset by an increase in the underspend of £0.212m in Directly Provided Services (£0.958m total underspend). The overspend on the Independent Sector is due to a combination of factors with the most material

being increasing complexity of need and pressures arising from demand and demographic growth returning to pre-pandemic levels. The underspend in Directly Provided Services is due to staffing vacancies and reflects the difficulties in recruitment.

### Safer Communities

The net budget of £1.146m is forecast to be fully spent in 2023/24.

### Public Health

The Public Health (PH) budget of £33.777m comprises of the PH grant allocation of £29.803m, the Supplemental Substance Misuse Treatment and Recovery Grant (SSMTRG) allocation of £1.350m, a planned draw from reserves of £2.058m for projects and a £0.566m planned draw to support in year spending.

PH is forecasting an underspend of £0.398m in 2023/24, comprised of £1.100m slippage on the PH reserve projects, offset by a £0.036m forecast overspend on the general PH programme and a forecast overspend of £0.666m on the Health Visiting programme, which is used to support Children's Early Years.

### COVID-19 related funding streams

ASC continues to incur expenditure relating to schemes initiated during the national COVID-19 response. £0.363m will be spent in 2024/25 on the Additional Measures 4 scheme for specialist money advice services, as approved at Cabinet on 12 December 2023.

Grant	Funding brought forward £'000	Planned Usage £'000	Balance Remaining £'000
Contain Outbreak Management Funding	2,695	2,332	363
CEV Grant (support to CEV individuals)	1,539	1,539	-
Omicron Support Fund	42	42	-
<b>Total</b>	<b>4,276</b>	<b>3,913</b>	<b>363</b>

### Homes for Ukraine

ASC continues to lead on the programme of services to support Ukrainian guests to settle in East Sussex. Total projected expenditure in 2023/24 is £5.252m against expected funding of £11.637m, with the remaining budget allocated for the subsequent years of support required under statutory guidance. In addition, ASC will pass £1.671m to districts and boroughs to fund payments to hosts, in line with guidance.

HFU Grant Funding	Funding Confirmed £'000	Further Funding Anticipated £'000	Total Funding £'000	Actual Expenditure £'000	Balance Remaining £'000
Funding for guests	11,287	350	11,637	5,252	6,385
Host Payments	-	1,671	1,671	1,671	-
<b>Total</b>	<b>11,287</b>	<b>2,021</b>	<b>13,308</b>	<b>6,923</b>	<b>6,385</b>

### Capital Programme Summary

The ASC Capital programme budget is £1.259m for 2023/24. The outturn this year is forecast to be £0.920m. There is slippage of £0.309m mainly due to delays following a contractor going into administration. That contract is in the process of being novated to a new contractor.

**Performance exceptions (see How to read this report for definition)****Priority – Keeping vulnerable people safe**

Performance measure	Outturn 22/23	Target 23/24	RAG Q1 23/24	RAG Q2 23/24	RAG Q3 23/24	RAG Q4 23/24	Q3 23/24 outturn	Note ref
Number of drug and alcohol related deaths in the county	N/A	74	G	G	R		79	i
The number of people accessing treatment for opiate misuse	N/A	1,247	G	G	A		Q2: 1,057 Reported a quarter in arrears	ii

**Priority – Helping people help themselves**

Performance measure	Outturn 22/23	Target 23/24	RAG Q1 23/24	RAG Q2 23/24	RAG Q3 23/24	RAG Q4 23/24	Q3 23/24 outturn	Note ref
Proportion of working age adults and older people receiving direct payments	31.9%	>31.5%	A	A	R		30.2%	iii
<b>Measure proposed for deletion:</b> Number of providers registered with Support With Confidence	346	>346	A	R	A/D		Scheme closed 31/12/23	iv
Improved targeting of NHS Health Checks	Cumulative uptake: 29.5% (5 year period 2018/19–2022/23 Q4)	10% of the eligible population in the 20% most deprived areas (IMD1) have received a health check	R	A	G		1,119 / 2,300 NHS Health Checks delivered 49% of annual target met	v
Number of carers supported through short-term crisis intervention	494	390	G	A	G		247	vi



**Savings exceptions 2023/24 (£'000)**

Service description	Original Target For 2023/24	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	Note ref
	-	-	-	-	-	
	-	-	-	-	-	
<b>Total Savings</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
			-	-	-	
			-	-	-	
<b>Subtotal Permanent Changes <sup>1</sup></b>			<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Savings and Permanent Changes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding <sup>2</sup>	Part of reported variance <sup>3</sup>	Total	Note Ref
	-	-	-	
	-	-	-	
	-	-	-	
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	

<sup>1</sup> Where agreed savings are reasonably unable to be achieved other permanent savings are required to be identified and approved via quarterly monitoring.

<sup>2</sup> Temporary funding will only replace a slipped or unachieved saving for one year; the saving will still need to be made in future years (or be replaced with something else).

<sup>3</sup> The slipped or unachieved saving will form part of the department's overall variance - it will either increase an overspend or decrease an underspend. The saving will still need to be made in future years (or be replaced with something else).

**Revenue Budget 2023/24 (£'000)****Adult Social Care – Independent Sector:**

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net	Note ref
IS - Physical Support, Sensory Support and Support for Memory & Cognition	139,701	(72,315)	67,386	164,551	(94,445)	70,106	(24,850)	22,130	(2,720)	
IS - Learning Disability Support	86,412	(6,077)	80,335	89,511	(9,826)	79,685	(3,099)	3,749	650	
IS - Mental Health Support	25,496	(10,209)	15,287	32,638	(16,478)	16,160	(7,142)	6,269	(873)	
<b>Subtotal</b>	<b>251,609</b>	<b>(88,601)</b>	<b>163,008</b>	<b>286,700</b>	<b>(120,749)</b>	<b>165,951</b>	<b>(35,091)</b>	<b>32,148</b>	<b>(2,943)</b>	

**Adult Social Care – Directly Provided Services & Assessment and Care Management:**

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net	Note Ref
Physical Support, Sensory Support and Support for Memory & Cognition	17,293	(5,121)	12,172	16,138	(5,331)	10,807	1,155	210	1,365	
Learning Disability Support	8,777	(592)	8,185	8,908	(566)	8,342	(131)	(26)	(157)	
Mental Health Support	3,221	(3,098)	123	3,221	(2,998)	223	-	(100)	(100)	
Substance Misuse Support	477	-	477	477	-	477	-	-	-	
Equipment & Assistive Technology	7,414	(3,782)	3,632	7,474	(3,812)	3,662	(60)	30	(30)	
Other	130	-	130	110	-	110	20	-	20	
Supporting People	6,144	(310)	5,834	6,144	(310)	5,834	-	-	-	
Assessment and Care Management	30,461	(2,203)	28,258	32,541	(3,347)	29,194	(2,080)	1,144	(936)	
Carers	3,536	(2,834)	702	3,583	(2,881)	702	(47)	47	-	
Management and Support	14,655	(1,735)	12,920	13,399	(1,782)	11,617	1,256	47	1,303	
Service Strategy	637	(198)	439	1,983	(1,037)	946	(1,346)	839	(507)	
<b>Subtotal</b>	<b>92,745</b>	<b>(19,873)</b>	<b>72,872</b>	<b>93,978</b>	<b>(22,064)</b>	<b>71,914</b>	<b>(1,233)</b>	<b>2,191</b>	<b>958</b>	

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net	Note Ref
<b>Total Adult Social Care</b>	<b>344,354</b>	<b>(108,474)</b>	<b>235,880</b>	<b>380,678</b>	<b>(142,813)</b>	<b>237,865</b>	<b>(36,324)</b>	<b>34,339</b>	<b>(1,985)</b>	

## Safer Communities:

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net	Note Ref
Safer Communities	2,055	(909)	1,146	3,084	(1,938)	1,146	(1,029)	1,029	-	
<b>Total Safer Communities</b>	<b>2,055</b>	<b>(909)</b>	<b>1,146</b>	<b>3,084</b>	<b>(1,938)</b>	<b>1,146</b>	<b>(1,029)</b>	<b>1,029</b>	<b>0</b>	

## Public Health – Core Services:

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net	Note Ref
Mental Health & Best Start	11,417	-	11,417	11,632	-	11,632	(215)	-	(215)	
Risky Behaviours and Threats to Health	12,153	-	12,153	11,870	-	11,870	283	-	283	
Health Systems	3,549	-	3,549	3,188	-	3,188	361	-	361	
Communities	930	-	930	1,037	-	1,037	(107)	-	(107)	
Central Support	3,212	-	3,212	4,334	-	4,334	(1,122)	-	(1,122)	
Recovery & Renewal	458	-	458	360	-	360	98	-	98	
Public Health Grant Income	-	(29,803)	(29,803)	-	(29,803)	(29,803)	-	-	-	
SSMTRG Grant	-	(1,350)	(1,350)	-	(1,350)	(1,350)	-	-	-	
Draw from General Reserves	-	(566)	(566)	-	(602)	(602)	-	36	36	
Draw from Health Visiting Reserves	-	-	-	-	(666)	(666)	-	666	666	
Project Board Reserves	2,058	(2,058)	-	958	(958)	-	1,100	(1,100)	-	
<b>Total Public Health</b>	<b>33,777</b>	<b>(33,777)</b>	<b>0</b>	<b>33,379</b>	<b>(33,379)</b>	<b>0</b>	<b>398</b>	<b>(398)</b>	<b>0</b>	

**Capital programme 2023/24 (£'000)**

Approved project	Budget: total project all years	Projected: total project all years	Budget Q3	Actual to date Q3	Projected 2023/24	Variation (Over) / under Q3 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance	Note ref
Supported Living Projects	6,400	6,400	1,200	359	900	300	-	300	-	
Greenacres	2,598	2,598	9	-	-	9	-	9	-	
House Adaptations for People with Disabilities	2,719	2,689	50	1	20	30	30	-	-	
<b>Total ASC Gross</b>	<b>11,717</b>	<b>11,687</b>	<b>1,259</b>	<b>360</b>	<b>920</b>	<b>339</b>	<b>30</b>	<b>309</b>	<b>-</b>	

## Business Services – Q3 2023/24

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

#### Key cross cutting programmes

##### Carbon

In line with our current Climate Action Plan, further progress was made in Q3 on the delivery of energy efficiency projects across the estate. A total of 16 projects had been completed by the end of Q3, against a target of 23 for 2023/24:

- 4 LED lighting energy saving projects at Milton Grange Residential Home plus Frant, Hankham and Chiddingly Primary Schools.
- 5 solar PV energy generation projects at The Keep, the Phoenix Centre, and Bodiam, Chiddingly and Plumpton Primary Schools.
- 5 building insulation projects to cut heat loss: triple glazing at Grovelands and Greenwood Primary Schools and loft, doors and wall insulation at Hellingly, Rocks Park and Rotherfield Primary Schools.
- 2 large asset rationalisation projects providing more modern facilities with reduced carbon emissions. These are the Ropemaker Park to Alder Close project and the move from Ocean House to the reduced footprint at both Muriel Matter House and Cavendish House.

During Q4, a further 7 to 11 projects are due to be completed. However, there are significant risks posed by inclement weather, supply chain or site issues which could impact on installations.

The Property Team hosted two further energy savings workshops for managers / school caretakers in Q3, with a focus on heat cost savings. The annual target to train 40 site managers has been exceeded, with 81 trained via five events to date.

Total energy consumption (buildings, streetlighting and servers) in Q2 (reported a quarter in arrears) was down 9% compared with the same period last year and down 25% on the baseline year 2019/20. Building energy use in Q2 was down 10% compared with the same period last year and down 25% on the baseline year 2019/20.

There is not yet enough data to accurately estimate the end of year outturn for 2023/24. The majority of energy use and carbon emissions arise in the second half of the year as they are significantly influenced by the weather. However, if consumption for the remainder of this year is the same as last year our Scope 1 and 2 carbon emissions for 2023/24 would fall by 0.39% compared with 2022/23, against the target of a 16% reduction required to keep within the five-year carbon budget. This would result in a 32% reduction on the 2019/20 baseline, against a cumulative target of 43%. The main contributing factor to the projected annual emissions exceeding the reduction target for 2023/24 is the increase in the electricity emissions factor (the carbon intensity of the national grid), which has risen 7% year on year due to an increase in natural gas use in electricity generation and a decrease in renewable energy generation, which is out of the Council's control.

##### Modernising Systems

The Managing Back Office Systems (MBOS) Programme was established to deliver the replacement of the Council's core finance and Human Resources systems, to support further developments to increase agile and digital working. The programme will enable the Council to move off the SAP system, which is due to go out of support in 2027. Following the decision not to go live in 2023, the external programme support was significantly reduced and an independent review was commissioned to complete an assurance exercise of the system and programme. The first phase of the review gave a number of recommendations and confirmed that Oracle remains a suitable product for the Council. Following the first phase, a further health check of the system and programme is now being completed. This will inform next steps and enable programme dates to be reset.

## **Human Resources and Organisational Development (HROD)**

As part of our strategic response to the recruitment and retention challenges we are facing, we have refreshed the recruitment guidance for managers with the inclusion of new 'top tips' to support efficient and inclusive recruitment. Alongside this, we have run engagement sessions with staff in the Council who are under 25 to get feedback on what attracted them to work for the Council and to begin establishing a forum for our younger workers to highlight any specific issues for them. We have also established an exit interview pilot to gain insight and understanding into why individuals are leaving. More broadly, 2 strategic workforce planning sessions have been delivered to Heads of Service by the LGA.

### **Attendance Management and Wellbeing**

The Q1 – Q3 2023/24 sickness absence figure for the whole authority (excluding schools) is 6.76 days lost per Full Time Equivalent (FTE) role, a fall of 10.8% since last year. The year end estimate for 2023/24 is 8.98 days/FTE, so the target of 9.10 days/FTE is predicted to be met. The predominant reason for the decrease in absence rates is a large fall in COVID-19 related absence compared to the same period last year.

We have also seen a reduction in musculoskeletal absence of 954 working days compared to the same period last year which is a 7.5% reduction in absence; this directly correlates to the 9% increase in musculoskeletal/physiotherapy referrals made in the same period. This indicates that as a preventive measure, it is having a positive impact in reducing sickness absence for this reason. In addition, we are running a dedicated pilot within ASCH with Brighton University to explore how our musculoskeletal offer can be further improved to reduce absence and retain staff.

However, mental health absence has increased by 362 days in Q1 – Q3 2023/24 compared to the same period last year. Benchmarking data from our absence management provider, GoodShape, suggests this is a common theme across local authorities and our absence rates are within the average for this. Set against this background, we have launched a new process to evaluate our current mental health offer, whilst continuing to provide support to staff:

- In addition to the automated reminders from GoodShape, the Human Resources Attendance Management Team will contact all line managers during the first week an employee reports a stress related absence. The aim of this is to provide timely and practical guidance about how to support the employee back to work. This approach is being measured and will be reviewed as part of a six-month pilot to understand impact.
- Improving the Wellness Plan and Stress Risk Assessment which was successfully launched in Q3 and is being promoted in line with key awareness days.
- Providing enhanced tools and guidance for workplace adjustments specifically in relation to supporting performance and mental health.
- Offering employees additional support when they report an absence due to Mental Health to GoodShape. The aim is to reduce absence length and the risk of further mental health absence taking place in the future.
- Putting in place an additional reminder for the completion of return-to-work discussions when the absence has been due to mental health, as further analysis has indicated that when an absence is due to this, the managers are less likely to complete the form. This reminder email highlights the importance of early completion and signposts to further support and guidance.
- Raising awareness of the mental health support available from our Employee Assistance Programme, Occupational Health, and partners 'able futures' through a series of interactive staff webinars and individual staff sessions.
- Our growing Mental Health First Aid network continues to pro-actively support staff and promote wellbeing resources within teams.

## **Procurement**

### **Procurement, contract and supplier management activities**

The Council has spent £307m with 853 local suppliers over the past 12 months, which equates to 64% of our total spend, against a target of 60%. The Procurement team continues to promote our contract opportunities to local suppliers, as well as building local supply chain opportunities into our tenders where possible.

### **Social Value**

In Q3 a total of 9 contracts commenced, of which 6 were out of scope of the Social Value Measurement Charter, which quantifies the economic, social and environmental benefits of the procurement, as they accessed an existing pre-approved list of suppliers (Frameworks) with predefined contractual terms. The three in-scope contracts had a total contract value of £2.2m and secured £472k in Social Value commitment, which equates to 21% against a target of 10%.

The Social Value commitments for Q3 included: apprenticeships, professional development opportunities and work experience offered to local people, creation of local jobs, local volunteering initiatives, support for community greening initiatives and sustainability awareness workshops in local schools and colleges.

### **Contract Management Advisory Service (CMAS)**

Orbis Procurement launched a pilot scheme in Adult Social Care and Health in Q3 to deliver a CMAS, supported by dedicated procurement resource. The Council spent over £400m during 2022/23 on commercial contracts for outsourced services. Research shows that poorly managed contracts can result in up to 8.6% of a contract's value being lost over its lifetime. It can also lead to additional and avoidable costs and the delivery of substandard outcomes. To combat this, dedicated, experienced commercial resource will work collaboratively with service personnel to enable the delivery of consistent, structured and effective contract management. This will raise the standards of contract and commercial management, as well as providing visibility and reporting on contract risk and performance. The pilot will run for 12 months.

## **Internal Audit**

Through the work of Internal Audit, the Chief Internal Auditor continues to be able to provide assurance over the adequacy and effectiveness of governance, risk management and internal control for the Council. Internal Audit have continued to focus on delivery of the Annual Internal Audit Plan. At the end of Q3, we have completed 77.1% of the plan to draft report stage against a Q3 target of 67.5%.

All high priority actions agreed with management as part of individual audit reviews are subject to action tracking, whereby we seek written confirmation from services that these have been implemented. It was confirmed that 10/10 (100%) of the high-risk actions due to be implemented on a 12-month rolling basis have been actioned.

## **Property**

Key outcomes for Property in Q3 include:

- Work has continued on an options paper for the County Hall campus, with additional technical support being provided by external specialists. The paper is expected to be completed in early Q4.
- A delivery plan to consolidate our Eastbourne offices into one main base was finalised in Q3 for implementation during Q4 and Q1 2024/25.
- Property completed the re-procurement of its facilities management services for its corporate and schools estate in Q3. Mobilisation of the services will take place in Q4 with full service implementation in Spring 2024.

- Following an initial assessment, surveys were commissioned in Q3 in relation to the non-schools estate to consider if any of the buildings had Reinforced Autoclaved Aerated Concrete (RAAC). Most of the surveys are expected to be completed during Q4 and Q1 2024/25.
- The sale of Hindslands, Polegate is now progressing through legal process, with conditional contracts expected to be signed in Q4. If planning consent is approved by Wealden District Council the capital receipt should be received in 2024/25.
- The sale of Hye House Farm, Crowhurst is now progressing through the legal process, with up to 4 purchasers identified for the separate plots. It is anticipated some of the sales will proceed in Q4 2023/24 with the remaining due in 2024/25.
- Temporary school buildings were completed on schedule for the autumn term and a nursery extension in Wadhurst was completed in Q3.
- Planning permissions for two new youth facilities were secured in Q3 at Heathfield and The Joff, Peacehaven. Both are funded through the Youth Investment Fund from central Government.

### **IT & Digital**

Migration of services to the new South East Grid (SEG) network on behalf of the Link Consortium has continued throughout Q3. Hosted by the Council, the network allows the Council and other public sector organisations in the South East to access higher speed digital infrastructure connections and contributes to the provision of ultra-fast data network connectivity throughout East Sussex.

A new WiFi service, underpinned by the SEG, has been procured to replace the current service contract that expires in March 2024. Work is underway to replace original equipment with new generation SEG WiFi across all Council sites. The new service will improve performance and enhance security. It will also be an enabler of newer technologies such as the Internet of Things (IoT) likely to be used in the future for a range of activities such as energy and intelligent buildings management.

Work to replace the core telephony solution paired with a dedicated contact centre solution has continued in Q3. The change from landline-based telephony builds on existing technology investment and provides a sustainable solution, reducing the carbon footprint (removing handsets and on-premises equipment) and removing building dependency, thereby supporting a reduction in office space.

Further procurement activity has also been underway to source a supplier for the next Device Refresh. Periodically refreshing our IT equipment is vital so that it stays up to date and safe to use to best support and enable a digital workforce. The scale at which this is done (across three councils through the Orbis Partnership) has many benefits, with the procurement ensuring that we get maximum value from our investment and the implementation ensuring we use our resources wisely.

### **External Funding**

In Q3, the External Funding Team responded to 60 funding enquiries from a range of charities and social enterprises, working mostly in health and well-being and community work. Their needs included running costs, projects, cost of living, and support for new and existing organisations. The number of not-for-profit contacts subscribing to Funding News, our monthly electronic publication about forthcoming funding opportunities, continues to increase and there are now 10,900 subscribers. The team attended 20 meetings to discuss specific needs (e.g. support with data or writing a good application) and provided three quality-checks on funding applications, supporting groups with evidence of need and making the case for funding. In addition, Bid Writing training was delivered for school governors. The team has helped secure £389,361 of external funding so far in 2023/24.





**Savings exceptions 2023/24 (£'000)**

Service description	Original Target For 2023/24	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	Note ref
Planned savings - BSD	869	869	659	210	-	
Planned savings - Orbis	-	-	-	-	-	
<b>Total Savings</b>	<b>869</b>	<b>869</b>	<b>659</b>	<b>210</b>	<b>0</b>	
			-	-	-	
			-	-	-	
<b>Subtotal Permanent Changes <sup>1</sup></b>			<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Savings and Permanent Changes</b>	<b>869</b>	<b>869</b>	<b>359</b>	<b>210</b>	<b>0</b>	

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding <sup>2</sup>	Part of reported variance <sup>3</sup>	Total	Note Ref
Property: consolidation of Eastbourne hubs	210	-	210	i
	-	-	-	
	-	-	-	
<b>Total</b>	<b>210</b>	<b>0</b>	<b>210</b>	

<sup>1</sup> Where agreed savings are reasonably unable to be achieved other permanent savings are required to be identified and approved via quarterly monitoring.

<sup>2</sup> Temporary funding will only replace a slipped or unachieved saving for one year; the saving will still need to be made in future years (or be replaced with something else).

<sup>3</sup> The slipped or unachieved saving will form part of the department's overall variance - it will either increase an overspend or decrease an underspend. The saving will still need to be made in future years (or be replaced with something else).

**Revenue Budget 2023/24 (£'000)**

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net	Note ref
Finance & Bus Admin	11,549	(5,754)	5,795	12,336	(6,604)	5,732	(787)	850	63	ii
HR & OD	3,310	(1,160)	2,150	3,310	(1,160)	2,150	-	-	-	
IT & Digital	11,903	(3,671)	8,232	12,155	(3,812)	8,343	(252)	141	(111)	iii
Procurement	-	(100)	(100)	-	(100)	(100)	-	-	-	
Property	25,105	(16,044)	9,061	27,431	(18,488)	8,943	(2,326)	2,444	118	iv
Contribution to Orbis Partnership	3,871	-	3,871	3,871	-	3,871	-	-	-	
<b>Total BSD</b>	<b>55,738</b>	<b>(26,729)</b>	<b>29,009</b>	<b>59,103</b>	<b>(30,164)</b>	<b>28,939</b>	<b>(3,365)</b>	<b>3,435</b>	<b>70</b>	<b>v</b>

**Capital programme 2023/24 (£'000)**

Approved project	Budget: total project all years	Projected: total project all years	Budget Q3	Actual to date Q3	Projected 2023/24	Variation (Over) / under Q3 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance	Note ref
SALIX Contract	700	700	350	149	81	269	269	-	-	
Lansdowne Unit (CSD)	75	75	65	19	35	30	-	30	-	
Youth Investment Fund	7,624	7,624	1,510	212	350	1,160	-	1,160	-	vi
Special Educational Needs	3,198	3,198	1,114	872	1,052	62	-	62	-	vii
Special Provision in Secondary School (Priory and Robertsbridge)	120	120	-	-	-	-	-	-	-	
Special Educational Needs - Grove Park	19,179	19,179	150	185	234	(84)	-	(84)	-	viii
Disabled Children's Homes	786	786	716	455	716	-	-	-	-	
14 Westfield Lane	721	721	53	26	53	-	-	-	-	
Core Programme - Schools Basic Need	98,444	98,444	2,066	1,794	2,051	15	-	15	-	
Core Programme - Capital Building Improvements Corporate	44,749	44,749	3,509	2,162	3,509	-	-	-	-	
Core Programme - Capital Building Improvements Schools	42,049	42,049	4,218	2,355	3,799	419	-	419	-	ix
Core Programme - IT & Digital Strategy Implementation	72,956	72,956	4,055	2,746	3,955	100	100	-	-	
Core Programme - IT & Digital Strategy Implementation MBOS	13,125	16,514	3,332	5,243	3,332	-	-	-	-	

**APPENDIX 4**

<b>Approved project</b>	<b>Budget: total project all years</b>	<b>Projected: total project all years</b>	<b>Budget Q3</b>	<b>Actual to date Q3</b>	<b>Projected 2023/24</b>	<b>Variation (Over) / under Q3 budget</b>	<b>Variation analysis: (Over) / under spend</b>	<b>Variation analysis: Slippage to future year</b>	<b>Variation analysis: Spend in advance</b>	<b>Note ref</b>
IT & Digital - Utilising Automation	24	24	24	-	24	-	-	-	-	
<b>Total BSD Gross</b>	<b>303,750</b>	<b>307,139</b>	<b>21,162</b>	<b>16,218</b>	<b>19,191</b>	<b>1,971</b>	<b>369</b>	<b>1,602</b>	<b>0</b>	

## Children's Services – Q3 2023/24

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

#### Early Help and Social Care

##### **Inspection of East Sussex Children's Services**

The inspection of the Council Local Authority Children's Services (ILACS) by the Office for Standards in Education, Children's Services and Skills (Ofsted) Inspections took place from 11 – 15 December. This was a short inspection. The inspection report was published 6 February, and we were awarded an overall effectiveness grading of Good with the experiences and progress of children in care graded as Outstanding. The report notes that '*Children in East Sussex continue to receive consistently strong and effective support*' and '*Social workers know the children they support exceptionally well. They are insightful and attuned to children's needs, helping them to express their views using individualised and bespoke communication methods.*' The judgement grades are set out below. 3 areas for improvement were identified and these are included in the report on the inspection finding which is included in the agenda for the 5 March Cabinet meeting.

<b>Judgement</b>	<b>Grade</b>
The impact of leaders on social work practice with children and families	Good
The experiences and progress of children who need help and protection	Good
The experiences and progress of children in care	Outstanding
The experiences and progress of care leavers	Good
Overall effectiveness	Good

##### **Review of modelling and placements**

Children's Services has continued to work with IMPOWER in Q3. We have focused on:

- implementation of the valuing care model
- enhancing strategies in relation to development of our in house foster carer offer
- placement sufficiency to improve our ability to secure the right care for the right child for the right length of time

We have made progress in developing a reunification framework to support children to return home where it is safe and appropriate to do so. We have done this through:

- weekly valuing care panels assessing the appropriateness of current placements for children
- removal of barriers to achieve positive change for children
- establishing more commissioning capacity within the service to ensure improved value for money

This work will achieve actual cost savings of £299,692 in Q4 23/24 and has identified an estimated further £82,401 savings in the same period. Further savings have been identified for 2024/25 (£592,751 of actual savings and £2,367,077 of identified estimate savings).

##### **Family Hubs**

In Q3 we opened 2 new family hubs in Shinewater and Devonshire in Eastbourne. These are the latest of 11 family hubs that the Council opened in 2023. Visitors to the 2 hubs can get support and advice from midwives, health visitors, early communications support workers, early years practitioners and more. Activity sessions will give children, parents and carers the chance to socialise and support their children's needs and development.

The focus in Q3 has been on recruitment and staff development in three areas:

- Peri-natal mental health and parent/infant relationships. Recruitment has included senior infant mental health practitioners, parent infant mental health specialists, additional community staff

nurses. 2 staff nurses were also recruited to deliver the ‘time for me post-natal support group which started in October.

- Infant feeding. Recruitment included two infant peer support co-ordinators and two community nursery nurses. We have also established the pilot feeding equipment loan scheme.
- Home learning. Recruited Early Years Practitioners to deliver Solihull post-natal groups. We also appointed Special Educational Needs and Disabilities (SEND) Specialist Health Visitors to support the Small Beginnings groups.

### **Development of the Early Intervention Partnership Strategy**

A series of workshops were held in Q3 with colleagues from the voluntary sector, NHS and education. These will inform the development of the new Early Intervention Partnership Strategy. The strategy will build on the strong partnerships and services already in place.

Principles and key deliverables have been collectively identified through engagement across the system. They will form the foundation for the delivery of this whole system early intervention offer. Our early intervention system is a network of services, processes and interactions that aim to help children, young people, and their families at the earliest opportunity.

This strategy is based on the understanding that investing in early intervention is the very best way to support families. There is not a statutory framework for Local Authorities to deliver early intervention. This means that we must work collaboratively with partners to deliver the very best that we can with the resources that we have.

We will publish the strategy in Q4.

### **New Child’s Plan**

We have redesigned our plan for children and families where there is a Child in Need or Child Protection Plan in place. We worked with young people in the Youth Vocals group and the parent forum to develop the new plan. The plans now use more straightforward language, talk directly to families, and the structure is easier to understand for families to understand. This makes the records more meaningful to them in the future. It also keeps the child’s experience in mind when the social worker is writing the plan, and the family and professionals are reading the plan.

We launched the new child's plan at an event in November which 110 practitioners attended. This event stressed the importance of plans being specific, measurable and time bound and clearly setting out:

- what needs to change
- what tasks need to be undertaken and by whom
- what are the timescales

Social workers report that writing directly to the child and family has been transformational for some cases. This has resulted in improved engagement and progress of plans.

### **Children in Care Council**

As part of National Care Leavers’ week, Coram Voice, a national charity, hosted an event for care-experienced young people from around the country on 25 October 2023. A National Voice, the national children in care council, organised the event to provide an opportunity for children in care councils to come together, share experiences and celebrate the amazing work that they do. Members of East Sussex Children in Care Council (CiCC) attended the event and came second for the Participation award.

The East Sussex CiCC were shortlisted for this award for their passion in promoting positive mental health, digital safety, and writing a sexuality and gender training session.

They have had an impact both locally and nationally.

- Locally they have been working to encourage adults to see things through the eyes of a looked after child. They have met with services, worked directly with young people and given views and ideas to how there could be more of a two-way relationship.
- They have contributed to the national agenda by attending meetings and sessions run by Coram Voice and Department for Education (DfE). They have used their experiences to highlight the need for change. For example, the 'stable homes built on love' project run by Coram Voice.

### **Newly Qualified Social Workers**

The Council continues to be successful in recruiting and retaining newly qualified social workers. In November 2023 we celebrated the completion of 24 of our social workers' first year in practice. During the event managers provided feedback on the quality of their practice with themes of creativity, tenacity, warmth, having a caring attitude, being highly skilled, and being valued team players. They also described how these relatively inexperienced social workers are already making a very real, concrete difference to family's lives. Repeating this pattern was the successful recruitment of 26 newly qualified social workers who started the Assessed and Supported Year in Employment programme in September 2023. Again, the feedback so far is that this group of staff are hardworking, engaged and emotionally intelligent. They are also our most diverse cohort with over 30% being black, asian or minority ethnic practitioners.

### **Rate of Looked After Children (LAC) (per 10,000 children) and children on a child protection plan (CP Plan)**

The rate of LAC (ref iii) has decreased in Q3, to 63.0 (671 children) from 64.4 (686 children) at Q2. This is in line with the target of 63.4 (676 children). Of the 671 children, 82 are unaccompanied asylum seeker children, an increase of five children from Q2. We are committed to enabling children to live with their families. To do this we work, where possible, through multi-agency support and planning.

There has been an increase in the rate of children with a CP Plan in Q3 from 63.0 per 10,000 (671 children) at Q2 to 70.6 (753 children). This is above the target of 62.0 (661 children). We continue to keep this under review with a range of actions to look at how this number can be safely managed down. The impact of such high numbers is significant on all agencies.

### **Education**

#### **What Next? Sussex Career Event**

In October, the East Sussex Careers Hub hosted the online "What next?" event. "What Next?" connected young people and their families with careers experts and local employers. The event helped ensure that young people and their support networks have the information they need to make choices about their futures.

Employers joined educational, training and apprenticeship providers to highlight opportunities and explore all that Sussex has to offer to young people after GCSEs.

The "What Next" Sussex event included the chance to:

- speak to students and staff from sixth forms, colleges, and universities from across the region
- talk to a range of employers and apprenticeship providers from several industries and sectors
- discuss available options with qualified careers advisors

#### **A sense of belonging - Supporting school leaders with Inclusion**

Throughout Q3, the Education Division ran a series of training events. The events were aimed at school leaders and had a key focus on a sense of belonging. This provided an opportunity to focus on our collective ambition of inclusion, which is a key departmental priority. Our young people chose this theme, having told us that they feel most included at school when they experience a genuine sense of belonging.

The series included training events and the annual Schools Safeguarding conference. This was hosted in partnership with the East Sussex Safeguarding Children Partnership. Various speakers addressed attendees on different topics relating to safeguarding. Topics included the role of different partners in safeguarding, and anti-poverty practice.

We also organised the annual Inclusion Conference. This conference was targeted at our Special Educational Needs Co-ordinators (SENCOs). The SEND Young Ambassadors were among the keynote speakers, sharing their experiences. All attendees were able to access 3 workshops across the day. These topics included:

- supporting pupils experiencing Emotionally Based School Avoidance
- supporting LGBTQ+ pupils in schools
- how as an education community we can improve transition to secondary school

The training events aimed to ensure that school leaders at all levels are well equipped to create an inclusive culture in their schools. They also shared the latest information on, and best practices in, safeguarding and inclusion.

In October, we also facilitated a workshop on our new Inclusion Projects. The focus was on opportunities for schools to collaborate through these projects to enhance inclusive practices for children and young people with SEND. It brought together headteachers, School SENCOs, and Youth Voice Group members. The events were informative and an excellent platform for attendees to come together, share ideas and to shape the ongoing projects.

### **Ofsted outcomes for schools**

The proportion of East Sussex special schools judged by Ofsted to be good or outstanding is 91.7% (11/12) compared to the national average of 89.9%. There have been two new inspections published since Q2. The proportion of primary schools also remains above the national average at 91.9% (136/148), the national average is 90.7%.

The proportion of East Sussex secondary schools judged by Ofsted to be good or outstanding is 9.4 percentage points below the national average (ESCC: 73.1% (19/26) compared to the national average of 82.5%). As of 30 November 2023, there are seven secondary schools graded as requires improvement. Due to the Ofsted inspection cycle these schools will not be inspected for 2 1/2 years. The performance of academies in the Hastings and Bexhill area remains a significant concern. We continue to make strong representation to the Regional Director on the performance of these academy trusts.

### **The percentage of young people who are in Not in Education, Employment or Training (NEET) at academic age 16 and academic age 17**

4.1% of academic age 16 (Yr12) children were Not in Education, Employment or Training (NEET) in Dec 2023 (**ref i**) compared to 3.4% in Dec 2022. Our target is less than 4%.

5.8% of academic age 17 (Yr13) children were Not in Education, Employment or Training (NEET) in Dec 2023 (**ref ii**) compared to 4.7% in Dec 2022. Our target is less than 6%.

We continue to have significant concerns about the lack of vocational/work-based learning offers for young people. We have raised this local and national concern with Ofsted, the DfE and the Education Skills and Funding Agency (ESFA).

The package of interim measures we are taking now includes:

- refocussing the newly re-commissioned Youth Employability Service Programme more closely on the NEET cohort
- encouraging existing providers to run January starts (where they have funded places remaining) to allow young people to start courses as soon as possible

- working with partner organisations on new programmes, including a targeted National Citizen Programme and a mentoring programme

By February 2024, ESFA, who fund 16-19 provision, will confirm if we have received funding for 250 plus additional places locally. We are meeting with local providers and potential new providers to deliver these new places.

### **Participation and strategic partnerships**

#### **Children and Young People's Partnership Trust**

The East Sussex Children and Young People's Trust held an event with partners in November 2023. Partners heard from children and young people on the issues that matter to them. The event then focused on three key areas:

- climate change
- poverty proofing
- early help through social prescribing

The Children and Young People's Plan sets out how we will work together to improve outcomes for children and young people particularly those who are vulnerable to poor outcomes. The plan includes five priority areas. Overarching and cross cutting themes then run throughout all or most of the priority areas. The aim is for these to be clear in all our service delivery, commissioning and practice.

#### **Youth Voice Groups**

In Q3 our youth voice groups, Youth Cabinet and SEND Young Ambassadors, were supported to contribute to the Council's discussions as part of planning for 2024/25 onwards. They discussed what the Council is doing in two key priority areas for the young people:

- jobs, money and opportunities
- emotional wellbeing and mental health

This is part of the Council's Reconciling Policy, Performance and Resources process.

### **Revenue Budget Summary**

The Departments net revenue budget is £119.772m, with a forecast overspend of £28.476m, an increase in the overspend of £5.462m from Q2 (**ref viii**).

The main area of projected overspend is in Early Help and Social Care of £27.924m, an increase of £4.602m from Q2 (**ref v**), this includes an internal transfer of £0.500m from Central Resources (**ref iv**) and £4.325m of COVID-19 funding.

There is an underspend within Central Resources of £0.076m, an increase of £0.441m from Q2, which includes the transfer of £0.500m to Early Help and Social Care.

There is an underspend of £0.497m in Education and ISEND, with a favourable movement of £0.517m from Q2 (**ref vi**) and an overspend of £1.125m in Communication, Planning and Performance, with an increase from Q2 of £0.936m (**ref vii**).

#### **Central Resources reduction in underspend of £0.517m to £0.076m (ref iv)**

This includes a movement of £0.500m from Central Resources to Early Help and Social Care to contribute to the increase in the National Minimum Allowances for foster carers and Special Guardianship Orders.

An additional £0.060m of brought forward departmental underspend has been given up in order to mitigate the departmental overspend at Q3.



### Early Help and Social Care increased overspend of £4.602m to £27.924m (ref v)

The Home Office has confirmed additional funding for Asylum Seekers so this forecast has improved by £0.096m from Q2.

Early Help 0-19 is carrying some vacancies, which has improved the forecast by £0.064m from Q2.

Looked After Children (LAC) is projecting an additional £3.563m overspend from Q2 to £24.693m.

Children's Homes have decreased the projected overspend by £0.167m due to reducing the estimate of wraparound support required at Silver Birches.

The respite units at Dorset Road and Sorrel Drive are projecting additional pressure from Q2 of £0.520m, with Dorset Road having a reduction in staff costs following vacancies of £0.033m and Sorrel Drive projecting additional costs of £0.553m. Most of the Sorrel Drive costs are extensions to existing agency wraparound costs.

The main pressure is within External Residential costs, where an additional overspend of £2.799m is anticipated on top of that projected at Q2.

Q3 saw the numbers of children and young people requiring residential placements (which includes supported accommodation and secure accommodation) plateau at approx. 150 (this figure excludes Unaccompanied Asylum-Seeking Children (UASC)). However, the complex care needs of a relatively small number of children mean that there are further pressures on this budget area (**refs xi and xii**). Several high-cost placements have been extended, causing the significant increase in forecast expenditure this quarter.

The projected underspend on Agency foster carers has reduced by £0.323m since Q2, as 16 new clients have been taken on during Q3, and 46 existing clients have increased cost changes. The in-house foster carers services underspend has increased by £0.187m since Q2, assuming current weekly payments remain constant for the remainder of 2023/24.

Further data quality improvements are being made and the service is working with Impower to support longer term placement sufficiency and identify opportunities for delivering improved care placement options for children and young people (i.e. foster care or reunifications with families) through the 'Valuing Care' approach and panels. This work will achieve actual cost savings of £299,692 in Q4 23/24 and has identified an estimated further £82,401 savings in the same period. Further savings have been identified in 2024/25 (£592,751 of actual savings and £2,367,077 of identified estimate savings).

Lansdowne is projecting an additional £0.254m overspend. Recruitment is progressing with the intention of opening the unit in Q4. A phased opening with increased occupancy rates was planned to start from 2nd January 2024, but this was delayed due to Ofsted registration timings. The unit is expected to reach breakeven point with six beds occupied at the pricing strategy agreed. It is expected to start to recover costs in 2024/25. Any further delay in opening will result in additional costs which cannot be recovered.

Localities is projecting an additional £1.090m of overspend:

The main reason for the increase is the higher projection for agency costs for long-term placements and other care of disabled children (£0.689m). The amount the agencies have been charging has increased and there is little alternative provision to choose from.

There is a forecast overspend of £309k within the Parent & Baby Placement service which is linked to the use of in-house fostering resources fall and the use of agency rise.

There has also been pressure within the St Leonards Family Support Team of £0.249m relating to court proceedings for one family.

Mitigations within Localities have included £0.283m of funding transferred from the Early Help 0-19 service to contribute to the increase in the National Minimum Allowance for SGOs.

CSD is exploring ways of mitigating the overall overspend budget projection including through efficient use of national grant funding and delaying filling vacancies where this would not impair cost avoidance. CSD is also reviewing whether all legitimate requests for NHS contributions to the funding of care packages have been made.

**Communication, Planning and Performance: an increase in the overspend variance of £0.936m to £1.125m (ref vii):**

There has been an increase of £0.064m within the Safeguarding service due to agency staff covering a permanent member of staff's long-term sickness plus relocation costs for a new staff member. This increase has been offset by a £0.070m decrease within the Planning & Performance Improvement service due to recruitment taking longer than expected.

There were other small movements within the Buzz Active, Organisational Development, and E Business services totalling £11k movement since Q2. Reductions of staff hours within Organisational Development has been offset by difficulty selling old kayak stock.

The major increase of £0.953m is within the Home to Schools Transport service. The new 2023/24 cohort started in September 2023, which also brought with it wage increases and higher fuel costs, resulting in increased contract costs. There is also a lack of market competition due to some operators leaving the market. The CSD team will be working closely with the CET transport service to explore all possible mitigations to reduce costs and to review further how CET forecasts produce the budget forecast.

**Capital Programme Summary**

The Capital Programme for 2023/24 is a £1.420m projected spend against a budget of £1.215m (**ref x**). The additional spend is the Council's contribution towards housing adaptations for disabled children's carers' homes (**ref ix**). These projects are funded by the disabled facilities grant managed by the districts and boroughs. This will be funded from Capital reserves.

**Performance exceptions (See How to read this report for definition)****Priority – Driving sustainable economic growth**

Performance measure	Outturn 22/23	Target 23/24	RAG Q1 23/24	RAG Q2 23/24	RAG Q3 23/24	RAG Q4 23/24	Q3 23/24 outturn	Note ref
The percentage of young people who are in Not in Education, Employment or Training (NEET) at academic age 16	New Measure	Less than 4%	G	G	A		4.1%	i
The percentage of young people who are in Not in Education, Employment or Training (NEET) at academic age 17	New Measure	Less than 6%	G	G	A		5.8%	ii

**Priority – Keeping vulnerable people safe**

Performance measure	Outturn 22/23	Target 23/24	RAG Q1 23/24	RAG Q2 23/24	RAG Q3 23/24	RAG Q4 23/24	Q3 23/24 outturn	Note ref
Rate of Looked After Children (LAC) (per 10,000 children)	62.3 664 children	63.4 676 children	A	R	A		63.0 671 children	iii

**Savings exceptions 2023/24 (£'000)**

Service description	Original Target For 2023/24	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	Note ref
	-	-	-	-	-	
	-	-	-	-	-	
<b>Total Savings</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
			-	-	-	
			-	-	-	
<b>Subtotal Permanent Changes <sup>1</sup></b>			<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Savings and Permanent Changes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding <sup>2</sup>	Part of reported variance <sup>3</sup>	Total	Note Ref
	-	-	-	
	-	-	-	
	-	-	-	
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	

<sup>1</sup> Where agreed savings are reasonably unable to be achieved other permanent savings are required to be identified and approved via quarterly monitoring.

<sup>2</sup> Temporary funding will only replace a slipped or unachieved saving for one year; the saving will still need to be made in future years (or be replaced with something else).

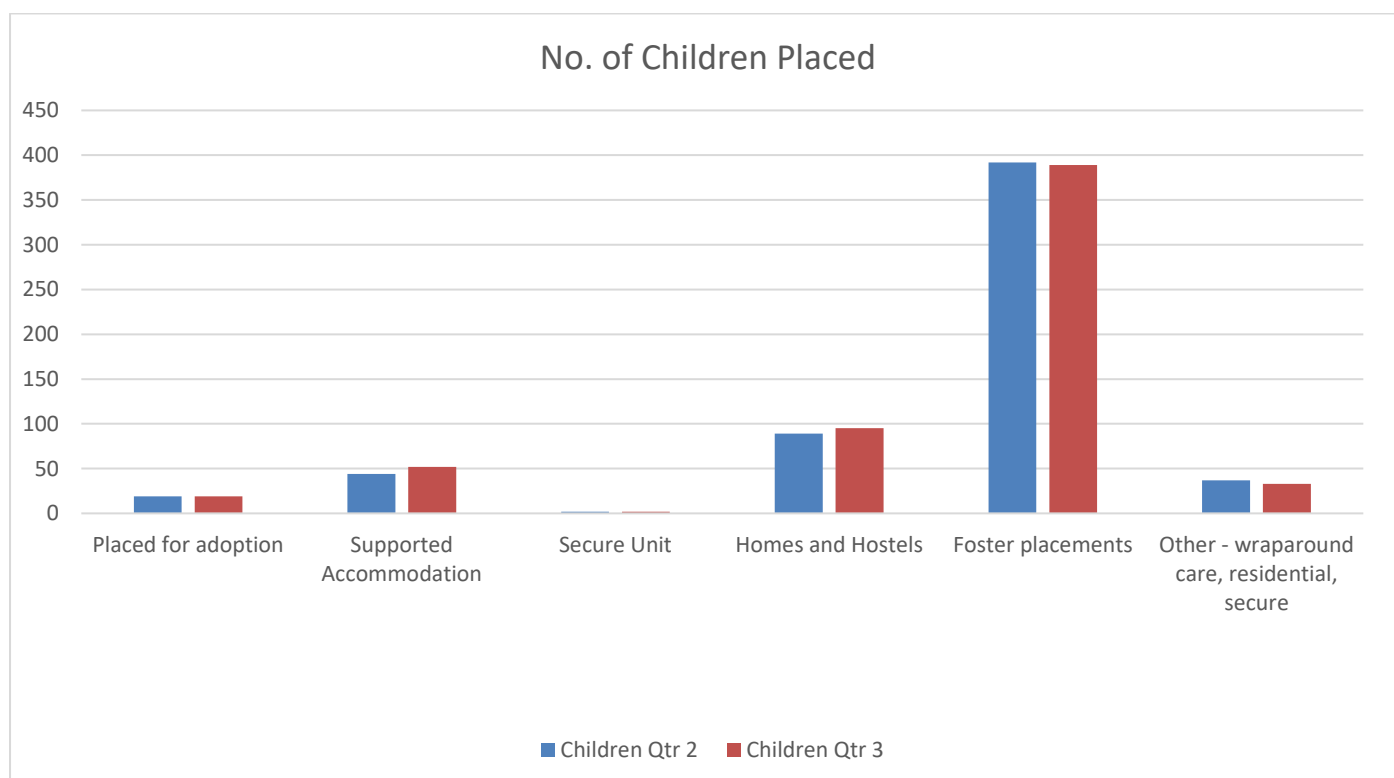
<sup>3</sup> The slipped or unachieved saving will form part of the department's overall variance - it will either increase an overspend or decrease an underspend. The saving will still need to be made in future years (or be replaced with something else).

**Revenue Budget 2023/24 (£'000)**

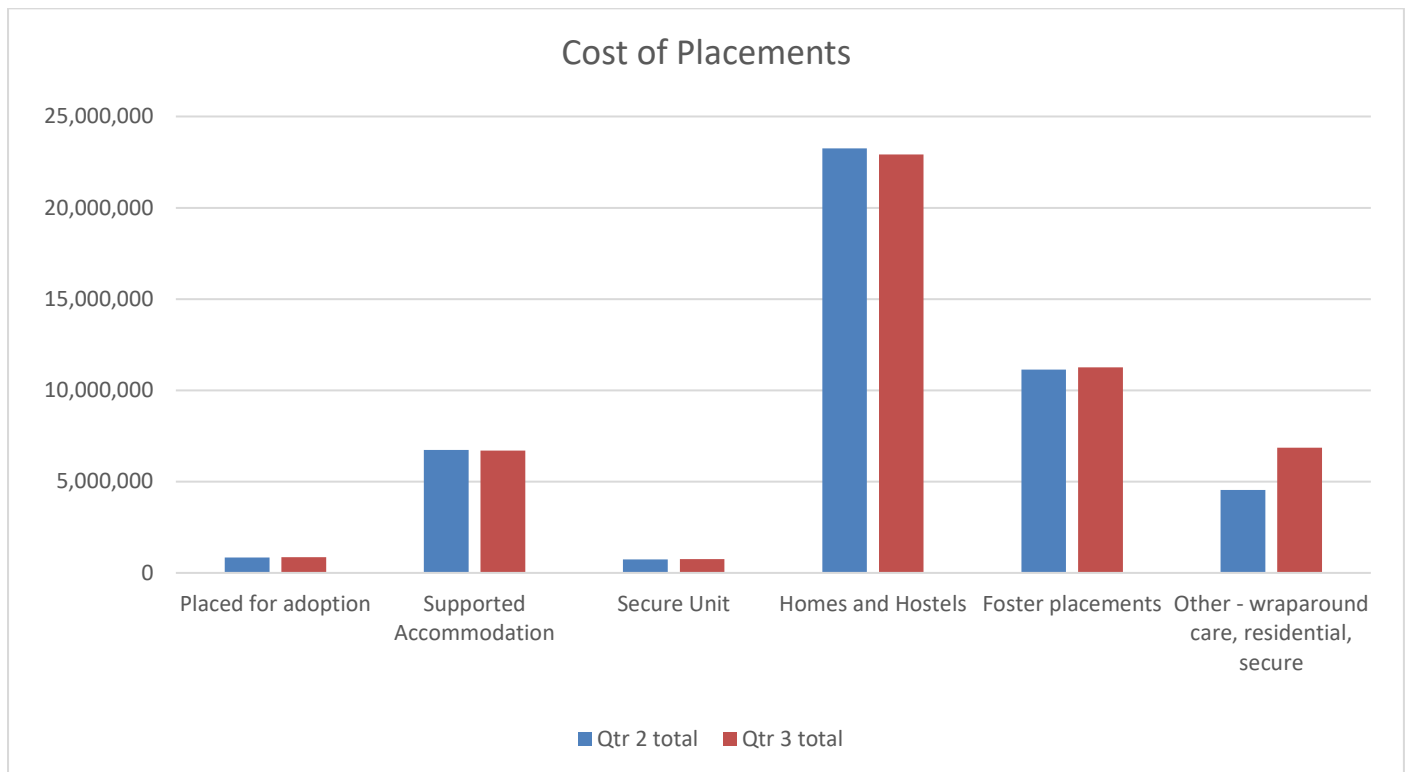
Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net	Note ref
Central Resources	2,252	(1,332)	920	2,176	(1,332)	844	76	-	76	iv
Early Help and Social Care	100,583	(15,832)	84,751	128,912	(16,237)	112,675	(28,329)	405	(27,924)	v
Education and ISEND	111,792	(8,147)	103,645	113,249	(10,101)	103,148	(1,457)	1,954	497	vi
Communication, Planning and Performance	31,574	(4,340)	27,234	35,739	(7,380)	28,359	(4,165)	3,040	(1,125)	vii
DSG non Schools	-	(96,778)	(96,778)	-	(96,778)	(96,778)	-	-	-	
Schools	156,966	(156,966)	-	156,966	(156,966)	-	-	-	-	
<b>Total CSD</b>	<b>403,167</b>	<b>(283,395)</b>	<b>119,772</b>	<b>437,042</b>	<b>(288,794)</b>	<b>148,248</b>	<b>(33,875)</b>	<b>5,399</b>	<b>(28,476)</b>	viii

**Capital programme 2023/24 (£'000)**

Approved project	Budget: total project all years	Projected: total project all years	Budget Q3	Actual to date Q3	Projected 2023/24	Variation (Over) / under Q3 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance	Note ref
House Adaptations for Disabled Children's Carers	1,090	1,295	50	45	255	(205)	(205)	-	-	ix
Schools Delegated Capital	29,673	29,673	1,150	1,130	1,150	-	-	-	-	
Conquest Centre redevelopment	356	356	15	-	15	-	-	-	-	
Youth Investment Fund	193	193	-	-	-	-	-	-	-	
<b>Total CSD</b>	<b>31,312</b>	<b>31,517</b>	<b>1,215</b>	<b>1,175</b>	<b>1,420</b>	<b>(205)</b>	<b>(205)</b>	<b>0</b>	<b>0</b>	x

**Numbers of LAC per placement type (xi)**

**Cost of LAC per placement type (xii)**



## **Communities, Economy & Transport – Q3 2023/24**

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

#### **Economy and environment**

##### **Employability and Skills**

Future Skills research was completed in Q3, to identify future local sector skills priorities and needs, focusing on automation and artificial intelligence. The Employment and Skills Team also secured £50,000 in Q3 which was used to develop a retrofit skills strategy for the county. Library services are now delivering a new 6-hour Step into Maths programme as part of the Multiply programme. A Maths and Medication course aimed at care workers is also being delivered, which focuses on medication, counting and measuring.

226 Industry Champions were supporting schools and colleges at the end of Q3. 882 pupils attended Open Doors workplace visits in Q3, supported by Industry Champions to gain experience of a real workplace.

##### **Apprenticeships**

At the end of Q3 100 new and existing staff have enrolled on an apprenticeship so far in 2023/24. This is higher than at this stage in previous years. Council schools are now being supported by trusted training providers, and this has allowed the team to focus more on corporate services, and working within departments to use apprenticeships as a tool to address recruitment and retention challenges. In addition, the work of the Pre-Employment Co-ordinator, who joined the team in March 2023, has helped to raise the profile of apprenticeships within the organisation; and to bring the focus to assisting managers in finding new members of staff from sections of the community previously underrepresented within the workforce. So far, this work has seen 15 people offered a role within the Council and its schools, with other candidates who worked with the team finding alternative employment within the county.

The team is also undertaking a mapping exercise to find apprenticeships that match as many individual roles within the Council as possible. This is the first time we have done this since the levy was launched in 2017, when the range of apprenticeships was very limited. Once we have mapped out the apprenticeships available to a specific department or team, we will then meet with those teams to present the options available. The first of these sessions will be happening in Q4 in Children's Services. In addition, the Council has spent over £1m on apprenticeship training in the calendar year and over a quarter of this spend was passed onto small and medium sized businesses within East Sussex to support their apprenticeships.

In November, the Council hosted the East Sussex Apprenticeship Graduation Ceremony. The ceremony celebrated apprentices across the county. It recognised the commitment and contribution of apprentices across all industry sectors. Before the ceremony, employers, colleagues, apprenticeship providers and apprentices made nominations for awards. The awards, presented at the ceremony, celebrated the achievements of all those involved in the apprenticeship journey.

##### **Culture and Tourism investment and recovery**

The first phase of the Sussex Story is being reviewed by stakeholders ahead of being published online. An invitation to quote for the second phase of the work where assets will be commissioned, will be shared with creative agencies in Sussex in Q4. VisitSussex has continued to promote Meetings, Incentives, Conferences and Exhibitions (MICE) opportunities across Sussex in Q3, including hosting a Berg Hansen familiarisation trip, with 8 Norwegian members, and exhibiting at IBTM (Incentives, Business Travel and Meetings) in Barcelona in November. As a result, 284 new travel trade clients received a follow up on Sussex. Work will now include analysing where these clients are from and identifying potential future markets. There have been 750 MICE visitors to Sussex in Q3 equating to 2,250 nights of accommodation, with visitors coming from Norway,

Finland and the USA. Nine further MICE events are confirmed. The Turner Prize was awarded in a broadcast event on 5 December 2023, hosted across the Devonshire Quarter (the Towner, the Congress and the Winter Gardens) in Eastbourne.

### **Broadband**

The Broadband Project has now completed its final build and is moving towards contract closure. The Broadband Team is continuing to engage with Broadband Delivery UK (BDUK) on its centrally run Project Gigabit programme. The contract for East and West Sussex and Brighton & Hove has been let and an announcement is expected in Q4. We understand that the Gigabit Voucher scheme, for which the Council provides a “top up”, is undergoing a review by BDUK. The Broadband Team is continuing to push BDUK for details of how they plan to cover the very hardest to reach properties in the county.

### **Job creation**

East Sussex Invest provides loans and grants to local businesses to help create local jobs and support businesses to become environmentally responsible. The independent Strategic and Operational Review of the scheme is due to be complete in Q4, and it is anticipated that the fund will now re-open in Q1 2024/25.

### **Environment and climate change**

Teams in Communities, Economy and Transport (CET) have continued to work together with partners to develop and deliver carbon reduction and climate change adaptation work. In Q3 this has included:

- securing £245,000 from the Department for Energy Security and Net Zero to develop a plan to provide people with the skills to enable the retrofit of domestic properties to reduce their carbon emissions. The plan is due to be developed by the end of March 2025
- completing stakeholder mapping for the Local Nature Recovery Strategy and engaging with key stakeholders, such as landowners and farmers
- holding the second annual climate change town hall event for staff

### **Planning**

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

### **Highways, transport and waste**

#### **Highways improvements and road condition**

Work continued in Q3 using the additional funding for highways approved by the Council. 132 patches across 62 sites have been completed. Around 100 signs had been replaced at the end of Q3, with further signs scheduled to be replaced in Q4 and 2024/25. Further resources have been commissioned to focus on the repair and replacement of damaged or missing signs, as well as cleaning signs and clearing vegetation or obstructions where necessary. The focus for the additional drainage spend has been on delivering those schemes which are quick and simple to design and will address the most urgent drainage issues. Around 150 minor schemes have been completed. This includes replacing gully covers and clearing significant blockages. 50 larger schemes have been identified and will be delivered in Q4 2023/24 and 2024/25. The remaining budget for the refresh of road markings has now been fully allocated and will include renewing the lining along the A22 Hailsham bypass and around 600 further sites across the county. However due to recent weather conditions and the likelihood of continuing wet weather these works will not be delivered until the spring.



The road condition outturns (where a lower figure indicates better road condition), have now been published. These figures are only available at one point each year and are based on specialist laser surveys undertaken in summer 2023. The surveys identify roads that should be considered for maintenance, based on the Department for Transport's criteria. The percentage of Principal roads requiring maintenance was 4%, meeting the target for the year. This is also an improvement on the 2022/23 outturn of 5%. The percentage of Non-Principal roads requiring maintenance was 5%, above the target of 4% (**ref i**). However, this is also an improvement from 2022/23 when the outturn was 6%. The percentage of Unclassified roads requiring maintenance was 17%, above the target of 14%, and also increasing from the 2022/23 outturn which was 13% (**ref ii**).

The road condition survey was undertaken before the additional road funding provided by Council, so the effect of these projects on road condition would not be reflected in the results. 2022/23 saw a wet winter and this has continued with a generally cool and wet summer and a wet start to winter 2023/24. The wet weather had a particular impact on Unclassified rural roads which generally don't have kerbing and often lack positive drainage systems. The survey results for unclassified roads reflected this with a noticeable increase in edge of carriageway defects identified. Road condition is influenced by a number of factors, including the make-up of the road, the volume of traffic, weather conditions and the level of investment in maintenance. The condition of our roads will vary from year to year depending on those factors. Our targets are based on modelling which tries to predict the rate of deterioration and therefore expected road condition. The targets are aligned to the Council's 10-year investment programme.

22 road improvement schemes were completed in Q3 to improve the condition of the roads. 5,194 potholes were repaired with 4,236 of these being carriageway potholes, the remainder were primarily footway potholes.

The Council has been allocated £4.4m through the Government's Local Electric Vehicle Infrastructure Fund. The funding will support the delivery of on street electric vehicle chargepoints in the county. The funding is due to be released upon approval of a business plan and draft contract. The business plan was submitted on 23 November 2023, and this is currently under consideration by the Government's Office for Zero Emission Vehicles. Pending approval of the business case, it is expected that procurement of the contract will begin in Q4. Initial work to deliver the new chargepoints is scheduled to begin in late Q1 or early Q2 2024/25.

### **Road safety**

10 road safety infrastructure schemes had been completed at the end of Q3. Balfour Beatty Living Places have scheduled a further 14 schemes to be completed by the end of Q4.

We delivered 160 Bikeability Courses to 1,196 individuals at participating Schools and the Cycle Centre at Eastbourne Sports Park during Q3. We have also delivered 99 'Wheels for All' sessions to 973 attendees at the sports park.

### **Transport and parking**

A number of projects have continued to progress in Q3 as part of the Bus Service Improvement Plan (BSIP):

- Improvements have been made to the FlexiBus service which now covers nearly 90% of East Sussex. The FlexiBus app has been improved to make it easier for users. Several of the FlexiBus zones have also been merged, providing greater travel opportunities for residents. Details of the amended services have been [published](#) online. The improvements, together with promotion and marketing of the service, has helped there to be continued growth in passenger numbers during Q3.

- Improvements to bus stops in the county has also continued in Q3, with all bus stops now having QR plates, which enable people to scan the plate and receive information about the next bus due at that stop.

The recommended changes to parking restrictions as part of the Hastings Parking review were approved by the planning committee in Q3. The changes are expected to take effect in Q4 2023/24 and in early 2024/25.

## **Waste**

The Government has amended the law, to allow small amounts of DIY waste to be deposited at Household Waste and Recycling Sites for free. Following this change, from 31 December 2023, residents of East Sussex now have an allowance of DIY waste they can dispose of free of charge. Charges for waste above these allowances have been increased.

The projected 2023/24 outturn for the amount of waste re-used, recycled or composted or used beneficially is 56.1% based on the outturn to the end of October 2023 (reported in arrears). There was more garden waste collected than expected due to the good growing conditions and high levels of rainfall.

## **Rights of Way (RoW) and Countryside Sites**

We completed 95% of high priority maintenance work on schedule in Q3. Due to the wet weather, rangers undertook both reactive and planned work, where access was possible.

## **Communities**

### **Trading Standards**

214 businesses and individuals received training and advice from Trading Standards in Q2. Trading Standards carried out a proactive project into second hand electrical goods, with over 100 businesses provided with bespoke advice.

Trading Standards made 854 positive interventions to protect vulnerable people in Q3. 805 of these were as part of support sessions and training delivered to vulnerable groups. 49 were direct interventions to protect vulnerable people which included installing call blockers to protect vulnerable people from scammers.

### **Libraries**

The libraries team have worked with colleagues across the Council and schools to reintroduce work experience placements at libraries across the county. 49 young people have started work experience placements in libraries in Q1 – Q3. Feedback from the pupils and the employees supporting them has been very positive.

507 people enrolled on Family Learning Programmes at East Sussex libraries in Q3. 269 of these were in Family Learning, English, Maths and Language programmes. 238 were in Wider Family Learning programmes.

28 people passed online learning courses, including in IT, English and Maths in our libraries in Q3.

## **Revenue Budget Summary**

The CET revenue budget is £73.191m and is currently forecast to underspend by £1.335m. The largest underspend is in Transport and Operations where current market prices mean that electricity and recycling income is exceeding budget in the Waste Service and the budgeted draw down of £2.335m is not required (**ref vi**). The underspend in Communities is mostly due to staff vacancies in Trading Standards and Road Safety with additional income from Emergency Planning training (**ref v**). The largest overspend is in Highways and is due to the estimated increased cost of electricity for streetlighting (**ref vii**). The overspend in Planning and Environment is mostly within the Transport Development Control budget and can be attributed

to the lack of up-to-date Local Plans in the county, which has led to an increase in speculative planning applications for residential developments, which often have challenging transport issues that need addressing. Consequentially, we have seen a rise in the number of applications that have required specialist input (e.g. transport modelling) and/or have become subject to planning appeals, which are particularly resource intensive and have often required short-term consultancy support (**ref ix**). The overspend in Economy is mostly due the cost of consultants engaged to help transition SELEP funded projects back into Council control (**ref viii**). The Parking saving will not be achieved this year and is covered by a one-year budget increase (**ref iii**). The Environmental Services saving will not be achieved and will be addressed going forward (**ref iv**).

**Capital Programme Summary**

The CET capital programme has a gross budget of £56.714m and there is slippage of £5.386m, overspend of £711k, and spend in advance of £308k. The slippage is mostly in the Highways Structural Maintenance programme where design work must be completed on larger drainage schemes before construction which will now take place in 2024/25 (**ref xiv**). There have been delays in progressing project briefs which has delayed construction on Other Integrated Transport Schemes (**ref xiii**). Slippage in the Bridge Strengthening programme is due to wet weather and delays in getting Environment Agency permits (**ref xvi**). The prioritisation of gangs onto carriageway patching works along with some wet weather has caused slippage in road signage and marking schemes (**ref xv**). The slippage in Climate Emergency Works is mostly due to the delay in installing solar PV as a supplier went into administration and a few schools will not allow installations to take place in term time (**ref xi**). Following the Bus Service Improvement Plan bus service public consultation, a number of schemes will require changes of scope before work can commence (**ref xii**). The Bexhill to Hastings Link Road overspend is due to the outstanding archaeology, ecology, and Part 1 compensation claims (**ref x**). There are a number of schemes with smaller variations to budget.

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

**Priority – Driving sustainable economic growth**

Performance measure	Outturn 22/23	Target 23/24	RAG Q1 23/24	RAG Q2 23/24	RAG Q3 23/24	RAG Q4 23/24	Q3 23/24 outturn	Note ref
Percentage of Non-Principal roads requiring maintenance	6%	4%	G	G	R		2023/24 road indicator result: 5%	i
Percentage of Unclassified roads requiring maintenance	13%	14%	G	G	R		2023/24 road indicator result: 17%	ii

**Savings exceptions 2023/24 (£'000)**

Service description	Original Target For 2023/24	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	Note ref
Parking	-	745	-	745	-	iii
Libraries	105	105	105	-	-	
Environmental Services	-	60	-	-	60	iv
	-	-	-	-	-	
<b>Total Savings</b>	<b>105</b>	<b>910</b>	<b>105</b>	<b>745</b>	<b>60</b>	
			-	-	-	
			-	-	-	
<b>Subtotal Permanent Changes <sup>1</sup></b>			<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Savings and Permanent Changes</b>	<b>105</b>	<b>910</b>	<b>105</b>	<b>745</b>	<b>60</b>	

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding <sup>2</sup>	Part of reported variance <sup>3</sup>	Total	Note Ref
Parking	745	-	745	
Environmental Services	-	60	60	
<b>Total</b>	<b>745</b>	<b>60</b>	<b>805</b>	

<sup>1</sup> Where agreed savings are reasonably unable to be achieved other permanent savings are required to be identified and approved via quarterly monitoring.

<sup>2</sup> Temporary funding will only replace a slipped or unachieved saving for one year; the saving will still need to be made in future years (or be replaced with something else).

<sup>3</sup> The slipped or unachieved saving will form part of the department's overall variance - it will either increase an overspend or decrease an underspend. The saving will still need to be made in future years (or be replaced with something else).

**Revenue Budget 2023/24 (£'000)**

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net	Note ref
Management and Support	7,597	(4,714)	2,883	7,675	(4,776)	2,899	(78)	62	(16)	
Customer, Library and Registration	9,958	(4,501)	5,457	9,688	(4,277)	5,411	270	(224)	46	
Communities	3,256	(877)	2,379	3,503	(1,433)	2,070	(247)	556	309	v
Transport & Operational Services	111,496	(69,356)	42,140	110,431	(70,283)	40,148	1,065	927	1,992	vi
Highways	21,087	(3,578)	17,509	21,831	(3,750)	18,081	(744)	172	(572)	vii
Economy	3,224	(1,512)	1,712	3,763	(1,902)	1,861	(539)	390	(149)	viii
Planning and Environment	4,351	(3,240)	1,111	5,613	(4,227)	1,386	(1,262)	987	(275)	ix
<b>Total CET</b>	<b>160,969</b>	<b>(87,778)</b>	<b>73,191</b>	<b>162,504</b>	<b>(90,648)</b>	<b>71,856</b>	<b>(1,535)</b>	<b>2,870</b>	<b>1,335</b>	

**Capital programme 2023/24 (£'000)**

Approved project	Budget: total project all years	Projected: total project all years	Budget Q3	Actual to date Q3	Projected 2023/24	Variation (Over) / under Q3 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance	Note ref
The Keep	1,096	1,096	228	-	49	179	-	179	-	
Peacehaven Refurbishment and Conversion	70	70	-	-	-	-	-	-	-	
Libraries	5,139	5,139	580	685	564	16	-	16	-	
Broadband	33,800	33,800	160	(1,092)	160	-	-	-	-	
Bexhill and Hastings Link Road	126,247	128,347	-	472	538	(538)	(538)	-	-	x
BHLR Complementary Measures	1,800	1,800	100	48	82	18	-	18	-	
Economic Intervention Fund	8,884	8,884	75	59	72	3	-	3	-	
Economic Intervention Fund - Loans	3,000	3,000	80	53	53	27	-	27	-	
Stalled Sites Fund	916	916	13	13	13	-	-	-	-	
EDS Upgrading Empty Commercial Properties	500	500	-	-	-	-	-	-	-	
Community Focused Road Safety Interventions	750	750	206	150	206	-	-	-	-	
Climate Emergency Works	9,859	9,859	3,095	2,481	2,659	436	-	436	-	xi
Flood and Coastal Resilience Innovation Programme	963	963	905	614	1,003	(98)	-	-	(98)	
Flood Management SuDS	420	420	190	30	250	(60)	-	-	(60)	
SALIX Decarbonisation - Ninfield School	145	145	1	1	1	-	-	-	-	
SALIX Decarbonisation	369	369	-	11	-	-	-	-	-	
Newhaven Port Access Road	23,271	23,271	28	(45)	28	-	-	-	-	
Real Time Passenger Information	2,963	3,136	70	28	243	(173)	(173)	-	-	
Bus Service Improvement Plan	22,315	22,315	2,545	653	2,208	337	-	337	-	xii

**APPENDIX 6**

<b>Approved project</b>	<b>Budget: total project all years</b>	<b>Projected: total project all years</b>	<b>Budget Q3</b>	<b>Actual to date Q3</b>	<b>Projected 2023/24</b>	<b>Variation (Over) / under Q3 budget</b>	<b>Variation analysis: (Over) / under spend</b>	<b>Variation analysis: Slippage to future year</b>	<b>Variation analysis: Spend in advance</b>	<b>Note ref</b>
Replacement Lewes Road Bus Station	100	100	4	(2)	4	-	-	-	-	
PAX Software System	37	37	26	21	26	-	-	-	-	
Hastings and Bexhill Movement & Access Package	9,583	9,583	(79)	(131)	(103)	24	-	24	-	
Eastbourne/South Wealden Walking & Cycling Package	6,936	6,936	79	84	136	(57)	-	-	(57)	
Hailsham /Polegate/ Eastbourne Movement & Access Corridor	2,251	2,251	350	248	286	64	-	64	-	
Eastbourne Town Centre Movement & Access Package A	6,936	6,936	800	464	800	-	-	-	-	
Eastbourne Town Centre Movement & Access Package B	5,454	5,454	100	82	100	-	-	-	-	
Other Integrated Transport Schemes	66,753	66,753	2,802	1,036	1,851	951	-	951	-	<b>xiii</b>
A22 Corridor Package	1,143	1,143	100	202	100	-	-	-	-	
Community Match Fund	780	780	95	15	17	78	-	78	-	
Area-wide traffic management scheme – Schools Streets	200	200	64	116	56	8	-	8	-	
ATF Eastbourne Liveable Town Centre	274	274	37	-	37	-	-	-	-	
Exceat Bridge	10,591	10,591	1,259	454	1,259	-	-	-	-	
Queensway Depot Development	1,956	1,956	104	(17)	-	104	-	104	-	
Core Programme - Highways Structural Maintenance	498,675	498,675	35,893	19,584	33,893	2,000	-	2,000	-	<b>xiv</b>
Visibly Better Roads	5,800	5,800	1,293	622	793	500	-	500	-	<b>xv</b>
Core Programme - Bridge Assessment Strengthening	38,785	38,785	2,740	684	2,099	641	-	641	-	<b>xvi</b>
Core Programme - Street Lighting - Life Expired Equipment	39,561	39,561	2,000	1,327	2,093	(93)	-	-	(93)	
Core Programme - Street Lighting - SALIX scheme	2,961	2,961	219	220	219	-	-	-	-	
Core- Rights of Way Surface Repairs and Bridge Replacement Programme	10,417	10,417	552	446	552	-	-	-	-	
<b>Total CET Gross (Planned Programme)</b>	<b>951,700</b>	<b>953,973</b>	<b>56,714</b>	<b>29,616</b>	<b>52,347</b>	<b>4,367</b>	<b>(711)</b>	<b>5,386</b>	<b>(308)</b>	

## Governance Services – Q3 2023/24

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

#### Reconciling Policy, Performance and Resources (RPPR)

The Government's Autumn Budget Statement in Q3 contained no new funding for local authorities and contained updates which further increased our costs. The provisional Local Government Finance Settlement confirmed the lack of additional funding, indicating that authorities should instead draw on their reserves to set a balanced budget. Although some additional funding for social care in 2024/25 was subsequently announced as part of the final settlement, this was one-off and the size of our financial gap projected in the medium term remains unsustainable. 2024/25 will require a further fundamental look at what more can be done to address the sizeable deficit as far as possible. This task is made all the more difficult coming off the back of many years of austerity, and options are scarce, creating considerable risk for the future. The Council will continue to work through our networks and partnerships to lobby Government to robustly set out the challenges we face and the very real consequences of funding shortfalls for people, communities and businesses in the county.

We continued to develop the draft Council Plan and Portfolio Plans during Q3 in conjunction with our budget proposals. The Council Plan sets out our ambitions for the next three years. It includes our planned work to meet the challenges of the increased number of vulnerable children the Council is responsible for as well as our plans to help grow the local economy. It also sets out how we will look to support residents affected by cost-of-living pressures and our ongoing work to address the climate emergency. It has been informed by consultation and engagement events on our budget and business plans for 2024/25 with youth voice groups, wider strategic partners, Trade Unions, and business representatives, and responses to a public survey undertaken during Q3.

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

TfSE published a [State of the Region](#) Report in October 2023. The report sets a baseline position on a number of economic, social, and environmental indicators that the Transport Strategy and Strategic Investment Plan (SIP) are seeking to influence.

TfSE submitted our Business Plan for 2024/25 to the Department for Transport (DfT) in December 2023. The plan includes a case for investment and outlines the work we will deliver over the year ahead. The plan will be published on the TfSE website once it has been agreed by the DfT.

We have also developed an interactive [Story Map](#) of our region. The map enables users to easily search for the transport improvements we have identified across our region, which are included in our SIP. The Story Map was published on our website, alongside our Policy Position Statements, in October 2023.

Work on the TfSE Regional [Active Travel](#) Strategy has progressed during Q3. The Regional Active Travel Steering Group has met 3 times, and their input has been integral to shaping the work. Stage 2 of the work has included gathering data and evidence from local authorities across the region, drafting the Evidence Report, and developing a methodology to identify strategic corridors across the region.

In response to DfT's request to Statutory Transport Bodies to implement Regional Centres of Excellence, work is underway to develop a web-based platform to support local transport authorities. A steering group is helping to shape and inform the development of the platform, which will be delivered by March 2024. Through engagement with constituent authorities, partnerships are being established to understand what resources, tools, knowledge, and expertise are needed on the platform.

Work on the Transport Strategy refresh has commenced. During Q4, the focus will be on updating the Transport Strategy Evidence Base, including, the transport, land use, and economic evidence that underpinned the original [Transport Strategy](#). TfSE is establishing a series of expert Working

Groups to aid the evidence collection. The first Working Groups are taking place in Q4. Work has begun on understanding the needs of socially excluded people to ensure the Transport Strategy is inclusive.

### **Corporate Lobbying**

During Q3, the Leader took opportunities to meet with local MPs, and has continued to raise issues and priorities for the county with them. This included a specific update on the November RPPR Cabinet report drawing attention to the significant pressure the Council was under due to increasing demand and complexity in statutory services, particularly children's social care and special educational needs and disabilities. The Leader highlighted the very challenging medium term financial outlook for the Council and sought MPs' support in lobbying for certainty of future funding for local government, that reflects local need, and to ensure that service reforms are sustainable and properly funded. Ahead of the Autumn Statement the Leader also took the opportunity to write jointly with other county Leaders in the South East to the Chancellor of the Exchequer, expressing the urgent need for additional funding in children's services and home to school transport.

We continued to draw on broader partnerships and networks to lobby on current priorities, including via the County Councils Network (CCN) and through the Local Government Association (LGA). The Chief Finance Officer responded to surveys conducted by the LGA and CCN to assess the impact on local authorities of the Autumn Statement to inform their lobbying. Subsequently the Leader co-signed a letter with other CCN authorities to the Secretary of State for Levelling Up, Housing and Communities asking for additional funding to address pressures in children's services and home to school transport in the Provisional Local Government Finance Settlement.

The Chief Executive continues to be involved in national policy development as representative for the South East region on a national grouping of local authority Chief Executives. Other Chief Officers continue to influence service specific national policy developments through national professional associations and networks and responses to specific Government consultations.

### **Supporting democracy**

During Q3 we supported 37 meetings including: 1 County Council meeting; 2 Cabinet meetings; 11 Lead Member meetings; 13 Scrutiny Committees and Review Boards and 10 other committees and panels. We also dispatched agendas for a further 5 meetings. The webcasts of meetings were viewed 1,920 times in Q3. The most viewed meeting was the Full Council meeting on 10 October 2023, which received 224 views.

In Q3 the Member Training and Development programme continued to deliver a range of courses and briefings in support of Members and the roles they hold. Courses delivered included sessions on Treasury Management, the East Sussex County Council Local Transport Plan, Climate Change and Race Equality in East Sussex.

The Scrutiny Committees completed two scrutiny reviews during Q3, on the topics of school exclusions and pothole management, making recommendations for consideration by Cabinet and Council. People and Place Scrutiny Committees continued their input to the RPPR process during Q3, culminating in agreeing comments to Cabinet on draft portfolio plans and the Council's financial outlook at their RPPR Board meetings in December. Place Scrutiny Committee also held a session with Southern Water in November to continue its scrutiny of the use of storm overflows and the reduction of sewage discharges into the county's rivers and sea. The Health Overview and Scrutiny Committee considered changes to the paediatric services model at Eastbourne District General Hospital and agreed to undertake a review of the changes during Q4.

The Health and Wellbeing Board met in December to consider reports on the East Sussex Safeguarding Children Partnership annual report for 2022/23, a Joint Strategic Needs Assessment update report, and a report on pan-Sussex and East Sussex Suicide Prevention Strategies and action plans. The Board also considered an update report on the NHS Sussex Shared Delivery Plan for integrated health and social care, which included progress in establishing Integrated



Community Teams and changes in governance arrangements to further enhance partnership working with district and borough councils on health, care and wellbeing priorities.

### **Legal Services**

During Q3, Legal Services assisted Trading Standards to secure a successful conviction against a farm owner for 5 offences related to the treatment and disposal of carcasses. The farmer was ordered to pay fines of £2,000, a victim surcharge of £800 and costs of £2,034. The Service also supported Trading Standards to secure a successful conviction for fraudulent use of a disabled parking badge. The Service supported Children's Services to secure an Injunction to Prevent Nuisance and Annoyance against a parent, who had seriously threatened and intimidated social workers. The Service also assisted Children's Services to secure one 6 month conditional discharge and 9 fines (ranging from £65-£2,000) in 10 cases against parents for knowingly failing to ensure the regular attendance of their children at school. Legal Services obtained prosecution costs amounting to £5,008 for these cases. During Q3 the Service advised in relation to 66 Court of Protection cases (compared to 62 in Q3 2022/23) and 28 matters involving safeguarding vulnerable adults (compared to 13 in Q3 2022/23) and 65 Deprivation of Liberty Safeguards applications in the Court of Protection (compared to 45 in Q3 2022/23).

In Q3, the Service continued to work closely with Children's Services, providing advice and representation, including in pre-proceedings and court applications for care proceedings. Our priority is to keep children within their family, when it is safe to do so, and for public law applications to be a necessary and proportionate response to achieve the best outcome for the child. In Q3 the Service advised in relation to 51 families in pre-proceedings compared to 45 in Q3 in 2022/23. The Service applied for care proceedings in respect of 15 families compared to 22 in Q3 2022/23. At the end of Q3, there were a total of 65 ongoing care proceedings compared to 72 proceedings at the end of Q3 in 2022/23. In Q3, the Service concluded 14 care proceedings compared to 12 in Q3 2022/23. In 2023/24 cumulatively to date, care proceedings have taken on average 51 weeks per child. A number of long running cases concluded in Q3, including a complex case which ran for 106 weeks due to a placement breakdown, but a number of cases required further assessment of parents and family members which led to delay. In Q3 the Service also advised and represented Children's Services in relation to 21 other matters, including, applications for adoption orders and discharge of care and placement orders.

The Service completed agreements to secure financial contributions to the Council of £2,544,897 together with the delivery of additions and improvements to the highway network across the county. A total of 23 legal agreements were completed to secure these provisions for the Council. The Service also advised on 47 new property matters and 60 contracts and procurement instructions. During Q3, the Service assisted Income Recovery in securing the recovery and repayment of debts totalling £15,993. The Service also assisted in recovering backdated payments in ordinary residence matters totalling £195,020.

### **Coroner Services**

During Q3, 565 deaths were reported to the Coroner (compared to 660 in Q3 2022/23), averaging 187 deaths per month. Of those deaths reported in Q3, 246 post mortems were carried out (44%) compared to 253 (39%) in Q3 2022/23. Of the 565 deaths reported in Q3, 70 went to inquest compared to 84 in Q3 2022/23. In Q3, 73 inquests were closed compared to 66 in Q3 2022/23. Inquests, including jury inquests, are held in court with the option for family, interested persons and witnesses to attend court in person or remotely. Courts are limited to open/close cases during the festive season.

### **Regulation of Investigatory Powers Act (RIPA)**

A successful application for Directed Surveillance was made to the Magistrates Court in Q3. The application relates to an investigation into a number of retail premises in the East Sussex area, where the sale of illegal tobacco is suspected. It will run for a maximum of 3 months until 22

February 2024, unless renewed, subject to monthly review. The first review took place on 22 December 2023, which determined that the authorisation should continue without amendment.

### **Local Government Ombudsman complaints**

The Ombudsman issued 20 decisions in Q3. 16 cases were closed before a full investigation for a variety of reasons. These reasons included insufficient evidence of fault, complaints being out of the Ombudsman's jurisdiction because the complaint had not been through our internal complaint process, or an appropriate remedy had already been applied, of which 2 were recorded as upheld.

Of the 4 cases that were fully investigated, one case related to Adult Social Care (ASC) and 3 to Children's Services (CS). All 4 were closed with the complaint partly or fully upheld as follows:

ASC – The client complained about the way the Council provided care and support to her and how it charged her care fees. The Ombudsman found no evidence of fault in the way the Council provided care and support. However, fault was found in the way the Council charged for her care. The Council has agreed to apologise for the incorrect charges and remove them from her account. The Council has also agreed to pay the client £150 in recognition of the distress caused by the incorrect charges and her time and trouble in pursuing the matter.

CS – The client complained about how the Council handled her daughter's special educational needs and Education, Health and Care Plan (EHC Plan). The Ombudsman found fault with the Council for delays in agreeing to 1-2-1 support, finalising the EHC Plan and providing the client with its Education Otherwise Than at School Policy. The Council has agreed to apologise to the client and her daughter for the faults identified, pay £600 for the avoidable distress, time and trouble caused by the Council's actions and issue written reminders within two months to relevant staff to ensure they are aware of the EHC Plan guidance.

CS – The client complained that the Council failed to ensure that all of the provision in her son's EHC Plan was in place promptly and in accordance with the plan. This caused her and her son distress and frustration. The Ombudsman found the Council delayed in meeting all the provision: including ensuring a personal laptop was provided and that motor skills and other support sessions took place. The Council has agreed to pay the client £300 for the benefit of her son's education and £200 for her own distress.

CS – The client complained that the Council failed to provide her child with the content of her EHC Plan between March 2023 and April 2023. She also complained the Council failed to provide alternative education to her between March 2022 and March 2023. The Ombudsman found the Council at fault for failing to properly consider whether it owed the alternative provision duty, and for failing to deliver the full content of the EHC Plan. The Council has agreed to apologise to the client and pay her £1,050 in recognition of her child's lost provision.

### **Web activity**

The Council's main website had 2.25 million pageviews during Q3 and there were 1.5 million pageviews of the intranet. The most viewed page on the public site was the jobs section with more than 470,000 views. The school closures page also had 171,000 views. Customer satisfaction with the website was 64%.

### **Media and information work**

There were 355 media stories about the Council in Q3. The press office issued 23 press releases, generating 35 stories. 89 media enquiries were handled.

The number of enquiries was lower than usual in Q3 due to the Christmas period. The single biggest issue raised related to highways defects. We received 21 enquiries about defects in specific locations, and several enquiries relating to the effects of storms on the county's roads.

### **Effective publicity and campaigns**

Our public engagement exercise on our budget and priorities attracted 2,153 responses. Most of these were completed online with promotion through email and social media, but paper copies were also made available through libraries and on demand. Voluntary and community groups and local MPs also helped to share the survey widely.

A social media advertising campaign to promote reduced fares on FlexiBus (our on-demand bus service) in the approach to Christmas had more than 1.4 million potential viewings. FlexiBus passenger numbers reached 497 in December against a target of 500 passengers a week. Passenger numbers have more than doubled since early July. The campaign coincided with the 10,000th ride booking on the service. Continuing publicity includes targeted communication about refining the zones available for the service, so increasing the options for customers.

### **South East 7 (SE7)**

SE7 Leaders and Chief Executives met jointly in Q3 and discussed latest asylum and migration issues and regional working with the South East Strategic Partnership for Migration Head of Partnership. At that meeting SE7 partners also agreed a new collective lobbying approach to emphasise the impact that underfunding of local government has on communities and residents in the South East and focused on key policy messages ahead of an expected General Election in 2024. They also discussed highways conditions, children's services pressures and devolution. SE7 Leaders also met without Chief Executives in Q3 and discussed latest developments and issues, including support for migrants and asylum seekers, budgets, children's services pressures and transition of Local Enterprise Partnership functions to upper tier authorities. SE7 Chief Executives also continue to meet regularly, and in Q3 discussed ongoing opportunities for joint work, local and national policy developments, and how to progress work agreed by the Leaders.

In Q3, SE7 partners also wrote to the Secretary of State for Transport and the Roads Minister about the impact of the activity of utility companies on local road networks. The letter suggested a number of policy changes to increase local authority oversight and enforcement powers against utility companies and a response to that letter is awaited.

### **Revenue Budget Summary**

The Governance Service revenue budget is currently £8.314m and is forecast to overspend by £50k. Within the Corporate Governance division there is a large overspend in the Coroner budget. This is largely as a result of cumulative increases in the costs of mortuary provision, court hire, body removal, toxicology and staffing, as well as accumulative demands on the service. Budget earmarked for external legal fees is being used to offset in-house legal provision and along with smaller underspends in other services, will more than offset the Coroners Service overspend (**ref i**). The overspend in Corporate Support is due to the cost of covering maternity leave in Legal Services. This overspend is partially offset with staff vacancies elsewhere (**ref ii**).

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

Performance measure	Outturn 22/23	Target 23/24	RAG Q1 23/24	RAG Q2 23/24	RAG Q3 23/24	RAG Q4 23/24	Q3 23/24 outturn	Note ref
No Council Plan exceptions in Q3								

**Savings exceptions 2023/24 (£'000)**

Service description	Original Target For 2023/24	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved	Note ref
	-	-	-	-	-	
	-	-	-	-	-	
<b>Total Savings</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
			-	-	-	
			-	-	-	
<b>Subtotal Permanent Changes <sup>1</sup></b>			<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Savings and Permanent Changes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding <sup>2</sup>	Part of reported variance <sup>3</sup>	Total	Note Ref
	-	-	-	
	-	-	-	
	-	-	-	
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	

<sup>1</sup> Where agreed savings are reasonably unable to be achieved other permanent savings are required to be identified and approved via quarterly monitoring.

<sup>2</sup> Temporary funding will only replace a slipped or unachieved saving for one year; the saving will still need to be made in future years (or be replaced with something else).

<sup>3</sup> The slipped or unachieved saving will form part of the department's overall variance - it will either increase an overspend or decrease an underspend. The saving will still need to be made in future years (or be replaced with something else).



Strategic Risk Register – Q3 2023/24

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
5	<p><b>RECONCILING POLICY, PERFORMANCE &amp; RESOURCE</b></p> <p>There is ongoing uncertainty in relation to future funding levels, the longer-term local government funding regime, and the impact of national reforms, particularly across Children’s Social Care and Adult Social Care. The impact of a period of high inflation/cost of living are leading to higher demand for Council services and have increased the direct cost of providing services. Together these create a risk of insufficient resources being available to sustain service delivery at the agreed Core Offer level to meet the changing needs of the local community.</p> <p>The proposed budget for 2024/25 requires a draw from the Financial Management Reserve to balance the budget.</p>	<p>We employ a robust Reconciling Policy, Performance and Resources (RPPR) process for business planning, which ensures a strategic corporate response to resource reductions, demographic change, and regional and national economic challenges; and directs resources to priority areas. We take a commissioning approach to evaluating need and we consider all methods of service delivery. We work with partner organisations to deliver services and manage demand, making best use of our collective resources. We take a 'One Council' approach to delivering our priorities and set out our targets and objectives in the Council Plan. We monitor our progress and report it quarterly.</p> <p>Our plans take account of known risks and pressures, including social, economic, policy and demographic changes and financial risks. However, we continue to operate in changing and uncertain contexts. Current and forecast economic conditions continue to shape a very challenging financial outlook both for the Council itself and many of the county’s residents and businesses. Alongside this we continue to face ongoing challenges as a result of the persistent legacy of Covid, the increased cost of living and other national and international factors. We will continue to use the latest information available on these challenges to inform our business planning. We will also continually review our performance targets, priorities, service offers and financial plans, and will update these as required. As part of this we will continue to take action wherever we can to mitigate financial and service delivery pressures – making best use of new technology, investing in our workforce, seeking efficiencies, and checking that our services are effective and provide value for money. We will look to develop and implement further measures to address the funding challenges we face.</p> <p>We lobby, individually and in conjunction with our networks and partners, for a sustainable funding regime for local government in general and for children’s social care and adult social care specifically, to meet the needs of the residents of East Sussex.</p>	Red

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
12	<p><b>CYBER ATTACK</b></p> <p>The National Cyber Security Centre (NCSC) has highlighted the substantial risk to British web infrastructure, with elevated levels of Cyber Crime being reported against all areas of government, particularly in light of the current Ukrainian situation.</p> <p>Cyber attacks are growing more frequent, sophisticated, and damaging when they succeed. The COVID-19 pandemic has increased the need to carry out many additional functions virtually and remotely. Changes in working practice give rise to more requests to relax security controls, with services more likely to take risks on the technology they procure and how they use it. Controls have been enhanced to manage these requests.</p> <p>The impacts of a cyber attack are far-reaching, and it is difficult to put a figure on the cost, but authorities that have been subject to major attacks have calculated the disruption to have cost between £10m and £12m.</p>	<p>Most attacks leverage software flaws and gaps in boundary defences. IT&amp;D use modern security tools to assure our security posture: Monitoring network activity and identifying security threats; Keeping software up to date with regular patching regimes; Continually monitoring evolving threats and re-evaluating the ability of our toolset to provide adequate defence against them; Ongoing communication with the Security industry to find the most suitable tools and systems to secure our infrastructure. IT&amp;D continues to invest in new tools, which use pre-emptive technology to identify threats and patterns of abnormal behaviour. The Council achieved Cyber Essentials Plus accreditation during 2022/23. Cyber Essentials Plus is the industry standard for the private and public sectors, underpinning safe sharing with partners and helping ensure sufficient controls are in place to minimise the risk of a cyber incident.</p> <p>Enhancing user awareness: Expanding E-Learning and policy delivery mechanisms to cover Cyber threat; educating staff around the techniques and methods used by active threats; and providing General Data Protection Regulation (GDPR) training and workshops to cascade vital skills and increase awareness of responsibilities under GDPR legislation. Business Continuity Scenario testing is currently being cascaded through Departmental Management Teams.</p> <p>Services hosted in ISO 27001 accredited Orbis Data Centres.</p>	<p>Red</p>

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
9	<p><b>WORKFORCE</b></p> <p>An inability to attract and retain the high calibre staff needed could lead to a reduction in the expertise and capacity required to deliver statutory services to our residents, including to prevent harm to children, young people and vulnerable adults at the required level and standards, impacting on the achievement of the Council's strategic objectives.</p>	<p>In September 2022 Cabinet agreed an investment of £270k across 2022/23 and 2023/24 to put in place a number of strategies to respond to the significant current recruitment and retention challenges. Work reported on in Q1 and Q2 is ongoing with some highlights being:</p> <ul style="list-style-type: none"> <li>- Linking in with organisations that support people back into employment to extend our reach into sections of the labour market that are underrepresented or face significant barriers to employment.</li> <li>- On-going attendance at events such as careers fairs and shows to maximise our presence with job seekers.</li> <li>- Appointment to a new post of 'Pre-Employment Coordinator', with specific responsibility to link in with organisations that support people back into employment to extend our reach into sections of the labour market that are underrepresented or face significant barriers to employment.</li> <li>- Use of apprenticeships, traineeships, intern arrangements and more flexible work arrangements etc as a way of bringing in new talent to the Council.</li> <li>- Continued delivery of our two leadership development programmes to support our talent management strategies: the 'Ladder to Leadership' programme and 'Head of Service Masterclasses'. The second cohort of the Ladder to Leadership programme started in September 2023.</li> </ul> <p>Additional work undertaken in Q3 includes:</p> <ul style="list-style-type: none"> <li>- Refreshing of recruitment guidance for managers with the inclusion of new 'top tips' to support efficient and inclusive recruitment practice.</li> <li>- Establishment of an exit interview pilot which will run for 3 months in the first instance to enable an assessment of success.</li> <li>- Delivery of 2 strategic workforce planning sessions to Head of Service by the Local Government Association.</li> <li>- Provision of information sessions and training around application and interview techniques for candidates, who want to apply for roles at East Sussex County Council (ESCC)</li> <li>- Engagement with employees at ESCC, who are under 25, to get feedback on what attracted them to the Council as an employer; and to begin establishing a forum for young people in the new year to highlight any issues, and to attract candidates from a younger demographic to the Council</li> <li>- Delivery of internal resilience training sessions for younger apprentices around what is expected from them at work and to prepare them for becoming an 'ambassador for apprenticeships' at the Council within schools.</li> </ul>	Red



Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
15	<p><b>CLIMATE</b></p> <p>Failure to limit global warming to below 1.5°C above pre-industrialisation levels, which requires global net human-caused emissions of carbon dioxide (CO2) to be reduced by about 45 percent from 2010 levels by 2030, reaching 'net zero' by 2050 at the latest. The predicted impacts of climate change in East Sussex include more frequent and intense flooding, drought, and episodes of extreme heat, as well as impacts from the effects of climate change overseas, such as on food supply. This will lead to an increase in heat-related deaths, particularly amongst the elderly, damage to essential infrastructure, increased cost of food, disruption to supply chains and service provision, and greater coastal erosion.</p>	<p><b>Climate change mitigation:</b> the science-based target is to reduce scope 1 and 2 carbon emissions by 50% every 5 years (equating to 13% per year). The focus is on buildings, as they made up 79% of carbon emissions in 2020/21. Internal oversight of progress is by the corporate Climate Emergency Board.</p> <p><b>Climate change adaptation:</b> we work with partners on some aspects of adaptation, including flood risk management plans and delivering a Heat Alert service during the summer months.</p> <p>In Quarter 3 2023/24:</p> <p><b>A) Mitigation:</b></p> <p>1) <b>Carbon Reduction Target:</b> the target for 2023-24 is a 13% carbon reduction compared with 2022-23 and a cumulative reduction of 42% against the baseline year of 2019-20. Energy usage data for Q1 and Q2 2023-24 indicates that we achieved an 8% reduction in energy usage compared with Q1 and Q2 in 2022-23. However, the carbon emissions from our energy usage increased because the national electricity grid has become temporarily more carbon intensive in 2023-24 due to an increase in fossil fuels and a reduction in renewables to run the system. This is beyond the control of the County Council. If energy usage in Q3 &amp; 4 is similar to 2022-23 then the annual result for 2023-24 will be about a 1% overall increase in carbon emissions compared with 2022-23.</p> <p>2) <b>Carbon Reduction Schemes:</b> the target for 2023-24 is for the delivery of a further 23 capital schemes. Thirteen schemes were completed by the end of Q3. The RAG status for meeting the target is currently amber, primarily due to supply chain and site issues (e.g., a local solar PV contractor for the Council went into administration during Q2).</p> <p><b>B) Adaptation:</b></p> <p>1) <b>Adaptation Plan:</b> In August the Climate Emergency Board agreed to the procurement of consultancy support to produce a climate change vulnerability and risk assessment, to help inform the development of an adaptation plan. Subject to the evaluation of the quotes received, a consultant will be appointed in January to complete this work.</p>	Red

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
20	<p><b>PLACEMENTS FOR CHILDREN AND YOUNG PEOPLE IN OUR CARE</b></p> <p>Inability to secure sufficient high quality placements for children in our care, suitable accommodation for care experienced young people and respite provision, leading to significant financial pressure leading to significant financial pressure and poorer outcomes for children/young people.</p>	<p>Effective demand management, robust management of front door</p> <p>Delivery of early help services, implementation of Family Hub programme throughout 2023-24, and Level 2 Family Keyworkers (Q3),</p> <p>Implementation, monitoring and evaluation of Edge of Care 'Connected Families', Family Safeguarding programmes ('Connected Families in Partnership' launch planned for January 2024), enabling more children to live safely with their families.</p> <p>Further delivery of kinship/Special Guardianship Order placements.</p> <p>Capital bid for Sorrel Drive.</p> <p>Consultancy project-IMPOWER to determine forecast trajectory and development of evidence-based business case to further improve sufficiency of placements.</p> <p>Fostering Recruitment &amp; Retention Strategy completed. East Sussex County Council is part of the South East Sector Led Improvement Programme, Regional Fostering Strategy and piloting Mockingbird hub.</p> <p>Uplift to fostering allowance (for in house carers, Special Guardianship Orders, Kinship carers) approved by the Chief Management Team to help secure sufficient supply of in house foster carers as an alternative to more expensive care packages.</p> <p>In Q3, the valuing care tools have been embedded into the business as usual with a strong focus on reunification.</p> <p>Fostering allowance uplift has been made part of the recruitment drive. Both elements are attempting to mitigate the increased costs due to the lack of placements for Looked After Children.</p>	Red
19	<p><b>SCHOOLS AND INCLUSION, SPECIAL EDUCATIONAL NEEDS AND DISABILITIES (ISEND)</b></p> <p>For Children with Special Educational Needs. Inability to secure statutory provision due to lack of availability of specialist placement within the county and increasing demand for placements in this sector. This would put the Council at risk of judicial review and/or negative Local Government Ombudsman judgements for failing to meet our duties within the Children and Families Act 2014, with associated financial penalties and reputational damage.</p>	<p>Effective use of forecasting data to pre-empt issues.</p> <p>Work with statutory partners to develop contingency plans.</p> <p>Work with the market to increase provision where needed.</p> <p>Expanding internal interim offer for children.</p>	Red

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
1	<p><b>ROADS</b></p> <p>Extreme weather events over recent years, including this winter, have caused significant damage to many of the county’s roads, adding to the backlog of maintenance in the County Council’s Asset Plan: and increasing the risk to the Council’s ability to stem the rate of deterioration and maintain road condition.</p> <p>The economic impacts of the pandemic and recent events in Ukraine have had some effects on service delivery during this year, particularly with increased costs and shortages of suitable contractors and materials.</p>	<p>The changing climate is now influencing the rate of road deterioration, with more extreme events such as warmer wetter winters; and drier summers punctuated by unseasonal heavy downpours (drying and shrinking the substructure of roads). Additional funding over the last few years has helped maintain road condition, however, the latest condition and funding modelling showed the potential for deterioration over the next 10 years. Additional carriageway patching, footway, signing and lining works were carried out with additional budget allocated through the Reconciling Policy, Performance and Resources process in 2023 and Cabinet approved additional investment of £15.7m in June 2023 for highway maintenance. The improvements are well underway to provide greater network reliance. Deterioration in road surfaces in 2023/24 has continued with a generally cool and wet summer and wet start to winter.</p> <p>Road Condition Indicator (RCI) scores for this year indicate we are on target for principal roads but slightly below target for non-principal and unclassified roads, this is what we expected from the modelling given the current conditions. The evidence shows the current winter weather is taking its toll on the condition of many of the county’s roads, with large numbers of potholes forming daily and roads deteriorating. Mitigations include encouraging road users to report potholes so we can intervene as soon as possible in accordance with our policies and lobbying Government for additional investment as, without it, it will be increasingly difficult to manage the risks of further decline.</p>	Red
18	<p><b>DATA BREACH</b></p> <p>A breach of security/confidentiality leading to destruction, loss, alteration, unauthorised disclosure of, or access to, personal data. This includes breaches that are the result of both accidental and deliberate causes. A personal data breach is a security incident that has affected the confidentiality, integrity, or availability of personal data regardless of whether information has been accessed, altered, or disclosed via electronic or manual means.</p> <p>Risks to individuals, reputational damage, fines from the Information Commissioner’s Officer (ICO), compensation claims.</p>	<p>Policy and guidance procedures in place to support practice.</p> <p>Data Protection Officer (DPO), Caldicott Guardians and Information Governance Officers monitor breach reporting and put in place mechanisms to minimise recurrence.</p> <p>Staff training to develop awareness. E-learning and policy delivery mechanism expanded to enhance skills and increase awareness of responsibilities under General Data Protection Regulation legislation.</p> <p>Technical security measures operated by Information Technology and Digital (IT&amp;D), including access control and segregation of duties.</p>	Amber

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
8	<p><b>CAPITAL PROGRAMME</b></p> <p>There are risks and uncertainties regarding the capital programme over the current Medium Term Financial Plan period and beyond, which could impact on the ability to deliver the Council's priorities and set a balanced budget.</p> <p>Factors such as inflation, supply chain issues, unforeseen operational risks, and wider economic and geopolitical factors are likely to impact project deliverability and affordability.</p> <p>Additionally, if capital expenditure isn't profiled accurately, then significant slippage against the budgeted programme can undermine the planning process, particularly in relation to treasury management modelling and the impact of borrowing.</p> <p>Due to the complexity of factors and uncertainties impacting them, the level of government grants and other sources of capital programme funding such as developer contributions and capital receipts could be significantly reduced.</p> <p>A combination of the above risks, alongside a volatile interest rate environment, could significantly increase the cost of borrowing to fund the capital programme, increasing pressures on the Council's revenue budget in an already challenging financial environment.</p>	<p>The Council reviews and updates its 20-year Capital Strategy annually as part of the Reconciling Policy, Performance and Resources (RPPR) process, which sets the framework in which the capital programme is planned and allows the Council to prioritise investment to support its objectives. The development and delivery of the capital programme is overseen by a Capital Strategic Asset Board (CSAB), which is a cross departmental group, who also hear from Departmental Capital Board/Sub Boards who oversee priority areas.</p> <p>The capital programme includes an element of 'normal' level of inflation for ongoing target-based core programmes (as opposed to programmes that have cash limited envelopes). Additionally, a capital risk provision in the form of additional borrowing flexibility is in place to provide the ability to react to emerging risks such as supply chain issues and inflationary pressures. The level of provision is reviewed and approved on an annual basis as part of the RPPR process and is maintained by the CSAB in adherence to financial regulations.</p> <p>As part of the RPPR process, services are asked to provide a profiled programme based on best knowledge, which is reviewed and challenged by CSAB, to ensure the programme is profiled as accurately as possible. A corporate slippage risk factor can be applied to the programme to reflect likely programme spend to provide greater robustness to the planning and monitoring process.</p> <p>The CSAB have oversight of all sources of capital funding, including grants, capital receipts and developer contributions, to ensure that assumptions are prudent and realistic, and funds are used effectively and to minimise the need to borrow. Funding announcements are actively monitored, and funding targets reviewed to minimise the impact on delivery of the capital programme, ensuring that there is sufficient liquidity to meet funding requirements. The cost of borrowing for the capital programme has a direct impact on the Council's Medium Term Financial Plan position, therefore capital investment decisions are considered as part of the RPPR process based on Treasury Management capacity and affordability in the context of the Council's wider financial position. The Council's approved Treasury Management Policy and Strategy has been prepared in the context of the current financial situation and seeks to ensure that capital investment plans are affordable, prudent, and sustainable.</p>	Amber

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
6	<p><b>LOCAL ECONOMIC GROWTH</b></p> <p>The transfer of South East Local Enterprise Partnership (SELEP) responsibilities and functions to East Sussex County Council (ESCC) does not successfully integrate the development of economic strategic planning, business support, and management of capital funded programmes, into Council operations as required by Government policy.</p> <p>Possible consequences if the transfer is not managed successfully include:</p> <ul style="list-style-type: none"> <li>•Management, monitoring, and evaluation of the current capital programmes do not meet Government requirements, leading to potential clawback of £m funds; or an inability for ESCC to demonstrate it can manage funds successfully, affecting future allocations of growth funds.</li> <li>•Third parties with existing contracts may raise concerns if new / variation funding agreements are not put in place early from April 2024.</li> <li>•Loss of an effective 'business voice' through the current local economic growth board (Team East Sussex) and its various subgroups.</li> <li>•An inability to produce an agreed local economic strategy, which sets the ambitions, objectives, and key outcomes for East Sussex.</li> </ul>	<p>East Sussex County Council, working with partners, has successfully secured significant amounts of local growth funding totalling £127m since 2012 via the South East and Coast 2 Capital Local Enterprise Partnerships (LEPs), to deliver a wide range of infrastructure projects in East Sussex. In August 2023, Government formally announced that direct funding for LEPs will be removed from April 2024. Upper tier local authorities (UTLA's) will then be required to take on the current non-statutory LEP powers, responsibilities, and functions. These include strategy development, business support and oversight/management of capital programmes. We submitted our proposal to Government in November 2023 to become an UTLA per the guidance issued. East Sussex is eligible to be determined a 'functional economic area' to take on LEP responsibilities, but we await a formal decision on this from Government.</p> <p>The South East Local Enterprise Partnership (SELEP) and East Sussex County Council have produced draft integration plans to mitigate the transfer risks on current and future capital programmes; and the financial, legal and reputational risks. SELEP and our own Chief Management Team endorsed the draft integration plans in Q3, and the plans will be taken to Cabinet in March 2024 to seek approval. Further Government guidance and an Assurance Framework are due to be released in January 2024 to set out transition arrangements.</p> <p>Looking ahead, the lack of large-scale funding programmes to support economic growth across the county presents a big risk to us. Recent funds have been awarded directly to local Borough and District authorities (e.g., UK Shared Prosperity Fund, Levelling Up Funds) or funding has come from time-limited specific sources.</p> <p>The County Council and Team East Sussex, the local economic growth board, are jointly committed to producing a longer-term East Sussex Economic Growth Strategy to 2050. The strategy will set out our collective approach to take advantage of future funding sources as they become available. Significant work has been completed with consultants and stakeholder consultations. The draft strategy is scheduled for approval in 2024 and will help to mitigate economic strategic planning risks.</p> <p>The County Council is already in a good position to mitigate the risks on business support and ensuring business has a voice. We directly run the Business East Sussex Growth Hub services and Government have committed to fund this in 2024/25. We will also ensure the business voice continues to be heard through Team East Sussex, our local strategic advisory economic growth board for the county.</p>	Amber

Ref	Strategic Risks	Risk Control / Response and Post Mitigation RAG score	RAG
4	<p><b>HEALTH</b></p> <p>Failure to secure maximum value from partnership working with the National Health Service (NHS). If not achieved, there will be impact on social care, public health and health outcomes and increased social care operational and cost pressures. This would add pressures on the Council's budget and/or risks to other Council objectives, as well as shared system objectives in the context of our Integrated Care System across workforce and patients who are medically ready for discharge (MRD) from hospital or community beds.</p>	<p>As part of planning for use of the discharge capacity investment funding, continuation of quarter 1 and 2 schemes was agreed with the Integrated Care Board (ICB) and NHS Chief Executive Officers where these have evidenced patient and system benefit. This included East Sussex discharge to assess (D2A) beds; home care and agency staff to support flow through the system and free up capacity; and the transfer of care hub, in line with national requirements. Planning has also taken place as part of the winter planning process for 2023/24 to ensure additional funded schemes for Q3 and Q4 align across existing improvement plan actions, localised research activity, and the Discharge Frontrunner programme. This will also provide the basis for 2024/25 plans and Better Care Fund discharge allocations, which will enable the continued focus on Home First, reablement, and right sized bedded capacity, including schemes that support more complex care needs and target areas of greatest delay for people ready for discharge from mental health inpatient capacity.</p> <p>Work has also continued to progress in-year milestones in the 5-year Sussex Integrated Care Strategy Shared Delivery Plan (SDP), including a focus on the East Sussex Health and Wellbeing (HWB) Strategy priorities shared by East Sussex County Council (ESCC) and NHS for children and young people, mental health, community, and improvements in health outcomes. This has included developing partnership plans for implementing Integrated Community Teams (ICTs), aligned with the borough and district footprints to ensure use of collective resources driven by locally focussed intelligence and insight and five profiles have now been produced to support the initial development phase of ICTs. Partnership work has taken place on a pan-Sussex footing to support delivery of improvements to elective and urgent care, hospital discharge, mental health and health inequalities set out in the SDP.</p>	Amber