

Item 5 - Reconciling Policy, Performance and Resources: Appendix 7 – Engagement Feedback with Trade Unions

1.1. A meeting was held with trade union representatives on 22 January 2025 to consult them on the Council's draft Council Plan and budget proposals for 2025/26.

1.2. The Leader of the Council opened the meeting and thanked the trade union representatives and the staff they represent for their work this year. The Leader noted that, as the report to Cabinet said, the importance of the services provided by the Council had been evident once again this year, and that delivery of those services would not have been possible without the commitment and hard work of staff who continued to respond to growing service pressures and changes. The Leader noted as detailed in the Cabinet papers, this was the most challenging financial position the Council had seen in years, due to national factors beyond local control which were resulting in growth in need for statutory, demand-led services and increasing costs right across the Council. The Leader also noted the significant policy developments, including devolution, and emphasised the focus on articulating the needs of East Sussex through lobbying.

1.3. The Chief Executive and Chief Finance Officer then delivered a presentation which provided an overview of ESCC's Reconciling Policy, Performance and Resources (RPPR) planning for 2025/26; the national policy context and public service reforms planned for the year ahead, including on devolution and local government reorganisation; the steps needed to address the deficit, including significant savings proposals and another draw on reserves; the anticipated financial position for 2025/26 onwards and updates to the Capital Programme; and lobbying priorities in light of this financial position.

1.4. Following the presentation, trade union representatives asked questions and made comments which are outlined below.

Devolution and Local Government Reorganisation (LGR)

1.5. Representatives recognised the significant challenges facing ESCC and asked about the potential benefits from joining the government Devolution Priority Programme and how this could impact areas across Sussex. The Leader and Chief Executive noted the clear direction of travel from Government to create strategic authorities across England, as well as plans to create unitary authorities in two tier areas, and that participation in the Devolution Priority Programme would ensure greater support throughout the process. Government had also indicated its intention to communicate with Mayors and that this could support with local lobbying for the needs of Sussex. The Chief Executive also outlined the advantages of simpler funding streams and collaboration for services, such as skills and career support, noting that East Sussex understood its local needs and could target funding more effectively.

1.6. Representatives asked about the structure of a new mayoral authority and if this, as well as local government reorganisation, would have impacts on council buildings, including plans for County Hall. The Chief Executive commented that it was not clear from the Devolution White Paper what would be needed, including the required size, for a mayor's office, as well as its potential functions. However, local government reorganisation would require a review of council properties, and it was expected that current buildings would be used differently under a new authority. Plans to use County Hall would continue with more efficient use of the building and seeking to rent out spaces that are not needed.

1.7. The Chief Executive commented that Local Government Reorganisation had the potential to run services more efficiently and provide better value for money, however it was not expected that it would result in sufficient savings to match the pressures across all council services so the financial challenges were expected to remain in the short and medium term. The Leader commented that although there would be inevitable challenges in local government reorganisation, East Sussex had strong partnerships, including with district and boroughs, which provided a strong basis for robust conversations. He also noted the commitment across all councils to provide people with good services across the county.

1.8. In response to a question on expected boundary changes, the Chief Executive clarified Government's intention, as outlined in the Devolution White Paper, for unitary councils to cover populations of at least 500,000. East Sussex, with a population of 550,000 seemed likely to fit the criteria but that could not be known until the detail if the Government's plan was known later in January. It would not be known until March how the Government would respond to initial LGR proposals.

1.9. A representative from UNISON commented that nationally UNISON supported devolution and local government reorganisation, recognising that simplifying the provision of council services through unitarisation could benefit residents.

Service demand

1.10 Representatives commented on the service pressures facing the Council, including in Children's Services with high costs for residential placements, challenges with recruitment, and the subsequent costs of agency fees. Representatives also noted the acute challenges facing East Sussex, including the needs of an older population and the pressure this added to local service demand.

Staff engagement

1.11 Representatives welcomed recent engagement with staff, in particular the all staff meetings to communicate key developments, such as savings proposals and devolution and local government reorganisation, and reiterated the need to continue this engagement so that staff were aware of potential impacts from any changes. Representatives fed back that although staff were concerned about upcoming changes, the staff meetings had also provided a forum to outline potential opportunities, and overall staff had been very positive about this engagement.

1.12 In relation to staff directly impacted by savings proposals, representatives noted the importance of continuing to engage through face to face meetings and welcomed the support from HR at these meetings. The need for consistency in the Council's approach to restructures and staff communication was also noted, including ensuring all staff were able to engage with and provide feedback on future savings proposals.

Lobbying

1.13 Representatives commented on the importance of lobbying, including for MPs to communicate a positive message about East Sussex, as well as raising awareness of local challenges. The Leader noted the ongoing work with MPs to lobby for the needs of East Sussex, as well as to celebrate its opportunities, and agreed that although politics sometimes made this challenging, lobbying was stronger when working together.

1.14 The Leader thanked representatives for the positive feedback and for their input in the session and confirmed Members and officers would continue to maintain open

engagement with trade unions as doing so was important for working together effectively to deliver services.

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