

Meeting of  
East Sussex County Council  
on Tuesday, 27 March 2018  
at 10.00 am

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# EAST SUSSEX COUNTY COUNCIL

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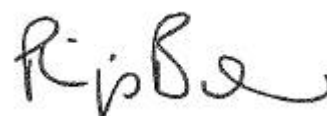
## To the Members of the County Council

You are summoned to attend a meeting of the East Sussex County Council to be held at Council Chamber - County Hall, Lewes, **on Tuesday, 27 March 2018 at 10.00 am** to transact the following business

- 1 Minutes of the meeting held on 6 February 2018 (Pages 5 - 28)**
- 2 Apologies for absence**
- 3 Chairman's business**
- 4 Questions from members of the public**
- 5 Report of the Cabinet (Pages 29 - 32)**
- 6 Report of the Governance Committee (Pages 33 - 40)**
- 7 Report of the Lead Member for Transport and Environment (Pages 41 - 44)**
- 8 Questions from County Councillors**
  - (a) Oral questions to Cabinet Members
  - (b) Written Questions of which notice has been given pursuant to Standing Order 44
- 9 Report of the East Sussex Fire Authority (Pages 45 - 50)**

*Note: There will be a period for collective prayers and quiet reflection in the Council Chamber from 9.30 am to 9.45 am. The prayers will be led by the Reverend Peter Clark, Padre to 249 (Hailsham) Squadron Royal Air Force Air Cadets. The Chairman would be delighted to be joined by any members of staff and Councillors who wish to attend.*

County Hall  
St Anne's Crescent  
LEWES  
East Sussex BN7 1UE



PHILIP BAKER  
Assistant Chief Executive

19 March 2018

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## MINUTES

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### EAST SUSSEX COUNTY COUNCIL

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**MINUTES of a MEETING of the EAST SUSSEX COUNTY COUNCIL held at Council Chamber, County Hall, Lewes on 6 FEBRUARY 2018 at 10.00 am**

**Present** Councillors John Barnes MBE, Matthew Beaver, Colin Belsey, Nick Bennett, Bill Bentley, Phil Boorman, Bob Bowdler, Tania Charman, Charles Clark, Martin Clarke, Godfrey Daniel, Philip Daniel, Angharad Davies, Chris Dowling, Claire Dowling, Stuart Earl, Simon Elford, David Elkin, Nigel Enever, Michael Ensor (Chairman), Kathryn Field, Gerard Fox, Roy Galley, Keith Glazier, Darren Grover, Carolyn Lambert, Tom Liddiard, Laurie Loe, Carl Maynard, Ruth O'Keeffe MBE, Peter Pragnell (Vice Chairman), Pat Rodohan, Phil Scott, Jim Sheppard, Daniel Shing, Stephen Shing, Alan Shuttleworth, Rupert Simmons, Andy Smith, Bob Standley, Richard Stogdon, Colin Swansborough, Barry Taylor, Sylvia Tidy, David Tutt, John Ungar, Steve Wallis, Trevor Webb and Francis Whetstone

#### **46 Minutes of the meeting held on 5 December 2017**

46.1 RESOLVED – to confirm the minutes of the previous meeting of the County Council held on 5 December 2017 as a correct record.

#### **47 Apologies for absence**

47.1 An apology for absence was received from Councillor Sarah Osbourne

#### **48 Chairman's business**

##### NEW YEAR'S HONOURS

48.1 On behalf of the Council the Chairman congratulated all who lived or worked in East Sussex who had been recognised in the New Year's Honours.

##### ROB CROSS

48.2 On behalf of the Chairman also congratulated Rob Cross from Hastings who won the World Darts Championship in January.

##### CHAIRMAN'S ACTIVITIES

48.3 The Chairman reported that he had attended a number of engagements since the last meeting including: the Mayor of Seaford's carol service, the Mayor of Brighton's civic Christmas service and a carol concert at Beacon Academy. The Chairman also hosted a Christmas reception and attended a Holocaust memorial service and a Citizenship ceremony. The Vice Chairman also attended a number of events including the St John's Ambulance Service carol service and a service at Arundel Cathedral.

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### CHINESE NEW YEAR

48.4 The Chairman reported that the Chinese New Year begins on 16 February and wished all a happy Chinese New Year.

### PRAYERS

48.5 The Chairman thanked the Reverend Stuart Davison, Regional Minister for the Baptist Union, South East Association for leading the prayers before the meeting.

### PETITIONS

48.6 The Chairman informed the Council that immediately before the meeting the following petitions had been received:

Councillor O’Keeffe	- calling on the County Council to save the small fenced area at the far end of the former Pells School site, Lewes for continued use as a Forest School area
Councillor Whetstone	- calling on the County Council to grant permission for the siting of 2 signs on the approaches to the A22 junction with the Forest Way.
Councillor Whetstone	- calling on the County Council to save the Forest Row household waste recycling site

### 49 Questions from members of the public

49.1 Copies of the of the questions asked by Esme Needham from Hastings, Peter Newell from Lewes, Zuher Panju from the East Sussex Stroke Association, Maria Litchfield from the East Sussex Stroke Association, Dirk Campbell from Lewes, Emma Richardson from the East Sussex Stroke Association, Julia Hilton from Hastings, Fran Witt from Lewes, Gabriel Carlyle from St Leonards on Sea, Kim Golding from the East Sussex Stroke Association, Patricia Patterson-Vanegas from Forest Row, Sarah Bray from Southdown Housing Association, Lewes, Richard Pike from Forest Row, Nicholas Swift from Forest Row and Tara Galloway from the East Sussex Stroke Association and the answers from Councillor Maynard (Lead Member for Adult Social Care and Health) and Councillor Stogdon (Chair of the Pension Committee) are attached to these minutes. Supplementary questions were asked and responded to.

### 50 Declarations of Interest

50.1 The following member declared a personal interest in items on the agenda as follows:

Member	Position giving rise to interest	Agenda item	Whether interest was prejudicial
Councillor Boorman	Volunteer with the Stroke Association	Cabinet report, paragraph 2	No

### 51 Reports

51.1 The Chairman of the County Council, having called over the reports set out in the agenda, reserved the following paragraphs for discussion:

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Cabinet	- paragraphs 1, 2 and 5
Lead Member for Transport and Environment	- paragraph 1

### NON-RESERVED PARAGRAPHS

51.2 On the motion of the Chairman of the County Council, the Council ADOPTED those paragraphs in the reports of the Committees that had not been reserved for discussion as follows:

Cabinet report paragraph 3 – Council Monitoring 2017/18 Quarter 3  
Cabinet report paragraph 4 – Annual Progress Report for Looked After Children's Services  
Cabinet report paragraph 6 – Annual Audit Letter  
Governance Committee report paragraph 1 – Revisions to Procurement Standing Orders  
Governance Committee report paragraph 2 – Amendment to Constitution – Scheme of Delegation to Officers  
Governance Committee report paragraph 3 – Amendment to Constitution - Motions  
Governance Committee report paragraph 4 – Terms of Reference of Governance Committee and Quarterly Monitoring

### 52 Report of the Cabinet

Paragraph 1 (Treasury Management Policy and Strategy) and Paragraph 5 (Conservators of Ashdown Forest Budget)

52.1 Councillor Glazier moved the reserved paragraphs (paragraphs 1 and 5) of the Cabinet's report.

52.2 The motions were CARRIED after debate

Paragraph 2 –Reconciling Policy, Performance and Resources

52.3 Under Standing Order 23, the Council agreed that the speeches of the Leaders of the five groups (or their nominees) on paragraph 2 of the Cabinet's report should be extended beyond five minutes.

52.4 Councillor Elkin moved the adoption of paragraph 2 of the Cabinet's report.

52.5 The following amendment was moved by Councillor Tutt and seconded:

*Delete paragraph 2.53 of the Cabinet's report and replace with:-*

*(1) approve, in principle, the draft Council Plan at Appendix 6 and authorise the Chief Executive to finalise the Plan in consultation with the relevant Lead Members;*

*(2) approve the net Revenue Budget estimates totalling £371.3m for 2018/19 as set out in Appendices 4 (Medium Term Financial Plan) and 5 (Budget Summary) and authorise the Chief Operating Officer, in consultation with the Chief Finance Officer, Leader and Deputy Leader, to make adjustments to the presentation of the budget to reflect the final settlement and budget decisions with the following amendments*

- 1. Reinstate savings proposed for Older People Services: Review of Milton Grange and Firwood House Intermediate Care Services - £1,232,000*
- 2. Reinstate savings proposed for Assessment & Care Management - £1,958,000*
- 3. Reinstate savings proposed for Supporting People: Accommodation and Building Services - £800,000*

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4. Reinstate savings proposed for Carers - £422,000
5. Reinstate savings proposed for the Stroke Association - £79,000
6. Reinstate savings proposed for Early Help (noting that the target for 2018/19 was to be temporarily mitigated from reserves) - £1,561,000
7. Reinstate savings proposed for Home to School Transport - £567,000
8. Partially reinstate savings proposed for closure of seven libraries - £350,000
9. Partially reinstate savings proposed for grass cutting - £200,000

*Total of proposed revenue amendments - £7,169,000*

*To be funded by:*

10. Reduce Venue Hire budgets - £95,000
11. Reduce staffing budgets by a vacancy factor of 2.5% - £3,535,000
12. Reduce Business Services/Orbis budget - £200,000
13. Reduce Property Maintenance budget - £50,000
14. Reduce Communications budget - £500,000
15. Reduce Senior Management & Organisational Development (SMOD) operational budget - £87,700
16. Reduce Senior Management & Organisational Development (SMOD) external legal services budget - £50,000
17. Remove Core Maintenance budget and replace with Parking Surplus - £150,000
18. Reduce budget for Waste - £300,000
19. Reduce Cultural Strategy budget - £40,000
20. Reduce revenue contribution to capital from £4.0m to £3.4m - £561,900
21. Less cost of borrowing for reducing revenue contribution to capital - (£100,600)
22. Use annuity method to calculate the Minimum Revenue Provision - £1,600,000
23. Set target income for impact of new short term investment strategy - £100,000

*Total of proposed revenue funding amendments - £7,169,000*

24. Additionally, to ring-fence £1.0m from the Priority Outcomes & Transformation Reserve to fund a transformation and restructuring programme.

*(3) in accordance with the Local Government Finance Act 1992 to agree that:*

- (i) the net budget requirement is £371.3m and the amount calculated by East Sussex County Council as its council tax requirement (see Appendix 6) for the year 2018/19 is £276.7m*
- (ii) the amount calculated by East Sussex County Council as the basic amount of its council tax (i.e. for a band D property) for the year 2018/19 is £1,393.11 and represents a 5.99% (3% of which relates to the Adult Social Care precept) increase on the previous year;*

*(4) advise the District and Borough Councils of the relevant amounts payable and council tax in other bands in line with the regulations and to issue precepts accordingly in accordance with an agreed schedule of instalments as set out at Appendix 9;*

*(5) approve the fees and charges set out in Appendix 8 and delegate authority to the Chief Finance Officer to approve an increase to all other fees and charges by up to 2%;*

*(6) approve the Capital Programme for 2017 – 2023 as set out at Appendix 10;*

*(7) note the Medium Term Financial Plan forecast for the period 2018/19 to 2020/21 as set out in Appendix 4; and*

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*(8) note the comments of the Chief Finance Officer on budget risks and robustness as set out in Appendix 11;*

*(9) note the comments from the engagement exercises as set out in Appendix 12; and*

*(10) delegate authority to the Chief Finance Officer to set fees and charges for 2019/20 onwards and to report to Cabinet and County Council on those set at a level above inflation as part of the quarterly monitoring.*

52.6 The Assistant Chief Executive reported that the Council must have regard to the report of the Chief Finance Officer but that the decision in relation to the budget rests with councillors.

52.7 The Chief Finance Officer informed the Council that he had a statutory duty to review and comment on the robustness of the estimates made for the purposes of the calculations. He reported that there was no model to allocate the proposed reduction in staffing budgets by a vacancy control factor and it was not clear how the proposal would be delivered and what impact there would be on services. The Chief Finance officer stated that he was not able to issue a statement of robustness in relation to the amendment.

52.8 A recorded vote on Councillor Tutt's amendment was taken. The amendment was LOST, the votes being cast as follows:

### FOR THE AMENDMENT

Councillors Philip Daniel, Field, Grover, Lambert, Rodohan, Daniel Shing, Stephen Shing, Shuttleworth. Swansborough, Tutt, Ungar and Wallis

### AGAINST THE AMENDMENT

Councillors Barnes, Beaver, Belsey, Bennett, Bentley, Boorman, Bowdler, Charman, Charles Clark, Martin Clarke, Godfrey Daniel, Davies, Chris Dowling, Claire Dowling, Earl, Elford, Elkin, Enever, Ensor, Fox, Galley, Glazier, Liddiard, Loe, Maynard, Pragnell, Scott, Sheppard, Simmons, Smith, Standley, Stogdon, Taylor, Tidy, Webb and Whetstone

### ABSTENTIONS

Councillor O'Keeffe

52.9 The following amendment was moved by Councillor Webb and seconded:

*Delete paragraph 2.53 of the Cabinet's report and replace with:-*

*(1) approve, in principle, the draft Council Plan at Appendix 6 and authorise the Chief Executive to finalise the Plan in consultation with the relevant Lead Members;*

*(2) approve the net Revenue Budget estimates totalling £371.3m for 2018/19 as set out in Appendices 4 (Medium Term Financial Plan) and 5 (Budget Summary) and authorise the Chief Operating Officer, in consultation with the Chief Finance Officer, Leader and Deputy Leader, to make adjustments to the presentation of the budget to reflect the final settlement and budget decisions with the following amendments*

- 1. Reinstate savings proposed for Older People Services: Review of Milton Grange and Firwood House Intermediate Care Services - £1,232,000*
- 2. Reinstate savings proposed for the Stroke Association - £79,000*
- 3. Reinstate savings proposed for Ore library - £38,000*

*Total of proposed revenue amendments - £1,349,000*

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*To be funded by:*

- 4. Reduce general contingency from 1% to 0.8% of net revenue budget excluding Treasury Management (with an increase of £2.1m in general fund from unallocated reserves to maintain robustness of the budget) - £700,000*
- 5. Reduce revenue contribution to capital - £790,000*
- 6. Less cost of borrowing for reducing revenue contribution to capital – (£141,000)*

*Total of proposed revenue funding amendments - £1,349,000*

*(3) in accordance with the Local Government Finance Act 1992 to agree that:*

- (i) the net budget requirement is £371.3m and the amount calculated by East Sussex County Council as its council tax requirement (see Appendix 6) for the year 2018/19 is £276.7m*
- (ii) the amount calculated by East Sussex County Council as the basic amount of its council tax (i.e. for a band D property) for the year 2018/19 is £1,393.11 and represents a 5.99% (3% of which relates to the Adult Social Care precept) increase on the previous year;*

*(4) advise the District and Borough Councils of the relevant amounts payable and council tax in other bands in line with the regulations and to issue precepts accordingly in accordance with an agreed schedule of instalments as set out at Appendix 9;*

*(5) approve the fees and charges set out in Appendix 8 and delegate authority to the Chief Finance Officer to approve an increase to all other fees and charges by up to 2%;*

*(6) approve the Capital Programme for 2017 – 2023 as set out at Appendix 10;*

*(7) note the Medium Term Financial Plan forecast for the period 2018/19 to 2020/21 as set out in Appendix 4; and*

*(8) note the comments of the Chief Finance Officer on budget risks and robustness as set out in Appendix 11;*

*(9) note the comments from the engagement exercises as set out in Appendix 12; and*

*(10) delegate authority to the Chief Finance Officer to set fees and charges for 2019/20 onwards and to report to Cabinet and County Council on those set at a level above inflation as part of the quarterly monitoring.*

52.10 A recorded vote on Councillor Webb's amendment was taken. The amendment was LOST, the votes being cast as follows:

### FOR THE AMENDMENT

Councillors Charman, Godfrey Daniel, Philip Daniel, Field, Grover, Lambert, O'Keeffe, Rodohan, Scott, Daniel Shing, Stephen Shing, Shuttleworth, Swansborough, Tutt, Ungar, Wallis and Webb

### AGAINST THE AMENDMENT

Councillors Barnes, Beaver, Belsey, Bennett, Bentley, Boorman, Bowdler, Charles Clark, Martin Clarke, Davies, Chris Dowling, Claire Dowling, Earl, Elford, Elkin, Enever, Ensor, Fox, Galley, Glazier, Liddiard, Loe, Maynard, Pragnell, Sheppard, Simmons, Smith, Standley, Stogdon, Taylor, Tidy, and Whetstone

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### ABSTENTIONS

None

52.11 The following amendment was moved by Councillor Stephen Shing and seconded:

*Delete paragraph 2.53 of the Cabinet's report and replace with:-*

*(1) approve, in principle, the draft Council Plan at Appendix 6 and authorise the Chief Executive to finalise the Plan in consultation with the relevant Lead Members;*

*(2) approve the net Revenue Budget estimates totalling £371.3m for 2018/19 as set out in Appendices 4 (Medium Term Financial Plan) and 5 (Budget Summary) and authorise the Chief Operating Officer, in consultation with the Chief Finance Officer, Leader and Deputy Leader, to make adjustments to the presentation of the budget to reflect the final settlement and budget decisions with the following amendments*

*1.Reinstate savings proposed for the Stroke Association - £79,000*

*2.Reinstate savings proposed to ensure one library from either Willingdon or Polegate remains open - £72,000*

*Total of proposed revenue amendments - £151,000*

*To be funded by:*

*3.Reduce general contingency from 1% to 0.96% (rounded) of net revenue budget excluding Treasury Management (with an increase of £453,000 in general fund from unallocated reserves to maintain robustness of the budget) - £151,000*

*Total of proposed revenue funding amendments - £151,000*

*(3) in accordance with the Local Government Finance Act 1992 to agree that:*

*(iii) the net budget requirement is £371.3m and the amount calculated by East Sussex County Council as its council tax requirement (see Appendix 6) for the year 2018/19 is £276.7m*

*(iv) the amount calculated by East Sussex County Council as the basic amount of its council tax (i.e. for a band D property) for the year 2018/19 is £1,393.11 and represents a 5.99% (3% of which relates to the Adult Social Care precept) increase on the previous year;*

*(4) advise the District and Borough Councils of the relevant amounts payable and council tax in other bands in line with the regulations and to issue precepts accordingly in accordance with an agreed schedule of instalments as set out at Appendix 9;*

*(5) approve the fees and charges set out in Appendix 8 and delegate authority to the Chief Finance Officer to approve an increase to all other fees and charges by up to 2%;*

*(6) approve the Capital Programme for 2017 – 2023 as set out at Appendix 10;*

*(7) note the Medium Term Financial Plan forecast for the period 2018/19 to 2020/21 as set out in Appendix 4; and*

*(8) note the comments of the Chief Finance Officer on budget risks and robustness as set out in Appendix 11;*

*(9) note the comments from the engagement exercises as set out in Appendix 12; and*

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*(10) delegate authority to the Chief Finance Officer to set fees and charges for 2019/20 onwards and to report to Cabinet and County Council on those set at a level above inflation as part of the quarterly monitoring.*

52.12 A recorded vote on Councillor Stephen Shing's's amendment was taken. The amendment was LOST, the votes being cast as follows:

### FOR THE AMENDMENT

Councillors Philip Daniel, Field, Grover, Lambert, O'Keeffe, Rodohan, Daniel Shing, Stephen Shing, Shuttleworth, Swansborough, Tutt, Ungar and Wallis

### AGAINST THE AMENDMENT

Councillors Barnes, Beaver, Belsey, Bennett, Bentley, Boorman, Bowdler, Charles Clark, Martin Clarke, Davies, Chris Dowling, Claire Dowling, Earl, Elford, Elkin, Enever, Ensor, Fox, Galley, Glazier, Liddiard, Loe, Maynard, Pragnell, Sheppard, Simmons, Smith, Standley, Stogdon, Taylor, Tidy, and Whetstone

### ABSTENTIONS

Councillors Charman, Godfrey Daniel, Scott and Webb

52.13 The following amendment was moved by Councillor O'Keeffe and seconded:

*Delete paragraph 2.53 of the Cabinet's report and replace with:-*

*(1) approve, in principle, the draft Council Plan at Appendix 6 and authorise the Chief Executive to finalise the Plan in consultation with the relevant Lead Members;*

*(2) approve the net Revenue Budget estimates totalling £371.3m for 2018/19 as set out in Appendices 4 (Medium Term Financial Plan) and 5 (Budget Summary) and authorise the Chief Operating Officer, in consultation with the Chief Finance Officer, Leader and Deputy Leader, to make adjustments to the presentation of the budget to reflect the final settlement and budget decisions with the following amendments*

- 1. Reinstate savings proposed for Older People Services: Review of Milton Grange and Firwood House Intermediate Care Services - £1,232,000*
- 2. Reinstate savings proposed for Assessment & Care Management - £958,000*
- 3. Reinstate savings proposed for Supporting People: Accommodation and Building Services - £600,000*
- 4. Reinstate savings proposed for Carers - £422,000*
- 5. Reinstate savings proposed for the Stroke Association - £79,000*
- 6. Reinstate savings proposed for Early Help (noting that the target for 2018/19 was to be temporarily mitigated from reserves) - £561,000*
- 7. Reinstate savings proposed for Home to School Transport - £567,000*
- 8. Partially reinstate savings proposed for closure of seven libraries - £350,000*

*Total of proposed revenue amendments - £4,769,000*

*To be funded by:*

- 9. Reduce Venue Hire budgets - £95,000*
- 10. Reduce general contingency from 1% to 0.8% of net revenue budget excluding Treasury Management (with an increase of £2.1m in general fund from unallocated reserves to maintain robustness of the budget) - £700,000*
- 11. Reduce Business Services/Orbis budget - £200,000*
- 12. Reduce Property Maintenance budget - £50,000*
- 13. Reduce Communications budget - £500,000*

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14. Reduce Senior Management & Organisational Development (SMOD) operational budget - £87,700
15. Reduce Senior Management & Organisational Development (SMOD) external legal services budget - £50,000
16. Remove Core Maintenance budget and replace with Parking Surplus - £150,000
17. Reduce budget for Waste - £300,000
18. Reduce Cultural Strategy budget - £40,000
19. Reduce revenue contribution to capital from £4.0m to £2.9m - £1,091,700
20. Less increased cost of borrowing for reducing revenue contribution to capital - (£195,400)
21. Use annuity method to calculate the Minimum Revenue Provision - £1,600,000
22. Set target income for impact of new short term investment strategy - £100,000

*Total of proposed revenue funding amendments - £4,769,000*

23. Additionally, to ring-fence £1.0m from the Priority Outcomes & Transformation Reserve to fund a transformation and restructuring programme.

*(3) in accordance with the Local Government Finance Act 1992 to agree that:*

- (v) the net budget requirement is £371.3m and the amount calculated by East Sussex County Council as its council tax requirement (see Appendix 6) for the year 2018/19 is £276.7m*
- (vi) the amount calculated by East Sussex County Council as the basic amount of its council tax (i.e. for a band D property) for the year 2018/19 is £1,393.11 and represents a 5.99% (3% of which relates to the Adult Social Care precept) increase on the previous year;*

*(4) advise the District and Borough Councils of the relevant amounts payable and council tax in other bands in line with the regulations and to issue precepts accordingly in accordance with an agreed schedule of instalments as set out at Appendix 9;*

*(5) approve the fees and charges set out in Appendix 8 and delegate authority to the Chief Finance Officer to approve an increase to all other fees and charges by up to 2%;*

*(6) approve the Capital Programme for 2017 – 2023 as set out at Appendix 10;*

*(7) note the Medium Term Financial Plan forecast for the period 2018/19 to 2020/21 as set out in Appendix 4; and*

*(8) note the comments of the Chief Finance Officer on budget risks and robustness as set out in Appendix 11;*

*(9) note the comments from the engagement exercises as set out in Appendix 12; and*

*(10) delegate authority to the Chief Finance Officer to set fees and charges for 2019/20 onwards and to report to Cabinet and County Council on those set at a level above inflation as part of the quarterly monitoring.*

52.14 A recorded vote was taken on Councillor O'Keeffe's amendment. The amendment was LOST, the votes being cast as follows:

### FOR THE AMENDMENT

Councillors Charles Clark, Philip Daniel, Earl, Field, Grover, Lambert, O'Keeffe, Rodohan, Daniel Shing, Stephen Shing, Shuttleworth, Swansborough, Tutt, Ungar and Wallis

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### AGAINST THE AMENDMENT

Councillors Barnes, Beaver, Belsey, Bennett, Bentley, Boorman, Bowdler, Martin Clarke, Davies, Chris Dowling, Claire Dowling, Elford, Elkin, Enever, Ensor, Fox, Galley, Glazier, Liddiard, Loe, Maynard, Pragnell, Sheppard, Simmons, Smith, Standley, Stogdon, Taylor, Tidy, and Whetstone

### ABSTENTIONS

Councillors Charman, Godfrey Daniel, Scott and Webb

52.15 The following motion was moved by Councillor Elkin to adopted paragraph 2 of the Cabinet report:

*(1) approve, in principle, the draft Council Plan at Appendix 6 and authorise the Chief Executive to finalise the Plan in consultation with the relevant Lead Members;*

*(2) approve the net Revenue Budget estimates totalling £371.3m for 2018/19 as set out in Appendices 4 (Medium Term Financial Plan) and 5 (Budget Summary) and authorise the Chief Operating Officer, in consultation with the Chief Finance Officer, Leader and Deputy Leader, to make adjustments to the presentation of the budget to reflect the final settlement and budget decisions;*

*(3) in accordance with the Local Government Finance Act 1992 to agree that:*

- (i) the net budget requirement is £371.3m and the amount calculated by East Sussex County Council as its council tax requirement (see Appendix 9) for the year 2018/19 is £276.7m;*
- (ii) the amount calculated by East Sussex County Council as the basic amount of its council tax (i.e. for a band D property) for the year 2018/19 is £1,393.11 and represents a 5.99% (3% of which relates to the Adult Social Care precept) increase on the previous year;*

*(4) advise the District and Borough Councils of the relevant amounts payable and council tax in other bands in line with the regulations and to issue precepts accordingly in accordance with an agreed schedule of instalments as set out at Appendix 9*

*(5) approve the fees and charges set out in Appendix 8 and delegate authority to the Chief Finance Officer to approve an increase to all other fees and charges by up to 2%;*

*(6) approve the Capital Programme for 2017 – 2023 as set out at Appendix 10;*

*(7) note the Medium Term Financial Plan forecast for the period 2018/19 to 2020/21 as set out in Appendix 4; and*

*(8) note the comments of the Chief Finance Officer on budget risks and robustness as set out in Appendix 11;*

*(9) note the comments from the engagement exercises as set out in Appendix 12; and*

*(10) delegate authority to the Chief Finance Officer to set fees and charges for 2019/20 onwards and to report to Cabinet and County Council on those set at a level above inflation as part of the quarterly monitoring*

52.16 A recorded vote on Councillor Elkin's motion was taken. The motion was CARRIED with the votes being cast as follows:

### FOR THE MOTION

Councillors Barnes, Beaver, Belsey, Bennett, Bentley, Boorman, Bowdler, Martin Clarke, Davies, Chris Dowling, Claire Dowling, Earl, Elford, Elkin, Enever, Ensor, Fox, Galley, Glazier, Liddiard, Loe, Maynard, Pragnell, Sheppard, Simmons, Smith, Standley, Stogdon, Taylor, Tidy, and Whetstone

### AGAINST THE MOTION

Councillors Charman, Charles Clark, Godfrey Daniel, Philip Daniel, Field, Grover, Lambert, O'Keeffe, Rodohan, Scott, Daniel Shing, Stephen Shing, Shuttleworth, Swansborough, Tutt, Ungar, Wallis and Webb

### ABSTENTIONS

None

## **53 Report of the Lead Member for Transport and Environment**

53.1 Councillor Bennett moved the reserved paragraph in the report of the Lead Member for Transport and Environment.

53.2 The following amendment moved by Councillor Philip Daniel and seconded was LOST:

(1) (delete) ~~not to agree the Notice of Motion as set out in paragraph 1.1; and~~

(insert) The County Council to note –

- The damage done to many smaller roads, especially in villages and rural areas, by Heavy Goods Vehicles (HGVs) using roads that are too small for them;
- The work done by the Local Government Association to highlight this problem; and
- That HGV (lorry) satellite navigation systems (sat-navs) are similar to normal car sat-navs but with the inclusion of bridge heights, narrow roads, and roads unsuitable for HGVs;
- That, in addition, HGV sat-navs allow the driver to enter the lorry's dimensions – height, width, length, weight and load – so that the HGV is guided only along suitable roads.

This Council calls for:

- (1) the Government to legislate so all HGVs and large vehicles install suitable sat-navs designed for lorries; and
- (2) The Chief Executive to write to the Secretary of State for Transport to support the mandatory use of suitable sat-navs designed for lorries

~~(delete) (2) to agree that the Lead Member, in consultation with the Director of Communities, Economy and Transport and the Motion's proposer, writes on behalf of the County Council to the Secretary of State for Transport to highlight the issues and impacts that local authorities and local communities in our rural areas are facing as a result of the damage caused by HGVs to our minor road network~~

53.3 The following motion was moved by Councillor Bennett and CARRIED:

(1) not to agree the Notice of Motion as set out in paragraph 1.1 of the report; and

(2) to agree that the Lead Member, in consultation with the Director of Communities, Economy and Transport and the Motion's proposer, writes on behalf of the County Council to the Secretary of State for Transport to highlight the issues and impacts that local authorities and local communities in our rural areas are facing as a result of the damage caused by HGVs to our minor road network

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### 54 Questions from County Councillors

54.1 The following members asked questions of the Lead Cabinet Members indicated and they responded:

Questioner	Respondent	Subject
Councillor Ungar	Councillor Maynard	Figures regarding delayed discharge from hospital for adult social care reasons
Councillor Field	Councillor Bennett	Action taken by the drivers of gritting vehicles when passing cyclists
Councillor Field	Councillor Bennett	Action to be taken to reduce the use of single use plastic and cardboard cups and plans to promote the use of reusable cups
Councillor Webb	Councillor Bentley	Appointment of Armed Forces Champion
Councillor Stephen Shing	Councillor Bennett	Damage to grass verges by vehicles
Councillor Whetstone	Councillor Bennett	Disposal of cardboard cups

### WRITTEN QUESTIONS PURSUANT TO STANDING ORDER 44

54.2 There were no written questions from Councillors.

THE CHAIRMAN DECLARED THE MEETING CLOSED AT 2.45 pm

The reports referred to are included in the minute book

## QUESTION FROM MEMBERS OF THE PUBLIC

### **1. Question from Esme Needham, Hastings, East Sussex**

The World Bank has recently announced that it will stop investing in oil and gas projects from 1 April 2018. Likewise, Norway's central bank – which manages the country's \$1 trillion Sovereign Wealth Fund – has recently announced that it will be ditching its holdings in oil and gas, and New York City's five pension funds – with \$189 billion of assets – will be divesting from fossil fuels over the next five years. Given these developments, will the East Sussex Pension Fund review its current policy of "engagement" with the likes of Shell, Exxon and BP, and follow the lead being set by New York City?

#### **Response by the Chair of the Pension Committee**

The East Sussex Pension Committee reviewed its Investments Beliefs document at its last quarterly meeting, on 27 November 2017. It amended its first belief to read: 'Climate change presents a financial risk to the future investment returns from the East Sussex Fund. However, the impacts of climate change on the returns from the Fund in the future are unknown and the Fund will continue to monitor the risk associated with investment in fossil fuels'.

The Pension Committee continually keeps under review its policy on Environmental, Social and Governance (ESG) and this is included in the Investment Strategy Statement (ISS) which will be reviewed at its next quarterly meeting on 26 February. The Fund will continue to engage with the investment fund managers, through its ownership of assets and will continue to receive support via the LAPFF

### **2. Question from Peter Newell, Lewes, East Sussex**

Is the Pension Committee aware of the recently-launched Lofoten Declaration – signed by over 220 organisations from 55 countries – which recognises 'the need for immediate and ambitious action to stop exploration and expansion of fossil fuel projects and manage the decline of existing production in line with what is necessary to achieve the Paris climate goals'?

#### **Response by the Chair of the Pension Committee**

The East Sussex Pension Committee welcomes the Lofoten Declaration to raise awareness of the need to manage the decline of existing production in line with what is necessary to achieve the Paris climate goals.

### **3. Question from Zuher Panju, Stoke Association, East Sussex**

Will there be any services available for stroke survivors that are accessible to local residents and that will have a stroke focus in place of the Stroke Association if the budget proposals are agreed by the Council?

#### **Response by the Lead Member for Adult Social Care and Health**

The proposed cuts by the County Council are 50% of the total funding to the current service provided by the Stroke Association's Stroke Recovery Service. The three

Clinical Commissioning Groups (CCGs) in East Sussex fund the other 50% of the service. This means that whilst the service may be reduced there will still be voluntary sector stroke specific services available to stroke survivors and their carers.

No final decision about the funding of this service will be made until a consultation has taken place. As part of this consultation process, which will be undertaken jointly with the CCGs, we will identify which elements of the current service have the greatest impact so that these are maintained as part of a reduced service. We are also asking stroke survivors and their carers to tell us about other services which they know about that provide stroke-specific services and this will help inform our Equality Impact Assessment.

In addition both East Sussex Healthcare Trust and Sussex Community Foundation Trust provide stroke rehabilitation services in the community. Stroke rehabilitation beds are commissioned at Bexhill Irvine Unit and Sussex Rehabilitation Centre. The County Council also, subject to eligibility, supports stroke survivors and their carers through care packages and Direct Payments.

There are also a number of commissioned and non-commissioned services for all people needing help in East Sussex that can provide information and support services to stroke survivors and their carers.

#### **4. Question from Maria Litchfield, Stroke Association, East Sussex**

What is the rationale for cutting funding to the Stroke Association service which only 1 year ago gained a new contract because it was deemed to be delivering positive outcomes for stroke survivors?

#### **Response by the Lead Member for Adult Social Care and Health**

The County Council is fully committed to doing the very best it can to support and protect vulnerable people, but the hard truth is we have to do that with falling funding and rising demand. After several years of budget reductions we are therefore faced with difficult choices and have to prioritise funding for services that enable us to meet our statutory duties to those with critical and substantial care needs. As a consequence we have no alternative but to consider reductions in the funding of preventative provision, including highly valued services such as those provided by the Stroke Association.

If the County Council does agree to seek savings in this area, we will consult all those affected by the proposal before any final decision is made to make changes to these services. We will also work with the Stroke Association, if the final decision is to remove funding, to ensure the remaining NHS resources are focused on those areas which will most benefit people that need support.

#### **5. Question from Dirk Campbell, Lewes, East Sussex**

On 5 December 2017 Councillor Stogdon stated that 'there is no local authority pension fund in this country which has adopted the policy which the questioner suggests (i.e. divesting from fossil fuels) and for very good reason.' In fact both Waltham Forest and Southwark pension funds have publicly committed to divesting from fossil fuels. What is the Pension Committee's position in the light of this fact?

### **Response by the Chair of the Pension Committee**

The Pension Committee's fiduciary duty will always be to ensure that it has sufficient funds available to pay pensions when they fall due.

The East Sussex Fund is a member of LAPFF and receives regular reports and advice from them. The advice from LAPFF and also from the leading ESG policy maker within the LGPS, the Environment Agency Pension Fund, is not to divest from fossil fuel investments but to engage with companies.

The Fund does not comment on the investment decision of others

### **6. Question from Emma Richardson, Stroke Association East Sussex**

How will you ensure that hard to reach groups/ individuals with communication difficulties are truly heard in the consultation regarding Adult Social Care savings proposals?

### **Response by the Lead Member for Adult Social Care and Health**

The stroke specific part of the consultation survey is being designed using aphasia guidelines to ensure this is as accessible as possible. The survey will be posted to all current clients of the Stroke Recovery Service and clients will be offered help to complete this by the Stroke Association. We are also encouraging individuals to submit films or other forms of media if they do not wish to complete the survey.

In addition we are holding three consultation events in East Sussex which are specifically for stroke survivors and their carers and we are working with the Stroke Association to ensure these are accessible. At these events, Stroke survivors and their carers will have the opportunity to complete the survey and there will be additional support available if required.

### **7. Question from Julia Hilton, Hastings, East Sussex**

According to an addition to the minutes of the September 2017 Pension Committee, agreed at last November's Pension Committee meeting, the Committee agreed to 'request that Hymans Robertson provide a report on whether there is a viable low carbon equity fund that could achieve the same or better rate of return compared to other passively managed equity funds.' When will this report be presented to the Pension Committee, and, when it is, will its contents be made public?

### **Response by the Chair of the Pension Committee**

The Hymans Robertson paper on "Proposed equity allocations" was presented at the 27 November 2017 committee meeting, this included a section on low carbon equity funds, and the East Sussex Pension Fund approved the investment of a 5% allocation to UBS Climate Aware World Equity fund. The Committee has also commissioned a report to measure the Fund's carbon footprint. The provider for this measurement service will be Trucost and they will present to the next meeting of the Committee on 26 February.

## 8. Question from Fran Witt, Lewes, East Sussex

In answer to a supplementary question from the public on 5 December 2017, Councillor Stogdon refused to acknowledge that, were the East Sussex Pension Fund to divest from fossil fuels it 'would not be alone in doing so'. Indeed, Cllr Stogdon replied that 'the answer to this question is no fundamentally.'

How does Cllr Stogdon reconcile this response with the following list of institutions, all of which have made public commitments to fully divest from fossil fuels:

ALTIS, Alta Scuola Impresa e Società dell'Università Cattolica del Sacro Cuore, APRA/AMCOS, Abdij OLV van Nazareth, Abracadabra Retirement Fund, Abramowitz-Silverman Fund, Access Strategies Fund, Alingsås Government, All Souls Unitarian Universalist Church, Alleycat Super Fund, Alternative Bank Schweiz, American Ethical Union, American Public Health Association, Anderson Peters Super Fund, Anglican Church of Aotearoa, Anglican Diocese of Auckland, Anglican Diocese of Canberra and Goulburn, Anglican Diocese of Dunedin, Anglican Diocese of Melbourne, Anglican Diocese of Montreal, Anglican Diocese of Nova Scotia and PEI, Anglican Diocese of Perth, Anglican Diocese of Waiapu, Anglican Diocese of Waikato and Taranaki, Anglican Diocese of Wellington, Anglican Diocese of Ottawa, Archdiocese of Cape Town, Aria Foundation, The Arkay Foundation, Auckland Council, Australian Academy of Science, Australian Capital Territory, Australian Ethical, Australian Guild of Screen Composers, Australian Jesuit Province, Australian Religious Response to Climate Change (ARRCC), Ballina Shire Council, Banyule City Council, Barnegat Monthly Meeting, Barnett Super Wealthy Fund, Barry Family Super Fund, Bass Coast Shire, Bathurst Street United Church, Ben & Jerry's Foundation, Bendigo and Adelaide Bank Limited, The Betsy and Jesse Fink Foundation, Bewegungsstiftung, Bioregional, The Blumenthal Foundation, Booth Super Fund, Bordeaux, Bordeaux Métropole, Boston Church of the Covenant, MA, Both ENDS Foundation, Bournemouth University, Brevard College, Brighthelm Church and Community Centre, Brinstones Super, Bristol Quaker Area Meeting, British Medical Association, Broederlijk Delen, The Bullitt Foundation, Byron Shire Council, California Academy of Sciences, California Institute of the Arts, Canadian Medical Association, Canadian Unitarian Council (national), ON, Cardiff Metropolitan University, Catherine Donnelly Foundation, Catholic Action for Animals, Catholic Welfare and Development, Cecily Dignan Superannuation Fund, Center for Action and Contemplation, The Center for Humans & Nature, Center for International Environmental Law, Central Philadelphia Monthly Meeting of the Religious Society of Friends, Chalmers University of Technology, Chicago Medical Society, Chico State University, Children's Investment Fund Foundation, Chilterns Quaker Area Meeting, Chino Cienga Foundation, The Chorus Foundation, Christensen Foundation, Church of Sweden, Church of the Covenant, Presbytery of Boston, MA, Church of the Redeemer, Diocese of Newark, NJ, Citizens for Public Justice, City Council of Eindhoven, City of Albury, City of Amherst, MA, City of Ann Arbor, MI, City of Armadale, City of Ashland, OR, City of Ballarat, City of Bayfield, WI, City of Belfast, ME, City of Berkeley, CA, City of Berlin, City of Borås, City of Boulder, CO, City of Boxtel, City of Brisbane, CA, City of Cambridge, MA, City of Concord, MA, City of Copenhagen, City of Corvallis, OR, City of Dunedin, City of Eugene, OR, City of Framingham, MA, City of Fremantle, City of Frouzins, City of Great Barrington, MA, City of Göttingen, City of Hellemes, City of Ithaca, NY, City of Leichhardt, City of Lille, City of Lismore, City of Madison, WI, City of Malmö, City of Marrickville, City of Melbourne, City of Melville, City of Minneapolis, MN, City of Moreland, City of New London, CT, City of Newcastle, City of Northampton, MA, City of Oakland, CA, City of Odense, City of Oxford, City of Palo Alto, CA, City of Paris,

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City of Portland, OR, City of Provincetown, MA, City of Ravoire, City of Richmond, CA, City of San Francisco, CA, City of San Luis Obispo, CA, City of Santa Fe, NM, City of Santa Monica, CA, City of Seattle, WA, City of Stirling, City of Stockholm, City of Strömstad, City of Sudbury, MA, City of Swan, City of Sydney, City of Truro, MA, City of Uppsala, City of Venissieux, City of Vincent, City of Wodonga, City of la Rochelle, City of Örebro, City of Östersund, City of Savenay, Clean Water Action, Climate Action Network Australia, Climate Stewards, College of the Atlantic, College of the Marshall Islands, Colorado Ratnashri Sangha, Comart Foundation, Community Friends Quaker Meeting in Cincinnati, OH, Community Impact Foundation, Compton Foundation, Conservation Breeding Specialist Group, The Council of Canadians, Council of Progressive Rabbis of Australia, Asia, and New Zealand, Country of Ireland, County council of Loiret, Dane County, WI, Darwin Superannuation Fund, Davara Super Fund, David Suzuki Foundation, Decco Superannuation Fund, Departmental council of Essonne, Desmond & Leah Tutu Legacy Foundation, Diakonia, Diocese of Assisi, Diocese of Caserta, Diocese of Gubbio, District of Columbia Retirement Board, Ditton's Super Fund, Dobra Super Fund, Doctors for the Environment Australia, Dover Friends Meeting, ESF College Foundation, Inc., Earth Super Fund, The Earth Welfare Foundation, Earthjustice, Earthsong, Eastminster United Church, Eastside Audobon Society, Ecotrust, Ecumenical Ministries of Oregon, The Educational Foundation of America, Edward W. Hazen Foundation, Edwards Mother Earth Foundation, English Family Foundation, Environment America, Environmental and Energy Study Institute, Episcopal City Mission, Boston, Massachusetts, Episcopal Conference of Belgium, Episcopal Diocese of California, Episcopal Diocese of Los Angeles, CA, Episcopal Diocese of Massachusetts, Episcopal Diocese of Nebraska, Episcopal Diocese of Olympia, Episcopal Diocese of Western Massachusetts, Evangelical Lutheran Church in America, Evangelical Lutheran Church of Oregon, Federal State of Bremen, First Congregational Church in Amherst, MA, First Parish Church UU, MA, First Parish Unitarian Universalist Church in Cambridge, MA, First Parish in Concord, UU, MA, First Parish in Hingham, Unitarian Universalist - Old Ship Church, MA, First Presbyterian Church, Tallahassee, FL, First Presbyterian Palo Alto, CA, First Religious Society of Newburyport, MA, First Unitarian Church of Des Moines, IA, First Unitarian Church of Pittsfield, ME, First Unitarian Church of Rochester, NY, First Unitarian Church of Victoria, First Unitarian Church, Ottawa, ON, First Unitarian Congregation of Ottawa, First Unitarian Society of Milwaukee, WI, First Unitarian Toronto, ON, First district of the city of Lyon, Flame Tree Super Fund, Flou Flou Super Fund, Follen Community Church UU, MA, Fondation Charles Leopold Mayer, Foothill-De Anza Community College, Forsythia Foundation, Franciscan Sisters of Mary, Frederick Mulder Foundation, Friends Fiduciary Corporation, Friends World Committee for Consultation, Friends of the Earth, Funeral Consumers Alliance of Maine, Future Super, GLS Treuhand, Garfield Foundation, Gasthuiszusters Augustinessen van Leuven, General Service Foundation, Gibson and McGregor Super Fund, Gironde department, Gloucester Shire Council, Goldman Environmental Foundation, Good Vibrations Super, Graeme Wood Foundation, Granary Foundation, Great Old Broads for Wilderness, Green Mountain College, Greenaccord onlus, Gross and Watts Super Fund, Guardian Media Group, H Green Superannuation Fund, HCF, Hampshire College, The Hanley Foundation, Haverford Friends Meeting, Haydon Family Super Fun Pension Fund, Health Care Without Harm, Hidden Leaf Foundation, High Street Baptist Church, Tring, Huddersfield Quakers, Hull Family Foundation, The Hunt Foundation, Hunter Hall Investment Management, Ian Somerhalder Foundation, Il Dialogo, Ipswich and Diss Chilterns Area Meeting, Island Institute, The JJ Charitable Trust, JMG Foundation, The Jacob & Valeria Langeloth Foundation, Jacobs Robinson Super Fund, Jalana Super Fund, Jamaica Plain Unitarian Universalist, NY, Janelia Foundation, Jenifer Altman

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Foundation, Jennie Di Blasi Super Fund, Jessie Smith Noyes Foundation, Jim and Patty Rouse Foundation, The Joffe Charitable Trust, John & Marcia Goldman Foundation, John Merck Fund, Joseph Rowntree Charitable Trust, Jubitz Family Foundation, KL Felicitas Foundation, KR Foundation, Kansas City, MO, Kendal and Sedbergh Quaker Area Meeting, Kerr Ratcliffe Super, Kestrelman Trust, Kommunal Landspensjonskasse (KLP), Kuhn's Gold Super, La Trobe University, Laird Norton Family Foundation, Lake Country Unitarian Universalist Church, WI, Lancashire Central and North Quaker Area Meeting, Lansdowne Monthly Meeting, Laughing Gull Foundation, Laval University, Le Mans city, League of Conservation Voters, Leeds Quaker Area Meeting, Lega Consumatori, Legambiente Reggio Emilia, Lehigh Valley Monthly Meeting, Leicester Quaker Area Meeting, Lemelson Foundation, The Leonard and Sophie Davis Fund, The Libra Foundation, London Borough of Southwark Pension Fund, Lookout Foundation, Lutheran World Federation, Lydia B. Stokes Foundation, M & N West Pension Fund, MASCI, MASCI Umbria, MGR Foundation, Macedon Ranges Shire Council, Madden Sainsbury Foundation, Madirryny Foundation, Maine Council of Churches, ME, Malbird Super Fund, Manchester Metropolitan University, Maree Kordonsky Super, Marist Sisters Australia, The Mark Leonard Trust, Mary Babcock Foundation, Massachusetts United Church of Christ, McKenzie River Gathering Foundation, McKinnon Family Fund, McKinnon Super Fund, Medford Friends Meeting, Medibank, Melbourne Unitarian Church, Mennen Foundation, Mercedarian Missionaries of Berriz, Merck Family Fund, Metropolitan New York Synod, Evangelical Lutheran Church in America, Meyer Family Enterprises, Miami Monthly Friends (Quaker), Miami Quarterly Friends (Quaker), Mid Somerset Quaker Area Meeting, Mid Thames Quaker Area Meeting, Millamac Super Fund, Missionarissen van Scheut, Mize Family Foundation, Montreal Quakers, Montreuil, Moomintroll Super Fund, Morning Star Foundation, Mount Alexander Shire Council, Mount Holly, New Jersey, Mullum Trust, Multnomah County, OR, NUI Galloway, Naropa University, National Ethical Service, National Peace Corps Association, National Synod of Scotland, National Tertiary Education Union, National University of Ireland Galway, Natural Resources Defense Council, Neranie Super Fund, Network Rechtvaardigheid en Vrede - Eckerk, Nevada Super Fund, New England Biolabs Foundation, New Priorities Foundation, New York City Employees Retirement System, New York Conference of The United Methodist Church, New York Quarterly Meeting, Newcastle University, Newman University, Newtown Monthly Quaker Meeting, PA, Nia Community Fund, Norfolk and Waveney Quaker Area Meeting, Norman Foundation, North Star Fund, Northeast Wilderness Trust, Northern Yearly Meeting – Quakers in the Upper Midwest, Northland College, Norway Unitarian Universalist Church Maine, Nottingham Trent University, Noya Fields Family Charitable Funds, Ohio Valley Yearly Meeting, Society of Friends (Quakers), OH, Oikocredit Belgium, Old Haverford Monthly Meeting, Oregon Metro, Oregon State University, The Overbrook Foundation, Oxford Brookes University, Pace Foundation, Pacific Northwest Conference of The United Methodist Church, Pacific School of Religion, The Palette Fund, Panahpur, Park Foundation, NY, Pax Christi Vlaanderen, Pax Fund, Peralta Community College District, Perpetual Ocean Super Fund, Phipps Conservatory and Botanical Gardens, Pi Investments, Pig Shed Trust, Pilgrim Lutheran Church, St. Paul, Pitzer College, Polden Puckham Charitable Foundation, Portsmouth South Church Unitarian Universalist, NH, Practice Greenhealth, Prentice Foundation, Presbyterian Church of New Zealand, Presbyterian Peace Fellowship, NY, Presentation Sisters, North East Province, Presentation Sisters, Queensland, Presentation Sisters, South West Unit, Presentation Sisters, Wagga Wagga, Protestant Church Hessen-Nassau, Provincial of The Passionists – Holy Spirit Province Australia, NZ, PNG, Put Your Money Where Your Meaning Is Community (Pymwymic), Quakers Religious Society of Friends, Quakers in Britain, Queen Margaret University, Queen Mary University London, Queens University

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Belfast, Queensland University of Technology, Quixote Foundation, ROS Super Fund, RS Group, Randwick City Council, Reading Borough Council, Red Argentina de Laicos (RELAI), Regional Council Ile de France, Regional Council Rhône Alpes, Regional council Burgundy, Regional council of Champagne-Ardenne, Regional council of Poitou-Charente, Rennes, Rete Interdiocesana Nuovi Stili di Vita, Rhode Island School of Design, Richmond Valley Council, Riverside Church, Robert Treat Paine Association, Rockefeller Brothers Fund, Rose Foundation for Communities and the Environment, Roskilde Municipality, Ross Knowles Super Fund, Royal Australasian College of Physicians, Rubblestone Foundation, Rusbourne Private Superannuation Fund, Russell Family Foundation, SOAS, University of London, SUJAY Superannuation Fund, The SWF Immersion Foundation, Sacred Convent of Assisi, Sainsbury Ashden Trust, Saint Paul Area Synod – Evangelical Lutheran Church of America, Salvatorianen of Belgium, Samuel Rubin Foundation, Santa Clara Valley Water District, Santa Fe Art Institute, Scarboro Missions, ON, Schmidt Family Foundation, School Sisters of Notre Dame, Schott Fund, Scott Trust, Scottish United Reformed & Congregational College, ScouseMouse Super Fund, Seraphic Institute, Serve All Trust, Shalom Center, Shared Earth Foundation, Shire of Goomalling, Western Australia, Shugar Magic Foundation, Sierra Club, Sierra Club Foundation, Sierra Leone Young Christian Student movement, Siloe Monastic Community, Singing Field Foundation, Sisters of Loretto, Society for Community Work, First Unitarian Universalist Society of San Francisco, CA, Society of Friends, Canberra Regional Meeting, Society of the Sacred Heart, Sojourners, Solidago Foundation, Sollentuna Government, St Chad's Sutton Coldfield (Church of England), St Joseph's Province of the Congregation of the Passion, St Patrick's Missionary Society, Staples Trust, State College, PA, Sterling College, Stiftung Abendrot, Stockholm University, Strasbourg, Student Christian Movement, Students' Society of McGill University, SunCommon, Super Three Super Fund, Swedish University of Agricultural Sciences, Swift Foundation, Switzer Foundation, Sydney Buddhist Centre, Syracuse University, Taikura Super Fund, Teachers Retirement System of the City of New York, Tedworth Charitable Trust, Tellus Mater Foundation, The City of Capetown, The Diocese of Pescara, The Foundation of the University of Maine Presque Isle, The Grantham Foundation, The Italian Jesuits, The Mission Congregation of the Servants of the Holy Spirit, The New School, The New Zealand Tertiary, The Roddick Foundation, The Tin Dog Super, The Unitarian Church of Vancouver, The Welders, The Wheaton Franciscan Sisters, Daughters of the Sacred Hearts of Jesus and Mary, Thomas Jefferson Memorial Church, VA, Threshold Foundation, Town (City) of Fredericia, Town of Allonnes, Town of Ambérieu en Bugey, Town of Bassendean, Town of Cherbourg, Town of Colombes, Town of East Fremantle, Town of Pierrefitte sur Seine, Town of Saint Denis, Town of Saint Herblain, Town of Saint Maur des Fosse, Trenton Meeting, Trinitarian Congregational United Church of Christ, Warwick, Massachusetts, Trinity College Dublin, The University of Dublin, Trust Africa, Tubmanburg City Cooperation, Tweepers Super Fund, UNIFOR, UU Church of Boulder, CO, UU Congregation of Binghamton, NY, UUEstrie, Umeå University, Unfolding Futures Pty Ltd Superannuation Fund, Union Theological Seminary, New York City, Union of Concerned Scientists, Union of Sisters of the Presentation of the Blessed Virgin Mary Generalate, Unitarian Church of Calgary, Unitarian Church of Montreal, Unitarian Church of South Australia, Unitarian Fellowship of Northwest Toronto, Unitarian Fellowship of Peterborough, Unitarian Society of Northampton & Florence, MA, Unitarian Universalist Association, Unitarian Universalist Church of Palo Alto, CA, Unitarian Universalist Church, First Parish, Sherborn, Massachusetts, Unitarian Universalist Congregation of Castine, Maine, Unitarian Universalist Congregation of South County, RI, Unitarian Universalist Fellowship of Ames, Unitarian Universalist Fellowship of Corvallis, OR, Unitarian Universalist Society of Amherst, MA, Unitarian Universalist Society of Bangor, Maine,

Unitarian congregation of Niagara, United Church of Canada, United Church of Christ, Minnesota Conference, United Reformed Church of Scotland, Uniting Church of Australia Assembly, Uniting Church, New South Wales & ACT, Australia, Unity College, Unity Temple Unitarian Universalist Congregation, IL, Univeristy of Oregon Foundation, University of Abertay Dundee, University of Arts Bournemouth, University of Bedfordshire, University of Copenhagen, University of Dayton, University of East Anglia, University of Glasgow, University of Hawaii, University of Kent, University of Lincoln, University of Maryland, University of Massachusetts Foundation, University of Otago Foundation Trust, University of Sheffield, University of Southampton, University of St. Andrews, University of Surrey, University of Wales Trinity Saint David, University of Warwick, University of Worcester, University of the Arts London, Urban community of Cherbourg, Urban community of Hénin-Carvin, V. Kann Rasmussen Foundation, Vicariaat Vlaams-Brabant en Mechelen, Victoria University of Wellington, Vincent Wildlife Trust, WWF-UK, Wahcumba Super Fund, Wallace Global Fund, Waltham Forest Pension Fund, Warren Wilson College, Water Dragon Foundation, Waterloo Foundation, Welzijnzorg, Wermuth Family Office, Western Australian Local Government Association, Westtown Monthly Meeting, Westwood Unitarian Congregation, The Wilderness Society, Wimbledon Congregational Church, The Winslow Foundation, Wombat Super, Woodward Charitable Trust, World Council of Churches, World Medical Association, Zusters van Maria, Zusters van de Bermhertigheid, Östergötland Region?

### **Response by the Chair of the Pension Committee**

The Pension Committee's fiduciary duty will always be to ensure that it has sufficient funds available to pay pensions when they fall due.

The East Sussex Fund is a member of LAPFF and receives regular reports and advice from them. The advice from LAPFF and also from the leading ESG policy maker within the LGPS, the Environment Agency Pension Fund, is not to divest from fossil fuel investments but to engage with companies.

The Fund does not comment on the investment decision of others.

### **9. Question from Gabriel Carlyle, St. Leonards on Sea, East Sussex**

At 5 December 2017 Full Council meeting, the following facts were drawn to Councillor Stogdon's attention:

- 1) that, according to two recent reports by ShareAction, there is little or no evidence that Shell's board 'has grasped the growing pace of the low-carbon transition [or] its implications given directors' duties to protect shareholders' capital', and that Shell is 'not committed to a credible ... strategy' in line with a 2 degrees Celsius scenario;
- 2) that Shell's CEO has described the international community's commitment to limit global warming to well below 2 degrees Celsius, with an ambition for 1.5 degrees Celsius, as being in the "realm of the fantastic"; and
- 3) that Shell continues to be a member of several trade bodies that have taken obstructive positions on climate and energy policies (indeed, in 2016 it was estimated that Shell was spending at least \$22m a year on delaying and obstructing climate legislation – see <https://influencemap.org/report/Climate-Lobbying-by-the-Fossil-Fuel->

Sector)

Asked whether these facts actually made Shell ‘a prime candidate for divestment’, Cllr Stogdon replied, in toto, ‘Chair the answer is no.’

Given the above realities, and the fact that, according to the best available analysis ([http://2degreeseperation.com/reports/2D-of-separation\\_PRI-CTI\\_Summary-report.pdf](http://2degreeseperation.com/reports/2D-of-separation_PRI-CTI_Summary-report.pdf)), approximately 30 – 40% of Shell’s upstream capex expenditure will be unneeded – and therefore unprofitable – in a 2 degrees Celsius scenario, why does the Pension Committee not believe Shell to be a prime candidate for divestment?

**Response by the Chair of the Pension Committee**

The East Sussex Pension Committee agrees with the need to manage the decline of existing production in line with what is necessary to achieve the Paris climate goals’.

The Pension Committee’s fiduciary duty will always be to ensure that it has sufficient funds available to pay pensions when they fall due.

The Committee believes that the best way to achieve this is to engage with companies and as a member of LAPFF the committee receives regular reports and advice from them. The advice from LAPFF and also from the leading ESG policy maker within the LGPS, the Environment Agency Pension Fund, is not to divest from fossil fuel investments but to engage with companies.

**10. Question from Kim Golding, Stroke Association, East Sussex**

The meeting papers state: *A high level Equalities Impact Assessment (EqIA) of the revenue savings proposals has been undertaken and is set out in Appendix 7. Further EqIAs will be undertaken where appropriate before individual proposals are implemented* – What Equality impact assessment has been undertaken for stroke survivors in East Sussex in relation to the proposed funding reduction to the Stroke Association?

**Response by the Lead Member for Adult Social Care and Health**

If the County Council does agree to seek savings in this area, we will consult all those affected by the proposal before any final decision is made to make changes to these services. We will also undertake an Equalities Impact Assessment on the proposal. The outcome of the consultation and the Equalities Impact Assessment will then be considered as part of the decision making process.

**11. Question from Patricia Patterson-Vanegas, Forest Row, East Sussex**

I hear Councillor Stogdon asking for patience in his responses to the questions related to divestment from fossil fuels. I hear urgency in the questions asked to the County Council about divestment, given the fact that carbon contains financial risk and pensioners will pay the cost of any problems arising if the environmental lobby continues to gain momentum. I am always looking for ways forward.

Would it be possible for the ESCC to make a commitment to divestment by allocating a percentage of the fund to divestment as Southwark has done\*? It might even be

possible to develop a view to increasing this percentage over a period of time in order to reduce the risk to pension holders.

\* As a first step Southwark will move £150 million (10% of the total fund) into a [Blackrock Low Carbon Target Equity Fund](#). Southwark might be making this move in partnership with Hackney to help reduce management fees. Southwark is also looking at positive investment in Sustainable Infrastructure funds, including the Global Renewable Power Fund II (also by Blackrock) and Sustainable Opportunities (by Mercer).

### **Response by the Chair of the Pension Committee**

The Hymans Robertson paper on “Proposed equity allocations” presented at the 27 November 2017 committee meeting, included a section on low carbon equity funds, and the East Sussex Pension Fund approved the investment of a 5% allocation to UBS Climate Aware World Equity fund. The Committee has also commissioned a report to measure the Fund’s carbon footprint. The provider for this measurement service will be Trucost and they will present to the next meeting of the Committee on 26 February.

### **12. Question from Sarah Bray, Southdown Housing Association, Lewes, East Sussex**

How does the proposal to cut the funding for the Home Works service fit with the Council's responsibility under the Care Act to provide services that prevent, reduce and delay people's care needs becoming more serious, and does the Council fully appreciate the impact these cuts will have in terms of the number of safeguarding issues that will escalate without Home Works involvement, and how reducing the number of vulnerable people who are helped to secure stable housing and better manage their health and wellbeing will increase the number of people rough sleeping?

### **Response by the Lead Member for Adult Social Care and Health**

The County Council is fully committed to doing the very best it can to support and protect vulnerable people, but the hard truth is we have to do that with falling funding and rising demand. After several years of budget reductions we are therefore faced with difficult choices and have to prioritise funding for services that enable us to meet our statutory duties to those with critical and substantial care needs. As a consequence we have no alternative but to consider reductions in the funding of preventative provision, including highly valued services such as those provided by Southdown Housing Association.

If the County Council does agree to seek savings in this area, we will consult all those affected by the proposal before any final decision is made to make changes to these services. As part of this work we will consider how the remaining Supporting People funding can best be used to ensure the Council’s Care Act responsibilities are met, risks of safeguarding concerns are minimised and resources are focused on those areas which will most benefit people that need support.

### **13. Question from Richard Pike, Forest Row, East Sussex**

When a financial centre and city the size of New York, following the lead of Paris, Berlin, Sydney and Stockholm and, it is predicted, further US cities to follow, decides it cannot

continue to invest its pension funds in the fossil fuel industry, can the ESCC pension committee really justify continuing with an investment policy from a bygone age?

**Response by the Chair of the Pension Committee**

The Pension Committee's fiduciary duty will always be to ensure that it has sufficient funds available to pay pensions when they fall due.

The Fund does not comment on the investment decision of others

**14. Question from Nicholas Swift, Forest Row, East Sussex**

In light of the recent announcement by Lloyds of London, the world's oldest insurance market, that it will start to exclude coal from its investment strategy from 1 April 2018, and the fact that the East Sussex Pension Fund currently holds less than 0.09% of its current equity exposure in coal companies, will the East Sussex Pension Fund follow suit and make a commitment to excluding coal from its investment strategy from 1 April 2018?

**Response by the Chair of the Pension Committee**

The East Sussex Pension Committee agrees with the need to manage the decline of existing production in line with what is necessary to achieve the Paris climate goals'.

The Pension Committee's fiduciary duty will always be to ensure that it has sufficient funds available to pay pensions when they fall due.

The Committee believes that the best way to achieve this is to engage with companies and as a member of LAPFF the committee receives regular reports and advice from them. The advice from LAPFF and also from the leading ESG policy maker within the LGPS, the Environment Agency Pension Fund, is not to divest from fossil fuel investments but to engage with companies.

**15. Question from Tara Galloway, Stroke Association, East Sussex**

The Stroke Association's exercise programme sees patients independently walking by the end of its 10 week stroke specific course. In the absence of this course how will you ensure increased mobility for stroke survivors and prevention advice for further strokes?

**Response by the Lead Member for Adult Social Care and Health**

The proposed cuts by ESCC are 50% of the total funding to the current service provided by the Stroke Association's Stroke Recovery Service. The three Clinical Commissioning Groups in East Sussex fund the other 50% of the service.

No final decision about the funding of this service will be made until a consultation has taken place. As part of this consultation process which will be undertaken jointly with the CCGs, we will identify which elements of the current service have the greatest impact so that these are maintained as part of a reduced service. This will include specific questions in relation to the Stroke Association's exercise programme and the impact this has had on individuals. Until we have received all of those responses we are not

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able to re-model the future service and therefore cannot decide whether the exercise programme will continue in the future.

The Equality Impact Assessment will look at all elements of the service and assess what mitigations may be in place if elements of the service no longer exist.

We are also currently exploring the piloting of exercise classes for people with long term conditions. If the pilot goes ahead these classes would be accessible and available for stroke survivors.

### REPORT OF THE CABINET

The Cabinet met on 6 March 2018. Attendance:-

Councillor Glazier (Chair)

Councillors Bennett, Bentley, Elkin, Maynard, Simmons, Standley and Tidy

#### 1. Council Monitoring – Quarter Three 2017/18

1.1 The Cabinet has considered a report on performance against the Council Plan, Revenue Budget, Capital Programme, Savings Plan and risks for Quarter 3 2017/18. Broad progress against the Council's four strategic priority outcomes is summarised below and an overview of performance and finance data is provided in the Corporate Summary at Appendix 1. Strategic risks are reported at Appendix 7 and a detailed report for each department is provided in Appendices 2 to 6.

Council Plan 2017/18 amendments and variations

1.2 The Cabinet agreed that one performance measure be amended to reflect the latest position:

- Appendix 2 (see ref v) – 'Health and Social Care Connect – % of referrals triaged and progressed to required services within required timescales', target to be amended from 95% to 90% – increased demand means the current target is unachievable.

1.3 At quarter 3 the projected year-end overspend within service departments is £1.1m, this compares to the £2.4m projected overspend at quarter 2. This is the result of strategies and actions to reduce or mitigate the previously reported overspend. The main areas of overspend are:

- £0.5m, (previously £1.1m) Adult Social Care. The independent sector budget is still facing continued pressure on services which have been further mitigated in quarter 3 as a consequence of greater access to alternative funding such as Continuing Health Care, other local authorities accepting responsibility for meeting care needs and the collection of fees and charges exceeding previous prudent forecasts. Directly Provided Services and Assessment and Care Management continue to overspend due to slippage of savings and demand for the Integrated Community Equipment Service (ICES).
- £1.5m (previously £1.9m) in Children's Services. Mainly due to continued Looked after Children cost pressures combined with changes to the expected profile of Troubled Families Payment by Results claims. These pressures are partly offset by underspends in Education and ISEND due to the continuing impact of the strategies in place to reduce the cost and the number of placements in Independent Non-Maintained Schools; and cost reductions in Communication, Planning & Performance achieved through post 16 transport policy changes.

1.4 There is underspend of £0.8m (previously £0.6m) being reported across Communities, Economy and Transport; Business Services and Governance. This primarily reflects underspends of £0.4m in Waste due to lower tonnage collected and £0.4m within Business Services due to early achievement of savings.

1.5 There is a reported underspend in Treasury Management of £1.1m at quarter 3 (on line at quarter 2, although a likely underspend was reported at that time). This is mainly as a result of delayed capital expenditure in the previous year producing a lower Minimum Revenue Provision (MRP) charge and no additional borrowing required. Normal practice is to use this to reduce the borrowing requirement for the capital programme, but wider risks have been considered as part of the RPPR process. The Treasury Management underspend is being used to offset service overspend, and (should the position remain unchanged) this leaves the general contingency provision of £3.4m available to be transferred to reserves for use in future years, in line with the Reserves Policy.

1.6 Forecast Capital Programme spend for the year is projected to be £81.4m against a budget of £86.2m, a variation of £4.8m. This comprises slippage of £5.0m offset by spend in advance of £0.2m.

1.7 The movements are:

- Slippage of £2.8m on East Sussex Strategic Growth package. This is due to ongoing management of the wider LEP programme in order to maximise resources and complete delivery on other high strategic priority schemes.
- Slippage of £2.2m on Schools Basic Need – Hailsham primary. This amount is set aside to complete the land purchase for a new site to provide primary places in Hailsham through the expansion of Hailsham Community College which will become an all through school (for children aged 4-18). The site is provided as part of a housing development under a S106 agreement. There have been a number of planning issues relating to the land and the Council cannot proceed with the purchase of the land until all planning matters have been resolved, more information will be available in quarter 4.
- Spend in advance of £0.2m on LD Service Opportunities due to unforeseen building costs. A further review will therefore take place of LD opportunities that will look at managing programme options and costs.

1.8 The Strategic Risk Register, Appendix 7, has been reviewed and updated to reflect the Council's risk profile.

#### Progress against Council Priorities

##### Driving sustainable economic growth

1.9 As part of the new South East Business Boost Contract, £300,000 of grants have been awarded which will bring in over £850,000 in match funding. A programme of non-financial support will be provided to complement the grants, including workshops and 1:1s targeted at key sectors (Appendix 5).

1.10 56 road improvement schemes have been delivered in quarter 3 investing around £3.5m to maintain and improve the condition of the county's roads (Appendix 5).

1.11 There were 59 online training courses completed in our libraries in quarter 2, offering people help with topics such as IT, maths, English, and help to get online and use the internet (Appendix 5).

1.12 A £500,000 grant was secured for the South East Creative, Cultural and Digital Sector, which will allow grants and loans to be given to businesses in the creative industry over the next three years (Appendix 5).

1.13 The percentage point gap for attainment of disadvantaged children for 2016/17, at Key Stage 2, is 23. This is wider than the national gap of 20. The gap for Attainment 8 is 14.7; this is smaller than the outturn for Academic Year 15/16 of 15, although direct comparison cannot be made with data from the previous year. The gap is wider than the national average which has increased 0.5 percentage points to 12.8. Lack of progress for disadvantaged pupils is a particular problem in coastal areas due to: difficulties in recruiting good teachers; schools may have higher proportions of children whose families are unemployed and can have low aspirations for their children; and a higher concentration of disadvantaged white working-class pupils, who are often the lowest achievers in exams. The Department for Education's Hastings Opportunity Area is designed to address these problems and will be complemented by work across the county addressing the specific underperformance issues. (Appendix 4).

##### Keeping vulnerable people safe

1.14 61 organisations have joined the East Sussex Against Scams Partnership Charter and over 687 residents have participated in Friends Against Scams awareness sessions which should reduce the likelihood of them, or people they know or care for, becoming victims of fraud and scams (Appendix 2).

1.15 Over £600,000 has been secured in grants from National Energy Action and National Grid plc to enable eligible vulnerable people to benefit from significant home improvements to help them keep warm (Appendix 2).

1.16 The Annual Takeover Day took place on 24 November. Young people discussed personal and community resilience; giving their views on how they can contribute to a vibrant and resilient community. The event was attended by children from a diverse range of backgrounds: the Children in Care Council, children with disabilities, school councils and the Youth Cabinet. The young people identified projects for small grants for activities to improve health and social care; and gave their feedback on the Local Safeguarding Children's Board (LSCB) safeguarding strategy (Appendix 4).

#### Helping people help themselves

1.17 The Care Quality Commission (CQC) Local Area Review of Health and Social Care was undertaken in October/November 2017. The review findings were shared at a summit meeting with system leaders from across health and social care on 30 January 2018, just prior to publication of the final report. The report acknowledges the strength of our shared vision and purpose, and our focus on prevention and support for people to maintain their wellbeing. Ten areas for improvement are identified in the report, including further work to implement the High Impact Change Model, enhancing market capacity around nursing care and domiciliary care, and improved discharge processes. An action plan to address the areas for improvement identified within the report is being produced in partnership with health colleagues. The East Sussex Health and Wellbeing Board will sign off and oversee delivery of the action plan (Appendix 2).

1.18 There have been improvements in the measures outlined in the Improved Better Care Fund for Delayed Transfers of Care, permanent admissions to residential/nursing care, and older people still at home 91 days after discharge from hospital into reablement (Appendix 2).

1.19 One You East Sussex was officially launched in quarter 3, offering those who are struggling to make healthy lifestyle changes a bespoke support programme to help people lose weight, stop smoking, get active, drink less and eat a healthy diet (Appendix 2).

1.20 New Health and Wellbeing Community Hubs are due to be established in Hastings and Bexhill, helping local people and communities to improve and manage their health and wellbeing by giving them access to information, sign-posting and support in one convenient place (Appendix 2).

1.21 The East Sussex Better Together Alliance won the 'Improved Partnerships between Health and Local Government' award at the 2017 Health Service Journal Awards. The award recognises the hard work and commitment that has gone in to integrating health and care services in East Sussex (Appendix 2).

1.22 Beat the Street East Sussex, Public Health's evidence based mass participation physical activity initiative was shortlisted for the community impact award at the 2017 Sussex Sports Awards and for community event of the year in the Community Stars Awards (Appendix 2).

#### Making best use of resources

1.23 The Council's Stand Up For East Sussex campaign, which made the case for East Sussex's particular needs to be recognised, gathered almost 6,000 signatures and was delivered to the Prime Minister in December (Appendix 6).

1.24 Councillor Glazier (as Chair of the SE7) and Councillor Roy Perry, Leader of Hampshire County Council (as Vice Chair) met with Sajid Javid, Secretary of State for Housing, Communities and Local Government in quarter 3. They discussed how the SE7 and Government can work together to tackle the challenges facing Local Government and communities in the South East, and to get a clearer understanding of Government's approach to Local Government funding. Following the meeting, and publication of the Autumn Budget, Councillor Glazier wrote to the Minister, on behalf of the SE7, reaffirming the actions required to secure economic growth and the financial sustainability of Local Government in the South East (Appendix 6).

1.25 Changes were made to the Family Information Services telephone system to allow people to connect to the right team using button presses rather than speaking to a member of staff, these

changes have seen call rates reduce by 88% in quarter 3, when compared to the same quarter in 2016/17, as people are automatically connecting to the team they need to speak to (Appendix 4).

1.26 We have continued to make savings to the cost of occupancy of corporate buildings against a number of categories, including waste and energy management. However, due to the pressures on the costs of facilities management and a high level of exceptional maintenance expenditure, compared to 2016/17 and unlikely to reoccur during 2018/19, the estimated spend per square metre at the end of 2017/18 is currently projected to be £175 against a target of £143 (Appendix 3).

6 March 2018

KEITH GLAZIER  
(Chair)

### REPORT OF THE GOVERNANCE COMMITTEE

The Governance Committee met on 6 and 19 March 2018. Attendances:

Councillor Glazier (Chair) (2)

Councillors Bennett (1), Godfrey Daniel (1), Elkin (1), Simmons (2) and Webb (1)

#### 1. Pay Policy Statement 2018/19

1.1 The Localism Act 2011 requires local authorities to formulate and publish a pay policy statement on the pay of its Chief Officers and the relationship between these pay levels and the rest of the workforce, excluding schools. This policy statement has to be approved annually by full Council by 31 March.

1.2 At its meeting on 27 March 2012, County Council agreed that the Governance Committee should have formal responsibility for the approval of posts at Chief Officer, Deputy Chief Officer and Assistant Director level with a remuneration package of £100,000 or more, provided the existing grade bands and terms and conditions are applied and any proposed exceptions to these are reported to full County Council. The actual appointment decision will continue to be made using existing delegations. Any proposed exceptions to this would require the approval of the full County Council.

1.3 The Localism Act 2011 requires local authorities to prepare an annual pay policy statement relating to the remuneration (total pay packages) of its Chief Officers, as defined by statute, Deputy Chief Officers (and, by definition, Assistant Directors), the Monitoring Officer and its lowest-paid employees, excluding schools. The pay policy also has to state the relationship between the remuneration of Chief Officers and the remuneration of its employees who are not Chief Officers.

1.4 The Hutton report of Fair Pay in the Public Sector recommended the publication of an organisation's pay multiple as a means of illustrating the relationship between the remuneration arrangements for Chief Officers in comparison with the rest of the non-schools workforce in the form of a ratio. The ratio is currently (December 2017) 7.14 to 1, the same as the March 2017 ratio of 7.14 to 1. The pay multiple is published on our website with the Pay Policy Statement.

1.5 It is necessary to include definitions and the authorities' policies relating to levels and elements of remuneration including all additional payments and benefits in kind. The statement must also indicate the approach to the payment of Chief Officers on ceasing employment, including eligibility for the award of additional pensionable service and on the engagement or re-engagement of Chief Officers previously made redundant or accessing a local government pension.

1.6 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 place a new requirement on all employers with 250 or more employees to publish gender pay data on the gov.uk website by 31 March 2018. The gender pay analysis and report for East Sussex County Council is currently being prepared.

1.7 The Government has also undertaken a number of consultations over the last couple of years in relation to reforming public sector exit payment terms. In particular:

- (i) Recovery of exit payments - the Small Business, Enterprise and Employment Act 2015 includes provisions to enable the recovery of exit payments made to individuals who

return to the public sector within 12 months of receiving an exit payment. The intention is for this to come into force in 2018;

- (ii) Exit payment cap – the Government intends to introduce a cap of £95,000 on public sector exit payments (including pension strain costs etc.) to implement its manifesto commitment to cap six-figure exit pay-outs. The intention is for this to come into force in 2018, and,
- (iii) Exit payment terms (compensation) – the Government are considering further reforms to the calculation of compensation terms and to employer funded early retirement in circumstances of redundancy, including the introduction of a maximum salary on which an exit payment can be based and the tapering of a lump sum compensation as they get closer to their normal retirement age. The maximum salary is currently proposed to be £80,000. Further information is awaited, including indicative timeframes for implementation.

1.8 Whilst the existing pay policy statement remains a valid statement of the County Council's remuneration arrangements at present, it will need to be updated to reflect the outcome of the above consultations once known. Attached at Appendix 1 is a copy of the pay policy statement for 2018/19.

1.9 The Committee recommends the County Council:

- ✧ agree the updated pay policy statement for 2018/19 as set out in Appendix 1.

## **2. Review of Scrutiny Arrangements**

2.1 The Cabinet/Leader governance model was adopted by the County Council in 2001 as a result of the Local Government Act 2000. The work of scrutiny is currently divided between five scrutiny committees; four committees broadly mirror the County Council's Cabinet portfolio responsibilities and are focussed departmentally. A fifth committee, the Health Overview and Scrutiny Committee (HOSC), scrutinises health services. All committees manage their own work programmes and establish scrutiny review boards or scrutiny reference groups to carry out in-depth work.

2.2 A review has been undertaken of the scrutiny arrangements to see whether improvements could be made. All Members of the Council were asked to give consideration to the principles set out in Appendix 2. The initial views of the Scrutiny Chairs are set out in Appendix 3. Appendix 4 contains the summary of responses from Members during the consultation period. Appendix 5 sets out the remits/terms of reference of the proposed new bodies.

2.3 The review focussed on how to:

- help scrutiny better inform the future direction of the County Council through undertaking more in-depth, forward facing scrutiny reviews;
- align scrutiny committee remits more logically with Lead Member and departmental responsibilities for greater efficiency and simplicity; and
- promote a one-council approach to avoid scrutiny thinking being constrained by departmental 'silos'.

2.4 Members have made a number of observations about the current arrangements that can be used to bring about a range of improvements to the way we do scrutiny:

- there is a perception that there has been a reduction in the volume of forward-looking scrutiny work being undertaken in recent years because there are fewer scrutiny reviews reported to Full Council;
- much of the current scrutiny work is being undertaken by a minority of Members;
- the alignments between scrutiny committees, Lead Member portfolios and departmental responsibilities have become increasingly complex over recent years;
- the current structure struggles to handle the scrutiny of complex, cross-cutting issues such as East Sussex Better Together (ESBT) or the library service reconfiguration; and
- a strong opposition is a key element for successful scrutiny.

### Proposals for change

2.5 In order to address the above challenges, the proposals for change are focused on:

- a new scrutiny committee structure with fewer but larger scrutiny committees and with broader remits;
- improvements to the process of scrutiny including: selection of topics, better ways to involve witnesses and the public, the use of new technology in scrutiny and Member training and support;
- the recognition that 'best value' is now an integral component of all scrutiny work and not, as the current structure implies, the specific responsibility of one committee; and
- an expansion in the role of the scrutiny chairs and vice chairs to promote good scrutiny effectiveness and training.

### Committee structure

2.6 It is proposed to replace the five current scrutiny committees with three scrutiny committees and an Audit Committee. Scrutiny committees would adopt a 'commissioning' role, whereby they establish scrutiny review boards to undertake virtually all detailed scrutiny investigatory work. This would mean that scrutiny committees would themselves become more efficient and manageable. Increasing the number of Members sitting on each scrutiny committee will increase their capacity to carry out more in-depth, forward facing scrutiny reviews.

2.7 The outline remits for these bodies are as follows (with the remits/terms of reference in Appendix 5):

#### a) People Scrutiny Committee

- children's and adults' social care
- learning and education
- community safety
- public health.

#### b) Place Scrutiny Committee

- economy, transport and environment
- community services
- corporate functions, which may also be considered as part of reviews of the services they support.

#### c) Health Overview and Scrutiny Committee (HOSC)

- is considered to be successful in its current form and therefore there are no proposals to change the way it is organised or its remit to scrutinise the NHS.

d) Audit Committee

2.8 The current Audit, Best Value and Community Services Scrutiny Committee currently operates partly as an audit committee and partly as a scrutiny committee for several 'central' or 'corporate' support functions and a range of community services.

2.9 There is an opportunity to create a clearer and more valuable role for an Audit Committee sitting alongside the scrutiny committees. The position of the Chartered Institute of Public Finance and Accountancy (CIPFA) is that the audit committee should act as the principal non-executive advisory function supporting those charged with governance and be independent of both the executive and scrutiny functions. To be fully effective, the Audit Committee would have access to and a close working relationship with scrutiny committees and others responsible for governance. Furthermore, it adds value by taking on certain wider roles such as: risk and control matters and reviewing and monitoring treasury management arrangements.

2.10 In line with the current Constitutional arrangements, it is proposed that the Chair of the Audit Committee is appointed from the largest opposition group. The Audit Committee would be able to submit reports and recommendations to Full Council.

Scrutiny Chairs and Vice Chairs

2.11 The Chairs of scrutiny committees currently meet periodically on an informal basis to plan and co-ordinate the process of scrutiny. Where an issue crosses the responsibilities of more than one scrutiny committee, to avoid duplication on the one hand and no aspect being overlooked on the other, the Chairs may agree special arrangements for managing that issue. (Constitution Part 4 (5) 15).

2.12 It is proposed to continue this arrangement and to:

- extend membership to include both chairs and vice chairs;
- include the Chair and Vice Chair of the Audit Committee (to ensure a close working relationship between this committee and scrutiny); and
- extend the role of the chairs and vice chairs to take an overview of Member training and improving effectiveness of these bodies.

2.13 The Scrutiny Chairs and Vice-Chairs would continue to agree any special arrangements for managing cross-cutting issues or for the scrutiny of any function that does not lie within the scope of the scrutiny committees.

Committee membership and political proportionality

2.14 The current allocation of seats to county councillors across scrutiny committees is as follows:

Current scrutiny committee membership	CON	LIB DEM	LAB	IND	IND DEM	TOTAL	Chair	Vice Chair
Audit, Best Value and Community Services Scrutiny Committee	5	2	0	0	0	7	LIB DEM	CON
Children's Services Scrutiny Committee	5	2	1	0	1	9	CON	LIB DEM
Adult Social Care and Community Safety Scrutiny Committee	4	1	1	1	0	7	CON	LAB
Economy, Transport and Environment Scrutiny Committee	4	2	1	0	0	7	CON	CON
Health Overview and Scrutiny Committee (HOSC)	5	1	0	1	0	7	CON	IND
<b>TOTALS</b>	<b>23</b>	<b>8</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>37</b>		

2.15 An indicative table showing figures based on a proportionality calculation is shown here. The final allocation of places to ESCC political groups in any new structure will ultimately depend on the allocations across all county council bodies.

## GOVERNANCE

	CON	LIB DEM	LAB	IND	IND DEM	
People Scrutiny Committee	7	2	1	0	1	11
Place Scrutiny Committee	7	2	1	1	0	11
Health Overview and Scrutiny Committee (HOSC)	4	2	0	1	0	7
Audit Committee	4	2	1	0	0	7
<b>TARGET TOTAL</b>	<b>22</b>	<b>8</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>36</b>

2.16 Noting the importance of opposition members to successful scrutiny, the current arrangements for allocation of chairs and vice chairs in accordance with political balance should continue. Under the current political balance on the County Council, this would result in allocations as follows:

Political Group	Number of Chairs and Vice-Chairs
Conservative	5 (4.80)
Liberal Democrat	2 (1.76) including Chair of Audit Committee
Labour	1 (0.64)
Independent	0 (0.48)
Independent Democrat	0 (0.32)

### Co-opted Members

2.17 It is proposed to make the following provisions for co-opted members in the new structure:

- People Scrutiny Committee: four statutory co-opted members (2 parent governors and 2 denominational representatives) have speaking and voting rights on education matters.
- Health Overview and Scrutiny Committee: five district and borough members with full voting rights and two voluntary sector (non-voting) members – unchanged.

### Other improvements to the way we do scrutiny

#### More scrutiny reviews

2.18 There is a widespread view nationally and locally amongst scrutiny practitioners that scrutiny reviews are the most productive and engaging way to do scrutiny and that the emphasis should be on forward-looking scrutiny topics which are aligned to what the Council is trying to achieve. There remains an important place for 'reactive' work or scrutiny that holds decision makers to account, but these elements need to be part of a balanced work programme which includes a larger proportion of forward-looking reviews.

2.19 The proposed changes to the committee structure described above are designed to encourage and facilitate more scrutiny work being carried out in smaller groups. Some Members consider that it is getting ever harder for scrutiny to achieve truly meaningful impacts, especially as council finances become ever increasingly restricted. So, choosing what to scrutinise is key to achieving outcomes that makes a real difference to the lives of people living and working in East Sussex.

### General improvements

2.20 Members have made a number of additional suggestions to support and improve the way we select topics and carry out scrutiny work:

- All Members need to be aware that there is an 'open approach' to bring forward suggestions for possible scrutiny reviews.

- When selecting topics, scrutiny committees should be clear about the questions it is looking to answer as this will result in more focused and productive review board meetings.
- When involving Lead Members in scrutiny committees and scrutiny review board meetings, it would be helpful to clarify the purpose of their attendance.
- There is scope to increase the engagement scrutiny has with users and residents as part of its work; scrutiny can add value by considering 'value to residents' alongside 'value for money'.
- Performance information is often difficult to interpret and yet so important for many scrutiny investigations; as a general rule performance information should ideally encompass: the big picture plus overview plus detail (not just detail).
- Continue to channel scrutiny reviews for discussion at Full Council – an approach endorsed by the recent DCLG report (Effectiveness of local authority overview and scrutiny committees, 15 December 2017).

### Digital scrutiny

2.21 Of the five current scrutiny committees, only HOSC and the Children's Services Scrutiny Committee are webcast. Some Members have suggested that webcasting scrutiny committees can hinder effective Member participation. Cabinet and Full Council meetings are webcast and it is at these meetings where the outcomes of scrutiny work is visible and the discussion itself of greater public interest. There is therefore a good case against the automatic webcasting of meetings of the Place and People scrutiny committees.

2.22 HOSC, on the other hand, undertakes an important role in holding the health service to account and doesn't report to Full Council. On some occasions, its meetings have attracted thousands of webcast views. The media and external partners regularly view HOSC webcasts due to the public interest in the subject matter. It is therefore recommended that HOSC meetings continue to be webcast.

2.23 Given the now widespread access to fast broadband in the County there is now an opportunity to rethink the use of technology to assist and speed up some aspects of scrutiny work. For example, webcasting technology can be used efficiently to solicit public views as part of a scrutiny review, as can judicious use of social media. Web based surveys can now be deployed quickly and easily using applications such as Survey Monkey. Such technology has already been used to good effect elsewhere.

### Member training and support for scrutiny

2.24 Experienced Members often say that it took them a long time to understand the full extent of what the Council does in all its detail and to gain the skills needed to manage the myriad of means at their disposal by which they can make a meaningful difference within their communities and to East Sussex as a whole.

2.25 Engaging in scrutiny can help Member development because, when done well, scrutiny promotes an 'explorative' approach to problem solving, gradually enabling Members to build up knowledge and valuable skills across a wide range of issues. Scrutiny is empowered to investigate any issue affecting the residents of the local authority area and so, to be effective, it needs to focus wisely yet with flexibility to spot opportunities as they appear.

2.26 Members therefore have asked for good quality training and support in their scrutiny role. Members need to be prepared to undertake a significant part of scrutiny work themselves in order to benefit from the opportunities and to 'stretch' the resources available

to support scrutiny. It is proposed that the scrutiny chairs and vice chairs play an active role in in taking an overview of training and effectiveness.

2.27 A wide variety of online resources are available aimed at Members internally on the Intranet and by accessing external resources such as the Centre for Public Scrutiny (CfPS) and Local Government Association (LGA) websites. Members suggested:

- visits and presentations relating to different departments to enable Members to get a better understanding of current departmental structures and functions;
- 'pairing' experienced and less experienced Members (even across the political spectrum) to share and build experience;
- Scrutiny training focussed in 'regular bursts' for example, before or after scrutiny committee meetings; and
- Questioning skills training becomes a key focus of scrutiny training programmes
- External scrutiny chairs or former councillors to be considered for involvement in training

2.28 The Committee recommends the County Council to:

- ☆ (1) agree to the revised scrutiny structure as set out in section 2 of the report;
- (2) agree to the proposed remits of the new Scrutiny Committees and the proposed terms of reference of the Audit Committee as set out in Appendix 5;
- (3) agree that the Chair of the Audit Committee receive a Special Responsibility Allowance (SRA) at the rate equivalent to that of the Chair of a scrutiny committee;
- (4) agree to delegate authority to the Assistant Chief Executive to update the Constitution accordingly; and
- (5) note the plans to improve scrutiny as set out in the report.

19 March 2018

KEITH GLAZIER  
(Chair)

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### REPORT OF THE LEAD CABINET MEMBER FOR TRANSPORT AND ENVIRONMENT

The Lead Cabinet Member for Transport and Environment met on 26 February 2018 and 19 March 2018.

#### 1. Notice of Motion: Elimination of avoidable plastic waste

1.1 The following notice of motion has been submitted by Councillors Nick Bennett and Colin Belsey:

*“The County Council supports the Government ambition to eliminate avoidable plastic waste (particularly single use plastic) over the next 25 years. In support of this ambition the County Council will review the use of plastics in its own supply chain and the plastic recycling facilities available on its estate, to identify and increase the opportunities to reduce, re-use or recycle more plastic”.*

1.2. In line with County Council practice, the matter was referred by the Chairman to the Lead Member for Transport and Environment for consideration to provide information and inform debate on the Motion.

1.3 Plastics are an important and versatile material in the global economy. They are key components of a very wide range of products, including food packaging, toys, heat-saving domestic insulation and life-saving medical innovations. Consequently the use of plastics, of which there are many different types, has increased 20-fold in the last 50 years and is expected to double again in the next 20 years.

1.4 Many of the properties that make plastics a safe, secure, hygienic and cheap material also make it a tough and long-lasting material, which has an impact on the environment and public health. A significant amount of energy is required in the manufacture and transport of plastic products. After use, an estimated 12 million tonnes of plastic waste ends up in the world's oceans every year, which imposes an economic and social burden by impacting on the productivity of fisheries, shipping and tourism, enters the food chain and imposes a clean-up cost. For example, recent surveys found that over 70% of UK tap water was contaminated with plastic fibres and a third of fish caught off the south coast contained plastic.

1.5 An increasing volume of plastic products are single-use, for example bottles, cups and straws, which means that the beneficial properties of plastics are not being maximised and an estimated £65 billion of material value is lost from the global economy every year. In addition, the recent ban by China on the imports of plastic waste for recycling from countries such as the UK means that the cost of disposal of plastic waste may increase in the short term, whilst the amount being recycled may decrease, as lower-grade plastic waste may have no market to go to.

1.6 There is an extensive range of legislation covering plastic waste and recycling, including from packaging, electrical and electronic equipment, end of life vehicles, and the use of recycled plastic in food packaging. Nearly all local authorities collect some common types of household plastic waste, with an estimated 58% of plastic bottles and 32% of pots, tubs and trays being collected for recycling. The UK has a plastic packaging recycling target

of 57% by 2020, which helped to drive a doubling of UK plastic reprocessing capacity between 2010 and 2015.

1.7 Plastic waste remains a highly visible pollutant of public concern. The government's 25 Year Environment Plan, published in January 2018, includes a target to eliminate all avoidable plastic waste by 2042, in support of the separate Clean Growth Strategy, published in October 2017. The Plan points to the success of the 5p plastic bag charge in reducing the use of carrier bags by 85% and commits the government to removing all single use plastics from the central government estate offices.

1.8. A review of the County Council's use of plastics in its own supply chain and the plastic recycling facilities available on its estate will require Officer time. The recommended measures from this review may lead to new costs, for example, alternative materials to single-use plastics or additional recycling facilities for plastics, though this may be partly off-set by a reduction in the cost of handling and disposing of plastic waste.

1.9 The role that the County Council can play in reducing the impact of plastic waste includes reviewing the use of plastics in its own supply chain and the plastic recycling facilities available on its estate, to identify and increase the opportunities to reduce, re-use or recycle more plastic. This will add to the work that the County Council has already undertaken, for example the recent introduction of fully compostable packaging on the majority of goods sold in the café at County Hall. The scope of the work will need to be agreed with relevant sections of the County Council, to ensure that resources are focused where they can achieve the best results, and may require changes to some County Council procurement, practices and staff behaviours. If these are considered acceptable then it is considered that the Notice of Motion submitted by Councillor Bennett should be agreed, and a progress report submitted to the Lead Member for Transport and Environment in 12 months' time.

1.10 The impacts of plastic waste on the environment and human health are recognised by the County Council. In order to contribute to measures that reduce these impacts, the Lead Member recommends that the County Council agree the Motion.

1.11 The Lead Cabinet Member **recommends** the County Council –

☆ (1) to agree the Notice of Motion as set out in paragraph 1.1.

## **2. East Sussex Statement of Community Involvement**

2.1 Section 18 of the Planning and Compulsory Purchase Act 2004 requires local planning authorities to produce a Statement of Community Involvement (SCI), which should explain how they will engage local communities and other interested parties in producing their Local Plan and determining planning applications. The SCI should be regularly reviewed and accordingly revised in order to ensure that it is kept relevant. Any revisions made to the SCI need to be subject to public consultation. This public consultation has been undertaken and a revised SCI has been prepared for adoption.

2.2 The County Council's SCI needs to cover the consultation and engagement arrangements for the Local Plans the Council intends to prepare, as set out in the Minerals and Waste Development Scheme. It also needs to cover the consultation and engagement arrangements for all planning applications for minerals and waste (County Matters) and for the County Council's own service development (e.g. schools, roads and libraries).

2.3 There have been a number of changes to the planning system since the previous SCI was adopted in 2013 and it is therefore in need of revision. In addition, the SCI needs to be updated following changes to the delegation arrangements regarding the South Downs National Park Authority (SDNPA) and the work that was previously undertaken by the County Council on its behalf.

2.4 The revised SCI has been developed following experience of public consultation undertaken during both the development of the Waste and Minerals Plan and Waste and Minerals Sites Plan, and the determination of planning applications during recent years.

2.5 The revised SCI sets out how and when communities can become involved in planning matters and the methods of engagement the Planning Authority will use. It further establishes the minimum public consultation and publicity standards the Council is required by law to meet and sets out how and when these will be exceeded.

2.6 The Lead Member agreed at the July 2017 Meeting to publish the draft revised SCI for public consultation. The Planning Authority received four responses during the eight week consultation period. Responses were received from Southern Water, the Environment Agency, Rother District Council and Highways England, none of which were suggesting amendments to the draft SCI. On the basis of the response, no changes have been made to the draft SCI that was presented to Lead Member in July 2017. However, some minor amendments have been made to the SCI to remove the details relating to the consultation which appeared in the draft version.

2.7 The revised SCI is attached as Appendix 1.

2.8 The Council has to meet the statutory requirement to produce a Statement of Community Involvement (SCI). The draft revised SCI updates the existing document to take into account changes in national Government planning policy and the Localism Act and reflects experiences in undertaking public consultation over the past four years. It also reflects the changes to development management delegation arrangements within the South Downs National Park. Following Lead Member agreement, the draft document has been published for public consultation. The document now needs to be adopted by Council and used as the basis for community engagement undertaken by the planning authority.

2.9 The Lead Cabinet Member **recommends** the County Council to –

☆ (1) agree the response to representations on the draft Statement of Community Involvement and agree the proposed changes to the document; and

(2) adopt and publish the revised Statement of Community Involvement.

19 March 2018

NICK BENNETT  
Lead Cabinet Member for  
Transport and Environment

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### EAST SUSSEX FIRE AUTHORITY

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**Report of a meeting of the East Sussex Fire Authority held at County Hall, St. Anne's Crescent, Lewes BN7 1UE at 10:30 hours on Thursday, 15 February 2018.**

Present: Councillors Barnes (Chairman), Deane, Dowling, Earl, Elford, Field, Galley, Lambert, O'Quinn, Peltzer Dunn, Penn, Scott, Sheppard, Smith, Theobald (Vice-Chairman) and Tutt.

N.B. Apologies were received from Councillors Morris and Osborne.

The agenda and non-confidential reports can be read on the East Sussex Fire & Rescue Service's website at <http://www.esfrs.org/about-us/east-sussex-fire-authority/fire-authority-meetings/> A brief synopsis and the decisions relating to key items is set out below.

#### **1 TREASURY MANAGEMENT STRATEGY FOR 2018/19**

- 1.1 Members considered a report requesting approval for the treasury management strategy, policy statement and the Minimum Revenue Provision (MRP) Statement 2018/19.
- 1.2 The emphasis continued to be on security (protection of the capital sum invested) and liquidity (keeping money readily available for expenditure when needed). The strategy and limits were consistent with the proposed capital programme and revenue budget. As was clear from global events, it was impossible in practical terms to eliminate all credit risk and that the Fire Authority sought to be prudent.
- 1.3 Members were requested to approve borrowing limits to give greater flexibility for any future consideration in undertaking new external long-term/replacement borrowing if the need arose or the market conditions were favourable.
- 1.4 Having always had a prudent investment strategy, there had been regular changes to the list of approved organisations used for investment of short term surpluses. The list was regularly reviewed to allow investments at the best available rates consistent with low risk. These organisations were regularly monitored to ensure their financial strength and low risk had been maintained. The 2018/19 strategy would continue this prudent approach and ensure investments were only to the highest quality rated banks and financial institutions.
- 1.5 The 2018/19 investment strategy included the addition of Mixed Asset Funds and Pooled Property Funds. These were to be invested in the medium to long term and consideration would be given regarding the planned reduction in reserves and balances of the Fire Authority in the next five years before investments were made. This update provided opportunities to diversify the investment portfolio and improve returns by taking a marginal increase in risk.

- 1.6 Members welcomed the proposed changes and agreed that the time had come to be less risk averse. It was important to seek a better return on investments than was currently being achieved. Members thought that whilst investment in property could be a risky strategy, the Pooled Property Funds approach was welcome.
- 1.7 Members resolved to approve the treasury management strategy and policy statement for 2018/19, and to adopt these for the remainder of 2017/18. Additionally they determined that for 2018/19 the Authorised Limit for borrowing should be £13.630m. They adopted the prudential indicators as set out at Appendix 2 to the report and the Minimum Revenue Provision (MRP) Statement for 2018/19 as set out at Appendix 3.

## **2 FUTURE COLLABORATION ARRANGEMENTS BETWEEN THE FIRE & RESCUE SERVICES OF EAST SUSSEX, SURREY AND WEST SUSSEX**

- 2.1 Members were provided with information on the proposed new collaboration arrangements between this Authority and those of Surrey and West Sussex. They were asked to agree to delegate authority to the Chief Fire Officer, after consultation with the Chairman, to sign the formal agreement on behalf of the Authority.
- 2.2 Collaboration amongst emergency services in Surrey and Sussex was a key strategic priority. Developing effective collaboration arrangements had long-term strategic significance supported by a number of drivers including a duty to collaborate under the Policing and Crime Act 2017, the HMICFRS inspection regime, financial challenges and public expectation.
- 2.3 Following a review of resourcing options of the existing 'Emergency Service Collaboration Programme' (ESCP) beyond March 2018, a mixed level of support was identified across the partners which led to an impact and options assessment of the ESCP moving forward. This recommended pursuing closer and more focused collaboration across the three fire services in Sussex and Surrey.
- 2.4 The resulting collaboration agreement outlined organisational commitment to working more closely together to improve efficiency and effectiveness of our respective Fire & Rescue Services. The framework will be called the "3F" (3 Fire Services) approach and will be supported by specific project level agreements defining where to collaborate, why, how and expected benefits.
- 2.5 Members welcomed and supported increased collaboration and the benefits and opportunities it would bring. The collaboration was at the scoping stage and meetings were underway to discuss targets. Some areas for collaboration had been agreed and were underway including shared training facilities, provision of Occupational Health, alignment of Health and Safety, delivery of fire investigations and a single strategic fleet and engineering lead. Progress updates, figures and projected savings would be given through the Scrutiny & Audit Panel.
- 2.6 Members agreed to delegate authority to the Chief Fire Officer, after consultation with the Chairman, to sign the formal agreement on behalf of the Authority.

**3 FIRE AUTHORITY SERVICE PLANNING PROCESSES FOR 2018/19 AND BEYOND**

- 3.1 Members considered a report seeking approval for the Fire Authority's Revenue Budget 2018/19, Capital Strategy 2018/19-2022/23 and Medium Term Finance Plan for 2018/19-2022/23.
- 3.2 The budget proposals had been considered by the Policy & Resources Panel on 18 January 2018. Following this and the Local Government Finance Settlement on 6 February 2018, the report presented to the Authority had been updated to reflect final council tax and business rates information, collection fund positions and revised information from central government on business rates funding.
- 3.3 The Authority had made good progress identifying and agreeing savings proposals over the last 12 months. The latest version of the medium term financial plan (MTFP) showed the Authority had identified £0.686m of savings in 2018/19 and a total of £0.721m savings in total over the life of the MTFP. There remained significant uncertainty for fire funding beyond the current multiyear funding offer ending in 2019/20. For 2020/21 and beyond there were potentially significant risks resulting from proposed changes to the Business Rates Retention regime, the Fairer Funding Review and a Comprehensive Spending Review. The potential impact of Brexit was also a risk, the effect of which was currently unknown but would likely affect supply chains through Europe of specialist equipment.
- 3.4 There were two options for setting a balanced revenue budget for 2018/19, including commitments, growth bids and new savings. The Government's decision to increase the level of increase in Council Tax without the need for a local referendum in 2018/19 and 2019/20 from 2% to 3% provided flexibility. The options were:
- The existing strategy of increases of 1.94% each year in Council Tax between 2018/19 and 2022/23; or
  - Increases of 2.94% in 2018/19 and 2019/20 and 1.94% thereafter.
- 3.5 If approved the 2.94% option would provide short term flexibility to invest in existing priorities and to commit additional funding of £200,000 in 2018/19 and if a similar increase was approved in the following year £300,000 in 2019/20 to support further investment in match-funding the retrofitting of sprinklers in high rise/high risk premises. In the medium term additional funding would assist the Authority in managing the uncertainty and risk it faced in funding after 2019/20 and reduce the level of savings currently forecast to be required to balance the budget by 2022/23.
- 3.6 The Authority had acted prudently in establishing reserves and balances to meet assessed risks and providing one off funding for specific priorities. Reserves held would be reduced significantly over the life of the MTFP as the Authority continued to invest in its transformation programme and capital assets. The use of reserves was essential in the absence of central government grant funding for either capital investment of fire transformation/reform at a local level.

- 3.7 Following discussion at the Policy & Resources panel, on balance, the view was that the Fire Authority should agree a Council Tax increase of 2.94% in 2018/19 and plan for a similar rise in 2019/20. The Panel was anxious this decision did not send out the wrong signals and stressed Officers should continue to focus on improving productivity, efficiency and effectiveness across the Service and that the savings targets within the MTFP should be regarded as a minimum threshold over the period. It saw particular opportunities in closer collaboration and partnership working.
- 3.8 Members heard that of those Fire Authority's that had set their Council Tax for 2018/19, the vast majority had set their council tax increase at just below 3%.
- 3.9 A lengthy discussion followed. Members reflected that they had an unpleasant choice to make and were very conscious that imposing an increase, even though relatively small, was not a decision taken lightly and had been given much thought and consideration. The belief amongst Members was that, having spoken with their residents, people would be willing to pay more to ensure access to a fully funded Fire Service making sure people were safe. They were very aware that the Government in its analysis of spending power had assumed that Authorities would opt to make the increase of 3%.
- 3.10 Members reinforced the request of the Policy & Resources Panel that Officers should continue to deliver against the Efficiency Plan and identify and investigate ways to improve productivity, efficiency and effectiveness.
- 3.11 Members were clear that any increase in 2019/20 would be taken under scrutiny in a years' time but recognised that the MTFP modelled a further increase of 2.94%.
- 3.12 Members resolved to approve an increase in council tax of 2.94% and thus approved the budget proposals set out in the report and the net budget requirements of £38.140m for 2018/19, the council tax requirement of £26.173m and the council tax precepts as set out in Appendix F(ii).
- 3.13 They also approved the capital programme for the next five years and the capital budget of £3.903m for 2018/19 and plans to use capital grant, capital receipts and revenue contributions to finance capital expenditure. They approved the policy aim of maintaining the General Reserve at 8% of the net revenue budget be continued.
- 3.14 They approved a further £2.077m is transferred from the Capital Programme Reserve to the IT Strategy Reserve to ensure that the IT Strategy is fully funded, the fees and charges set out in Appendix C and that the Chief Fire Officer, after consultation with the Chairman and Treasurer, be authorised to make any adjustments to the presentation of the budget to reflect the final Local Government Finance Settlement.
- 3.15 Members further noted that the Authority had approved an updated Efficiency Plan at its meeting on 7 September 2018 and requested that Officers continue the commitment to develop a more strategic approach to delivering efficiencies and savings beyond that which was required to balance the budget as set out in the MTFP.

**4      PAY POLICY STATEMENT FOR 2018/2019**

- 4.1      Members received a report seeking approval of the Pay Policy Statement for the period 1 April 2018 – 31 March 2019. The Localism Act 2011 imposed a duty on relevant local authorities to prepare a pay policy statement for each financial year and Members needed to approve the statement by 31 March 2018.
- 4.2      Members resolved to approve the Fire Authority's Pay Policy Statement as set out at Appendix 1 to the report.

**COUNCILLOR JOHN BARNES**  
**CHAIRMAN OF EAST SUSSEX FIRE AUTHORITY**

15 February 2018

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