

### 1. East Sussex Strategic Wider Partners

1.1 The Leader and Deputy Leader, supported by officers, met with representatives of the public, private and voluntary and community sectors (VCS) and service user groups on 12 December 2018. The meeting provided an opportunity to update partners on the Council's Core Offer approach, continuing challenging financial position and to gather views on the planning being undertaken in response. The presentations included the budget plans and priorities for 2019/20 and the medium term financial period (2019/20-2021/22). 21 partner organisations and service user groups were represented at the meeting and ESCC is grateful to all partners for the comments and feedback provided.

1.2 The following issues were discussed in the meeting:

- The Core Offer approach was broadly welcomed by partners who also appreciated the honesty and transparency about the scale of the financial challenge. It was confirmed that the Core Offer set out in the Reconciling, Policy and Performance papers agreed by Cabinet on 13 November covered all services delivered by the Council and outlined the services that were proposed not to be included in the Core Offer.
- The Core Offer engagement survey that had been published in mid-November was discussed and it was noted that detailed consultation, including Equality Impact Assessments, would be undertaken on any savings proposals in the 2019/20 budget that would result in service changes.
- Concerns were raised that Question 2 of the survey, '*Which of these options would you prefer to keep East Sussex within its financial means?*', had limited engagement as respondents were deterred by the requirement to select the option to either raise Council Tax by 23% over the next three years to maintain services or reduce the range of services on offer. While it was appreciated that the question was difficult to answer, it had helped raise awareness of the real and very difficult decisions Members faced to deliver a balance budget. Although business rates and housing growth could improve the Council's financial position over the long term, they would not generate the revenue urgently needed. It was suggested that it could be clarified that the 23% increase would apply only to ESCC's element of Council Tax, but as ESCC's precept formed the largest part of residents' Council Tax bills the increase would still be significant.
- There were concerns that the proposed Core Offer for Special Education would exacerbate challenges already in the system, including delays in assessment of SEN, reducing trust families had in the service; and increase costs by reducing preventative activity to encourage schools to remain inclusive. ESCC acknowledged that reducing early help and preventative services was counterintuitive and could result in additional future costs (on ESCC and partners) but there was a balance to be struck to maintain urgent services for those children with the highest needs and some early help services where their loss would result in an immediate escalation in need. ESCC would continue to work with schools to promote inclusivity, including through trying to improve schools' allocations through the Dedicated Schools Grant to enable them to be as

inclusive as possible. Any changes to the Special Education service offer would be subject to detailed consultation before they were adopted and relevant partners and representative groups would be consulted as part of that to identify and mitigate possible adverse outcomes.

- ESCC was concertedly lobbying Government - individually, with partners and with others in the sector - for sustainable funding and had emphasised that cuts to preventative and early intervention services were counterproductive. The message appeared to be being heard and it was hoped that the Comprehensive Spending Review and new Fair Funding Formula would go some way to address the sustainable funding of Local Government. The Council modelled future costs and pressures and specific work undertaken in Children's Services had demonstrated the link between prevention and curbing rising service costs.
- Changes to services across sectors and providers were having a cumulative impact on residents and driving crisis situations for some, including in housing for younger people. ESCC was aware that all parts of the public sector were expected to do more with less and worked closely with the Borough and District Councils to make the best use of resources to support vulnerable residents across services. ESCC had also made numerous bids for grants and funding streams to maximise funding and had received additional funding for homelessness prevention among Care Leavers.
- The impact of savings on provision for vulnerable children was also raised and ESCC was acutely aware of the pressure being placed on Foster Carers and vulnerable children. No reductions in support for Looked After Children were proposed in the 2019/20 budget cycle in recognition of the rising number of Looked After Children and the continued need to recruit new Foster Carers. The language used in reports would be reviewed to clarify that changes to legal obligations for care leavers had created financial pressures rather than 'burdens.'
- The Council remained committed to recognising Social Value in its tendering process. ESCC commissioned services at a range of levels and geographies with partners, including health, to achieve the best outcomes possible within available resources. ESCC was working with the Clinical Commissioning Groups through East Sussex Better Together to integrate health and social care services and Delayed Transfers of Care had significantly improved as a result. A Care Quality Area Review in 2018 had also commended the joint working across the East Sussex Healthcare System. Ongoing work was needed to ensure all additional funding, including the additional funding for Winter Pressures, was used appropriately and did not increase costs in any part of the system.
- ESCC would continue to collaborate with partners in response to the financial challenge. It was agreed by all that residents' continued to have needs even if resources were no longer available to provide services or eligibility changed. It was agreed to be vital for all sectors to work together to make best use of the resources available. The important role that the VCS played as service providers was acknowledged and welcomed. The joint review that was underway to reset the way the two sectors worked together was highlighted. This annual partner engagement meeting only formed part of an ongoing conversation between sectors and providers. East Sussex strategic partners also met regularly collectively and separately in other forums. It was reinforced that any changes to

services was subject to detailed consultation with full consideration given to all relevant issues.

- The lobbying partners and service user groups were doing, including through national alliances, to raise awareness of the need for sustainable funding for services was welcomed.
- The significant contribution older residents made in the county and the value that they provided to organisations such as Healthwatch through volunteering was recognised.
- ESCC had worked hard to significantly reduce its agency spend while recognising that agency workers helped to meet need and specialist skills, particularly in hard to recruit areas.

## **2. Public Sector Partners**

The Chief Executives of the Borough and District Councils and representative of the East Sussex Fire and Rescue Authority met on 18 December and welcomed the presentation on the budget proposals and the core offer given by Becky Shaw. Chief Executives commented that;

- The growth in use of one off funding pots made planning difficult and were very difficult to use sensibly
- Agreed interest in councils discussing:
  - Joint working on housing /homelessness
  - complaints/LGO/FOI (in context of social activism)
  - Looking at most expensive families and
  - Working with wider Public sector leaders about impact of all partners' changes on localities

## **3. Scrutiny Committees**

### People Scrutiny Committee RPPR Board

3.1 The People Scrutiny RPPR Board discussed in detail the savings and draft Portfolio Plans for the Adult Social Care and Children's Services Departments at its meeting on 10 December 2018. The meeting was attended by Councillors Davies (Chair), Clark, Ensor, Field, Galley, Sheppard and Webb. Set out below is a summary of the key matters on which the Board sought clarification, together with its concluding remarks in relation to each Department.

#### Adult Social Care

3.2 With regard to the savings plan, the Director clarified that the average spend on the social needs element of the Working Age Adults activity is significantly higher in East Sussex than in other local authorities in the region. Furthermore, initial findings indicate other local authorities have achieved these lower levels of demand via the deployment of more effective signposting practices. It was also clarified that there is no direct evidence that savings in this area will be shunted across to other organisations, such as voluntary groups. However, the Director confirmed that the Department will, if the saving is agreed, undertake consultation and an Equality

Impact Assessment so as to ensure it understands the implications of savings for this area of activity.

3.3 With regard to Meals in the Community, it was clarified that the full cost of the meals is between £4 and £8 and that the withdrawal of the £4.10 subsidy will mean clients will need to meet the full cost themselves. The Director also confirmed that the saving for the Meals in the Community activity will be a part-year saving and that with regard to the Working Age Adults activity, the Department expects to make a full year saving in 2019/20.

3.4 With regard to the Adult Social Care and Health draft Portfolio Plan, the Director confirmed that funding for the Better Care Fund for 2019/20 is in place. However, the Director also confirmed that the additional £2.6m funding for the following year will be managed through the Better Care Fund assurance process and that this will mean the NHS will have greater control over how this funding is spent in future.

3.5 The Director clarified that the reductions in Income and Net Recharges listed in the Revenue Budget are the result of changes in how the Department and the NHS work together. For example, more NHS nursing staff are now seconded to the Department.

#### Concluding Comments to Cabinet

3.6 Given the scale of savings previously required of Adult Social Care, the Board agreed that the savings identified for the next financial year are relatively modest. Furthermore, Members were grateful for the work undertaken by the Department and agreed that in the context of the Core Offer, the proposals are realistic. However, the Board expressed a particular concern regarding the proposed removal of the subsidy described under the Meals in the Community activity. The Board therefore asked that Cabinet are mindful of the potential impact of this proposal on the finances of the most vulnerable service users which this subsidy supports.

3.7 In addition, the Board asked that the wording under the Operating Principles section of the Adult Social Care and Health Portfolio Plan be amended so that the Strong Partnership item includes reference to working in partnership with voluntary organisations.

#### Children's Services

3.8 With regard to the Safeguarding Services activity listed in the savings plan, the Director informed Members that the Department had developed a proposal which represents the 'least worst option' available to it. The only other significant potential source of savings within the Safeguarding service area available to the Department relates to the number of social workers it can deploy. However, the Department is clear that reductions in this area would have a much greater negative impact on the vulnerable children and young people this activity area supports.

3.9 In response to a query regarding the savings plan for Early Help activities, the Board were informed that the Department's strategic review of this area is ongoing.

As a result, Members would be given an opportunity to comment on a detailed Early Help savings plan early next year.

3.10 The Board expressed concerns about the impact of proposed savings on school attendance (under the I-SEND: Inclusion Services activity). In response, the Department agreed that attendance in East Sussex is a particular challenge. However, given the necessary reduction in funding for preventative services, the Department had reluctantly concluded that it would not be able to provide the same level of direct working with parents as before. The Department also confirmed that it retains some statutory responsibility in this area and support for this will continue (for example, with regard to instances of very poor school attendance). Members were also informed that schools retain a responsibility to promote high levels of school attendance.

3.11 In response to the Board's questions regarding the impact of the savings plan for the Standards and Learning Effectiveness Service (SLES) activity, the Department confirmed that its strategy in recent years had been to focus on supporting schools to support themselves. The Department believes this strategy had left schools better placed to cope with the reduced levels of support it will be able to offer in future, although the Department was clear that there was an increased risk that some schools will underperform in future.

3.12 The Board queried the lower than national average target relating to the proportion of pupils in all schools who will achieve the expected standards at Key Stage 2 (Performance Measures and Targets in the draft Portfolio Plan). In response, the Board were informed that this was an area of continuing challenge for the Department and schools. Whilst the Department was ambitious and there had been some improvements this year, the targets represent a realistic picture of what it believes can be achieved in the coming three year period.

#### Concluding Comments to Cabinet

3.13 The Board understood the difficult funding position facing the Children's Services Department. Within this context therefore, the Board recognised that officers and the relevant Lead Members had worked hard to deliver a realistic 'Core Offer' savings plan. However, and whilst accepting the difficult situation facing the Department, Members asked that Cabinet note the Board's regret at the impact of the proposed savings on services that support children in the county.

#### **Place Scrutiny Committee RPPR Board**

3.14 The Place Scrutiny RPPR Board reviewed in detail the proposed savings and draft Portfolio Plans covering the Communities Economy and Transport (CET), Business Services and Governance Services Departments at its meeting on 17 December 2018. The board was attended by Councillors Richard Stogdon (Chair), Godfrey Daniel (Vice Chair), Martin Clarke, Chris Dowling, Claire Dowling, Nigel Enever, Pat Rodohan and Barry Taylor. The Board sought further information in relation to a number of the proposed savings and further clarification with regard to impact. In particular the Board examined how the savings, or additional income, are to be achieved and made comments about the timing of some of the proposed

savings in year 3 of the MTFP. Set out below are the Board's agreed comments to Cabinet.

3.15 The Board highlighted two areas that it would wish to comment on to Cabinet:

- The Place Scrutiny Committee would like more detail of the proposed Orbis savings and their impact when they are available; and
- The timing of significant changes to CET services need to be carefully considered.

3.16 The Board considered that it could not comment fully on the RPPR process without seeing the draft Council budget. The Board agreed that it would like to hold another RPPR Board meeting in January to discuss and comment on the draft budget when it is available.