

CABINET

MINUTES of a meeting of the Cabinet held on 25 January 2022 at County Hall, Lewes

PRESENT Councillors Keith Glazier (Chair)
Councillors Nick Bennett (Vice Chair), Bob Bowdler, Claire Dowling,
Carl Maynard, Rupert Simmons and Bob Standley

Members spoke on the items indicated

Councillor Bennett	- item 5 (minute 38)
Councillor Daniel	- item 5 (minute 38)
Councillor Field	- item 5 (minute 38)
Councillor Shuttleworth	- item 5 (minute 38)
Councillor Standley	- item 5 (minute 38)
Councillor Georgia Taylor	- item 5 (minute 38)
Councillor Tutt	- item 5 (minute 38)
Councillor Ungar	- item 5 (minute 38)

36. MINUTES OF THE MEETING HELD ON 14 DECEMBER 2021

36.1 The minutes of the Cabinet meeting held on 14 December 2021 were agreed as a correct record.

37. REPORTS

37.1 Copies of the reports referred to below are included in the minute book.

38. RECONCILING POLICY, PERFORMANCE AND RESOURCES

38.1 The Cabinet considered a report by the Chief Executive together with a summary of the consultation meetings held with young people and Trade Unions which were received after publication of the Cabinet agenda.

38.2 It was RESOLVED to recommend the County Council to:

- 1) approve in principle the draft Council Plan 2022/23 at Appendix 1 and authorise the Chief Executive to finalise the Plan in consultation with the relevant Lead Members;
- 2) increase Council Tax by 1.99%;
- 3) increase the Adult Social Care precept by 2.5% in 2022/23;
- 4) issue precepts to be paid by Borough and District Councils in accordance with the agreed schedule of instalments at Appendix 5 (Draft);
- 5) approve the net Revenue Budget estimate of £453.2m for 2022/23 set out in Appendix 2 (Medium Term Financial Plan) and Appendix 3 (Budget Summary) and authorise the Chief Executive, in consultation with the Chief Finance Officer, Leader and Deputy Leader, to make adjustments to the presentation of the Budget Summary to reflect the final settlement and final budget decisions;
- 6) agree the Reserves Policy set out in Appendix 6;
- 7) approve the transfer of:
 - £5.175m one-off Service Grant funding to the Priority Outcomes and Transformation reserve for one-off investment in programmes that meet the Council's priority outcomes;
 - £1.745m Market Sustainability and Fair Cost of Care Fund and £3.1m Adult Social Care precept to Adult Social Care to support costs arising from national social care reforms, with any unused funding in year to be transferred to a new Adult Social Care Reform reserve.

- 8) approve the Capital Strategy and Programme at Appendix 8;
- 9) note progress with the Council Plan and Budget 2021/22 since quarter 2 set out in section 4 of the report;
- 10) note the Medium Term Financial Plan forecast for 2022/23 to 2024/25, set out in Appendix 2;
- 11) note the comments of the Chief Finance Officer on budget risks and robustness, as set out in Appendix 6;
- 12) note the comments from engagement exercises set out in Appendix 7; and
- 13) note the schedule of fees and charges that have increased above inflation at Appendix 9.

Reason

38.3 Prudent planning by the Council, and additional Government funding for the coming year, means the Council can again offer service stability for our residents. Whilst the additional national funding is welcome, it is short-term, with indications that the distribution of funding could change significantly in future years. Coupled with major reforms to key services, the implications of which are not yet clear, this creates significant risk and uncertainty for the future and we must do all we can now to prepare for the demands ahead.

38.4 There is continued reliance on raising funding for core pressures, particularly growing demand in Adult Social Care, through local Council Tax which is unrelated to social care need and unsustainable. It is also clear that funding provided to support the delivery of national reforms to Adult Social Care does not address current core pressures and may also not be enough to deliver the Government's expectations of local government's enhanced role. In this context we must again ask local people to contribute more to protect services for the most vulnerable for the future. Support will continue to be available through local Council Tax Support Schemes for those residents eligible.

38.5 The budget presented is for one year, with significant uncertainty about the picture ahead. Beyond 2022/23 we still face a significant gap between the funding we currently expect to have and the cost of providing our services as well as the undefined impacts of reforms. The proposals set out in this report put us in the best position we can to manage this situation and maintain our support to residents, particularly the most vulnerable children and adults, as well as providing opportunities for one-off investment to deliver priorities and reduce future demand where possible.

38.6 Our lobbying endeavours will therefore be critical over the coming year as Government reviews the way local authorities are funded. We will need to continue to work with our local, regional and national partners to highlight the specific needs of East Sussex and to press for fair and sustainable allocation of funding that enables us to continue to meet the needs of our residents. Core to this is a requirement for Government to ensure adequate and fairly distributed funding to support social care reforms, as well as sustainable, needs-based funding for growth in demand. Until this is delivered our medium term financial position will remain very challenging. Lobbying to ensure that our residents and businesses have what they need to be successful in the future will be fundamental to achieving a strong recovery from the economic disruption brought by the pandemic and reducing the need for county council support and services in future.

39. TREASURY MANAGEMENT POLICY AND STRATEGY 2022/23

39.1 The Cabinet considered a report by the Chief Operating Officer.

39.2 It was RESOLVED to recommend the County Council to:

- 1) approve the Treasury Management Policy and Strategy Statement for 2022/23;
- 2) approve the Annual Investment Strategy for 2022/23;

- 3) approve the Prudential and Treasury Indicators 2022/23 to 2024/25; and
- 4) approve the Minimum Revenue Provision Policy Statement 2022/23 at Appendix A (Section 3).

Reason

39.3 This policy sets out the acceptable limits on ratings, investment periods, amounts to be invested and the borrowing strategy. The financial position is kept under constant review and if at any time it is felt that any of these limits represent an unacceptable risk appropriate and immediate action will be taken accordingly.

40. ITEMS TO BE REPORTED TO THE COUNTY COUNCIL

40.1 It was agreed that items 5 and 6 should be reported to the County Council.

[Note: The items being reported to the County Council refer to minute numbers 38 and 39]