

## **Appendix 7 – Feedback from Engagement Exercises**

### **1. People Scrutiny Committee**

#### **People Scrutiny RPPR Board 05 December 2024**

Present: Councillors Johanna Howell (Chair), Colin Besley, Anne Cross, Kathryn Field, Carolyn Lambert and Stephen Shing and John Hayling (Parent Governor Representative).

#### **Summary comments for Cabinet**

1.1. The People Scrutiny RPPR Board met on the 5 December 2024 and agreed comments to be put to Cabinet, on behalf of the parent Committee, for its consideration in January 2025. The information supplied to the Board to support its discussions comprised of:

- an RPPR Board overview report;
- the Ministry of Housing, Communities and Local Government (MHCLG) Finance Policy Statement;
- the draft portfolio plans for the Adult Social Care and Health (ASCH) and Children's Services Departments (CSD); and
- savings proposals for the services within the committee's remit.

1.2. The Board met before the provisional local government finance settlement 2025-2026 was published and therefore the Board was not able to comment in detail on the Council's budgetary position.

1.3. The comments of the People Scrutiny RPPR Board are set out below:

#### **Financial outlook**

1.4 The Board expressed its concern about the financial challenges facing the Council and recognised the need to take steps to reduce the budget deficit and continue its work on lobbying.

1.5 The Board discussed announcements in the Autumn Budget to increase employers' contributions to National Insurance (NI) and making higher than expected increases to the National Living Wage. The Board noted that although Government had announced local authorities would be compensated for increased NI contributions for directly employed staff, it was currently unclear how this would be funded and Members expressed concerns about the associated risks. Whilst the Board welcomed the increase in National Living Wage, in particular for social care workers, it expressed concern that this would generate additional financial challenges, particularly for ASCH in relation to care fees.

1.6 The Board also expressed concern about the impact of increases to NI contributions and the National Living Wage on self funders; partners, including the voluntary, community and social enterprise sector (VCSE); and care providers which could in turn increase demand for council services.

1.7 The Board discussed the Finance Policy Statement and although it welcomed announcements of some additional funding, including for adult social care, special educational needs and disabilities (SEND), and a new Children's Services Prevention Grant, Members expressed concern about how Government would apply its intention to target funding to local authorities with highest need and least ability to raise income from Council Tax. It was currently unclear how this would impact on East Sussex, and whether the Council would receive funding from the new targeted Recovery Grant, despite high levels of deprivation in some areas of the county, including rural areas. The Board noted that

additional SEND funding could potentially be targeted to local authorities with significant SEND deficits, to the detriment of East Sussex which is not currently in a deficit position.

#### Children's Services draft portfolio plan

1.8 The Board received an update from the Director of CSD on the draft CSD portfolio plan and the key developments and challenges facing the Department for 2025/2026.

1.9 The Board noted the range of responses to social care and SEND challenges reflected in the Department's plans and welcomed the Department's focus on prevention and Early Help, including through the ongoing use of Family Hubs, to manage demand.

#### Adult Social Care and Health draft portfolio plan

1.10 The Board received an update from the Director of ASCH on the draft ASCH portfolio plan and the key developments and challenges facing the Department for 2025/2026.

1.11 The Board recognised the impact of the changing demography in East Sussex, most notably the projected ongoing increase in the number of older people, including those with long term illnesses, which was contributing to increased pressures on local services and the ASCH budget. The Board welcomed the Department's focus on healthy ageing, as well as a wider work on prevention, to manage demand.

1.12 The Board welcomed the Department's ongoing work to manage the Care market and noted concerns about local care infrastructure not reflecting current need in East Sussex, including the demand for complex care for older adults with cognitive impairment and younger adults with complex and challenging needs.

1.13 The Board welcomed the Department's focus on supporting carers and recognised the significant contributions they make to East Sussex.

#### Children's Services savings proposals

1.14 The Board received an update from the Director of CSD on the Department's savings proposals.

1.15 The Board noted the range of savings proposals and supported the Department's focus on Early Help and prevention as a way to address the financial deficit, as well as improve outcomes, and welcomed the Department's approach to reducing the high costs in home to school transport.

#### Adult Social Care and Health savings proposals

1.16 The Board received an update from the Director of ASCH on the Department's savings proposals.

1.17 The Board supported the five priority areas to protect as far as possible identified by the Department in its search for savings, including support for carers.

1.18 The Board noted the active public engagement with ASCH savings proposals that had recently been out to public consultation but concluded that it was currently unable to comment on these proposals as the outcomes of the consultation process were not yet available. The Committee would consider detailed information, including analysis of consultation responses, at pre-decision scrutiny boards ahead of decision making in February 2025.

## **2. Place Scrutiny Committee**

### **Place Scrutiny RPPR Board 09 December 2024**

Present: Councillors Matthew Beaver (Chair), Julia Hilton, Ian Hollidge, Eleanor Kirby-Green, Philip Lunn, Steve Murphy, Paul Redstone, Stephen Shing and Brett Wright.

#### **Summary comments for Cabinet**

2.1 The Place Scrutiny RPPR Board met on the 9 December 2024 and agreed comments to be put to Cabinet, on behalf of the parent Committee, for its consideration in January 2025. The information supplied to the Board to support its discussions comprised of:

- an RPPR Board overview report;
- the Ministry of Housing, Communities and Local Government (MHCLG) Finance Policy Statement;
- the draft portfolio plans for the Business Services (BSD), Communities Economy and Transport (CET) and Governance Services (GS) departments; and
- savings proposals for the services within the committee's remit.

2.2 The Board met before the provisional local government finance settlement 2025-2026 was published and therefore the Board was not able to comment in detail on the Council's budgetary position.

2.3 The comments of the Place Scrutiny RPPR Board are set out below.

#### **Financial Outlook**

2.4 The Board reviewed the Local Government Finance Policy Statement. The Board commented that given the Government proposals for a one-year financial settlement for 2025/26, it will be important for the Council to continue to lobby for a fair funding allocation that reflects the needs of the county, both in terms of the ageing population and areas of deprivation within the county, to feed into the fair funding review and subsequent multi-year settlements for local government funding.

2.5 The Board's general view was that the Council does not want to make savings in the service areas covered by the Place Scrutiny Committee but acknowledged that the Council is facing challenging financial circumstances and that some savings are necessary to address the budget deficit.

2.6 The Board also commented that how the Council manages savings going into the future will be very important.

2.7 The Board noted that the Local Government Finance Policy Statement did not cover capital funding for transport and highways infrastructure, which will also be important for the Council in maintaining its work in this area.

#### **Business Services and Communities, Economy and Transport Portfolio Plans**

2.8 The Board noted the impact of reduced resources on the performance measures and targets set within the draft Portfolio Plans. In some cases, it has been necessary to revise targets to reflect the performance levels that will be achievable, once financial pressures and the proposed savings have been taken into account.

2.9 In particular, the Board discussed changes in the following performance measure targets. For the Business Services Department this included:

- The level of unsecured debt over 5 months
- Economic, social and environmental value committed through contracts
- Reducing the amount of CO<sub>2</sub> emissions arising from County Council operations

For the Communities, Economy and Transport this included:

- The Percentage of Principal and Non-Principal roads requiring maintenance
- The Percentage of Unclassified roads requiring maintenance
- Lead Local Flood Authority advice provided to planning authorities
- Planning decisions performance measures
- The number of active interventions for vulnerable people who have been the target of rogue trading or financial abuse

#### Communities, Economy and Transport Savings Proposals

2.10 The Board discussed the composition of a number of savings contained within the savings proposals. For the Communities, Economy and Transport Department the Board examined the make-up of some of the larger savings proposed for the Economy Division and Waste services to understand the impact on these services. It also sought an assurance that the Trading Standards active intervention work on rogue traders and financial abuse/scams would continue to prioritise the most vulnerable people.

#### Business Services Savings Proposals

2.11 The Board discussed the progress in the review of the use of corporate buildings and in particular the work to reduce the operating costs of County Hall. It also reviewed the savings proposed for IT and Digital services.

### **3. Youth Voice Group Representatives**

3.1 The Lead Member for Children and Families, the Lead Member for Education and Inclusion, Special Educational Needs and Disability (ISEND), the Chief Executive, the Director of Children's Services and the Assistant Director, Communication, Planning and Performance and officers met with the East Sussex Youth Cabinet, Children in Care Council (CICC), Care Leavers Council, and Young Special Educational Needs and Disability (SEND) Ambassadors on 11 January 2025 to discuss the County Council's budget setting process and young people's priorities for the year ahead.

3.2 A presentation was delivered by young people on the role of youth voice in decision making; with updates on the work of the Youth Cabinet, CICC, Young SEND Ambassadors and Care Leavers Council. A presentation was then delivered by officers on the Reconciling Policy, Performance and Resources process, the Council's priority outcomes, factors the Council considers in setting its budget each year, and the financial position and priority areas of work in the Council Plan for 2025/26.

3.3 Four questions, developed by young people, were then discussed in small groups with Lead Members, Officers and young people. The following areas were covered:

### Youth voice in lobbying

3.4 One of the groups discussed how young people could be involved with the campaign for fair local government funding. Young people and adults spoke of the importance of youth voice, and the different ways young people were involved with decision making, including through the Youth Cabinet, Children in Care Council, Leaving Care Council, Young SEND Ambassadors, and a Social Care Reference Groups. There was also a discussion on opportunities for young people to be involved with lobbying activity, including through the Youth Parliament and conversations with local MPs. Young people were keen to understand how lobbying worked locally, and welcomed opportunities to communicate to Government the unique needs of East Sussex, particularly in relation to wealthier parts of the South East. Officers noted successful previous meetings for East Sussex MPs with the Youth Cabinet and commented that these could be arranged again.

3.5 Young People suggested additional ways they could participate in lobbying activities, including through a video to East Sussex MPs, visits to government meetings, and through involvement with existing local campaigns and discussions.

### Health and Wellbeing

3.6 One of the groups discussed how the Council was working with partners on health and wellbeing in the face of financial difficulties. Young people heard about the Council's work with partner organisations in the NHS and the voluntary sector and the particular focus on improving mental health and wellbeing. This had included working to improve information, advice and guidance for children, young people and families' mental health and wellbeing.

3.7 Young people commented on factors such as the use of social media, online information, the lasting impact of Covid, and the climate crisis that were contributing to increasing mental health needs in young people.

3.8 Young people and adults discussed the importance of early intervention and how to raise awareness of available advice on mental health support in schools and online. Young people commented that Family Hubs were an optimal place to provide information about support available to children and young people of all ages.

3.9 In a discussion on mental health support, young people commented that there was a preference for young people to use online platforms over telephone support and noted the long waiting list to access the SHOUT service. Long waiting lists for Child and Adolescent Mental Health (CAMHS) services were also discussed and one young person commented on a negative experience during the transition from child to adult support.

3.10 There was also a discussion on mental health support in schools. It was recognised that teachers did not have the specialism in mental health to support young people with specific needs, and this was the role of Mental Health Support Teams, however a young person asked if training for teachers to provide 'light touch' support could be provided.

### Education, training and employment

3.11 One of the groups discussed how the Council was supporting young people to get into education, training and employment opportunities. Young people heard about the work of Skills East Sussex to ensure people develop the skills needed locally; this includes working in partnership with local employers and education providers. There was also work to support apprenticeships, career provision in schools, work experience and career events.

3.12 Young people commented on the need to ensure that opportunities are available to everyone. Some commented on the additional challenges around education and employment for children in care, including experiencing feeling singled out.

3.13 Young people noted their experiences of career support, including positive examples of work experience, career provision in school and support with training. There were also comments about some difficulties in applying for apprenticeships or placements, for example due to the need for a DBS check for a particular role.

3.14 There was a discussion on the changing economy and the impact this was having on the job market, with young people recognising future jobs could look very different to what opportunities were available now and the need for career provision to reflect this. There was also a suggestion of supporting children with Special Educational Needs and Disabilities (SEND) with career plans.

#### Inclusion in schools

3.15 One of the groups discussed how the Council was working with schools to create a positive and inclusive school environment. Young people heard about the increase nationally and locally of children with Education Health and Care Plans, and the significant increase in demand for special school placements, and work locally to respond to national forms, as well as work with local partners to support children with SEND.

3.16 During the discussion young people commented on some of the challenges in schools, including pressure on pupils during exams, staff recruitment, funding, training on SEND needs, inclusion of SEND pupils in mainstream activities, and the experiences of some minority groups. The significant role of teachers in creating an inclusive environment and building positive relationships was recognised, and the importance of considering the varying experiences of pupils was also noted.

3.17 Young people discussed how inclusion in schools could be improved, including through the use of after school clubs and alternative ways of learning, such as outside the classroom.

#### Open discussion

3.18 Young people, Members and officers also took part in an open discussion, with questions and discussions on a number of topics. Comments from young people during the discussion included the need to increase awareness of climate change from a younger age in schools, and a suggestion to create a climate change literacy qualification in secondary schools; the importance of safe placements for children in care, where young people had their own space and felt they belonged; wanting more provision of family support in the north of the county; and more information available about clubs and activities for young people. There was also a discussion about vaping, with young people commenting that this was a county wide issue with high numbers of young people vaping. It was felt that more regulation was needed, including in advertising, as well as increased efforts to raise awareness of the long term effects.

3.19 Young people were very positive overall about the event's discussions and welcomed the opportunity to hear from Members and officers and voice their concerns and experiences. There was feedback that at future events young people would like to hear more about how the Council budget is spent and its priorities.

## **5. East Sussex Wider Strategic Partners**

4.1. The Leader, Deputy Leader and Chief Officers held a virtual meeting with representatives of the Council's wider strategic partners on 13 January 2025. 28 partner organisations were represented in the meeting, including public, voluntary and private sector organisations and service user groups.

4.2. The Leader opened the session and thanked partners for joining, as it was a valuable opportunity for partners to provide feedback, help shape ESCC's planning for the year ahead, and ensure our priorities were aligned wherever possible to achieve the best outcomes for residents and make the best use of collective resources.

4.3. The Chief Executive and Chief Finance Officer then delivered a presentation which provided an overview of the evidence base that underpins ESCC's Reconciling Policy, Performance and Resources (RPPR) planning for 2025/26; the national policy context and public service reforms planned for the year ahead, including the English Devolution White Paper; the anticipated financial position for 2025/26 onwards and steps being taken to address the deficit; and updates to the Capital Programme. The presentation explained that the Council was facing the most difficult financial outlook in its history and recognised that many partner organisations had similarly difficult financial positions. Although local authorities had received additional funding through the Autumn Budget Statement and provisional Local Government Finance Settlement, this fell short of the support needed to address nationally escalating pressures. The uniquely high levels of demand and deprivation in East Sussex compared with neighbouring authorities had not been reflected in funding allocations. In this context, ESCC had been forced to seek savings to reduce a large financial deficit in 2025/26. Savings proposals included in September's Cabinet papers, which were subject to public consultation, had been discussed with partners in October. A number of further proposals not requiring public consultation had since been put forward, with themes of reviewing and consolidating funding models, posts, and support programmes. As these proposals would not deliver sufficient savings to close the financial deficit, there would also be a need to draw significantly on reserves. This stark position would be unsustainable beyond 2025/26. ESCC would continue to lobby as strongly as possible for upcoming funding reforms to recognise the significant needs and limited resources in East Sussex. If further support from Government in future years was not forthcoming, ESCC would have to consider other options, including seeking Exceptional Financial Support.

4.4. Comments and feedback provided by partners following the presentation are set out below.

### **Economic growth**

4.5 Partners welcomed ESCC's focus on sustainable economic growth, noting the important role of small businesses in East Sussex's economy. The Local Growth Board looked forward to working in partnership with ESCC to ensure the interests of small businesses were represented in work going forward, including on devolution. The Leader responded that ESCC's commitment to sustainable economic growth would have a major role in its upcoming work and recognised the important relationship between the health of the local economy and the level of pressure faced by the Council.

### **Use of reserves**

4.6 Partners asked for further detail on the implications of the significant decrease in ESCC's reserves. The Chief Finance Officer responded that whilst reserves at 1 April 2025

were projected to be £82.3m, a number of ESCC's reserves were ringfenced for specific purposes (for example, Schools Balances and Public Health Grant), so there was no flexibility regarding how these were used. The budget for 2024/25 had included a draw of £14.3m from strategic reserves, and the forecast in-year overspend would require a further draw of £10m. This would leave ESCC with only £9.4m in strategic reserves going into 2025/26, which was a stark and unsustainable position to be in.

### Savings proposals

4.7 Partners noted the difficulty of ESCC's financial position and asked for clarification on the extent to which the outlined savings proposals contributed to balancing the budget for 2025/26. The Chief Finance Officer responded that after taking account of income from Council Tax and Government grants, the deficit of £55m was reduced to £28.5m. The £16.2m worth of proposals represented the maximum possible contribution ESCC could make through savings to address this remaining gap. Assuming the delivery of these savings, this left a gap of £12.3m to be funded through a draw on reserves. As reserves could only be used once, this would transfer the deficit into future years. In light of this outlook, there was an acute need for local government funding reform to include an assessment of deprivation and need which recognised the unique challenges in East Sussex. The allocation of the new Recovery Grant in the provisional Local Government Finance Settlement had been focused on metropolitan borough authorities and ESCC would strongly respond to future consultations on funding reform to ensure the needs of the county were understood. Each 1% on Council Tax corresponded to around £3.75m in additional funding for ESCC and, without a referendum, Council Tax could only increase by a maximum of 5%. This therefore made it necessary for ESCC to take the additional measures to reduce the financial deficit.

4.8 Partners expressed concern about the savings proposal relating to drug and alcohol recovery services, specifically regarding the potential long-term impact on public health and law enforcement bodies. Partners asked what analysis had been undertaken of this impact. The Director of Adult Social Care and Health (ASCH) confirmed that ESCC had undertaken detailed impact assessments for all proposals, which would be presented to Cabinet alongside feedback from the public consultations, on 25 February. The Director emphasised that these were not savings the Council wished to make as they would have a significant impact on residents and partners. A key reason for this proposal had been higher spending per capita on these services than comparable local authorities. The Director confirmed that there was continued funding for rehabilitation and recovery services. The Leader recognised the impact of any savings but noted the Council's legal obligation to present a balanced budget.

4.9 Partners asked about the deliverability of the outlined savings proposals. The Chief Executive responded that ESCC carried out careful deliverability assessments of all savings proposals and confirmed that those presented this year were deliverable and subject to consultation to ensure the impact was understood before decisions were made.

4.10 Partners asked about anticipated additional demand as a result of specific savings proposals, such as the closure of day centres. The Director of ASCH responded that proposals would affect individual service users in different ways, but that ESCC would re-provision services where people had Care Act eligible needs. Where services had a significant preventative value, such as housing-related and drug and alcohol services, it was difficult to quantify the level of demand that would arise from savings. Moreover, it would be challenging to directly attribute an individual's Care Act eligible need to the withdrawal of a support service. However, once proposals were implemented, ESCC would work to identify

and monitor any increase in demand, and it was expected that all proposals would increase demand in the medium to long term. The Leader noted that ESCC maintained a strong focus on prevention, but that the financial situation presented a need to focus resources on meeting the Council's statutory duties.

4.11 Partners asked how ESCC planned to support the voluntary, community and social enterprise (VCSE) sector with increased demands for its services, including any increase resulting from the discussed savings proposals. The Director of ASCH responded that ESCC would continue to work with the VCSE sector as equal partners and with transparency and respect. ESCC recognised that escalated demand was a problem for the county as a whole and would work with partners to manage residents' expectations as to what the VCSE was able to provide. The strong partnership seen through the Commissioning Excellence programme exemplified the approach ESCC intended to take more broadly with the VCSE sector. ESCC would continue through this programme and through Partnership Plus to maintain an open dialogue with the VCSE sector as it sought to make best use of its resources.

#### Devolution

4.12 Partners asked whether devolution plans would mitigate some of ESCC's budgetary pressures and what the Council sought to achieve in its response to the English Devolution White Paper. The Leader responded that the White Paper represented a clear direction of travel from the Government and clarified that ESCC sought to join the Devolution Priority Programme to secure the Government support that this programme offered. He also clarified that this would not improve the financial outlook in the short term, however in the medium term, it was hoped that committing to devolution would allow ESCC to impress upon Government the true needs of the county and have a clearer role in shaping its ability to respond to them.

#### Family Hubs

4.13 Partners asked for an update on funding for the Family Hubs programme. The Director of Children's Services responded that ESCC had received confirmation of ongoing funding for the programme. This was, however, in the context that ongoing funding for other streams, including the Holiday Activities and Food programme (HAF), had not yet been confirmed, and work was ongoing to establish the overall outlook.

#### Partnership working

4.14 Partners commented on the importance of public awareness of the challenges in the public sector and suggested that communicating this in an understandable way could be achieved through a cohesive cross-partner message. There was also a need to measure the impact of reduced service provision across the county in order to evidence the consequences of insufficient resources. The Leader responded that ESCC's recent lobbying efforts had been strong, but that a collective message may resonate more effectively with local MPs.

4.15 Partners sought assurance about opportunities for partners to have open conversations with ESCC on how to make best use of resources. The Leader responded that ESCC had strong partnerships and expected partners to continue to engage in open and transparent dialogue with the Council. The Chief Executive added that partners were encouraged to contact Chief Officers or her if they had any concerns about their ability to communicate openly with ESCC.

4.16 Partners commented that it would be helpful to engage with non-council funded service providers to establish the degree to which service provision across the county was at risk.

4.17 Partners thanked ESCC for its ongoing openness and transparency with strategic partners in the face of severe financial challenges and fed back that they had found the presentation and discussion informative and helpful, welcoming the County Council's ongoing commitment to partnership working.

4.18 Partners were thanked for providing a clear message on what their priorities were, and they were encouraged to contact the Leader, Deputy Leader or Chief Officers if they wished to any make further comments on the budget proposals following the meeting.