

Feedback from Engagement Exercises

1. People Scrutiny Committee

People Scrutiny RPPR Board

Present: Councillors Johanna Howell (Chair), Colin Belsey, Kathryn Field, Nuala Geary, Stephen Shing, Colin Swansborough and John Ungar, and Maria Cowler (Roman Catholic Diocese Representative) and John Hayling (Parent Governor Representative)

1.1 The People Scrutiny RPPR Board met on the 11 December 2025 and agreed comments to be put to Cabinet, on behalf of the parent Committee, for its consideration in January 2026. The information supplied to the Board to support its discussions comprised of:

- December RPPR Update report to Cabinet
- CIPFA local authority efficiency toolkit; and
- the draft portfolio plans for the Adult Social Care and Health (ASCH) and Children's Services Departments (CSD)

1.2. The Board met before the provisional local government finance settlement 2026-2027 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 position of the Council, although acknowledged the significant pressures facing local government and commented that there was insufficient funding for the sector to meet increasing demand for services and increasing complexity of need.

1.5 The Board discussed the outcome of the Government's Fair Funding Review 2.0 consultation and although it was acknowledged that detailed allocations would be set out in the awaited provisional local government finance settlement, the Board expressed concern about the impact new funding formulae were expected to have on ESCC.

1.6 The Board discussed the announcement in the Autumn Budget Statement that SEND will in future (from 2028/29) be funded through central Government and raised concerns that this would not address SEND deficits up to this point and that this funding would be at the detriment of other funding streams.

1.7 The Board expressed confidence that the Council had taken significant steps to address its financial deficit, including lobbying for additional funding, generating income, and implementing savings and efficiencies, and that the Council's self-assessment against the CIPFA local authority efficiency toolkit provided a robust evidence base that efficiencies identified by other local authorities had also been explored.

1.8 The Board recognised the limited options remaining to set a balanced budget for 2026/27, including identifying further savings and preparing to seek Exceptional Financial Support (EFS), however expressed significant concerns about the impacts of these. The Board acknowledged the considerable number of savings previously made and, although accepted that the Council was still able to deliver its statutory duties, was very concerned about its ability to do so in the future if further savings were identified and the significant impact this would then have on residents, staff and partners. The Board commented that

with increasing need and demand for services, further savings increased risk to vulnerable adults and children.

1.9 The Board discussed the proposed CSD saving to stop the payment of term-time accommodation for university students who are care leavers and expressed that whilst the need for this saving was understood, in light of the financial context, it was regrettable that this support for care leavers would not continue.

1.10 The Board discussed the potential outcomes of applying for EFS and expressed concern about the prospect of raising Council Tax above the referendum limit, acknowledging that East Sussex residents already paid a relatively high rate, and wished to highlight that although permission to raise Council Tax significantly was unlikely, an increase of 18% would be necessary to fully address the deficit and set a balanced budget. In discussing the potential impact of receiving EFS in the form of permission for additional borrowing, the Board expressed concern about the increasing debt this would generate for the Council, and the subsequent impact this would have on East Sussex residents.

1.11 The Board discussed public awareness about the challenging financial context local government was operating in, noting some misconceptions, and highlighted the need for stronger messaging on increased demand, the impact on council services and ongoing sector challenges.

Children's Services draft portfolio plan

1.12 The Board received an overview from the Director of CSD of the draft CSD portfolio plan and the key developments and challenges facing the Department for 2026/2027.

1.13 The Board welcomed the priorities and developments contained within the plan and recognised the ambitious work to transform and provide services within a challenging context, including significant national reforms.

1.14 The Board welcomed the department's approach to addressing high demand and costs in Home to School Transport, however acknowledged that national reforms and legislative changes were needed to fully address ongoing challenges in SEND support.

Adult Social Care and Health draft portfolio plan

1.15 The Board received an overview from the Director of ASCH of the draft ASCH portfolio plan and the key developments and challenges facing the Department for 2026/2027.

1.16 The Board acknowledged the challenging context the department was operating in, with increased demand for services, and praised staff for their ongoing work to deliver statutory services.

1.17 The Board discussed wider financial challenges in the health sector, noting NHS funding pressures, and expressed the need to closely monitor the impacts of reductions and changes to Integrated Care Boards.

2. Place Scrutiny Committee

Place Scrutiny RPPR Board

Present: Councillors Matthew Beaver (Chair), Chris Collier, Ian Hollidge, Philip Lunn, Steve Murphy, Paul Redstone, Stephen Shing, David Tutt and Brett Wright.

2.1 The Place Scrutiny RPPR Board met on the 16 December 2025 and agreed comments to be put to Cabinet, on behalf of the parent Committee, for its consideration in January 2026. The information supplied to the Board to support its discussions comprised of:

- December RPPR Update report to Cabinet
- CIPFA local authority efficiency toolkit; and
- the draft portfolio plans for the Business Services (BSD), Communities, Economy and Transport (CET) and Governance Services (GS) departments

2.2 The Board met before the provisional local government finance settlement 2026-2027 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:

Approach to savings

2.4 The Board explored the approach taken to identifying savings for 2026/27 and acknowledged the difficulty in identifying new savings given the amount the Council has made historically. The Board recognised that the savings proposals for 2026/27 would not be enough to close the deficit, and therefore it understood the need for the Council to explore the possibility of applying for Exceptional Financial Support from government.

2.5 The Board received assurance on a number of areas of spend to ensure that the Council has explored savings in all possible areas. This included considering whether the Council was able to exit contracts early where possible, avoiding the use of consultants wherever capability to deliver work may exist in-house, and reducing street lighting levels where safe to do so.

2.6 The Board received assurance that the proposed winter gritting saving would not see the percentage of the county's network treated become out of line with similar shire county areas, and there would still be gritting on key routes.

Income maximisation

2.7 The Board discussed the importance of the Council seeking to maximise its income to reduce the deficit, including through raising fees and charges for services where possible. The Board acknowledged there are issues related to increasing parking charges, in that if they rise too much it can result in a fall in revenue, as well as the statutory limitations on the generation and use of parking surpluses.

2.8 The Board received assurance that Trading Standards services would be able to continue to generate income through the Proceeds of Crime Act.

2.9 The Board noted that Active Travel England (ATE) had rated ESCC's active travel grade as Level 1 due to its perception of challenges with delivering schemes in East Sussex. The Board felt this was disappointing and noted the importance of the Council seeking to improve its ATE rating as it would help leverage greater amounts of national funding into the county for active travel schemes.

Working with others

2.10 The Board discussed the possibility of town and parish councils taking on responsibility for services where the Council was no longer able to fund them, noting that there is no cap on their ability to precept. The Board suggested that the Council should explore where town and parish councils could take on responsibility for services where the community wishes to see services to continue, but ESCC is unable to continue to deliver them.

2.11 The Board discussed local government reorganisation and suggested that, presuming the One East Sussex proposal is taken forward, conversations begin as early as possible between ESCC and district and borough councils on opportunities for collaboration and joint working between teams to deliver cost savings prior to vesting day of the new unitary in 2028.

Portfolio Plans

2.12 The Board reviewed draft departmental Portfolio Plans and noted the key challenges and developments services would be responding to in the coming year.

2.13 The Board discussed the approach to reducing carbon emissions from the Council's own operations and what it was possible to fund given the financial position. The Board welcomed that the Council would explore where it could reduce emissions through business as usual work, but recognised the context in which the Council was operating. In this context, the Board understood the reasoning why more could not be done given financial constraints, but felt that this was regrettable.

3. Business Representatives

3.1 The Chief Executive met with business representatives from Team East Sussex (TES) on 8 December 2025 to deliver a presentation on the Council's business planning, consulting the Board on the steps being taken to balance the budget for 2026/27. This included an overview of the savings proposals under consideration and the Council's ongoing work with Government in seeking Exceptional Financial Support and lobbying for sustainable funding, as well as of the economic opportunities presented by devolution and local government reorganisation as key aspects of the current planning context. The TES Board fed back that this was a comprehensive presentation which provided assurance that all necessary steps towards a balanced budget were being taken.

4. East Sussex Wider Strategic Partners

4.1 The Leader and Chief Officers held a virtual meeting with representatives of the Council's wider strategic partners on 12 January 2026. 33 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 2026/27; the national policy context and public service reforms planned for the year ahead, including national funding reforms; the anticipated financial position for 2026/27 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 provisional Local Government Finance Settlement, the Fair Funding Review 2.0 had resulted in a net loss of funding for ESCC, and ESCC will not receive the support needed to address nationally escalating pressures. The high levels of demand and deprivation in East Sussex compared with neighbouring authorities had not been reflected in funding allocations, leaving the Council in an unsustainable position.

4.4 In this context, ESCC had been forced to identify a further £3.5m in savings, as it seeks to reduce a large financial deficit in 2026/27. Planned savings would have an impact on residents, staff and partners and were not proposals ESCC wished to make. As these proposals would not deliver sufficient savings to close the financial deficit, there would also be a need to seek £70m in Exceptional Financial Support (EFS) from the Government. ESCC would continue to lobby as strongly as possible for additional funding to recognise the significant needs and limited resources in East Sussex.

4.5 After the presentation, the following questions, comments and feedback were provided by partners:

Exceptional Financial Support

4.6 Partners recognised the need for ESCC to apply for EFS but noted that it was only a temporary solution and asked if there would be stipulations about how EFS could be spent if it was granted. Partners asked if EFS could be used to invest in projects to fuel long-term economic growth, or if it could only be used in the short-term for urgent priorities. The Chief Finance Officer responded that EFS would be used to fund the everyday revenue budget for 2026/27 and will be granted on a one-year funding basis; initially ESCC asked the Government about the possibility of three-year EFS aligned to the multi-year settlement but was advised that only one-year loans were possible under the framework. EFS could not be used to fund the Capital Programme due to Government accounting requirements surrounding its use. However, part of the deficit in the revenue budget arises from investment that ESCC was already budgeting for. This included investments in technology and artificial intelligence to streamline working practices for future years.

4.7 Partners noted the urgent need for EFS. Partners enquired about ESCC's position in the priority list and whether ESCC was unique amongst local authorities in applying for EFS. The Chief Finance Officer responded that ESCC was by no means the only authority seeking EFS. In 2025-26, 30 local authorities applied nationally, and the number of applications was expected to approximately double for the 2026-27 financial year. He emphasised that ESCC was not seeking EFS due to poor financial management, a position supported by the outcome of the CIFPA assurance review and prior conversations with MHCLG, therefore ESCC's application was in a good position to receive support. EFS was being sought due to the finance settlement being insufficient to meet demand in the county, and this was expected to be exacerbated, as ESCC's core spending power was set to decline over the three years of the multi-year funding settlement. EFS would be a long-term loan to support the budget for one year, the repayment of which would have significant impacts on East Sussex and its residents and was not being pursued lightly. The Leader of the Council commented that ESCC had done the right thing for many years to maintain good services for residents, including by applying nationally allowed council tax increases to sustain services. The Council was proud of the work done by Adult Social Care and Children's Services to support residents, but unfortunately the financial position meant that the allocated funding no longer met the costs of service delivery, and the outcome of the Fair Funding Review 2.0 failed to resolve this. He affirmed that ESCC would continue to lobby the Government to receive more funding and ensure ESCC's financial position was communicated.

Savings Proposals

4.8 Partners commented that they valued the transparency from the Council regarding the financial outlook and ESCC's commitment to partnership working, especially continued investment in the Voluntary, Community and Social Enterprise (VCSE) sector. However, they raised concerns that the VCSE sector would likely see the impacts of savings in preventative services, due to the displacement of demand into the VCSE sector. Partners raised that out of the £156m of savings that had already been implemented, a balance between efficiencies

and reductions in discretionary services had been found and asked what potential further savings in discretionary services remained. The Leader of the Council responded that there were very few options left for making savings. Those identified in the 2026/27 budget would reduce important work in the county, like gritting roads, and residents were likely to feel the impact of these. The Leader confirmed that he had written to Government over a number of years to emphasise that the savings ESCC was being forced to make were not for residents' benefit. He stated that over £1bn would be spent by ESCC in 2026/27, so in that context £3.5m in savings was a small proportion and was insufficient to bridge ESCC's substantial deficit.

Devolution

4.9 Partners recognised that, given the circumstances, ESCC was doing everything it could for residents. They noted that the Sussex and Brighton Mayoral Combined County Authority (MCCA) was soon to be established and asked what changes ESCC expected to see as a result of this, as well as what areas would see the most significant difference. The Chief Executive responded that the combined authority would enable strategic working across the region. The MCCA would have new powers relating to skills, adult education, intervention in terms of economic growth, the development of Spatial Development Strategies and housing coordination. It was expected this would enable closer working with the NHS, strategic and partnership working, and enable coordination for regional planning. In the long-term, it was hoped that this would improve spending at a local level, reduce poverty, improve service provision and improve health, which in turn would help manage demand for services in the county. However, investment would need to be appropriate at local levels, as different areas of Sussex have varying demographics and need. The benefits of devolution would likely not become apparent in the short term, and the impact on demand would not likely be seen for another 5-10 years, so local authorities' actions to support their residents in the short-term would be crucial.

Partner Funding Allocations

4.10 The representative from Care for the Carers raised concerns that a large proportion of its funding comes from ESCC and the NHS. He asked when a decision would be made about their funding allocations for 2026/27, whether funding would be available on a three-year basis, and when that would be communicated to the organisation. The Director of Adult Social Care and Health responded that support for paid carers was being prioritised for the third year in a row, therefore ESCC was not proposing any reductions in that funding. If agreed, unless there were contractual obligations to be fulfilled, funding would be made available for one year only given the financial uncertainty. Budget recommendations would go through Cabinet on 27 January, and decisions would be made by Full Council on 10 February. ESCC was therefore expecting to confirm funding with partners in early February. The Leader of the Council added that ESCC was also waiting for confirmation of grant funding at this stage and funding allocations to partners would be dependent on grants being allocated as expected.

4.11 Partners were thanked for their engagement, 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.

5. Youth Voice Group Representatives

5.1 The Lead Member for Children and Families, the Lead Member for Education and Inclusion, Special Educational Needs and Disability (ISEND), the Chair of the People Scrutiny Committee, the Chief Executive, and the Director of Children's Services 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 17 January 2026

to discuss the County Council's budget setting process and young people's priorities for the year ahead.

5.2 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 that the Council considers in setting its budget each year, and the financial position and priority areas of work in the Council Plan for 2026/27.

5.3 Topic discussions were then held in small groups with Lead Members, Officers and young people. The following areas were covered:

Devolution and Local Government Reorganisation (LGR)

5.4 One of the groups discussed the opportunities for young people of the incoming Mayoral Combined County Authority (MCCA) for Sussex, including working on a broader footprint across Brighton & Hove and West Sussex. Young people commented that while some of them sometimes attended youth hubs outside of East Sussex, this was a matter of personal choice. They asked whether cross-Sussex offers would become more standard when the MCCA was established. They heard that services such as youth hubs would continue to be run by individual councils rather than by the MCCA. However, working on a pan-Sussex basis could provide the platform needed to make a more effective case to Government about young people's needs and priorities, as the MCCA would represent almost 2 million people.

5.5 Young people enquired about areas where devolution could make a practical difference to their lives. They heard the example that many roads in East Sussex are small, rural lanes, and the ability to strengthen our transport system would be an opportunity for visible change. Similarly, devolution would provide the chance to redesign bus services to better fit local needs.

5.6 The group also discussed upcoming changes to local government through LGR. The importance of consulting young people throughout the process of developing and implementing LGR plans was noted. It was commented that LGR was a unique opportunity to redesign services to better meet the specific needs of local communities.

5.7 Young people heard that LGR would provide the opportunity to reset how youth engagement works, as all services would become the shared responsibility of each unitary council, removing the need for young people to navigate a complex system to advocate for themselves by providing a clearer line of accountability.

Community cohesion

5.8 One of the groups discussed issues around community cohesion as well as what gave young people a sense of belonging in their area or school.

5.9 Young people commented that the availability of accessible, creative, physical and social activities was important to their sense of belonging, both inside and outside of school. These included music events, art clubs, individual and team sports activities, and groups such as Cubs and Scouts. Such activities provided opportunities for social connection, as did political organising and spending time with family.

5.10 Young people also felt that employment would improve their sense of belonging, but shared that securing jobs had been very challenging.

5.11 In terms of supporting community cohesion, young people fed back that schools could provide opportunities for this, and suggested making free extracurricular clubs mandatory; increasing advertising of external community youth clubs and other local creative

and physical activities through schools; offering more interest-led after school clubs; and allocating more time in the school day to social activities. Young people felt that it was important to have a consistent approach across schools to maximise effectiveness.

5.12 Young people noted the need for more volunteers in the county to support activities, as well as improving communication from voluntary organisations around what is available to them.

5.13 Young people also cited Peacehaven Youth Hub as a positive example of an offer which supported community cohesion, as well as churches in Seaford that ran activities for the community.

5.14 Young people cited the importance of friendships based on similar hobbies and interests as a key reason to expand activity-based groups. However, they noted that sports clubs were often less accessible, requiring money and facilities, and noted the barriers some young people may face that could prevent them from taking part.

Youth voice in decision-making

5.15 One of the groups discussed how young people's ideas can be accounted for by decision-makers in the Council and how they can inform and support the Council's lobbying efforts.

5.16 Young people noted the importance of having strong relationships with council staff and Members, ensuring a comfortable environment for them to share their priorities. They noted that the new Youth Voice group would provide an opportunity to work closely with a wider range of people in the Council. In particular, young people felt that it would be valuable to have regular opportunities to talk directly to leaders, including Members. They suggested that the Council could help its adults to develop the skills to communicate effectively with young people and foster an environment where young people feel comfortable asking questions when they do not understand a topic.

5.17 Young people felt that they were often consulted too late in the Council's decision-making and suggested that LGR could help address this. They recommended that the Council present a few realistic options for feedback rather than a single proposal.

5.18 Young people felt that engagement by the Council should be varied and stimulating, using a range of different approaches. They commented that there should be more time allocated at events to allow for co-production with young people.

5.19 Young people also commented that there needed to be a clearer feedback loop in which they had a stronger understanding of how the Council had taken their views into account.

Open discussion

5.20 Young people, Members and officers also took part in an open discussion, with questions and discussions on several topics. Comments from young people during the discussion included support for lowering the voting age to 16, and the need for increased teaching on media literacy and critical thinking in schools to support young people to be politically engaged; the need to develop Youth Voice in the Council to ensure young people's views were considered when making decisions; opportunities in devolution to work with bus providers to improve services and public transport experiences; and the possibility of the Council developing an apprenticeship pathway specifically for care leavers.

5.21 Groups additionally considered potential areas of focus for the new Youth Voice Group and the importance of designing a system of engagement around the needs of neurodivergent people in particular.

5.22 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.

6. Trade Unions

6.1 A meeting was held with trade union representatives on 21 January 2026 to consult them on the Council's draft Council Plan and budget proposals for 2026/27.

6.2 The Leader of the Council opened the meeting and thanked the trade union representatives and the staff they represent for their work this year. He acknowledged that this meeting would be Amanda Park's (UNISON representative) final RPPR engagement meeting and extended gratitude, on behalf of the Council, for Amanda's dedicated service in her Unison role, particularly her involvement in the budget setting process.

6.3 The Leader noted that, as the report to Cabinet sets out, the importance of the services provided by the Council had been evident once again this year, and that delivery of those services would not have been possible without the commitment and hard work of staff who continued to respond to growing service pressures and changes. The Leader noted as detailed in the Cabinet papers, this was the most challenging financial position the Council had seen.

6.4 The Chief Executive and Chief Finance Officer then delivered a presentation which provided an overview of ESCC's Reconciling Policy, Performance and Resources (RPPR) planning for 2026/27; the national policy context; recent local government funding announcements, and the anticipated financial position for 2026/27 in light of these; steps being taken to address the budget deficit, including further savings and seeking Exceptional Financial Support; updates to the Capital Programme; and ongoing lobbying efforts in light for this position.

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

Steps to address the budget deficit

6.6 Representatives acknowledged ESCC's effective resource management and service delivery, as demonstrated by positive external assessments, and commented that it was regrettable that the Council was facing the financial position it was in. They also noted staff confidence in the Council and its leadership to address these difficulties.

6.7 The Leader thanked representatives for their comments and agreed it was a difficult position to be in which did not reflect the Council's record of good management and service delivery.

Savings

6.8 Representatives sought clarification on the roles that would be impacted by the savings set out in the budget report. The Chief Executive noted that the majority of posts impacted were in Adult Social Care and Health (ASCH). The Director of ASCH explained that savings proposals would affect around 140 posts, resulting in 16 job losses, including 8 occupied roles (two posts were vacant, one an interim post, and seven would be realised through normal turnover). Most affected roles were within Planning, Performance, and Engagement and included temporary contracts. The Director reflected that last year's savings included 11 proposals and impacted over 100 staff, but compulsory redundancies were minimal, with most staff being successfully redeployed or accessing voluntary redundancy and a similar approach was anticipated this year.

6.9 Representatives expressed concerns about savings proposals in the Business Services Department (BSD) and commented that these were crucial services to support staff, including HR services which ensured compliance with our policies and statutory regulations and provided support to managers and staff. The Assistant Director, HR&OD thanked representatives for recognising the work of the HR team and agreed that there were strong policies and procedures in place to support staff, including an effective policy framework to help staff and managers manage change, and confirmed that there were no planned savings for HR for 2026/27 and that BSD savings were predominately focussed on Oracle implementation efficiencies.

6.10 The Chief Finance Officer also recognised the key role of BSD services in supporting change and reiterated that savings in BSD were focussed on ceasing the Good Shape contract, data packages for mobile phones, and reviewing the provision of Oracle systems, including the cost of licenses. It was noted however that as the Council began planning for 2027/28 and beyond, BSD services would be subject to further review.

6.11 Representatives asked if there were further savings proposals. The Chief Executive clarified that all the current savings proposals were set out in the report, although noted that the Council would continue to adapt services and seek efficiencies in light of the current budget position. However, options for savings were limited due to previous savings and the need to meet statutory duties.

BSD functions

6.12 Representatives asked about the implementation of Oracle and if this was on track to be in place by the end of the year.

6.13 The Assistant Director, HR&OD assured representatives that teams were working hard to implement Oracle Phase 3 on time and ahead of the Good Shape contract coming to an end. Oracle would replicate Good Shape tools and functions and there were mitigations in place in the event that implementation was delayed.

6.14 Representatives enquired about ASCH finance officers and their role within the wider finance team. The Director of ASCH clarified that the ASCH finance and benefits team conducts financial assessments and collects client contributions. Operating within the division that supports vulnerable individuals, they coordinate with the BSD Accounts Receivable Team to maintain clear processes. The Director commented that current system functions effectively due to strong collaboration between practitioners and finance staff.

Exceptional Financial Support

6.15 Representatives expressed concern regarding the necessity to pursue Exceptional Financial Support (EFS) and asked about the sustainability of increased borrowing and its long term implications. However, they also recognised that this action was necessary given the Council's financial position.

6.16 The Leader acknowledged that the current situation was not sustainable, emphasising that it is not possible to meet statutory obligations without adequate funding.

6.17 The Chief Executive expressed concern that the outcome of the Fair Funding 2.0 had resulted in less funding for ESCC and cited the unique position of the Council applying for EFS despite proven management. However, without opportunities to sell assets and insufficient reserves, borrowing through EFS, although not a sensible financial strategy, was the only option.

6.18 Representatives asked if a rise in Council Tax had been considered in applying for EFS. The Chief Finance Officer noted that there were two options in seeking EFS, applying to raise Council Tax above the referendum threshold, or borrowing. The Ministry of Housing, Communities and Local Government (MHCLG) informed ESCC early on in the process that

a Council Tax rise would not be supported due to higher than average Council Tax rates in East Sussex.

Lobbying

6.19 Unison representatives commented on their recent lobbying with local MPs on local government funding and to raise awareness of local issues and deprivation and committed to further work on this, including work with Council leaders and officers to communicate these messages.

6.20 The Leader thanked representatives for their lobbying work and confirmed that the Council would persist in advocating for greater awareness of the financial challenges facing local services, especially social care. He noted that whilst reforms in ASC and CSD were still awaited, current funding was insufficient to meet the needs of both adults and children, and lobbying would continue to focus on securing the necessary funds to deliver these services. The Leader welcomed ongoing cooperation with Trade Unions on this issue.

Use of digital and AI

6.21 Representatives commented on the use of Artificial Intelligence (AI) and digital to improve efficiency and asked if there were plans to utilise these to mitigate job losses. The Director of ASCH responded that for ASCH, seven of the posts that have been identified as potential savings were within the operations admin team, as practitioners had become less reliant on admin staff in recent years. The department was piloting the programme Form Flow, which uses AI to complete assessments for practitioners after conversations with clients, and commented that there was potential for greater efficiency. A similar programme, Magic Notes, was also being piloted in CSD, with both initiatives aiming to boost practitioner capacity. The Director commented that as demand continues to rise, practitioners would remain essential.

6.22 The Chief Executive commented on the wider adoption of AI within the Council, emphasising that the budget was set using evidence of AI usage and its potential impact. Although it was recognised that AI had the potential to play a significant role in managing growth and demand, decisions would continue to be made based on experience rather than assumptions. The Council was taking a cautious approach to AI, based on learning (the pilot programs in ASC and CSD had already been thoroughly tested elsewhere), however, the Council would continue to set ambitious goals.

Local elections

6.23 Representatives enquired about the likelihood of 2026 council elections taking place and if there was a contingency in place if so to meet the associated costs. The Chief Executive clarified that ESCC had requested a deferral of these elections as part of the local government reorganisation process and that this request was now being considered by Government. The cost of running elections was predominantly with district and borough councils and conversations with local councils had confirmed spending could be postponed until the end of January. The Chief Executive added that the Reform Party had initiated a judicial review regarding postponing elections, with the case scheduled for February, and confirmed that the ESCC would continue to work with district and borough councils to safeguard election arrangements.

6.24 The Chief Finance Officer clarified that the Medium Term Financial Plan (MTFP) is building up an election budget, however, if elections did go ahead in 2026, there would be an additional pressure which the Council would need to meet as the current budget would not be sufficient to cover costs.

SEND demand

6.25 A representative from the National Association of Headteachers expressed concern at the ongoing rise in demand for Education Health and Care Plans (EHCPs) and special educational needs and disability (SEND) support, commenting that there was a lot of unidentified early need that would likely result in additional pressures. She noted that schools were working in a similar climate of limited options to seek savings and efficiencies and commented that it was becoming increasingly challenging for schools to deliver statutory duties.

6.26 The Lead Member for Education, Inclusion and SEND commented on the increase in EHCP applications and expressed frustration that reforms to SEND had been delayed. He commented that unless the definition or funding were reviewed, SEND pressures would continue.

6.27 The Leader recognised that these challenges were being felt by a number of partners, including health professionals and reiterated the need for continued partnership working.

6.28 The Leader thanked representatives for the positive feedback and for their input in the session and confirmed Members and officers would continue to maintain open engagement with trade unions as doing so was important for working together effectively to deliver services.