

Report to:	Cabinet
Date:	25 June 2024
By:	Chief Executive
Title of report:	Reconciling Policy, Performance and Resources (RPPR) – State of the County
Purpose of report:	To update Members on the issues which need to be taken into account in the priority and budget setting process for 2025/26 and beyond

RECOMMENDATIONS

Cabinet is recommended to:

- 1. note the evidence base on demographics (Appendix 1) and the national and local policy outlook (Appendix 2);**
 - 2. review the priority outcomes and delivery outcomes (Appendix 3) and agree these as the basis of the Council’s business and financial planning, subject to the proposed amendments set out in paragraph 4;**
 - 3. agree officers update the Medium Term Financial Plan as the basis for financial planning when more information is available, as set out in paragraph 5;**
 - 4. agree officers identify areas of search for further savings as set out in paragraph 5;**
 - 5. agree to allocate the additional £5.386m for social care received in the final Local Government Finance Settlement for 2024/25 to support the investments in children’s and adult social care within the Council’s agreed 2024/25 revenue budget.**
 - 6. agree officers update the Capital Strategy and programme (Appendix 4) as set out in paragraph 7;**
 - 7. agree the Productivity Plan at Appendix 5 for submission to the Department for Levelling Up, Housing and Communities; and**
 - 8. receive reports on more detailed plans for 2025/26 and beyond in the autumn when there is more information about future resources.**
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1. Background

1.1 The State of the County report is a key annual milestone in the Council’s Reconciling Policy, Performance and Resources (RPPR) process, our integrated business and financial planning cycle. The report provides an overview of our current operating context to begin the process of more detailed planning for 2025/26 and beyond. In conjunction with the 2023/24 year end monitoring report, it reflects on our achievements over the last year and the challenges we expect in the year ahead arising from both local and national factors. Through this analysis, it starts to refine our plans and to steer our business planning and budget setting processes.

1.2 The County Council continues to make a vital difference every day to health and wellbeing, independence, prosperity, connectivity and community throughout the county. Through our services, employment, purchasing and how we work in partnership with others the Council makes a significant contribution to quality of life for people across East Sussex. The reach of our services is significant. In the past year our Adult Social Care services have supported 27,000 people, our Children's Services have been in contact with over 30,000 families, we maintained over 2,000 miles of road, including repairing over 27,000 potholes, issued over two million items through our libraries and dealt with a quarter of a million tonnes of waste.

1.3 Independent reviews have endorsed the way in which the Council provides its services and has a positive impact on the county. Peer challenges led by the Local Government Association have cast a critical eye over our work and found the organisation to be focused, well managed and effective. Ofsted, following its detailed inspection, has praised the quality of our Children's Services and the outstanding support for looked after children. Our external auditors have endorsed the value for money services provide across the Council. These considered judgements confirm the organisation's many strengths, the commitment of our staff and the immense value of our partnerships. It is clear that East Sussex is a well-run council. But despite doing everything possible to plan and manage well locally, we are not immune to the national pressures weighing heavily on local government.

1.4 The past year has seen growing challenges for the Council, as well as achievements, and we expect these ongoing pressures to have a significant impact on our planning for the future. Many years of prudent management, including making difficult decisions when we had to in order to live within our means, have enabled the Council to provide stability in its service offer in recent years. But the gap between the funding we expect to have and the cost of providing services has now grown unsustainably. We are realistic about the substantial challenges we face, grounded in the evidence of the future needs of the county and the demands this will place on our support. As always, we will be open and honest about the path ahead, including what this may mean for services and the people they support, and we will continue to plan with a clear focus on what the Council wants to achieve for East Sussex with the resources we have.

1.5 This will entail looking again at what we are able to provide in future, and where we may have to step back in order to make ends meet and sustain those services we are required by law to provide. We must also be clear to any new Government that making further reductions in services that help people retain independence, or avoid the need for more intensive statutory support, is not what we would do if we had a choice and will have an impact in the longer term. We know that some of the short term decisions likely to be necessary to balance the books now will only generate more demand for support months or years down the road. Evidence shows that the best investment is in the upstream, preventative services which improve outcomes and ultimately make better use of resources and we will continue to make this case. However, we simply do not have the funding to scale up or even maintain these services to the level we would want, or to invest as we would like in the infrastructure and economy of East Sussex for the future.

1.6 This report contains the normal elements included in the State of the County report: the demographic evidence base; the national and local policy outlook; and updates on the Medium Term Financial Plan and Capital Programme. It provides our latest understanding of how we will need to continue to respond to the wide range of policy, demographic and financial drivers which influence the outlook for the Council in the short and longer term.

1.7 Whilst the elements of this report may be familiar, the outlook it presents differs markedly from that of recent years. Nationally, the imminent general election holds the potential for significant policy change which would impact on the county's residents,

businesses and communities, and the ESCC and partner services which provide them with vital support. Most significantly, we begin our planning for 2025/26 and beyond from an unprecedented financial position with the current year's balanced budget being reliant on the temporary buffer of reserves, creating a pressing need for further action to address the underlying budget gap. The possibility of a further one year financial settlement due to the election, followed by a Spending Review, makes the medium to longer term financial outlook for the Council, and local government more broadly, highly uncertain, although it is clear that any new Government will face very constrained public finances with many competing demands.

1.8 Alongside the high level of both political and financial uncertainty, we continue to see locally the ongoing legacy of the Covid pandemic and increased cost of living manifest in growing need. Our biggest statutory services – social care for children and adults, support for special educational needs and disability (SEND), transport and highways maintenance – continue to face escalating costs and demand arising from factors largely outside our control. This, along with ongoing workforce challenges and new duties arising from national reforms, is placing unsustainable pressures on services across the Council.

1.9 We have honed what we do so that it is lean, focused tightly on where the Council is best placed to act, makes best use of available resources and is underpinned by partnership and One Council principles. But with difficult savings and service changes already delivered, we will not be able to sustain our current service offer in the face of mounting costs and increased demand.

1.10 It remains essential that we focus our resources, in partnership with others, in the most effective way to support our priorities and statutory service provision. The Council spends over £1bn gross each year (in the region of £540m net) on services for the county's residents and businesses. We continue to use our robust RPPR process to ensure our financial and other resources are aligned to delivery of our priority outcomes and that we are informed by a clear understanding of our effectiveness. This report describes the range of action we are already taking and outlines further steps we will need to take to bridge the financial gap if additional national support is not forthcoming.

1.11 We continue to make every effort locally to implement strategies to manage demand and reduce costs. Our productivity plan, requested by Government (of all local authorities) and detailed at paragraph 6 below, summarises the significant work already delivered and next steps, including the national support needed. However, the scope for more efficiency gains is very limited and will go only a small way towards bridging the budget gap. This report sets out the ongoing need for proactive lobbying and communications to help ensure that the next Government is aware of the needs of our county, the urgent requirement for a sustainable funding regime that appropriately reflects local need, and the case for fundamental national reform in key areas to enable more flexible and targeted use of the resources we have.

2. Current Position

2.1 Over the past year the county continued to be impacted by national and international factors leading to a range of pressures on households. The heightened cost of living continued to disproportionately impact on the most vulnerable, the complexity of need amongst vulnerable children and families grew, and we further developed our local response with partners and communities to the multiple aspects of migration. This challenging environment again reinforced the importance of the role the County Council plays for the residents, communities and businesses of East Sussex as we saw increased demand for our services. Our assessments of the ongoing levels of local need arising from recent developments continue to be refined and this modelling of future implications will be built into our planning.

2.2 In developing our medium and longer term plans we will also need to take account of the broader context in which we will be working. There is considerable policy uncertainty as a result of the imminent general election. We are analysing manifesto commitments made by the main political parties nationally and how these would impact on the county, ESCC and our partners. The future of significant reforms to key services brought forward by the current Government which are yet to be fully implemented is unclear, as is the future funding available to support these reforms. Alongside these ongoing medium term service changes, there will be a need for Council departments to respond at pace to any rapid policy shifts post-election. The national and local context includes:

- The developing national economic situation, with inflation falling but impacts from the increased cost of living persisting, and the potential for cuts to interest rates in the coming months. The ongoing pressures on households are likely to continue to influence demand for our services for some time and the costs of providing services will also continue to increase.
- Considerable uncertainty over the future of local government funding. The long planned funding review, covering the formula on which funding allocations to individual local authorities are based, was deferred beyond the general election, and a further one year financial settlement is likely for 2025/26. In addition, major national reforms to Adult Social Care and Children's Services (see below) carry considerable financial risks for local authorities.
- Changes to arrangements for driving economic growth locally as Local Enterprise Partnership functions transition to ESCC and a new East Sussex Economic Prosperity Strategy is finalised. Harnessing the benefits of investment in the county through Levelling Up Partnerships and the Long Term Plan for Towns will also be important.
- Ongoing challenges in the labour market, including the impact of workforce shortages in key sectors on our ability to recruit and retain staff, ongoing pay negotiations and the need for our workforce to adapt to service reforms. Alongside this, the need to take advantage of new opportunities from rapidly developing advances in technology and artificial intelligence which may support capacity and efficiency.
- The future of significant reforms of public services – major reforms to Adult Social Care charging were postponed until 2025 and the way forward will be an early decision for any new Government. National reforms in children's social care and SEND are being progressed following substantial reviews, but are at a relatively early stage and not at the pace needed to address growing demand. We are also continuing to respond to a range of significant national and local developments and pressures in health and social care and taking forward a range of work to manage demand and improve outcomes.
- The growing impact of climate change, adapting to its effects and working towards the national and local commitments to achieve carbon neutrality, including developing the next iteration of the Council's Climate Emergency Plan. Additionally, the introduction of a range of new measures through the Environment Act, including new duties in relation to food waste.
- Significant national policy developments related to planning, infrastructure, and transport and, locally, maximising the value of our new highways contract and additional investment in highways, and taking forward the next stages of our Bus Service Improvement Plan and refresh of our Local Transport Plan.

- The increasing need to respond to a complex picture of migration in light of global conflicts, increased numbers of people seeking asylum, including unaccompanied children, and developments in national policy on immigration.
- Further development of positive work with our public and Voluntary, Community and Social Enterprise Sector (VCSE) partners on financial inclusion and building community wellbeing and resilience, in response to the increased need in our communities and as part of our ongoing work to help people help themselves.
- The ongoing importance of our partnerships in harnessing the collective resources and assets available within the county for the benefit of our communities.

2.3 The local and national policy outlook at Appendix 2 sets out the latest thinking on these and other current issues, although plans will continue to develop over the summer and autumn as more information emerges, particularly once the outcome of the general election is known. As always, Members will continue to be updated on policy developments throughout the RPPR cycle.

2.4 In response to the unsustainable financial position we have set in train several specific strands of work as part of RPPR planning. Steps have already been taken to minimise day to day expenditure wherever possible, to provide additional oversight of workforce issues and to ensure that recruitment to vacant posts is carefully considered. We are also ensuring that increased income offsets increased costs wherever possible and we have reviewed and reduced our office estate and continue to prioritise the sale of assets where appropriate. We are seeking out further opportunities to benefit from advances in new technology, building on work already undertaken to introduce new digital and artificial intelligence approaches and systems which benefit both service delivery and capacity. For example, our 'digital by default' approach in Adult Social Care and the development of our universal digital offer in Children's Services.

2.5 Where resources allow, we have stepped up our long-standing focus on preventative or upstream approaches which improve outcomes and manage demand, supporting people and communities to be independent wherever possible. This includes the investment in family safeguarding and embedding of the Valuing Care approach in Children's Services, and the further integration of community health and care services and development of health improvement work in Adult Social Care and Health. The delivery of additional patching, drainage and lining works through Cabinet's previous additional investment in highways maintenance has supported increased future resilience of the roads which the local economy and our communities depend on. However, there is a lack of funding for the scale of investment required in preventative work across a range of areas which would reduce the need for more intensive support in the future. As resources for this work have become increasingly constrained over time, services have become necessarily focused on responding to the most critical needs, creating a negative cycle of growing demand and increased costs.

2.6 We have reviewed the value for money our services provide, ensuring they perform well against our nearest comparator authorities and that we adopt good practice elsewhere where we can. As part of our RPPR planning we will systematically consider any further actions which may reduce the need for support in the short term or increase our capacity to respond. As always, our approach will be evidence-based, draw on best practice and use data and benchmarking to identify where we can improve.

2.7 This ongoing discipline and our culture of continuous improvement will help contain costs as far as we can. However, fundamentally there remains a significant gap between the income we currently expect to receive in the coming years and the costs of providing

services, with significant additional risk arising from service reforms. Without further Government support, changes to the statutory requirements local authorities are expected to fulfil or sustainable reform of local government finances we will not have the funding we need for the future. Further detail on the financial outlook and proposed next steps is provided at paragraph 5.

2.8 In all our activities, and in planning for the future, the County Council will continue to work to our guiding principles that:

- We are effective stewards of public money and deliver good value for money through strong integrated business planning;
- Our activities are transparent and we can be held to account;
- We operate as One Council and focus on agreed priority outcomes;
- We prioritise the investment available for front line service delivery and maximise the resources available, including work to secure sustainable national funding and partnerships with other organisations;
- We carry out all we do professionally and competently;
- We remain ambitious and realistic about what can be achieved with the resources available; and
- We strive to be a good employer and partner.

3. Demographic, Economic and Demand Changes

3.1 Appendix 1 sets out the key factors affecting the county in relation to demography, deprivation, health, housing, the environment and economy, and the impact these are having on demand for our services. This contains more detail on the issues outlined in paragraph 2. Appendix 1 highlights some of the longer-term challenges we face related to the nature of our population and our geography alongside emerging issues. It should be noted that while some factors, such as the continuing challenges around cost of living, impact on residents across the county, each local area is different and some areas are impacted more by particular issues. In addition, some of our communities are impacted by multiple systemic issues that require additional support to address, as has been recognised by the awarding of Levelling Up funding to these areas.

3.2 The main factors highlighted by the report are:

- **Older People** – the latest population projections show that the number of over 65s in the county will continue to grow at a much faster rate than our working age population; we are expecting an increase of 9.9% in the 65-84 age group and an increase of 14.2% in the over 85 age group in the next four years. Proportionately we have high numbers of over 65s and over 85s which has an impact on the demand for services and the Council's finances. Rother has the highest percentage of the population aged 65 years and over in the country.
- **Children and Young People** – there are still higher levels of demand for children's social care and more complex cases than seen pre-pandemic which together have resulted in a higher number of child protection cases. The number of children and young people with Education, Health and Care Plans (EHCPs) continues to increase year on year, which is leading to an increased demand for home to school transport provision.
- **Asylum seekers and refugees** – East Sussex continues to have a higher rate of people receiving asylum support within the county than the national average. Unaccompanied asylum seeking children made up nearly a quarter of those children who began to be looked after last year.

- **Economy** – economic productivity within the county remains lower than the national average. Average wages for those employed within the county also remain lower than the national average. The unemployment rates in Hastings and Eastbourne are higher than the national average.

4. Council Priority Outcomes

4.1 The Council's business and financial planning is underpinned by our four priority outcomes, which provide a clear focus for decisions about spending and savings and direct activity across the Council.

4.2 The current four priority outcomes are:

- Driving sustainable economic growth;
- Keeping vulnerable people safe;
- Helping people help themselves; and
- Making best use of resources now and for the future.

The priority outcome that the Council makes the “best use of resources now and for the future” is a test that is applied to all activities to ensure sustainability of our resources, both in terms of money and environmental assets. It ensures that the future impact of the choices we make about using resources is actively considered across all that we do, as well as the here and now.

4.3 The priority outcomes, and their subsidiary delivery outcomes, are reviewed annually to ensure they continue to reflect the current context, with updates proposed as required. Reflecting our continually evolving operating environment, some specific amendments to delivery outcomes are proposed to ensure the priorities we are working to deliver, and the way we measure the performance of our activities and services, remain appropriate.

4.4 The following changes are proposed to delivery outcomes:

Keeping vulnerable people safe

Two wording amendments are proposed to reflect that the social care sector is moving away from the terminology ‘services’ as it is not inclusive of the wider range of support that is offered to residents (such as other community assets that help to meet people’s needs) and also to reflect the Council’s focus on enabling people to live well, beyond simply providing them with a service:

- All vulnerable people in East Sussex are known to relevant local agencies and ~~services are~~ **support is** delivered together to meet their needs
- People feel safe with ~~services~~ **support provided**

Helping people help themselves

The addition of a new delivery outcome is proposed to better recognise that Adult Social Care and Health, and other Council departments, make a contribution to addressing the social determinants of health, beyond simply working with partners (as described in the current delivery outcomes):

- We work to reduce health inequalities and maximise opportunities for our residents to live healthier lives.

4.5 Cabinet is asked to review the current priority and delivery outcomes and agree them as the basis for future business and financial planning, subject to the amendments outlined in paragraph 4.4 above. The full set of priority and delivery outcomes, showing the proposed amendments, is attached at Appendix 3.

5. Medium Term Financial Plan

5.1 When the 2024/25 balanced budget was approved by Full Council on 6 February 2024, the deficit on the Medium Term Financial Plan (MTFP) to 2026/27 was £61.825m. Updating the MTFP for normal factors (such as the latest inflation rates and an additional year), the position is an increased deficit by 2027/28 of £83.601m.

Medium Term Financial Plan	2025/26 £m	2026/27 £m	2027/28 £m
Annual Budget Deficit / (Surplus)	40.976	16.503	11.778
Carry Forward of 2024/25 Deficit	14.344	-	-
Annual Budget Deficit / (Surplus) after Carry Forward	55.320	16.503	11.778
Total Budget Deficit / (Surplus)	55.320	71.823	83.601

5.2 Existing financial pressures that have already impacted in 2023/24, whilst recognised within the additional investment when the budget was set, are expected to continue into 2024/25, particularly in Children's Services (which overspent by £30.42m in 2023/24), where looked after children and home to school transport service demands are significant, and Adult Social Care (which overspend by £1.98m), due to the impact of the national living wage increase and rising levels of debt from client contributions. In addition, emergent pressures are likely in SEND and Adult Social Care independent sector placements.

5.3 At a national level, the Government funding that ESCC will receive between 2025/26 and 2027/28 is yet to be confirmed. The Local Government Financial Settlement was only a one year settlement for 2024/25 and was the last year of the Autumn Statement 2021 Spending Review. There is no indication of the level of funding that will be available from 2025/26 onwards. With all this uncertainty, it is not possible to present a detailed draft MTFP to 2027/28.

5.4 As part of the settlement, the Government announced £500m of additional grant funding to support pressures in social care, of which the Council was allocated £5.386m. The continuation of a range of short-term grants announced in the 2023/24 Settlement was also confirmed. It is proposed to allocate the additional funding for social care to support the investments in children's and adult social care within the Council's agreed 2024/25 revenue budget and reduce the budgeted draw from reserves. However, this funding will not be sufficient to fund the demand and inflationary pressures facing ESCC services in 2024/25 in full and the Council will still require a significant draw on reserves.

5.5 The use of reserves to mitigate budget deficits is not sustainable as they can only be used once. The current level of reserves is set out in the table below. Total strategic reserves are projected to be £16.7m by 2029, which excludes any draws required to set a balanced budget in 2025/26 or beyond. This compares with a cumulative deficit of £83.6m by 2027/28:

Reserve Balances	Full Council February 2024		SoC June 2024	
	(£m)		(£m)	
	01.04.24 Est.	31.03.28 Est.	01.04.24 Est.	31.03.29 Est.
Earmarked Reserves:				
Held on behalf of others or statutorily ringfenced	32.3	32.1	31.3	30.6
Named Service Reserves				
Waste Reserve	19.4	8.9	19.5	11.6
Capital Programme Reserve	9.4	0.5	9.9	0.0
Insurance Reserve	7.5	7.3	7.4	7.2
Adult Social Care Reform Reserve	3.1	0.0	3.0	0.0
Subtotal named service reserves	39.4	16.7	39.8	18.8
Strategic Reserves				
Priority Outcomes and Transformation	5.9	5.6	7.3	1.5
Financial Management	31.8	19.4	35.8	15.2
Subtotal strategic reserves	37.7	25.0	43.1	16.7
Total Earmarked Reserves	109.4	73.8	114.2	66.1
General Fund Balance	10.0	10.0	10.0	10.0
Total Reserves	119.4	83.8	124.2	76.1

5.6 A number of scenarios are currently being considered, which may impact the overall deficit, as set out in the table below.

	2025/26	2026/27	2027/28	Total
	£m	£m	£m	£m
Revised deficit	55.320	16.503	11.778	83.601
Scenarios currently being considered				
Continuation of Adult Social Care (ASC) grant funding	(5.386)	0.000	0.000	(5.386)
Proceeds of Business Rates (NNDR) pooling	(2.194)	2.194	0.000	0.000
Council Tax: Premiums on second homes	(3.524)	(0.070)	(0.072)	(3.666)
Reduction in contractual inflation in line with forecasts	(6.481)	0.000	0.000	(6.481)
Council Tax Flexibility: Add a further 3.00% to our current 1.99% assumption to get to 4.99% (2.99% plus 2.00% ASC Precept) in all years	(11.138)	(12.254)	(13.476)	(36.868)
Deficit/(surplus) after scenarios	26.597	6.373	(1.770)	31.200

5.7 As set out above, should all these scenarios materialise there would still remain a deficit of £26.6m in 2025/26. Given the forecast level of strategic reserves is £16.7m by March 2029, which excludes any draws necessary to mitigate future deficits, and that all other avenues have been explored, further steps are required to support the Council in being able to set a balanced budget in the absence of any indications of further national support. It is recommended that officers explore areas of search across all departments to reduce the financial gap, with a focus on:

- Discretionary and non-statutory preventative services
- Directly provided services
- Support services and back office functions
- Income generation

5.8 Making further savings will impact on the Council's ability to maintain its Core Offer - the basic but decent level of services residents should expect. The financial position means that it may no longer be possible to sustain all services at Core Offer levels. Given the need for any savings to take effect as early as possible to impact on the 2025/26 financial position, areas of search will be brought forward for Member consideration at the earliest opportunity.

6. Productivity Plan

6.1 The additional national funding provided for social care in the final Local Government Finance Settlement was accompanied by a new expectation for councils to produce productivity plans as part of Department for Levelling Up, Housing and Communities (DLUHC) efforts to return the sector to sustainability in the future. The plan, although not a requirement of local authorities, summarises how the Council continuously assures itself and others about the appropriate and effective use of public money and the significant steps taken over many years to make best use of available resources. It provides an opportunity to set out to DLUHC the key factors now impacting on sustainability and productivity for ESCC and what we are doing to address these, as well as action we need Government to take. DLUHC is establishing a Long-Term Sustainability Panel, comprising representatives from local government and the technology and transformation sectors, to review common themes and evidence arising from the plans from autumn 2024. The Panel will consider national policy implications, the role of Government in supporting change and the role of the sector itself.

6.2 ESCC's productivity plan is attached at Appendix 5. Although a stand-alone document it signposts, where possible, to the Council's existing and comprehensive business planning and performance framework. It summarises concisely the Council's approach in the areas specified by DLUHC – service development, technology and data and effective use of resources – and responds to its request to set out the barriers that Government can help address. It emphasises the need for investment in preventative approaches as central to a return to sustainability, alongside reform to the statutory requirements placed on local authorities in key areas where current national policy or legislation prevents us from targeting our resources most effectively. Subject to Cabinet agreement, the plan will be submitted to Government and published on the Council's website so that it is easily available to the public.

7. Capital Programme

7.1 The approved programme has now been updated to reflect the 2023/24 outturn and other approved variations, revising the gross programme to £874.5m to 2033/34. The details are set out in Appendix 4, together with the revised programme.

7.2 The 10 year capital programme to 2033/34 and 20 year Capital Strategy 2024/25 to 2044/45 will be updated as part of the RPPR process over the autumn to add an additional year and ensure continued links into, and support of, the Council's other strategies. In addition, a review will be conducted of core Council-funded programmes/projects to consider the implications of a reduced programme that reduces pressure on the MTFP position.

8. Lobbying and Communications

8.1 This report sets out the diverse range of issues the Council must address in planning for the future, and the national factors significantly contributing to these. The medium term outlook is highly challenging - we face a significant financial gap which will necessitate

service reductions, uncertainty in relation to national reforms in major service areas and wider national policy direction, and a lack of clarity on long-term funding arrangements. There are significant risks and planning in this context is not easy, but it is clear that, without further Government support, the financial outlook will require difficult decisions and that these will not be the decisions we would choose to make to address growing demands.

8.2 Through our lobbying, we will make clear to the Government the specific needs of East Sussex and call for sustainable funding for local government that is appropriately reflective of local need and that fully reflects the impact of reforms. We will also proactively suggest things that will help without significant cost - calling for reforms and flexibilities which would help us better target and use our resources – helping us help ourselves. Both will be paramount to ensuring we are able to deliver what will be required to support East Sussex residents, communities and businesses with the services they need, including opportunities to continue positive preventative work that could most effectively manage future demand for services.

8.3 We will continue to work with local, regional and national partners to make this case through all available avenues and seek the support of East Sussex MPs in highlighting the needs of our county and the key role the Council has to play in improving the quality of life for people in our county.

9. Next Steps

9.1 Work will continue over the summer to refine our understanding of the medium term impacts on our services of national reforms, the evolving economic and political context, changing demand for services and the financial resources that will be available to us in the coming years. We will also further develop proposals for closing the financial gap, including potential savings.

9.2 We will report back to Members in the autumn with an updated assessment of our service demand, funding expectations and proposed actions to inform more detailed business and budget planning for 2025/26 and beyond. We will use our RPPR process to plan for the future as best we can in the context of a likely one year financial settlement once again.

9.3 Members will continue to be consulted on plans as they are developed through Cabinet, County Council, Scrutiny Committees, Whole Council Forums and specific engagement sessions throughout the 2024/25 Reconciling Policy, Performance and Resources process.

BECKY SHAW
Chief Executive