

CABINET

MINUTES of a meeting of the Cabinet held at Council Chamber, County Hall, Lewes on 28 January 2025.

PRESENT Councillors Keith Glazier (Chair), Nick Bennett (Vice Chair), Bob Bowdler, Penny di Cara, Claire Dowling, Carl Maynard and Bob Standley

Members spoke on the items indicated:

Councillor Beaver	- item 7 (minute 47)
Councillor Bennett	- items 5, 6 and 9 (minutes 45, 46 and 49)
Councillor Daniel	- item 7 (minute 47)
Councillor Denis	- items 5, 7 and 9 (minutes 45, 47 and 49)
Councillor Claire Dowling	- item 7 (minute 47)
Councillor Field	- item 7 (minute 47)
Councillor Hilton	- item 7 (minute 47)
Councillor Hollidge	- item 7 (minute 47)
Councillor Murphy	- item 5 (minute 45)
Councillor Scott	- item 7 (minute 47)
Councillor Stephen Shing	- item 7 (minute 47)
Councillor Standley	- item 5 (minute 45)
Councillor Swansborough	- item 5 (minute 45)
Councillor Tutt	- items 5 and 7 (minutes 45 and 47)

43. MINUTES OF THE MEETING HELD ON 9 JANUARY 2025

43.1 The minutes of the Cabinet meeting held on the 9 of January 2025 were agreed as a correct record.

44. REPORTS

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

45. RECONCILING POLICY, PERFORMANCE AND RESOURCES (RPPR): DRAFT COUNCIL PLAN

45.1 The Cabinet considered a report by the Chief Executive together with a summary of the consultation meeting held with Trade Unions which was received after publication of the Cabinet agenda.

45.2 It was RESOLVED to:

1. recommend the County Council to:

- i) Approve in principle the draft Council Plan 2025/26 at Appendix 1 and authorise the Chief Executive to finalise the Plan in consultation with the relevant Lead Members;
- ii) Agree to incorporate Climate Emergency Action Plan activities and key performance measures within the Council Plan;

- iii) Increase Council Tax by 2.99% in 2025/26;
- iv) Increase the Adult Social Care Precept by 2% in 2025/26;
- v) Issue precepts to be paid by borough and district councils in accordance with the agreed schedule of instalments at Appendix 5 (Draft);
- vi) Approve the net Revenue Budget estimate of £579.6m for 2025/26 set out in Appendix 2 (Medium Term Financial Plan) and Appendix 3 (Draft) (Budget Summary) and authorise the Chief Executive, in consultation with the Chief Finance Officer, Leader and Deputy Leader, to make adjustments to the presentation of the Budget Summary to reflect the final settlement and final budget decisions;
- vii) Agree the Reserves Policy set out in Appendix 6;
- viii) Approve the Capital Strategy and Programme at Appendix 8;
- ix) Note progress with the Council Plan and Budget 2024/25 since quarter 2 set out in section 4;
- x) Note the Medium Term Financial Plan forecast for 2025/26 to 2027/28, set out in Appendix 2;
- xi) Note the comments of the Chief Finance Officer on budget risks and robustness, as set out in Appendix 6;
- xii) Note the comments from engagement exercises set out in Appendix 7;
- xiii) Note the schedule of fees and charges that have increased above 4% at Appendix 9; and

2. Agree to continue lobbying as strongly as possible for sustainable funding to meet the needs of East Sussex residents, using all available avenues.

Reason

45.3 This Council has a firm foundation of sound and prudent financial management over many years, endorsed by external assessments. We have taken difficult decisions when we needed to in order to balance the books and make best use of stretched resources. Our robust RPPR process has enabled us to direct spending towards priorities and core services, in particular protecting services for the most vulnerable in our county.

45.4 However, despite this strong record, the scale of the challenge the Council now faces is substantial. The continuing escalation in costs and demand for statutory services, due to factors beyond local control, has not been matched with sufficient increased funding. Despite the action we have taken locally to address pressures wherever we can, there is a very significant deficit and substantial risk in the coming years. There also remains considerable uncertainty about the future funding regime for local government, as well as wider service and structural reforms, and how any changes will impact on the Council.

45.5 There is continued national reliance on raising funding for core pressures, particularly growing demand in social care, through local Council Tax which is unrelated to need and unsustainable. In this context we must again ask local people to contribute more to protect services for the most vulnerable for the future. This recommendation is not made lightly, given the ongoing pressures on household budgets, but it is essential if we are to protect services as

far as possible. Support will continue to be available through local Council Tax Support Schemes for those residents eligible and we will continue to work with partners to signpost residents to sources of support with the cost of living, including access to benefits they may be entitled to.

45.6 Even after this contribution, the budget presented for the year ahead relies on delivering significant and difficult savings, which will impact on local people, our staff and partners, and on using further reserves to balance the books, removing this safety net for the future. This is an unsustainable position.

45.7 In this context, and with future funding for local government under review, our lobbying will also be vitally important. We will respond with clarity and with evidence to the Government's consultations on funding and service reform. We will ensure the hard choices already having to be made, and the impacts these will have on local residents, business and communities, are heard loud and clear. We will continue to work with our local, regional and national partners to highlight the specific needs of East Sussex and to press for fair, sustainable funding that enables us to meet the requirements of our residents for essential support. Until this is delivered our medium term financial position will remain extremely difficult and present significant risk to our ability to meet local needs in the future.

46. VALUE FOR MONEY EXTERNAL AUDITORS REPORT 2023/24

46.1 The Cabinet considered a report by the Chief Finance Officer.

46.2 It was RESOLVED to note the report.

Reason

46.3 The Annual (Value for Money) Report for 2023/24 has identified a significant weakness within Financial Sustainability but has been able to provide assurance around Governance and Improving Economy, Efficiency and Effectiveness. One key recommendation and 2 improvement recommendations have been reported and responded to by management.

47. SCRUTINY REVIEW OF LOCAL SPEED LIMIT POLICY

47.1 The Cabinet considered a report by the Deputy Chief Executive and a report by the Director of Communities, Economy and Transport with observations on the Scrutiny Committee's report.

47.2 It was RESOLVED to:

1) Note and welcome the report of the Scrutiny Committee;

2) Recommend the County Council to welcome the report of the Scrutiny Committee and to agree the response of the Director of Communities, Economy and Transport to the recommendations and their implementation as set out in the action plan attached as Appendix 1 to the Director's report.

Reason

47.3 The Scrutiny Review has highlighted the Council's local speed limit policy and approach to setting speed limits is in line with the current Department for Transport guidance and is broadly similar to the approach taken by other local authorities.

48. TREASURY MANAGEMENT STRATEGY 2025/26

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

48.2 It was RESOLVED to recommend the County Council to:

- 1) Approve the Treasury Management Policy and Strategy Statement for 2025/26;
- 2) Approve the Annual Investment Strategy for 2025/26;
- 3) Approve the Prudential and Treasury Indicators 2025/26 to 2027/28; and
- 4) Approve the Minimum Revenue Provision (MRP) Policy Statement 2025/26 at Appendix 1 (Section 3) of the report.

Reason

48.3 The report fulfils the requirement to submit an annual/half yearly report in the form prescribed in the Treasury Management Code of Practice. The report sets out the acceptable limits on ratings, investment periods, amounts to be invested and the borrowing strategy. The financial position is kept under constant review and if at any time it is felt that any of these limits represent an unacceptable risk appropriate and immediate action will be taken accordingly.

49. CONSERVATORS OF ASHDOWN FOREST BUDGET 2024/25

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

49.2 It was RESOLVED to:

- 1) Note the Quarter 2 budget position for the Conservators' 2024/25 Core Budget;
- 2) Note the Conservators of Ashdown Forest medium term financial plan; and
- 3) Approve the 2025/26 Core Budget.

Reason

49.3 The report sets out the financial position of the Conservators of the Ashdown Forest (COAF) for 2024/25 against the approved budget agreed by the Board of Conservators at their meeting on 20 November 2023 and was presented to Cabinet in January 2024.

49.4 The current 2024/25 Core budget projections indicate that no additional contribution from ESCC will be required.

49.5 The current Countryside Stewardship (CS) budget is forecast to overspend by £25,996 this year. This is less than the budgeted overspend of £131,531 and similar to the previous year. The position reflects the difficulties that have been had securing contractors to undertake works on the forest. The Conservators are developing a three-year forest management plan and new procurement policy to lock in contractors over the coming three years. The deficit will be funded from the CS reserve.

50. TO AGREE WHICH ITEMS ARE TO BE REPORTED TO THE COUNTY COUNCIL

It was agreed that items 5, 7, 8 and 9 should be reported to the County Council.

[Note: the items being reported to the County Council refer to minute numbers 45, 47, 48 and 49.]