

Summary comments for Cabinet – People Scrutiny RPPR Board (5.12.24)

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.