

Appendix 5 - Information provided by the Director of Adult Social Care and Health

1. Call-in

1.1 The call-in relates to two areas of concern and how these were taken into account in the decision making process:

- Whether the impact of the proposal on District and Borough Councils was sufficiently considered; and
- Whether the interests of a future unitary authority were explicitly considered in the context of the agreement that has been made in principle between the District, Borough and County Council leaders in preparation for unitarisation processes, which includes: '...Decisions made by all sovereign bodies until vesting day [when the Unitary Authority takes control] will have the interests of future unitary council as an explicit consideration.'

2. Impact on District and Borough Councils

2.1 It is acknowledged that reducing funding for the Housing Related Floating Support Service may impact other organisations including District and Borough Councils. As part of the consultation process, representatives from ASCH's Housing & Support Solutions team attended the following meetings to ensure colleagues from the District and Borough Housing Authorities were fully briefed. Feedback from these meetings was gathered and their views were included in the papers for Cabinet:

- 24/09/2024 - Homelessness, Health and Support Group – includes housing managers from each of the local Housing Authorities, plus colleagues from health, adult social care, children's services, mental health, criminal justice and the voluntary and community sector.
- 27/09/2024 - Housing Managers Group – includes the housing managers from each local housing authority.
- 11/10/2024 - Housing Partnership Board – includes the strategic housing leads (Heads of Housing) for each area, as well as housing providers and partners from across health, care, criminal justice, mental health, housing developers, voluntary and community sector and government agencies.

2.2 The Council continues to engage with these organisations, as well as other relevant stakeholders, to ensure that, if the proposal to reduce funding goes ahead, the impacts are mitigated as far as is possible.

2.3 The potential impact on District and Borough Councils was well understood by officers and Cabinet members, fully articulated in the Cabinet papers and

discussed by members at length prior to Cabinet making its decision, as evidenced by the information contained within:

- **Appendix 2 – Report to Cabinet 25 February 2025**
- **Appendix 3 – Minutes of the Cabinet meeting on 25 February 2025.** Including, in para 62.6, *“the potentially significant additional costs and pressures that will be placed on other parts of the system if the proposed funding reduction for these services is agreed”*.
- **Appendix 4 – People Scrutiny Pre-decision Board comments to Cabinet.** Including:
“The Board discussed plans for local government reorganisation and commented that some savings proposals would have significant impacts on District and Borough Council services, which would become the responsibility of any new unitary authority.”

“The Board felt that the proposal would shift additional pressures onto District and Borough Councils which had a statutory responsibility to provide support. The Board also expressed concern that this was a short-term solution and that housing support could be the responsibility of a new unitary authority in 3 years’ time. However, the Board recognised that this service was not a statutory responsibility of the County Council and had therefore not been prioritised as an area to protect. In light of this, the Board reluctantly accepted the proposal.”

“The Board welcomed that the Department would continue to work with partners, including Districts and Boroughs to redesign and co-produce a targeted service around homelessness prevention.”

- 2.4 All written references to the impact of the funding reduction to the Housing Related Floating Support Service, from across the process are attached in Appendix 6.
- 2.5 All verbal references to the impact on other organisations, including District and Borough Authorities, drawn from the Cabinet meeting on 25 February 2025 are attached at Appendix 7.
- 2.6 The impact upon District and Borough Councils, as well as the fact that the Council would potentially be moving to a unitary system in the near future was raised by numerous Councillors and discussed at length in the Cabinet meeting.
- 2.7 As set out above, the impact of the proposals on District and Borough Councils was addressed explicitly in the paperwork provided to Cabinet, was discussed at length in the meeting and was a relevant consideration taken into account by Cabinet in reaching its decision (as shown in the reasons for the decision set out in the Cabinet minutes). The weight to be given to this particular consideration in reaching their decision is a matter for Cabinet to determine.

3. Impact on a future unitary authority

- 3.1 As part of the Government's Devolution White Paper, all two-tier authorities were invited on 5 February 2025 to submit proposals for local government reorganisation. An interim plan for working up the proposal for East Sussex is being considered by Full Council and Cabinet on 20 March. Part of the proposal is to establish principles about how the Councils will work together and this includes the principle that *'Decisions made by all sovereign bodies until vesting day will have the interests of the future unitary Council as an explicit consideration'*. These principles will be considered as part of the plan, and a decision made on how to proceed.
- 3.2 Therefore, whilst working principles have been drafted with District and Borough Councils, these are yet to be considered through the County Council's formal decision-making process and therefore do not form part of the Council's policy framework. Notwithstanding, the Council continues to work with District and Borough Councils and the impacts of decisions on partners, including District and Borough Councils and any potential unitary authority have where relevant been considered as one of a number of factors within the decision making process, as noted above.
- 3.3 In discussions with the Boroughs and Districts it has also been recognised that each council remains sovereign and has legal responsibility to balance its budget until vesting day for a new unitary. Whilst all councils are committed to strong partnership working to consider fully impacts on other councils and/or the new unitary, the principle cannot be the only factor considered.
- 3.4 The potential to form a unitary was raised by a number of members at the Cabinet meeting specifically in respect of this agenda item, and it was also expressly referred to in the comments from the pre-Cabinet Scrutiny Board which formed part of the Cabinet papers. This was therefore considered by Cabinet as one of the factors that was relevant to the decision. The weight to be given to this particular consideration in reaching their decision is a matter for Cabinet to determine.
- 3.5 In the context of the requirement for ESCC to make savings to deliver a balanced budget for 2025/26, in making decisions on specific proposals the Cabinet considered all material considerations relevant to that proposal. When making the decision, It is evident that Cabinet did have regard to the impact on any potential new unitary authority, and put such weight as they considered appropriate on this consideration bearing in mind it relates to a future organisation, which as yet, has no worked up proposal in place, no government decision, and if agreed will not come into being for a number of years; this was balanced against all the other relevant and more immediate considerations.