

Public Document Pack

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3 July 2019

Cabinet

A meeting of the committee will be held at **10.30 am** on **Thursday, 11 July 2019** at **County Hall, Chichester**.

Nathan Elvery
Chief Executive

The meeting will be available to view live via the Internet at this address:

<http://www.westsussex.public-i.tv/core/portal/home>

Agenda

- 10.30 am 1. **Declarations of Interest**
- Members and officers must declare any pecuniary or personal interest in any business on the agenda. They should also make declarations at any stage such an interest becomes apparent during the meeting. Consideration should be given to leaving the meeting if the nature of the interest warrants it. If in doubt please contact Democratic Services before the meeting.
- 10.35 am 2. **Minutes** (Pages 3 - 6)
- The Cabinet is asked to agree the minutes of the meeting held on 29 January 2019 (attached, cream paper).
- 10.40 am 3. **Urgent Matters**
- Items not on the agenda which the Chairman of the meeting is of the opinion should be considered as a matter of urgency by reason of special circumstances.
- 10.45 am 4. **Cabinet Priorities & Budget Saving Options 2020/22**
(Pages 7 - 22)
- Cabinet Members will introduce their priorities and budget saving options for 2020/21 and 2021/22.
- This will include feedback following the Member day on 26 June.

Select Committee Chairmen and Minority Group Leaders will be invited to comment on the proposals.

Cabinet will be asked to agree which options will be added to the Forward Plan of Key Decisions and what further engagement will be undertaken on each option.

12.45 pm 5. **Outside Bodies Review and Appointments** (Pages 23 - 28)

Report by Director of Law and Assurance – attached.

Outside bodies are external organisations and partnerships which have requested that the County Council appoint an Elected Member to them.

The Cabinet is asked to approve the recommendations set out in the report.

1.00 pm 6. **Date of Next Meeting**

The next meeting of the Cabinet will be held on 28 January 2020.

To all members of the Cabinet

Webcasting

Please note: this meeting may be filmed for live or subsequent broadcast via the County Council's website on the internet - at the start of the meeting the Chairman will confirm if all or part of the meeting is to be filmed. The images and sound recording may be used for training purposes by the Council.

Generally the public gallery is not filmed. However, by entering the meeting room and using the public seating area you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes.

Cabinet

29 January 2019 – At a meeting of the Cabinet held at 2.15 pm at County Hall, Chichester.

Present: Ms Goldsmith (Chairman)

Mr Burrett, Mr Hunt, Mrs Jupp, Ms Kennard, Mr Lanzer, Mr Marshall, Mrs Urquhart and Mr Montyn

Apologies were received from Mr Elkins

Officers in attendance: Nathan Elvery, Kim Curry, Lee Harris, Nicola Bulbeck, Katharine Eberhart, Tony Kershaw, Jane Vickers, Katharine De La Mora

Part I

1. Declarations of Interest

1. Mr Hunt declared a personal interest as the Chairman of the Chichester Harbour Conservancy in relation to Item 4 – Approval of the County Council’s Revenue Budget 2019/20 and Capital Programme 2019/20 to 2023/24.

2. Ms Goldsmith declared a personal interest as a member of the Chichester Harbour Conservancy in relation to Item 4 - Approval of the County Council’s Revenue Budget 2019/20 and Capital Programme 2019/20 to 2023/24.

2. Minutes

3. Resolved – that the minutes of the meeting held on 30 January 2018 be approved as a correct record and signed by the Chairman.

3. Approval of the County Council's Revenue Budget 2019/20 and Capital Programme 2019/20 to 2023/24

4. The Cabinet considered a report by the Director of Finance, Procurement and Performance setting out the Medium Term Financial Strategy 2019/20 to 2022/23, Revenue Budget 2019/20, Capital Strategy 2019/20 to 2023/24 and Treasury Management Strategy Statement 2019/20 (copy appended to the signed version of the minutes). The report was introduced by Louise Goldsmith, Leader, who highlighted that this was a strong budget set in a difficult financial climate. Proposed savings adjustments were set out in Annex 6 in response to the issues raised by the service Select Committees.

5. Jeremy Hunt, Cabinet Member for Finance and Resources highlighted that the aim of the budget was to deliver the key priorities as set out in the West Sussex Plan. Mr Hunt highlighted the key points in the report including the following:

- The additional one off funding announced in the Autumn Budget was welcomed, however it did not address the long term funding issues.
- The removal of the Revenue Support Grant deficit and the confirmation of the 75% Business Rate Retention scheme for 2019/20 were welcome news.
- The increase in the referendum limit for Council Tax by a further 1% was a key component to help achieve a balanced budget for 2019/20.
- The report confirmed further investment in the Adults and Health and Children and Young People budgets.
- Thanked the Performance and Finance Select Committee for their review and endorsement of the Budget and the Service Select Committees for reviewing the proposals. Adjustments to the savings had been presented in Annex 6 as a direct response to the concern raised by the Select Committees.
- The Capital Strategy set out how the Capital Programme supported the West Sussex priorities, and confirmed that the borrowing envelope remained the same as the previous year.
- Despite the current challenges, the County Council was in a sound financial position and was still providing quality services and increasing funding in critical services for the benefit of residents.
- Highlighted the need for the government to provide adequate and fair funding in the future.

6. Katharine Eberhart, Director Finance, Procurement and Performance highlighted the robust levels of reserves, and that the County Council continued to be in a strong position compared to other County Councils. It was important to retain financial resilience by maintaining this level of reserves and not use them to sustain the budget. The report was presenting a forward looking, affordable Capital Programme. The amendments as outlined in Annex 6 included the introduction of a 750k Transitional Fund to support joint initiatives to support the homeless.

7. Pieter Montyn, Chairman of Performance and Finance Select Committee, highlighted the following points from the feedback from the Select Committee on 17 January 2019 and the all Member Day on 9 January 2019:

- Members raised concern of the unintended consequences of savings and requested further visibility of the impact assessments for the saving proposals.
- Welcomed the continuing lobbying of government for fairer funding.
- Welcomed the additional proposals as set out in Annex 6 and that these would be well received by the Select Committee.

8. Mr Montyn also sought clarity on the Whole Council Design investment as outlined in paragraph 5.18 of the report, recognising the addition of £3m for early severance costs that had not been outlined in the papers reviewed by the Performance and Finance Select Committee. Ms Eberhart confirmed that the £3m had been presented differently in the Select Committee papers and therefore would be adjusted for the final County Council papers to ensure it was clear.

9. The Cabinet supported the proposed savings amendments as outlined in Annex 6, welcoming the opportunity to reform and reshape the Fire and Rescue Prevention services to offer them in a more dynamic and externally funded way. Ms Goldsmith highlighted that time was needed to seek alternative funding and the progress on this would be reported back to the Select Committee. Amanda Jupp, Cabinet Member for Adults and Health welcomed the addition of the £750k Transitional Fund to help support charities through the transitional period of Housing Related Support. Ms Goldsmith added that the funding had been put aside for District and Borough initiatives in 2018/19, however the fund had remained largely unused.

10. Richard Burrett, Cabinet Member for Education and Skills highlighted the ongoing work to look to diversify the range of provision for Home to School Transport. The introduction of the Special Support Centres would help provide education closer to home and therefore reduce the pressure on the Home to School budget. Mr Burrett also welcomed the addition of rebuild of Woodlands Meed School to the Capital Programme. The project was in early stages, but was expected that the new school would open in September 2021.

11. Mr Lanzer, Cabinet Member for Corporate Relations supported the increased visibility of the Whole Council Design programme and welcomed the interest of the Performance and Finance Select Committee.

12. Paul Marshall, Cabinet Member for Children and Young People, highlighted that the Early Help Review was aimed to better target resources and further increase the effectiveness of the service. The Social Work Recruitment and Retention scheme had been very well received with 90% of social workers taking up the retention package and committing to staying with the County Council.

13. Deborah Urquhart, Cabinet Member for Environment, highlighted the complexity of public sector budgets and the importance of continuing to lobby government for fairer funding. The investment in Solar Farms provided various benefits to the County, including the generation of profit after borrowing and therefore assisting in reducing the need to cut front line services, and providing future energy security to the community.

14. Debbie Kennard, Cabinet Member for Safer Stronger Communities, highlighted the investment being made in the Community Hubs project which aimed to reshape and reform the offer provided to communities and help strengthen and create vibrant communities.

15. Ms Goldsmith welcomed the budget and thanked officers and the Chief Executive for their dedication and work to produce a sound and robust budget.

16. Resolved - that the Cabinet endorses the Medium Term Financial Strategy 2019/20 to 2022/23, Revenue Budget 2019/20, Capital Strategy 2019/20 to 2023/24 and Treasury Management Strategy Statement 2019/20, subject to the amendments outlined in Annex 6, for endorsement by County Council on 15 February 2019.

4. Date of Next Meeting

17. The next meeting is scheduled for 30 January 2020

The meeting ended at 3.02 pm

Chairman

| | |
|---|-----------------------------------|
| Cabinet | |
| 11 July 2019 | Key Decision: No |
| Budget Update 2020/2021 | Part I |
| Cabinet Member for Finance and Resources | Electoral Division(s): all |
| <p>Summary</p> <p>This report summarises the current situation regarding government funding, sets out the revised budget gap for 2020/21 to 2023/24 and presents proposals for consideration to help close that gap.</p> <p>Following eight years of austerity during which the Council has seen a reduction in core government funding of £155m, government had promised a three year Spending Review, a Fair Funding review and a review into Business Rates Reform all commencing in 2020/21. To date there has been no update from government regarding any of these proposals, or the long promised Green Paper on Adult Social Care. The Medium Term Financial Strategy (MTFS) assumes the referendum level for council tax for 2020/21 will be 2.0% and it is not known if government is minded to increase this level to increase councils' Spending Power. It should be noted the lack of certainty of future government funding creates difficulties when developing the MTFS. Given this lack of information, we have therefore based our budget gap proposals on the assumption that our government grant in 2020/21 is similar to the grant received in 2019/20.</p> <p>Assuming our grant is consistent and allowing for known pressures such as an increase in demand for social care services, inflation and wage increases, the current gap for the next four years is £75.5m. This is assuming an annual increase of 1.99% in council tax. The need to find these savings is in addition to the £239m of savings made since 2010. It is becoming increasingly difficult to find savings that do not impact front line services to residents.</p> <p>To make sure that sufficient time is allowed to ensure proposals are ready to be delivered for 2020/21, savings options have been developed during the spring. These options are presented to request endorsement to develop these proposals into full business cases, including risk mitigation plans, and to allow time for any necessary consultation and further consideration by the relevant Cabinet Member.</p> | |
| <p>West Sussex Plan: Policy Impact and Context</p> <p>The proposed savings proposals have been considered in the context of the West Sussex Plan priorities.</p> | |
| <p>Financial Impact</p> <p>There is no financial impact as a result of the recommendations in this report.</p> | |
| <p>Recommendations</p> | |

1. That for the MTFs period from 2020/21 to 2023/34 a gap of £75.5m be noted, recognising the uncertainties that exist surrounding local government finance and funding levels, as well as local demand and other pressures.
2. To endorse, in principle, the strategic budget options outlined in paragraph 2.3 to 2.6 and set out in Appendix A and inclusion of these options in the forward plan.
3. To authorise the development of business cases for those endorsed budget options, including risk assessments, full mitigation plans, equality impact assessments and plans for consultation as required prior to their further consideration.

1 Introduction

- 1.1 The County Council has faced and addressed significant and sustained reductions in its funding for almost a decade. West Sussex County Council has had to make over £239m in savings since 2010 and seen our funding from central Government reduce by £155m over the same period. We need to make a further £75.5m million savings over the four years from April 2020. This has had a major adverse impact on the Council's ability to maintain the range and level of services provided to communities and residents, and on the ability of the Council to make progress against its key priorities within the **West Sussex Plan** – namely **a best start in life, a prosperous place, a strong, safe and sustainable place, independence for later life, and being a council that works for the community**.
- 1.2 Looking forward, there are unprecedented levels of uncertainty in national public spending prospects, as well as in the level of Government funding that the County Council can expect to receive in future. Long-awaited reforms of local government finance distribution systems have not yet been confirmed, various short-term funding arrangements are still in place and the previous multi-year settlement period comes to end this financial year – with no clarity as yet on what will follow.
- 1.3 On top of the funding challenges, demand for critical statutory services such as social care are increasing and the going market rate for the costs to deliver many of those services is adding further pressure. The Council has recognised that urgent improvements are needed in Children's services, following the recent Ofsted report, and improvements must also be secured in the Fire and Rescue Service following their inspection. Tackling such priorities inevitably increases the demand upon corporate capacity and resources required for other commitments and initiatives – yet the Council also needs to continue to invest if it is to modernise and transform services, to deliver benefits for residents.
- 1.4 This difficult and complex situation requires a change in approach regarding the budget strategy for 2020/21 onwards, to help demonstrate that, in setting the budget, the Council takes informed decisions in the best interests of its residents and communities, and to help manage expectations along the way. The approach involves:

- communicating a clear strategic focus and prioritising accordingly, in determining what strategic budget options should be developed further for consideration;
 - promoting wider public and other stakeholder engagement and understanding of the Council's financial challenges; and
 - securing early engagement from relevant stakeholders on the specific outline budget options under consideration.
- 1.5 These approaches for earlier and broader engagement were highlighted through scrutiny and planning for the 2019/20 budget. Cabinet has therefore developed the above approach, which underpins the budget timeline considered by Finance and Performance Select Committee on the 22nd May 2019.
- 1.6 This report provides the first opportunity for consideration of budget options in public. This is still at an early stage and no final decisions are being sought. Should the specific options being recommended be approved for further consideration, then additional work and consultation would be undertaken as reflected. The developed options would then be subject to further consideration and formal scrutiny, alongside the review and necessary updating of the Council's financial outlook. In this way, informed decisions can be reached, taking account of the relative impact of options and the need to balance the budget and protect the Council's financial position.

National Context and MTFS Funding Assumptions

- 1.7 When the Council set its 2019/20 budget in February, the Government was planning to implement three inter-related initiatives that would fundamentally reform the local government finance environment, these being:
- the Spending Review
 - the Fair Funding Review
 - Business Rates Retention Reforms
- Collectively these will determine:
- how much funding will be available to public services (including local government) as a whole
 - the means by which that funding will be shared across individual local authorities, based on new arrangements for assessing their spending needs and their ability for raising resources (such as through council tax)
 - how local business rates should be distributed
- 1.8 Since then the national picture has become more uncertain and changes at Government level are likely to have a bearing on the scope, timing and outcome of all three reviews. Currently, officer expectations are that a one-year Spending Review (or roll over) will be undertaken for 2020/21, and Fair Funding / Business Rate Reforms will be delayed until at least 2021/22. It is proposed that the budget plans will be developed on this understanding.
- 1.9 The MTFS assumes the referendum level for council tax increases for 2020/21 is 2%. This follows the end of the adult social care precept that allowed an increase of 6% over the preceding three years (2017/18, 2018/19 and 2019/20) and additional 1% on general taxation for each of the preceding two years (2018/19 and 2019/20). It is not known if government is intending to

increase the referendum level in the future in order to increase councils' Spending Power.

- 1.10 The County Council has adopted a neutral stance in the core funding assumptions underpinning its MTFS, i.e. it will be no worse off, but no better off, from any future Government funding/policy reforms. This is in line with other county councils' expectations and there is no information that justifies taking a different approach at this time. It is anticipated that there will be no further clarity from central government until the Chancellor's Autumn Statement.
- 1.11 Following on from the above, there is also no information on whether there will be any further continuation of the "one off" funding measures, over and above core funding, such as the Adult Social Care precept, the Improved Better Care Fund (iBCF) or Social Care Support Grant. The MTFS still assumes no continuation, as there is currently no prudent basis on which to assume otherwise. Modelling will be undertaken of potential scenarios, taking account of any information forthcoming from the Government. This will give a range of funding scenarios, to provide a range of assumptions, from worse case to better case. In the meantime, the County Council continues to lobby for early resolution of the funding uncertainties, with additional funding and flexibilities to be made available in recognition of upper tier pressures generally, and the specific challenges facing West Sussex.

2. Strategic Budget Options

Update on the Budget Gap

- 2.1 The table below sets out the gap for the next four years, showing movements on how that gap has changed since the February County Council Report. The gap is calculated after considering known increase in demand pressures since February and assumes a Council Tax increase of 1.99%. If we receive additional council tax flexibilities, it will offer an additional option to help close the Budget Gap.

| | 2020/21 £m | 2021/22 £m | 2022/23 £m | 2023/24 * £m | Total £m |
|--|---------------|---------------|---------------|--------------------|-------------|
| Budget Gap – February CC | 29.0 | 17.0 | 15.7 | 14.9 | 76.6 |
| Less available savings | -16.1 | | | | -16.1 |
| Updated Budget Gap – February CC | 12.9 | 17.0 | 15.7 | 14.9 | 60.5 |
| Changes since February CC: | | | | | |
| Reduction in available savings | 4.6 | | | | 4.6 |
| Permanent closure of Beechfield | 0.5 | | | | 0.5 |
| Home to School Transport | 1.0 | | | | 1.0 |
| OFSTED and HMICFRS | 6.4 | | | | 6.4 |
| Other – under £0.5m | 2.5 | | | | 2.5 |
| Budget Gap as at June 2019 | 27.9 | 17.0 | 15.7 | 14.9 | 75.5 |
| *2023/24 not included in report to February County Council | | | | | |

Proposals for tackling the Budget Gap: Strategic Budget Options

- 2.2 The priorities for spending are outlined in the West Sussex Plan. However, recognising the recent Ofsted report on Children’s Services and the recent HMICFRS inspection into the Fire and Rescue service, future spending plans will focus on:
- delivering a high level of Statutory services
 - ensuring vulnerable adults and children are safe
 - ensuring we run an efficient and effective Fire and Rescue Service to continue to keep residents safe
 - delivering services to residents more efficiently, by integrating and joint-commissioning arrangements with partners.
- 2.3 Much work has been carried out with Directors to inform the Council’s financial strategy. A themed approach has been adopted, on the basis that the Council seeks to prioritise budgetary savings to be gained through transformation, efficiencies and income generation, ahead of service reductions. Work has been underway with Cabinet Members and Directors to help inform the Council’s financial strategy and to identify a range of potential strategic budget options. A themed approach has been adopted, on the basis that the Council seeks to prioritise budgetary savings to be gained through transformation, efficiencies and income generation, ahead of service reductions. The full themes are:
- Investment in services where needed
 - Withdrawal or re-purposing of services (to align with corporate priorities and core offer – identifying what is non-core)
 - Demand Management & Cost Avoidance
 - Commissioning, Procurement & Contract Management
 - Commercialism & Income Generation
 - Use of Corporate Assets
 - Transformation Savings: Whole Council Design
- 2.4 To underpin this approach, we have:

- focused on ensuring core levels of service are prioritised and protected, with clear sight on desired outcomes in line with the **West Sussex Plan**;
- challenged value for money, service delivery models, and equity in service provision (and charging) across the county and with neighbouring authorities; and
- factored in relevant national and local strategic/ policy developments.

2.5 This work has produced a list of Strategic Budget Options, summarised below and presented in more detail in **Appendix A**. Cabinet is requested, in principle, to support these Strategic Budget Options as entries into the forward plan and to authorise the development of business cases for those endorsed proposals. The business cases will include risk assessments, equality impact assessments and results of wider consultations where required, prior to further consideration of these proposals.

2.6 The list of budget options by portfolio is set out in the following table.

| No. | Option |
|---|---|
| Cabinet Member for Adults and Health | |
| 1 | Review in-house residential and day care services |
| 2 | Review transport to care services |
| 3 | Limit inflationary increase in fees paid to care providers |
| 4 | Manage demand pressure - Older People |
| 5 | Reduce housing-related support |
| 6 | Reduce Local Assistance Network (LAN) |
| Cabinet Member for Education and Skills | |
| 7 | Reduce post-16 support service |
| 8 | Increase Special Support Centres in schools |
| Cabinet Member for Environment | |
| 9 | Reduce the number of household waste recycling sites (HWRS) |
| 10 | Withdraw the mobile HWRS service |
| 11 | Reintroduce charging for DIY waste at HWRSs |
| 12 | Reduce recycling credits |
| Cabinet Member for Safer, Stronger Communities | |
| 13 | Review Community Hubs Library Offer |
| Cabinet Member for Highways and Infrastructure | |
| 14 | Reduce Highways Place Based Services |
| 15 | Reduce supported Bus Services |
| 16 | Cease Discretionary Bus Passes |
| Cabinet Member for Corporate Relations | |
| 17 | Accelerate Whole Council Design |
| Cabinet Member for Finance and Resources | |
| 18 | Increase income from fees & charges |

Review of the Capital Programme

- 2.7 Directors have also reviewed the ambition for the Capital Programme. Capital projects can be undertaken for a number of reasons including:
- Cost avoidance – the investment in an asset will lead to lower costs than commissioning a service (e.g. residential homes)
 - Income generation – the investment in an asset will lead to a net revenue benefit (e.g. solar farms)
 - Direct costs – an investment in an asset is necessary to keep our estate in sound working order
 - Regeneration schemes – an investment in a scheme leads to improved town centres for businesses and residents
- 2.8 The ambition of the Council is greater than allowed for in the current five year capital programme and will potentially require an increased borrowing envelope. The increased envelope will need to remain affordable, as defined by the Prudential Indicators, but is likely to need to increase beyond its current levels.

3. Consultation

- 3.1 A Budget Workshop Member day took place on 26th June during which members were provided with an opportunity to consider the various options prepared by Directors to address the budget gap. Members were able to seek further information about the possible impact of each proposal and were able to identify which options they supported. In addition, Members were able to carry out a simulated exercise which applied various service and council tax options to the current 2020/21 Budget Gap. The results of the exercise are summarised in **Appendix B** (to follow).
- 3.2 The Chairmen of the four Select Committees, as well as the leaders of the two minority groups on the Council, have been invited to attend the public meeting of the Cabinet and, if they so wish, to address the Cabinet on the options, as well as commenting on the output from the Member day.
- 3.3 Plans for formal public consultation will be formulated in relation to those options confirmed for further consideration which trigger a requirement for such consultation. The Forward Plan will set out which proposals will lead to formal consultation arrangements. Stakeholder and specific customer engagement may also be considered important to provide the fullest information base for future decisions in specific areas and those proposals will also be suitably identified within the Forward Plan.
- 3.4 All proposals will be available for further Member scrutiny in line with the usual arrangements prior to the final consideration by the Cabinet Member.
- 3.5 A further Budget Workshop Member Day is being planned for the autumn to review the Capital Programme and consider potential capital projects to inform the development of the Capital Programme prior to consideration by Full Council in February 2020.

4. Financial Consequences

- 4.1 As this is a Budget Report the financial consequences are covered within the body of the report.

5. Legal Implications

- 5.1 The County Council is required to set a balanced budget. The legal implications relating to the specific service proposals and other budget plans will be assessed through the development of business cases for each proposal. This will include advice on the need for public or more focused consultation in relation to specific proposals.

6. Risk Assessment Implications and Mitigations

- 6.1 Appendix A includes risk assessments of the implications and mitigations for the Strategic Budget options.

7. Other Options Considered (and reasons for not proposing)

- 7.1 Previous years' approaches to finding budget savings could have been followed. However, it was decided to develop a new process to reflect the feedback of Member and other partners to be engaged earlier in the process.

8. Equality and Human Rights Assessment

- 8.1 The public sector equality duty will be applied during the development of any proposal identified for further consideration.

9. Social Value and Sustainability Assessment

- 9.1 The Council's sustainability policy and the social value impact of each proposal will be applied during the development of any proposal identified for further consideration.

10. Crime and Disorder Reduction Assessment

- 10.1 Implications for the Council's responsibility in relation to crime prevention and reduction will be assessed in the development of business cases for each proposal.

Katharine Eberhart
Director of Finance and Support Services

Contact Officer: Nadine Muschamp, Head of Finance
Appendices

Appendix A - List of Strategic Budget Options

Appendix B – Summary of Member Day Strategic Budget Options (to follow)

Appendix A

Strategic Budget Options

A high level summary of the Strategic Budget Options is set out below; it includes potential impact on service users and possible mitigation where known. The work is at a very early stage and if Cabinet endorse supporting the option a full business case will be developed including impact analysis and mitigating actions as far as possible. These sections will be informed by consultation responses and no final decisions will be taken until the work is complete and ready for further consideration during the autumn.

1. Review in-house residential and day care services **£300,000**

The County Council's needs of residential care and day services are changing, so it is proposed to undertake a strategic review of the seven residential homes that it runs and that the day services review is accelerated. The purpose of this would be to assess

- cost effectiveness against the external market and
- the option to reconfigure those facilities to reduce dependence on residential care and create more care provision (e.g. extra care, respite care, shared lives and supported living) of the type that will be required in future.

In that context, £0.3m is the saving estimate for 2020/21, with significantly greater returns potentially becoming available once a detailed assessment has been undertaken of the prospective opportunity.

Realisation of benefits implies a preparedness to look at existing facilities in wide-reaching terms and acceptance that there could be a mix of outcomes, including potential closures and/or a need to make different arrangements for some existing customers.

Potential impact and mitigations

The potential closures and reconfiguration of facilities may impact some users of the services who will need to find alternative arrangements. To mitigate the impact of any change, engagement with customers will be a key workstream for the project.

2. Review transport to care services **up to £500,000**

As part of promoting independence it is proposed that the Council will review the provision of transport and only fund such costs for customers in exceptional circumstances if there is no suitable or appropriate alternative. The proposal is a net saving which allows for reinvestment in travel training (that is working with customers to promote independence).

For customers in receipt of personal independence payments, and where those payments extend to transport, people will need to use this benefit to pay for those costs rather than the County Council funding that expenditure.

Potential impact and mitigations

Transport costs to be funded in exceptional situations only. For some people the outcome will be a need to pay for costs that the County Council currently funds. It may also lead to customers making different choices about the places where they go to receive care. The saving is a net amount, which allows for reinvestment into travel training to promote independence and so mitigate some of the impact.

3. Limit inflationary increase in fees paid to care providers **up to £4,200,000**

Limit providers to a standard inflationary uplift in 2020/21. The recent pattern of above inflationary increases to recognise the cost impact of the likes of the National Living Wage has not strengthened the County Council's market position or led to improved outcomes.

Potential impact and mitigations

Paying a standard inflationary increase will avoid the need for an additional £4.2m to be allocated to the Adults budget in 2020/21. However, it will result in lower increases in fees and so could weaken the County Council's position in the market, leading, in particular, to fewer providers being prepared to deliver care at usual maximum rates. Mitigation of that risk will necessitate a different approach to market management and market shaping as part of the County Council's strategic direction to enable more people to live independently at home.

4. Manage Demand Pressure - Older People **up to £970,000**

In line with the Adult Social Care Vision and Strategy, the Medium Term Financial Strategy (MTFS) currently assumes that the service will absorb £5.1m impact of demand pressure relating to older people in 2020/21. Added to commitments already included in the MTFS, this option requires the service to put into place arrangements that will manage £6.1m demand pressure, i.e. an extra £0.970m.

This can be achieved if individuals are able to access the right support to enable them to remain living in their own homes safely for longer and by developing alternative models of support, for example shared lives or extra care, which can provide improved outcomes at a lower cost.

This approach will avoid additional funding having to be allocated. To achieve this, contracts for preventative services will be reviewed to ensure that these are delivering optimal outcomes. It is expected that this will lead to some changes

in the mix of spending with more being invested in some activities, whilst others will be de-prioritised. This will have implications both for providers and partners.

Under the Care Act it is unlawful not to meet a person's assessed needs, so the risk in this proposal is that the necessary changes will not be made quickly enough, leading to the Adult Social Care budget overspending.

Potential impact and mitigations

All demand growth pressure to be managed within existing resources. Adults budget at risk of overspending if plans to promote independence do not deliver the anticipated benefits in 2020/21. The project will be closely monitored to ensure the outcomes are on-track and any required interventions are undertaken promptly.

5. Reduce housing-related support up to £1,300,000

Budget provision of £2.3m remains following a decision made in December 2018 to reduce expenditure by £4m. Further savings of £1.3m could be achieved by reviewing preventative contracts and restricting the service to statutory responsibilities only.

Potential impact and mitigations

Further reductions in preventative spend in the County Council's core budget may adversely affect providers in the market, increase demand on districts' and boroughs' services and potentially increase the demand for the Council's statutory services.

Although the public consultation regarding the previous decision was significantly challenging, the positive outcome has been recognition that prevention of homelessness requires a joint approach across all agencies and partners. The County Council is making available transitional funding to enable sufficient time for resources from other sources to be secured and would continue this approach if this option progresses.

6. Reduce Local Assistance Network (LAN) up to £200,000

The LAN is a discretionary service, which provides support to individuals in times of short term crisis and hardship. The budget was reduced by £0.6m in 2019/20 from £0.8m to £0.2m. It is now proposed to cease all provision.

Potential impact and mitigations

All funding withdrawn, which will affect:

- foodbanks (£35k),
- Children's and Family Centres (£80k),
- Citizens Advice Bureau (£35k) and
- social enterprises (£50k).

Potential impact and mitigations

Customers will be signposted to alternative sources of community support and transition arrangement will be considered if this option progresses.

7. Reduce post-16 support service up to £190,000

To withdraw/reduce the level of post-16 support service at the end of the current European Structural and Investment Funds (ESIF) project with Brighton and Hove. This service helps to prevent young adults becoming Not in Education Employment or Training (NEET). Only tracking within the Data team would remain.

Potential impact and mitigations

All direct NEET interventions would cease as would organisation and support for Careers/Apprenticeship Fairs across the county and the annual Apprenticeship Graduation Ceremony. The County Council is currently in the bottom quintile of LAs overall. The risk of removing the entire team is that we will not move from that position.

8. Increase Special Support Centres in schools £936,000

To increase the number of Special Support Centres (SSCs) in mainstream schools, in order to reduce the number of more costly out of county placements in the Independent and Non-maintained Special Schools (INMSS) sector. The first phase of the Special Support Centres is due to be completed for September.

Potential impact and mitigations

The service would like to progress the second phase of the project for opening in September 2020 as planned and bring forward from 2021 to 2020 phase 3 of SSC investment programme, by setting aside £1.8m from the Education capital budget in 2020/21 for investment in SEND facilities. Combining phases 2 and 3 will see further investment in building seven/eight Special Support Centres (SSCs) in mainstream schools, which would generate an additional 84 places for those children with high functioning autism and social, emotional and mental health (SEMH). This will eventually save the County Council £2m per annum in a full year.

9. Reduce the number of household waste recycling sites (HWRS) £160,000

Close two of the eleven fixed sites. Criteria for selecting sites for closure would include:

- relative level of use;
- proximity to other sites;
- degree to which the site is attracting cross border traffic;

- degree to which the site is currently constrained; and
- extent of any other operational issues.

Potential impact and mitigations

Residents may have further to travel and there are potential congestion issues. Experience of HWRS closures elsewhere indicates the material lost from the system due to fly tipping is low and any spike is of short duration.

10. Withdraw the mobile HWRS service **£50,000**

Withdraw the mobile HWRS service serving Selsey and the Witterings.

Potential impact and mitigations

Residents who use this service will have to travel to other HWRS sites to dispose of their household waste.

11. Reintroduce charging for DIY waste at HWRSs **£510,000**

Householders who wish to dispose of certain categories of waste at HWRSs (principally soil, rubble, asbestos, plasterboard) could continue to do so but at a charge to cover the cost of handling and disposal. Charges would be aligned to that of neighbouring authorities.

Potential impact and mitigations

Experience elsewhere indicates the material lost from the system due to fly tipping is low and any spike is of short duration.

12. Reduce recycling credits **up to £4,600,000**

The Cabinet Member for Environment took a Decision in December 2018 to terminate a long standing Memorandum of Understanding (MoU) funding arrangement with the D&Bs. The basis of the decision was that, despite payments of over £40m over eight years it had failed to drive improvements in recycling levels in that period and could not be justified. The funding formula has been revised in line with the decision resulting in a reduction of recycling contribution from £5.6m in 2018/19 to an estimated £4.6m in 2019/20 (the actual level will be dependent on tonnages of material delivered for recycling by the D&Bs).

Legal advice has confirmed that, due to the way the system is set up in West Sussex, there is no statutory requirement to continue to fund the majority of the remaining £4.6m each year (our residual statutory liability is likely to be less than £100,000 a year). As part of the decision, D&Bs were given notice that the formula would be further reviewed but the level of future payments would, among other factors, take into account overall affordability, given the County Council's projected financial position.

Potential impact and mitigations

Linking the recycling credits to performance will increase recycling across the county. The change from the current system will have an adverse effect of districts' and boroughs' budgets.

13. Review Community Hubs Library Offer **up to £500,000**

To meet the wider financial challenges faced by the authority it would be possible to adjust the Library Service in communities where the library has low usage, or where service reductions would have the least impact. This includes:

- a. reducing opening hours so that no library would be open beyond 6pm, removing the rural Mobile Library service, reducing delivery times for books; and
- b. the closure of several Tier 6 (branch) libraries, there are 13 of these libraries.

Reducing the level of service as suggested would have an impact on the ability of the service to support the County Council outcomes effectively and would represent a reduction in service. This would require extensive community and staff consultation.

Potential impact and mitigations

The impact would likely be greatest in the most isolated and rural communities. To mitigate that risk, the business case will engage with the communities to identify alternative community options.

14. Reduce Highways place based services **up to £1,500,000**

Highways, Transport and Planning provide a diverse range of place based services. Within the controllable elements of the budget there is limited scope to reduce revenue expenditure with the majority of service areas funded to statutory minimum levels already.

The Council will redesign the directorate and reduce overall staff numbers to accommodate further reductions in the budget. Services will focus on those elements where there is a statutory duty to deliver, particularly on safety and the needs of vulnerable road users.

Potential impact and mitigations

- Community Highway Schemes – reduce / cease delivery on future scheme development
- Community Traffic Regulation Orders – reduce / cease delivery on future delivery
- Support for Highways England schemes – cease
- Responding to national and local consultations – cease
- Responding to planning applications – reduce to absolute minimum

- Public Rights of Way Proactive Inspections – cease
- Major scheme bids – cease
- Development of highway improvement schemes – cease
- Support for Transport for the South East (TFSE) – cease
- Contribution to corporate initiatives – reduce to minimum
- Supporting non statutory initiatives – i.e. Watershed
- Local Highway Teams – consolidate 6 to 3

15. Reduce supported bus services

up to £200,000

The proposal is to reduce the amount of subsidy provided to bus operators to operate commercially unviable bus services across the county. Specific routes would be identified that will be reduced or stopped altogether.

Potential impact and mitigations

Inevitably there will be users who are detrimentally affected by the changes, but routes would be chosen that minimise on users.

16. Cease discretionary bus passes

up to £200,000

The Council currently spends £11.5m providing concessionary fares (bus passes) to residents across the county. Whilst the majority of the service is statutory there remain elements that are discretionary. These include providing concessionary fares for disabled people outside of the core hours of the scheme (off peak during the week and all weekend) and providing passes to carers/companions who are not of an age to qualify for an older person's bus pass. The cost of providing these discretionary services is £200k per annum.

Potential impact and mitigations

Removing this benefit would have an impact upon those people who fall into the criteria for passes and choose or need to travel outside of the core hours.

17. Accelerate Whole Council Design

up to £5,300,000

Several Whole Council Design projects are already underway. These include initiatives to:

- shift demand to cheaper digital channels, automate business processes and reduce human intervention for simple transactions freeing up time to deal with customers that need to contact us by telephone or in person;
- replace clunky and labour intensive manual processes and systems to reduce duplication, make it easier for staff to self-serve and avoid long term support costs; and
- transform our work practices through new technology, ways of working and innovation, such as robotics, intelligent automated digital assistance, virtual reality tools.

Potential impact and mitigations

The acceleration of Whole Council Design initiatives can help achieve financial savings in 2020/21 and 2021/22 without cutting or adversely impacting on frontline services. The majority of these savings will be realised through staffing reduction levels.

18. Increase income from fees & charges **up to £429,000**

Total budgeted income for 2019/20 is £42.9m. This option proposes raising up to an additional 1% income through increased volumes and / or prices.

Due to limitations such as statutory limits on fees, the spread of additional income may not be even throughout the Council.

Potential impact and mitigations

Users will need to pay more and increases in fees can affect uptake of services.

| | |
|--|-------------------------------------|
| Cabinet | Ref No: CAB01(19/20) |
| | Key Decision: No |
| Appointment to an Outside Bodies | Part I |
| Report by Director of Law and Assurance | Electoral Divisions: All |
| <p>Summary</p> <p>Outside bodies are external organisations, including formal or informal partnerships to which the County Council is a party, which have requested that the County Council appoints an Elected Member or a representative to them or to which the Council expects to make appointments.</p> <p>A vacancy has arisen on the Environment Agency: Southern Regional Flood and Coastal Committee, which is an outside bodies that the Cabinet is responsible for making Member appointments to. The Cabinet will therefore be asked to appoint a Member to fill the vacancy.</p> <p>In addition, Cabinet is asked to add Transport for the South East as an Outside Body for the Cabinet Member for Highways and Infrastructure.</p> | |
| <p>West Sussex Plan: Policy Impact and Context</p> <p>This proposal relates to the appointment of an Elected Member to the Southern Regional Flood and Coastal Committee and Transport for the South East.</p> <p>The Southern Regional Flood and Coastal Committee was established by the Environment Agency under the Flood and Water Management Act 2010 to ensure coherent plans are in place to identify, communicate and manage flood and coastal erosion risks and encourage investment in flood and coastal erosion risk management across the Southern area.</p> <p>Transport for South East (TfSE) will have powers and responsibilities that are required to support the work of its constituent authorities and partners. Each constituent authority will appoint one of their elected members as a member of the Partnership Board. Sixteen upper tier authorities in the South East have been working together since 2016 to develop a proposal for a sub-national transport body (STB).</p> <p>The aims and objectives of these Outside Body align with the Strong, Safe, Sustainable Place priority within the West Sussex Plan</p> | |
| <p>Financial Impact</p> <p>None.</p> | |
| <p>Recommendations</p> <p>That Cabinet appoints Mr David Edwards to the Southern Regional Flood and Coastal Committee until the end of the Council term (May 2021) and adds Transport for the South East as an Outside Body for the Cabinet Member for Highways and Infrastructure to appoint to.</p> | |

PROPOSAL

1. Background and Context

- 1.1 Outside bodies are external organisations and partnerships which have requested that the County Council appoints an Elected Member or a representative to them. Participation in outside bodies:
- Contributes to the County Council's strategic functions, priorities or community leadership roles.
 - Supports partnership and joint working.
 - Enables Members to gain and share knowledge and expertise.
- 1.2 The criteria for appointments to outside bodies as set out in the Constitution are:
- That the interests of the County Council can be assisted by the making of the appointment or renewal of the appointment.
 - That the Member is able to devote the time needed to meet the expectations of the external body and the Council.
 - That, where the external body has a geographical limit to its functions, whether the Member's Division falls within or close to that area should be taken into consideration.
 - That the Member has the knowledge, skills or interest in the work of the organisation that may be required.
 - That the Member is prepared to provide such information on his or her participation in the work of the outside body as may be required.
- 1.3 All Members are eligible to be appointed as representatives of the County Council on outside bodies. Members appointed to outside bodies must respond to all reasonable requests for information about the work of the outside body and their participation in it.

2. Proposal Details

- 2.1 The Cabinet is responsible for making Member appointments to outside bodies which precept on the County Council. Following the election in May 2017 the Cabinet made appointments to those outside bodies (Decision references [CAB01 \(17/18\)](#) and [CAB03 \(17/18\)](#)).
- 2.2 A vacancy has arisen on the Southern Regional Flood and Coastal Committee. The Committee was established established by the Environment Agency under the Flood and Water Management Act 2010 to ensure coherent plans are in place to identify, communicate and manage flood and coastal erosion risks and encourage investment in flood and coastal erosion risk management across the Southern region. The Committee is a precepting body, which includes requesting West Sussex County Council. It is proposed that Cabinet appoints Mr David Edwards to the Southern Regional Flood and Coastal Committee for the remainder of the County Council term (to May 2021).
- 2.3 The establishment of a sub-national transport body (STB) would facilitate the development and implementation of transport strategies for the area; and

the objective of economic growth in the area would be furthered by the development and implementation of such strategies. Sixteen upper tier authorities in the South East have been working together since 2016 to develop a proposal for a (STB). The existing Shadow Partnership Board also includes arrangements for involving the five Local Enterprise Partnerships; two National Park Authorities; 44 Boroughs and Districts in East Sussex, Hampshire, Kent, Surrey and West Sussex; and the transport industry voice in its governance.

- 2.4 Once it obtains statutory status, Transport for South East (TfSE) will have powers and responsibilities that are required to support the work of its constituent authorities and partners. Each constituent authority will appoint one of their elected members as a member of the Partnership Board. It is proposed that Cabinet agree to add this organisation as an outside body and for it to be an appointment by the Cabinet Member for Highways and Infrastructure.

FACTORS TAKEN INTO ACCOUNT

3. Consultation

- 3.1 The Cabinet reviewed the list of outside bodies in June 2017 to ensure that the County Council continues to appoint to bodies that are relevant to the County Council and which are consistent with its priorities.

4. Financial (Revenue and Capital) and Resource Implications

- 4.1 There are no financial or resource implications.

5. Legal Implications

- 5.1 There are no legal implications.

6. Risk Assessment Implications and Mitigations

- 6.1. Members must consider the implications and responsibilities of being involved with outside bodies as they must:
- Continue to comply with the County Council's Code of Conduct when they are acting as a representative of the Council.
 - Comply with the code of conduct of the outside body they are appointed to if one exists.
 - Declare a personal interest in any business of the County Council where it relates to a body they are appointed to by the County Council.
- 6.2 All Members are recommended to make sure that when they take up their appointment with the outside body they have access to the key documents regulating the organisation such as its constitution or terms of reference to ensure they are aware of what the body can and cannot do, and receive a briefing on the body or their role within it if necessary.

6.3 There is a risk that appointments will not be made to all of the outside bodies which could hinder the County Council in furthering its interests and priorities, and not develop the external facing role of Members.

7. Other Options Considered (and Reasons for not proposing)

7.1 The Cabinet may choose not to appoint to an outside body but should consider whether there are any implications arising for the County Council by not making an appointment.

8. Equality and Human Rights Assessment

8.1 This assessment is not required as the decision concerns appointments to outside bodies.

9. Social Value and Sustainability Assessment

9.1 Not applicable.

10. Crime and Disorder Reduction Assessment

10.1 None.

Contact Officer: Monique Smart, Democratic Services Officer 033022 22540

Appendix A - List of Members appointed by the Cabinet

Background papers

None

Appendix A**List of individuals appointed to Littlehampton Harbour Board and Southern Regional Flood and Coastal Committee by the Cabinet**

| Outside Body | No of Appointments | Member Appointment |
|---|---------------------------|------------------------------|
| Southern Regional Flood and Coastal Committee | 2 | Mr P Montyn Mr D Edwards* |

* Denotes proposed appointment

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