

Cabinet

17 October 2023 – At a meeting of the Cabinet held at 10.30 am at County Hall, Chichester, PO19 1RQ.

Present: Cllr Marshall (Chairman and Leader)

Cllr J Dennis, Cllr Hunt, Cllr A Jupp, Cllr Lanzer, Cllr Russell, Cllr Urquhart and Cllr Waight

Apologies were received from Cllr Crow

Also in attendance: Cllr Boram (virtual), Cllr Lord (virtual), Cllr Montyn and Cllr Oxlade (virtual)

Part I

17. Declarations of Interest

17.1 No declarations of interest were made.

18. Minutes

18.1 Resolved – that the minutes of the meeting held on 12 September 2023 be approved as a correct record and that they be signed by the Chairman.

19. Update on Council Plan, Medium-Term Financial Strategy and Preparations for 2024/25 Draft Budget

19.1 The Cabinet considered a report by the Director of Finance and Support Services and the Director of Law and Assurance (copy appended to the signed minutes).

19.2 The Leader introduced the report and explained that this was the first step in engagement for the medium-term financial strategy and the 2024/25 budget before it went on to scrutiny committees and public consultation.

19.3 Cllr Hunt, Cabinet Member for Finance and Property, introduced the report which gave an update on financial planning and the pressures that services are facing. The plan was to build £52.5m into the budget to cover predicted pressures in addition to the £36.8m planned for inflation. Budget reductions have been proposed to close the budget gap together with Council Tax rises. The full medium term financial strategy up to 2029 shows a shortfall of £174m before any proposed rises in Council Tax. Public consultation would take place in October and November to allow feedback to be considered by the Cabinet leading to County Council decisions on the Council Plan and the budget in February.

19.4 Taryn Eves, Director of Finance and Support Services, confirmed that the financial position is difficult, but plans are in place to address the identified pressures. Whilst this includes a payment of £3.1m from reserves, this is to cover matters for which the reserves exist and the importance of maintaining a prudent level of reserves remains. The

proposed budget reductions amount to £11.8m. September estimates would be used to plan for inflation, however the impact of inflation would continue to be monitored. The 2023/24 and 2024/25 pay awards had not been agreed and so assumptions were being made for budget calculations in the interim. The next budget update would come in January.

19.5 The following points were made by Scrutiny Committee Chairmen.

- a. Cllr Boram, Chairman of the Fire & Rescue Service Scrutiny Committee, noted the challenging environment for budget setting. With regard to the Fire & Rescue service, it was noted that no cost pressures had been identified to the future delivery of services. The report recommendations were supported.
- b. Cllr Montyn, Chairman of the Performance and Finance Scrutiny Committee (PFSC) noted the inflationary pressures for the authority. Members would be looking into the savings during the all-member Session on the 18 October. PFSC would be keen to scrutinise County Council estate and service efficiencies, and also the reserve replenishment plan.

19.6 The following points were made by Cabinet Members in discussion.

- a. The Leader explained that the budget enables the Council Plan to be delivered. The service and inflation pressures are a particular challenge but there is also the cost of living crisis as a real challenge for residents. The Cabinet would reflect on the outcome of scrutiny and consultation feedback before finalising plans.
- b. Cllr Dennis, Cabinet Member for Highways and Transport, reflected on the high demands on highway services during the previous winter, and how this had impacted on costs of service in addition to the increase of costs of materials. Plans were in place to prepare for next winter, but there has been almost double the number of pothole repairs compared to last year. The savings plans were not expected to impact service delivery.
- c. Cllr Waight, Cabinet Member for Support Services and Economic Development, spoke on 'business as usual' activity and explained that this underpins delivery of all Council services - for all members to be mindful of. Examples include the SmartCore programme that would see changes to core County Council systems and Smarter working and plans for making the best use of Council assets in line with working practices. The savings were believed to be achievable with adverse impact on services.
- d. Cllr A Jupp, Cabinet Member for Adults Services, reported that her portfolio held the largest budget due the extent of its statutory obligations. The pandemic led to an increase in demand and costs that were still being felt. Value for money is being sought from providers to ensure the allocated budget is used efficiently. Work was being done to ensure the care sector is promoted as a career pathway. Preparations were also underway on Care Quality Commission (CQC) inspection plans and assurance.
- e. Cllr Lanzer, Cabinet Member for Public Health and Wellbeing supported the recommendation to continue to lobby government on improved settlements for local authorities. A key priority for the portfolio would be supporting smoking cessation following the

increase of funds from government on this as well as general improvement of public health outcomes.

- f. Cllr Russell, Cabinet Member for Children and Young People, Learning and Skills, explained that high cost placements and Special Educational Needs and Disability (SEND) provisions remain a challenge. Education Health and Care Plans (EHCP) volumes were also due to increase as work to reduce the assessment backlog continued, with wait times also looking to reduce. The Better Value Programme was underway with partners to assist in securing better outcomes for SEND children.
- g. Cllr Urquhart, Cabinet Member for Environment and Climate Change commented that the recycling and disposal of waste was a key pressure due to the increase in housing. Reuse and recycling activity is promoted to reduce overall waste tonnage. Carbon offsetting and biodiversity work was being undertaken with multiple partners and landowners.
- h. Cllr Hunt thanked Cabinet colleagues for their work in their portfolios to deliver services against pressures and under tight budget constraints. Identified efficiencies enabled investment in others areas which allowed for services to continue whilst making the required savings. The Executive Leadership Team, and all in their directorates, were thanked for their hard work in this area. Careful management of the County Council's estate and assets allowed for investment in the Capital Programme.

19.7 The Leader was mindful that all spend came from public and business taxes and so required critical assessment to ensure value for money for services. The responsibility of setting Council Tax levels was taken seriously to ensure that the right choices and outputs were agreed.

19.8 Resolved that the Cabinet:

1. Agrees that the overall approach to the Council Plan refresh and budget setting be prepared for the public engagement process set out in Section 13 of the report.
2. Notes the risks and uncertainties referenced in Section 15 of the report and that these may further impact on the budget for 2024/25 and the Council's medium term financial forecast.
3. Notes the timetable for the remainder of the budget process as set out in Section 11 of the report.
4. Continues its proactive collaborative approach to lobbying Government to recognise funding constraints and rising demand that is impacting many services and the impact on the financial resilience of the Local Government sector.

20. Emerging Issues

20.1 The Leader invited Cabinet Members to provide any verbal updates on current, significant issues from their respective portfolios that may benefit from discussion.

20.2 Cllr A Jupp reported that the County Council's Meals on Wheels, and service provider Heath and Independent Living Support, were a joint winner at the National Association of Care Catering Awards. Meals on Wheels provide nutritious meals for vulnerable residents and also ensure regular contact for those who were particularly isolated. Congratulations were given to the team.

21. Date of Next Meeting

21.1 The Cabinet noted that its next scheduled meeting will be held on 28 November 2023.

The meeting ended at 11.15 am

Chairman