

CABINET

28TH JANUARY 2003

BUDGET 2003/04 AND PORTFOLIO SERVICE PLANS

REPORT BY COUNTY SECRETARY

In the week beginning 20th January 2003 the Strategic Environmental and Public Safety Services Select Committee, the Education and the Arts Select Committee and the Social and Caring Services Select Committee were asked to consider the Portfolio Service Plans (PSPs) within their remit. Each Select Committee was asked to comment upon the appropriate PSP and to support the overall priorities and proposals within them. On 27th January the Resources, Information and Liaison Services Select Committee considered the PSPs within its portfolio and also the overall budget. Comments of the individual Select Committees are set out below, concluding with the comments of the RILS Select Committee on the overall budget.

Strategic Environmental and Public Safety Services Select Committee

Strategic Environmental Services

The Select Committee:

- Was pleased to note that rural speed limits were to be reviewed, but commented that the problem of speeding also applied to urban areas and suggested that a 40mph speed limit should be applied to urban fringes. Members also said that more should be done to enforce those speed limits already in place.
- Asked that the statement about Ragwort on page 15 of the PSP be amended. Giant Hogweed was more invasive and more injurious to humans. The Committee suggested that a small list of the 5-7 most dangerous plants should be appended to this paragraph and word "invasive" included.
- Asked that the difference between enterprise hubs and enterprise gateways be clarified.
- Asked that next year the PSPs should include simple tables setting out results against targets so that Members could properly monitor progress.
- Expressed concern about the condition of the road network but was pleased to note a significant increase in investment in road maintenance of 9% through the Local Transport Plan, which was a good result in light of the cut in central government grant.
- Commented that BV 96 and 97a/b appeared to contradict the percentages given in the September Quarterly Budget Monitor. The new figures appeared to indicate that three times as many roads were in a state of poor repair.
- In relation to BV 103, felt that one relatively cheap way to improve bus services would be to improve the information provided at bus stops and improve the maintenance of electronic terminals, which were often out of order.

Public Safety Services

The Select Committee:

- Under “Fire Service”, noted that one of the biggest domestic problems was faulty equipment giving false alarms and commended the intention to improve community fire safety checks and thereby cut down on faulty equipment.
- Under “Trading Standards” commended the excellent job being done by the Trading Standards service and in particular its intention to focus on educating the elderly, who could be vulnerable to rogue traders.
- Commended also the improvement in prosecution costs recouped, with 57% of costs awarded by the courts for this financial year so far, having been recovered. The Committee noted that particular progress had been made in respect of re-claiming investigation costs as recommended by the Audit Commission.

Education and the Arts Select Committee

The Committee was advised of the key features of the PSP for Education and the Arts for 2003/04, and its attention was drawn to longer term issues for the next two financial years. The Cabinet will be aware of the changes to Government funding arrangements for schools and LEAs and to the Standards Fund, and the overall impact of the funding formula. The Chairman invited to the meeting the Chairman of the headteachers associations representing secondary headteachers, primary headteachers and special school headteachers. The Committee looked at the PSP and budget in some detail and invited the representatives of headteachers to comment on the PSP from the perspective of headteachers. The Committee

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- Welcomed officers’ commitment to provide advice and guidance to schools on ways to plan budgets for the years ahead under particularly difficult circumstances and areas of economy. This will include advice on ways to use capital funds, in recognition of the increase in capital funding at a time when the Standards Fund grant for schools has been cut.
- Emphasised the need for advice to headteachers and school governors on the issues to be addressed when attempting to minimise the impact of the new funding formula – identifying savings, prioritising expenditure and considering redundancies where necessary.
- Welcomed a statement by the Strategic Director that in the near future he plans to organise seminars for headteachers and officers to provide training and enable colleagues to share their experience so they can plan as necessary and make difficult decisions sooner rather than later.
- Noted with concern that some primary schools will face budget reductions of about £50,000 in 2003/04.
- Agreed that care would be needed when attempting to strike the right balance between qualified and non-qualified staff employed by a school. Present difficulties should not be used as an opportunity to change pupil:staff ratios. The LEA will need to take a

strategic view of particular circumstances and consider the budget difficulties facing individual schools in the wider context of social inclusion.

- Endorsed the continuing recognition of the importance of the Youth Service.
- Was pleased to be advised that the budget of the Learning and Skills Council is likely to be fully protected, with provision of an extra £1m to meet the needs of additional students.
- Noted that there will be a review of the Advisory and Inspection Service to see whether it best meets the demands placed upon it. At present vacancies are being “frozen” pending a review. The service will need to increase its income to make up the loss in Standards Fund monies.
- Was particularly interested to hear the views of the chairmen of the headteachers’ associations representing secondary headteachers, primary headteachers and special school headteachers. Key points they made included:
 - there are particular difficulties associated with staff training and trying to reduce workloads. These are linked to headteacher morale which has to be kept positive in current circumstances. Headteachers are faced with dilemmas such as not letting staff attend training courses, or releasing them and “covering” their work personally, thus adding again to headteachers’ own workloads.
 - schools could find it necessary to make some teacher assistants redundant at a time when it is important that teachers receive more assistance, not less.
 - performance Management could be reduced significantly as a consequence of the loss of a specific Standards Fund grant from April 2003.
 - a number of teachers will be entitled to receive improved salaries on reaching a new pay threshold; some schools are likely to find themselves unable to pay such increases, and would therefore be at risk of losing valuable staff.
 - the loss of another specific Standards Fund grant will leave schools with little money to commission support from the Advisory and Inspection Service.
 - the cut in Standards Fund grant will have a significant impact on individual schools.
 - headteachers commended the political courage which lay behind the proposal to raise an increased level of council tax.
- Noted that the proposed budget, when viewed in the context of the Government’s draft finance settlement and West Sussex County Council receiving a cash increase that is the second lowest of all County Councils, constitutes strong support to the Education Service.

The Committee found the headteachers’ views on the PSP particularly helpful and expressed thanks to the three representatives for attending and their valuable contribution to the debate. All present agreed that the starting point for the year ahead had to be what was best for each individual child.

The Committee agreed the recommendations in the report of the Director for Education and the Arts and the Director for Resources & County Treasurer, namely -

1. That the taking up of all available Standards Fund grants be supported.
2. That the prioritising of central services to meet the objectives in the overall plan be noted.
3. That the adverse effect of the budget settlement on the Service’s capacity to continue to improve be noted.

4. That the proposal to develop a targeted school improvement budget to replace part of the withdrawn Standards Fund for School Improvement be noted.
5. That it be noted that the Schools budget includes funding to allow schools to meet the growth in pupil numbers and a Teachers' Pay Award of up to 3%.
6. That it be noted that efficiencies equivalent to over £2.2m have been made as part of the Portfolio Service Plan.
7. That the impact of the new funding arrangements on the overall Schools budget and the Education and the Arts budgets, and the uncertainty about funding in 2004/05 and beyond, be noted.
8. That the increased charges to parents for music instrumental tuition be noted.
9. That the overall priorities and proposals in the PSP for Education and the Arts be supported.

Social and Caring Services Select Committee

The Select Committee expressed its general support for the budget.

The Select Committee -

- Welcomed the extension of home care provision and the significant increase of intensive home care packages which would lead to a reduction in the need for long term placements.
- Supported the need for the increase in personal care and nursing care rates in Registered Care Homes in order to become more competitive.
- Was pleased to hear of the progress being made by Social and Caring Services in reducing the numbers of hospital delayed discharges (and to note that the Council compared favourably on this with other authorities).
- Agreed that the Occupational Therapy and Equipment Service was a vital service for many people and supported increasing funding for it and enabling patients' rehabilitation to continue until improvement in mobility was established.
- Supported the development of new information technology systems, particularly in relation to care management, and the ability of staff to have greater access to personal computers in the light of acquisitions of additional equipment. (It is essential that this programme of investment in the technology infrastructure is continued.)
- Regretted that the proposed improved transitional arrangements for young people with special needs could not be funded.
- Expressed concern at the ever increasing demands on social services and cited as examples the growth in the elderly population and in conditions such as autism and the extra care and resource implications these challenges presented for society.

Resources, Information and Liaison Services Select Committee

General Points

The Committee:

- Noted that Unit costs across Portfolios had been reduced by 2% in line with government requirements which represented an efficiency rather than a cash saving.
- Asked that in future the Portfolio Service Plans should clarify what efficiency savings meant in practice.

Community Development

The Committee:

- Generally supported the Portfolio Service Plan but some Members suggested that while community planning was valuable, such “non front-line” expenditure might be deferred for a year in order to help lower the proposed council tax.

Information Services

The Committee:

- Noted the business case for the Contact Centre; endorsed the success criteria set out in the report in front of the Committee; endorsed the establishment of a small working group and nominated Mr Coleman as its Chairman; and endorsed the Contact Centre solution set out in paragraph 8.2 of the report (described as a “hub and spoke” centralised telephone contact facility).

Resources

The Committee:

- Generally supported the Portfolio Service Plan but some Members again suggested that items such as the costs projected for the payroll/HR system might be deferred to help lower council tax.
- Noted the Cabinet Member accepted that it might be possible to defer some expenditure on payroll systems but that the shortcomings in the current system meant it should be replaced as soon as possible.

Revenue Budget and Capital Programme

The Committee:

- Heard how the figure of 18.5% had been achieved and noted the balance within that of the national increase, the sum necessary to maintain services and meet Government targets and in particular the movement of grant away from West Sussex.

- Noted that there was effectively an urban/rural and north/south divide in terms of FSS allocation.
- Noted that the increase in capital receipts (page 9) was accounted for by slippage in Property Services receipts
- Noted that some difficult choices had had to be made in current circumstances in deciding how to maintain services to the public at the current level with a slight improvement.
- Some Members supported a proposal that the Cabinet Member for Resources consider setting up a cross-party working group to consider ways in which the council tax might be reduced through exploring the potential for reductions in the costs of non-front line services, but this was not endorsed.

The Committee thanked the Cabinet Member and Director for Resources and County Treasurer and her Deputy for answering detailed questions and endorsed the proposed budget and Portfolio Service Plans.

MIKE KENDALL
County Secretary