

**UNCONFIRMED MINUTES
SUBJECT TO APPROVAL AND/OR AMENDMENT AS A CORRECT
RECORD AT THE NEXT MEETING OF THE CABINET**

CABINET

25th January 2011 - At a meeting of the Cabinet held at the County Hall, Chichester

Present: Mrs Goldsmith (Chairman), Mr Barnard, Mr Bradbury, Mr Brown, Mr Catchpole, Mr Evans, Mr Griffiths, Mrs Urquhart

MINUTES

1. Resolved - that the minutes of the meeting of the Cabinet held on 26th January 2010 be approved as a correct record.

PERFORMANCE FRAMEWORK AND REVENUE BUDGET AND CAPITAL PROGRAMME 2011/12 TO 2014/15

2. The Cabinet considered the Performance Framework and Revenue Budget and Capital Programme for 2011/12 to 2014/15 together with the comments of the Select Committees (copies attached to the signed minutes). The Cabinet was informed that the County Council's priorities and spending plans presented reflected the integrated corporate and budget planning process that had been introduced for 2011/12 and beyond. The integration of the Performance Framework and budget planning would ensure that activity, finance and workforce planning would be brought together to produce a coherent plan for the next three years.

3. The Leader introduced the Performance Framework. She explained that it set out the political priorities that would drive the work of the County Council for the next three years, but would be reviewed next year. The document had been well received by Policy and Resources Select Committee and the next step would be the development of the benchmarks and targets to deliver the priorities. The budget before the Cabinet had been set to support delivery of those priorities: Active Communities; Think Family; Health Ambitions; Minding our Businesses; Building a Sustainable Future and On the Move.

Resolved – that County Council on 11th February 2011 be recommended to approve the Performance Framework 2011/14 as presented to the Cabinet.

4. The detailed budget was introduced by the Cabinet Member for Finance and Resources, who recommended its endorsement by the Cabinet for final approval by the County Council. The Finance strategy set out the broad fiscal parameters within which budgets would be planned for the four year period 2014/15. The Strategy took into account the savings requirement of £36.9m for 2011/12 and gave a commitment that the County Council would 'live within its means' whilst protecting the most vulnerable, while accepting that there would be reductions in services in some other areas; that probity, prudence and strong financial control would take place in all activities; and that there would be a reduction in bureaucracy of 30%.

5. The proposed budget resulted from the policy planning work carried out over the last few months by Cabinet Members and Service Groups. The need for significant spending reductions had been recognised and plans would be put in place on that basis. The £60m saved by the Fundamental Service Review over the previous four years ensured that the financial challenge remained manageable, but nonetheless planning throughout this year had been on the basis that a further £75m-£80m would need to be saved over the three years starting in April 2011.

6. The proposed Capital programme for 2011/12 totals £196.4m, a decrease of £5.6m on the revised programme for 2010/11. New starts in the programme include a library development at the Grange in Midhurst, improvements to office accommodation in Chichester and the upgrading of Littlehampton Fire Station.

7. The Capital programme as currently presented assumed a borrowing level for non-schools capital expenditure of £20m for 2011/12 followed by £19m in 2012/13 and £18m in 2013/14. However the Cabinet Member for Public Protection tabled an amendment as follows:

The Cabinet has clearly set out its intention to manage borrowing carefully and to reduce the rate of increase in the Council's borrowing. The budget for 2011/12 includes planned core borrowing of £20m, followed by £19m, £18m and £17m for the succeeding three years. In order to further demonstrate Cabinet's commitment to reduce borrowing it is proposed that planned core borrowing be reduced to £19m in 2011/12, followed by £19m, £18m and £17m.

8. The amendment was seconded and agreed and appropriate amendments would be made to the detail in the final papers that would be presented to County Council.

9. The Cabinet also responded to the comments raised by the Select Committees on the areas of:

Adults' eligibility criteria; Fire Service Collaboration proposals; Arts budget reduction; Concessionary fares and bus subsidies; youth services and children's homes; gifted and talented pupils programme; and, denominational transport.

10. The draft budget proposals, which implied a Council Tax freeze at the 2010/11 figure, following the application of government grant of £9.5m included: -

- (i) Total net revenue spending of £511.2m a cash reduction of £9.2m
- (ii) net changes in funding from central government not affecting spending power of £1.04m
- (iii) inflation allocations of £7.4m
- (iv) service commitments and net additional funding of £21.3m

- (v) Replenishment of the Special Revenue Reserve to £7.1m to mitigate the significant financial risks moving forward.
- (vi) Capital payments in 2011/12 of £196.4m

11. The Executive Director Finance and Performance reported on the robustness of estimates and adequacy of Reserves as required under Section 25 of the Local Government Act 2003 and assured the Cabinet that the overall revenue estimates were robust and the level of reserves was considered adequate.

12. Resolved - that County Council on 11th February 2011 be recommended to approve the series of budget recommendations as presented to the Cabinet, subject to any final adjustments to detail and taking into account the amendment on borrowing levels in relation to capital expenditure.

OFSTED INSPECTION OF SAFEGUARDING AND LOOKED AFTER CHILDREN

13. The Leader introduced the report presented to Cabinet on progress in respect of actions identified in the action plan that had been put in place to address the issues within Children's Services following the Ofsted report in December. The objective of the plan was to achieve an adequate rating within 12 months and a good rating within three years.

14. The Director of Children's Services added some detail around the new recordings system for staff and the training plans. The Cabinet Member also added that the draft Improvement Notice had just been received from the Department for Education which would require a review of the action plan but that he felt there would be minimal changes/additional actions required.

15. The Cabinet was pleased with the progress being made in respect of the IT systems and that regular scrutiny and reporting would take place. The Cabinet member for Children and Families also reported that he intended to send regular monthly updates to all Members. In addition it was noted that following the recent successful and well attended seminar on corporate parenting that further similar seminars would take place during the next 12 months.

Chairman