

KENT COUNTY COUNCIL

CABINET

MINUTES of a meeting of the Cabinet held in the Darent Room - Sessions House on Monday, 25 June 2018.

PRESENT: Miss S J Carey, Mr P B Carter, CBE (Chairman), Mrs M E Crabtree (Substitute for Mr J D Simmonds, MBE), Mr M C Dance, Mr G K Gibbens, Mr R W Gough, Mr P M Hill, OBE, Mr E E C Hotson, Mr P J Oakford and Mr M Whiting

IN ATTENDANCE: Mrs A Beer (Corporate Director Engagement, Organisation Design & Development), Mr D Cockburn (Corporate Director Strategic & Corporate Services), Mrs B Cooper (Corporate Director of Growth, Environment and Transport), Mr M Dunkley CBE (Corporate Director for Children Young People and Education), Mr A Scott-Clark (Director of Public Health), Ms P Southern (Corporate Director, Adult Social Care and Health) and Mr B Watts (General Counsel)

UNRESTRICTED ITEMS

66. Revenue and Capital Budget Outturn 2017-18

(Item 4)

1. Mrs Crabtree (Deputy Cabinet Member for Finance) introduced this report which set out the provisional revenue and capital budget outturn position for 2017-18, including a final update on key activity data for the highest risk budgets.
2. The provisional outturn for 2017-18 was an underspend of £535k, this was the 18th consecutive year that the Council had achieved a balanced budget. Over the past 6 years approximately £515m savings had been made despite increasing demands in many areas. With increasing demands and a reduction in Government Grant the position was not getting easier and the Council would have to continue to pursue transformation and efficiency savings to balance its budget. It was recommended that the underspend of £535k was rolled forward to help fund pothole repairs in 2018-19 together with £1.475m from earmarked reserves to give an extra £2m in 2018-19.
3. Regarding the capital monitoring there was a reported variance of -£93.719m on the 17/18 capital budget excluding schools and PFI. This was a movement of -£16.291m from the previously reported position and was made up of -£4.708m real variance and -£89.011 re-phasing.
4. Mr Wood (Corporate Director of Finance and Procurement) explained that the underspend was similar to the previous year and that this hadn't been reported until the final report so it had been a tight year. There had been no conclusion, before year end, on Asylum, so reasonable assumptions had been made. Mr Wood offered his thanks to all Directorates, Cabinet Members and Budget Holders for their efforts in balancing the budget.

5. Mr Carter explained that he had had a meeting with the Immigration Minister; there had been no commitment about the recalibration of the Asylum Grant, but her attention was drawn to the number of Local Authorities with significant shortfalls and it was essential to ensure that the unmet costs of the last financial year were met along with the current year. Regarding pothole maintenance the underspend, along with the additional money agreed at Cabinet, would be endorsed by the County Council on 12 July.

RESOLVED that the Cabinet:

- i) **Note** the report, including the provisional outturn position for 2017-18 for both the revenue and capital budgets.
- ii) **Agree** that £1,140.8k of the 2017-18 revenue underspending is rolled forward to fund existing commitments, as detailed in section 2 of Appendix 1.
- iii) **Agree** that £3,730.8k of the 2017-18 revenue underspending is rolled forward to fund the re-phasing of existing initiatives, as detailed in section 3 of Appendix 1.
- iv) **Agree** that £50.0k of the 2017-18 revenue underspending is rolled forward to fund the bids detailed in section 4 of Appendix 1.
- v) **Agree** that the £525.1k remainder of the 2017-18 revenue underspending is rolled forward for use on Pot Hole repairs, together with £1,475k from earmarked reserves to give an additional £2m for Pot Hole repairs in 2018-19.
- vi) **Agree** that the £43.052m of capital re-phasing from 2017-18 will be added into the 2018-19 and later years capital budgets, as detailed in Appendix 2.
- vii) **Agree** the proposed capital cash limit changes outlined in Appendix 3.
- viii) **Agree** the contributions to and from reserves as reflected in Appendix 6, which includes all appropriate and previously agreed transfers to and from reserves.

67. Revenue and Capital Budget Monitoring Report 2018-19 *(Item 5)*

1. Mrs Crabtree explained that this was the first budget monitoring report for 2018-19, the initial forecast was for a revenue pressure of £10.3m, this was a concern and needed to be managed alongside a forecast gap of £15m for 2019-20. This was not an unusual situation to be in, however identifying savings was becoming increasingly difficult alongside increasing demand and decreasing government grants.
2. The forecast £50m savings identified for 2018-19 were mainly on track to be delivered and the Council continued to lobby the Home Office to ensure that it was reimbursed for the full costs of asylum seekers and care leavers.
3. Mr Wood referred to the RAG risk rating system and any red savings would be worked through to ensure that they were capable of being delivered.

RESOLVED that Cabinet:

- i) **Note** the initial forecast revenue budget monitoring position for 2018-19 and capital budget monitoring position for 2018-19 to 2020-21, and that the forecast pressure on the revenue budget needs to be eliminated as we progress through the year.
- ii) **Approve** the capital virements of £25.436m.

68. Quarterly Performance Report, Quarter 4, 2017/18
(Item 6)

Richard Fitzgerald (Business Intelligence Manager – Performance) was in attendance for this item.

1. Miss Carey introduced this report which set out the key areas of performance for the authority. The indicators within the report showed the long-term trends and there were 38 key performance figures within the report; 25 were rated green, 10 rated amber, and 3 rated red (2 in Education and one in Adult Social Services). The net direction of travel was positive with 16 indicators improving, 14 showing a fall in performance and 8 with no change.
2. Miss Carey explained that the report also set out the risk register and one new risk had been added “Post Brexit border systems and infrastructure arrangements”. There had also been a change to risk ratings; on the budget the risk was at amber, and if savings were delivered this would move to green, if savings were not delivered it would move to red.
3. The Leader explained that the performance outturn report would be debated at County Council on 12 July.
4. Mr Fitzgerald set out the highlights of the report, he said that the majority of indicators were ‘green’ and the net direction of travel was positive. He drew out important information for Members as follows:
 - a. **Customer Services**
 - i. Good performance was being maintained for caller satisfaction, but the number of calls answered was slightly below target. There had been an increase in the use of KCC’s website.
 - b. **Economic Development & Communities**
 - i. Job creation through the RGF schemes had increased and the funds were now being recycled delivering further job creation.
 - ii. Housing delivery was now running at close to 7000 for 3 years in a row.
 - c. **Environment and Transport**
 - i. Core service delivery for highways maintenance was maintained throughout the quarter despite weather pressures.
 - ii. The pothole blitz was in progress.
 - iii. Recycling rates across the county were good with the percentage of municipal waste diverted from landfill remaining at 99%.
 - d. **Education**
 - i. Ofsted inspection results were very good with 92% across both primary and secondary, in early years 97% were rated as good or outstanding.
 - ii. Apprenticeship Starts was below target for the last academic year and this reflected trends nationally.

- iii. There was a red indicator on completion of Education, Health and Care Plans, there had been huge demand in this area and existing SEN statements had had to be converted but this was now complete.
- iv. There was also a reduction in children entering primary school at reception for the first time in ten years.

e. Integrated Children's Services

- i. Outcomes achieved for early help cases was close to target.
- ii. Results within specialist children's services were all very good with nearly all green indicators.
- iii. Children on child protection plans had decreased in the last quarter and was now in line with the national average.
- iv. There had also been a reduction in the number of unaccompanied asylum seeking children supported by Kent with the dispersal scheme reducing demand on placements.

f. Adult Social Care

- i. Contacts resolved at first point of contact remained above target.
- ii. The numbers for enablement now included the externally commissioned Hilton Nursing.
- iii. There were still throughput issues with the inhouse service and availability of home care placements in certain parts of the county.
- iv. There was a currently a commissioning exercise underway looking at care at home.
- v. Delayed discharges from hospital remained ahead of target.

g. Public Health

- i. Health Checks completed in year was on target for the 5th year in a row.
- ii. For the Health Visiting service activity had increased ahead of target.

5. Mr Fitzgerald concluded by assuring Members that the report was good news, there were some areas where targets were not being met but these were being closely monitored.
6. Mr Carter confirmed that there would be a report to County Council on the outturn for the year. Mr Carter referred to education attainment figures at the various key stages and asked that this be included, Mr Fitzgerald explained that it was included in the commentary and would be highlighted in the annual report to County Council.
7. Mr Gough (Cabinet Member for Children, Young People and Education) mentioned the Education, Health and Care Plans and the fall in delivery within the 20 week deadline. This was a significant issue for the Council, however the indicator judged performance against the national average which was for 2017 and national averages had been falling because of the rise in demand for EHCPs but this would be monitored. Work was being undertaken to ensure effective recruitment and retention of Educational Psychologists. Referring to Child Protection plans there had previously been a rise in demand and numbers of social workers had increased to deal with this. This was now at a more

manageable level. The number of Unaccompanied Asylum Seeking Children was much lower, however Mr Gough considered that the national transfer scheme was not working well and the indicator did not show the high level of care leavers.

RESOLVED that the report be noted.

69. Select Committee: The Pupil Premium

(Item 7)

Mrs Game (Chairman of the Select Committee), Mrs Dean and Dr Sullivan were present for this item.

1. The Leader reminded Members that the Select Committee report would go to the County Council meeting on 12 July.
2. Mrs Game stated that all young people should have the life choices that they deserve. She explained that generally the gaps in educational achievement for pupils receiving the Pupil Premium remained too wide. The Select Committee was set up to look at the Pupil Premium and to inform policies aimed at narrowing the gap. The Terms of Reference and the Scope were laid out in the document; the Select Committee carried out extensive research and the Select Committee visited a variety of schools before producing 10 recommendations which were contained within the report. The Select Committee report was a live document and Members wished to see robust activities coming out of it.
3. Mrs Game paid tribute to the Committee for their hard work and dedication.
4. Mrs Dean explained that KCC's results were not as good as some of its statistical neighbours and it could do better, the work of the Select Committee had shown that the majority of Grammar Schools in Kent had fewer than 10 pupils from disadvantaged backgrounds in them. It was also clear that a number of schools were not taking on board the advice about which interventions were effective. Mrs Dean suggested that Members look at the website of the Sacred Heart secondary school in Camberwell, which was the 2017 Pupil Premium school of the year and was in the top 2% of schools in the country in terms of adding value to pupil's education. The school had a relentless focus on standards and reporting of activity. The school also had a strong focus on parent participation in their children's education resulting in a 90% attendance at parent meetings. Parental engagement was a common theme in the findings of the Pupil Premium Committee.
5. Dr Sullivan said that the Early Years stage was vitally important, it could be possible to front load Pupil Premium money for initiatives such as speech and language before pupils enter school. Some children were 18months behind their peers by the time they entered primary school.
6. In response to a question from the Leader, Mr Dunkley explained that there was a substantial difference in the school pupil premium vs the early years pupil premium. It was really important to close the gap in the early years phase. Mr Dunkley explained that Kent had been more successful in closing the gap at foundation and KS1 than at KS4 and the higher levels, there had been and would continue to be Head Teacher meetings about this issue.

7. The Leader confirmed that, from the report, generally schools were applying the pupil premium sensibly and were there plans to ensure that good practice was shared; for example, that seen at Sacred Heart secondary school. Mr Dunkley explained that in relation to the new Ofsted framework there was a sensible application of the progress 8 measures at non-selective high schools and Ofsted had had conversations with schools to understand the individual context. There was a correlation between secondary schools which were judged outstanding in the previous Ofsted framework and there were large gaps in performance in these schools which may not have been inspected since 2006, but these would be inspected in the next round and there was a supporting framework for these schools.
8. Mr Dunkley explained that pilots were underway to look at how resources could be used better to work with schools and early help services. It would be possible to replicate this with early help settings depending on the resources available.
9. Mr Gough agreed with the importance of early years intervention but considered that in fact KCC did do fairly well in this area, he was keen to work in the spirit of the recommendations of the report.
10. The Leader confirmed that this would also be discussed by the County Council on 12 July.

RESOLVED:

1. that the Select Committee be thanked for its work and for producing the 10 well focussed recommendations
2. that the consideration of the report by County Council be supported.