

KENT COUNTY COUNCIL

CORPORATE POLICY OVERVIEW COMMITTEE

MINUTES of a meeting of the Corporate Policy Overview Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Wednesday, 14 January 2009.

PRESENT: Mr E E C Hotson (Chairman), Ms A Harrison (Vice-Chairman), Mr R B Burgess, Mr J A Davies, Mrs T Dean, Mr C G Findlay, Mr R W Gough, Mr C Hart, Mr J E Scholes, Mr J D Simmonds and Mr D Smyth

ALSO PRESENT: Mr P B Carter, Mr N J D Chard, Mr A J King, MBE and Mr R A Marsh

IN ATTENDANCE: Mr M Austerberry (Interim Executive Director, Environment, Highways and Waste), Ms A Beer (Director Of Personnel & Development), Mr D Cockburn (Executive Director, Strategy, Economic Development & ICT), Ms D Fitch (Assistant Democratic Service Manager (Policy Overview)), Mrs S Garton (Head of County Performance and Evaluation Manager), Mr P Gilroy (Chief Executive), Mr R Hardy (Head of Performance, Improvement and Engagement), Ms J Hill (Performance Manager), Mrs D Mattingly (Corporate Risk & Insurance Manager), Mr T Molloy (Programme Manager - Office Transformation), Ms L McMullan (Director of Finance), Mrs T Oliver (Director of Strategic Development and Public Access), Mr A Wood (Head of Financial Management) and Ms N Wichelow (Business Manager (P & D))

UNRESTRICTED ITEMS

117. Minutes - 14 November 2008

(Item A3)

RESOLVED that the Minutes of the meeting held on 14 November 2008 are correctly recorded and that they be signed by the Chairman.

118. Notes of the IMG on Medium Term Plan held on 20 November 2008

(Item A4)

RESOLVED that the notes of the Informal Member Group on the Medium Term Plan be noted.

119. Financial Monitoring Report: Corporate Services 2008/09

(Item B1)

(1) Mr Wood presented a detailed monitoring report for the second quarter for the Chief Executive's Directorate and the Financing Items budget. The report detailed the forecast underspend of £0.620m.

(2) Members were then given the opportunity to ask questions or make comments on the quarterly monitoring report, which included the following issues:-

- In response to questions on the resources to support IT, Mr Cockburn stated that it was important that investment matched demand and he would be putting a proposal to Cabinet for this.
- In relation to the savings from the printer contract being realised within directorates and not ISG, where the target sits, Mr Wood explained that it would be a better solution in future if the savings target was not with ISG.
- Mr Smyth suggested that if the Property Enterprise Fund 1 was being used for different purposes then this should be reflected in revised terms of reference.
- Mr Chard confirmed that some property disposals were being held back until the market improved.
- A number of questions were asked on the Local Authority Business Growth Incentives Scheme (LABGI). Mr Wood and Ms McMullan explained that the budget in 2008/09 had been set based on the amount that it was estimated KCC would receive. However, due to legal challenges, this amount had been reduced and a final settlement figure was still awaited.
- In relation to Democratic Services and resources to support the localism agenda, Mr Wood stated that since the report had been produced there was now an underspend on the Democratic Services budget and therefore not all of the money allocated for localism had been spent. There were no new savings planned in Democratic Services.
- Regarding the figures given for the price of oil, it was asked if consideration had been given to bulk purchasing. Mr Chard stated that he had discussed this with Mr Harlock, and consideration was being given to using brokers to hedge the price. It was important to take advantage of price reductions where possible.

(3) RESOLVED that:- (a) the projected outturn figures for the Directorate be noted; and (b) the terms of reference for the Enterprise Fund 1 be brought to a future meeting of the POC and consideration be given to whether any revision was necessary.

120. Budget 2009/10 and Medium Term Financial Plan 2009/12

(Item B2)

(1) The Committee considered the Chief Executive's Department's (CED) Draft Budget proposals set out in the Draft Budget 2009-10 and the Draft Medium Term Financial Plan 2009-2012 and also the report which was circulated specifically relating to the key areas of these documents for this Department.

(2) Mr Chard, Ms McMullan and Mr Wood introduced the MTP and the Revenue Budget and Capital Budget for the Chief Executive's Department and then answered questions from Members about the following issues:-

(a) Bridging loans to other portfolios

(3) In response to a question from Mr Gough, Mr Wood gave an explanation of the way in which the bridging loans to other portfolios was reflected in the MTP.

(b) *Policy and Performance – savings*

(4) In response to a question from Mr Gough, Mr Cockburn explained that the base budget of the Policy Unit was the staff costs. Mr Gilroy stated that the way in which the policy unit would be re-structured would mean that there were only a few officers in the core who were permanent, and the rest would come in when required from the Directorates. Also it was hoped that there would be private sector and government secondments in and out of the Policy Unit.

(c) *IMG on MTP*

(5) Members were pleased to see how many of the suggestions made by Members of the IMG on MTP had been taken up in the draft budget.

(d) *Pay*

(6) In response to a question from Mr Smyth it was confirmed that the budgeted figure for the staff cost of living increase in 2010/11 was 2%.

(e) *Prices in contracts*

(7) Mr Wood explained that the figure in the budget for 2009/10 price increases was based on the best current estimate. In response to a question Mr Wood said that there was provision for a particular rent review which was due for renewal in 2010/11 and the assumption had been made that there would be a modest increase.

(8) Mr Gilroy identified particular cost pressures in social care and special needs education transport, although these do not directly impact on the CED.

(f) *Delegation of Corporate Budgets*

(9) In response to a question from Mr Smyth on what would happen if it was not possible to reach a unanimous decision on a delivery of a specific support service, Mr Wood explained that there are protocols which detailed how this would be resolved. One of the objectives in delegating the budget was to improve the quality and cost of services provided, through good discussion and negotiation with service directorates. It was not good value for money for one directorate to opt out and have services supplied separately, hence the need for unanimous agreement to fundamentally change service delivery/provider.

(g) *Vacancy Management*

(10) Mrs Dean asked what the figure for vacancy management for each portfolio was based on. As Ms Beer was not present at this point in the meeting it was agreed that a written response would be provided by Ms Beer.

(h) *Unspecified savings*

(11) Mrs Dean asked whether the information on the headings which were currently showing as “unspecified savings” would be available by the time that the County Council considered the budget and set the Council Tax. Ms McMullan and Mr Wood

stated that work was continuing to ensure that as much of the unspecified savings as possible would be identified by the time that the draft budget was published for County Council, including those within the CED.

(i) Public Health

(12) Mr Burgess mentioned the importance of the public health agenda for the people of Kent. Mr Marsh reminded Members of the benefits to be gained from this for the people of Kent, KCC and its partners.

(j) Small Businesses

(13) In response to a question from Mr Burgess on the way that KCC supports small businesses, Mr Gilroy gave the example of the Commercial Services' Lease Car service which ordered all its cars from Kent distributors. There were a lot of other services that KCC sub-contracted to small businesses in the County.

(14) RESOLVED that that the Budget 2009-10 and Medium Term Plan 2009 to 2012 for the Corporate Services Portfolio, along with the responses made to the questions from Members, be noted.

121. Better WorkPlaces (Office Transformation) – Vision for Future Office Locations

(Item B3)

(1) Mr Molloy and Mr Austerberry gave a presentation on Better WorkPlaces (formerly known as the Office Transformation Programme) and also referred to the report circulated with the agenda. It was explained that Better WorkPlaces was a programme of change which aimed to ensure that KCC had the right buildings in the right places for the 21st century, for contact with Kent residents and for our staff, in conjunction with partner agencies, and to deliver real efficiencies (including reduced office costs).

(2) They explained that directorates had been working in a coherent and consensual fashion since early 2008 to turn this aspiration into a realistic county-wide plan of action, based on an agreed series of protocols. The Vision Map, circulated with the agenda, had been jointly developed to meet their needs. The report set out the future plans for the office estate, as agreed in December by the Better WorkPlaces Steering Group.

(3) Members were invited to ask questions and make comments, which included the following:-

- Regarding discussions with partners, including District/Borough Councils, Mr Gilroy stated that discussions had been held with other Chief Executives.
- The importance of a “bottom up” approach to access for the public was emphasised, taking into account the different needs of the public who needed to access services. It was noted, however, that the sites provided through Better WorkPlaces were not intended to be public-facing, with Gateways and operational buildings being the key points of public access.
- It was suggested that reports on this issue should set out the wider context.

- The important role of Gateways in providing an interface with the public was emphasised.
- In response to an enquiry as to whether there was evidence that these proposals would increase productivity, it was explained that the increase in flexible patterns of working would give practitioners the ability to make best use of their time in planning visits, etc.
- It was recognised that the proposals would mean a culture change for staff and the importance of involving staff in these proposals was emphasised. Mr Molloy confirmed that discussions were being held with directorates to engage with teams and it was hoped that they would come up with a model of flexible working that was appropriate for them, within agreed protocols.
- The perception that the majority of KCC jobs were based in Maidstone, rather than deprived areas, was mentioned.
- The emphasis on providing appropriate working conditions for staff should be given a high profile in the objectives and protocols.
- A Member suggested that, when the time was right in the property market, consideration could be given to moving out of Sessions House and building a 21 century office on the outskirts of Maidstone.
- The suggestion of staff being allocated a desk between two in certain areas was raised, it was explained that there would be an increase in flexible and home working where appropriate and some staff would be allocated a desk but would be required to keep it clear if away so that it could be used by others if necessary. The specific ratio of two people to one desk was intended as an average working assumption, not a rigid rule.
- It was confirmed that there were 2283 laptops, which was less than previously reported, but the number of Blackberry's had increased.
- An explanation was given for the level of rent paid for 17 Kings Hill, which was that KCC was 8 years through a 10 year lease which had annual rent reviews. The increases were a reflection of the success of Kings Hill.
- The emphasis on finding alternative accommodation in the A20 corridor was questioned as this could impact on traffic congestion in the area. It was explained that this aim had been identified due to the large number of staff who would need to access other locations from this office.
- In response to a question Mrs Oliver offered to bring a report to the next meeting of the Policy Overview Committee on "Access Kent".

(4) RESOLVED that the report be noted and that there be updates to future meetings of this Committee.

122. CED Risk Register

(Item B8)

(1) Ms McMullan and Mrs Mattingly presented a report which identified the key risks that were managed and controlled within the Chief Executive's Department.

The report also set out the main changes from the 2008 register. The Officers responded to questions from Members, which included the following:-

- In response to a question, it was agreed that Ms Beer would provide a written response to Mr Smyth on the reasons why Personal and Development would not be taking responsibility for the personnel functions currently within Commercial Services.
- Reference was made to the risks which were in the business unit's own register rather than in the Departments and the importance of maintaining an overview of these. It was explained that if all items were put into the Department's register there would be a further 62. There had to be a judgement made by senior officers and the auditors as to which to prioritise and it was acknowledged that the risk register before the Committee showed the priorities for that point in time.
- In response to a question it was agreed that the Chairman be sent a paper setting out how Mr Gilroy's suggestion of cross party involvement in monitoring key issues such as ISG could be achieved.
- Following a question on succession and workforce planning it was agreed that Mrs Beer would provide Members with information on regional and national issues and proposals.
- In relation to the superannuation fund, it was confirmed that the Superannuation Fund Committee had looked at the effects of national issues at its November meeting.
- Regarding the "risk of the unknown", it was explained that the Governance and Audit Committee had agreed that there should be some capacity to deal with things that could not be planned for in advance.
- It was confirmed that a lot of the detail around the risks identified was contained in the risk registers which were considered at the relevant Policy Overview Committees.
- The Chairman agreed that the frequency of reporting to POC on the risk register would be discussed at the agenda setting meeting.

(2) RESOLVED that the report on the 2008/09 risk register, including Appendix 1, be noted.

123. Half-year monitoring 2008/09

(Item B5)

(1) Mrs Garton introduced the report, which summarised the corporate element of the 2008/09 half-year monitoring results for the Annual Business Unit Operating Plans, and the KCC Annual Plan 2008/09, and included a summary by the Chief Executive of progress to date. She confirmed that, for the KCC Annual Plan, all of the targets for this Department were either delivered or on course to be delivered. For the Annual Business Unit Operating Plans for this Department, 96% of the

projects/developments/key actions set out in the plans are either delivered or on course to be delivered.

(2) Members asked questions and made comments, which included the following:-

- In response to a question, Mrs Garton explained that Amber meant 'on course to deliver'.
- Following a question on International Affairs, Mr Marsh gave details of a recent bid for funding. Regarding the disbanded Joint Europe Committee, Mr Marsh explained that the reason for this was that the funding from SEERA was no longer available. Mrs Oliver mentioned a recent successful bid from Interreg IVA for Gateways and Members emphasised the importance of publicising this good news.

(3) RESOLVED that the report summarising the corporate element of the 2008/09 half year monitoring results for the Annual Business Unit Operating Plans, and the KCC Annual Plan 2008/09, included a summary by the Chief Executive of progress to date, be noted.

124. Use of Resources Assessment - Presentation

(Item B4)

(1) The Chairman welcomed Mr G Brown (Audit Manager) and Mr D Wells (District Auditor) from the Audit Commission to the meeting and invited them to give a presentation on the Organisational Assessment (OA) and to answer questions from Members.

(2) Mr Brown set out the context of the OA, which was an element of the Comprehensive Area Assessment (CAA), to show where it would fit with the proposed framework for the CAA. The presentation also included the Use of Resources framework for the 2009 assessment and the key principles for scoring. The finalisation of the CAA framework was expected shortly, and the Auditors were due to deliver assessments in April 2009. Use of Resources statements would be reported in September 2009 as part of the Annual Governance report and the OA was due in later November as part of the CAA reporting.

(3) Mr Brown and Mr Wells then responded to questions and comments from Members, which included the following:-

- It was important not to lose sight of the electorate. The CAA builds on the ability to put independent and relevant information in the hands of citizens.
- The Use of Resources assessment had 3 themes and it was confirmed that the PCTs, Fire & Rescue Authority and Local Authorities would all be judged on the same framework.
- In developing the CAA, Inspectorates knew that they needed to work more closely than they had done in the past and to share information, to ensure that inspectors did not come along and request the same information and that they were all are making judgements based on the same information.

- It was acknowledged that, if scores were combined, there was the potential to reduce transparency. This was something that was likely to come out in the consultation responses.
- In response to a question on who assesses the effectiveness of the Audit Commission, it was stated that the Audit Commission was a corporate body accountable to Government and the Minister. It also continually assessed its own effectiveness and consulted widely.
- The new framework had emerged though wide consultation with organisations such as the Local Government Association.
- It was confirmed that the Audit Inspection Plan would be submitted to the Audit and Governance Committee.
- It was acknowledged that some aspects of the assessment would need an annual refresh. For example, financial reporting or monitoring would need to bring in the quality of the annual statement of account. Each year the Audit Commission would look at which of the Key Lines of Enquiry would need to be assessed.
- Members raised the issue of holding partnerships to account and the risk if one or more partners did not perform, which could have an adverse effect on all of the partners. It was explained that, if partners were working together, it was up to them to prioritise areas for improvement. CAA reporting would flag up areas which were being achieved and areas where progress was not being made, thereby showing where weaknesses lay. It was important to highlight weaknesses and good practise so that partnerships could build on good practise and develop the areas of weakness until all were achieving at the required level.
- Although there would be shared data which could be accessed by all Inspectors, it was anticipated that those Inspectors who led on a specific area would have a greater focus on that e.g. Ofsted would have a greater interest in data on children services. On a practical level, a single pot of information should make sure that judgements are made on common information.
- Further presentations on the CAA and aspects of it could be arranged for Members if required.

(4) Members expressed concerns about the timescale for assessment when the framework had yet to be finalised.

(5) RESOLVED that the presentation be noted.

125. KCC Annual Complaints Report 2007/08

(Item B6)

(1) Mr Hardy presented a report which provided Members with information on KCC's handling of complaints in 2007/08 and proposals for a new approach from April 2009.

(2) In response to a question from Mr Scholes, Mr Hardy explained that there was a standard report to each Policy Overview Committee which included the analysis of common themes within directorates.

(3) RESOLVED that the contents of the report, and support for the proposed changes for 2009 onwards, be noted.

126. Equality Standard for Local Government (ESLG) – KCC assessment and action plan

(Item B7)

(1) Mr Hardy introduced a report which formally confirmed KCC's successful achievement of Level 3 against the existing Equality Standard, making it one of only 12 County Councils to do so (with none at Level 4).

(2) Ms Harrison mentioned that it would take years to change the culture of the organisation and for policies to become embedded, and emphasised the importance of involving Members to help with this. She, along with other Members, had been invited to sit in on a Strategic Equalities Group. These Members had offered to attend the Directorate Equalities Groups, to express views on behalf of residents in relation to service delivery, when business planning was being discussed. However, they had only been invited to one meeting to date. She stated that Members wished to do what they could to help this policy to bed in.

(3) In relation to Page 137, bullet point 5, Mr Hart referred to the importance of ensuring a spread of County Council job opportunities across Kent.

(4) Mr Hotson expressed the view that Councils, with the exception of Gravesham, did not link up with diverse communities as much as they should. He asked if references in the report to extended groups related to diverse communities. Mr Hardy confirmed that this was the case and explained that it was a question of the County Council being better at focusing on existing organisations or events, for example, the Maidstone Mela.

(5) Mr Burgess referred to the importance of encouraging job applicants to let the organisation know their ethnic origin.. He welcomed the removal of the requirement for any qualification/experience in the first 3 pay scales wherever possible to encourage young people to apply for jobs at KCC. Ms Beer stated that this had lead to an increase in the number of young people applying for jobs and improved their perception of the organisation. One of the challenges was encouraging those that applied for jobs to give their ethnic information to give the authority valuable data .

RESOLVED that the report be noted and the actions at paragraphs 2(i) to 2(viii) and the proposals at paragraphs 3.1 to 3.5, be agreed.

127. Staff Survey - Presentation

(Item B9)

(1) Ms Beer and Ms Whichelow gave a presentation based on the Viewpoint 2008 Kent County Council Employee Opinion Survey, which set out the results for CED compared to KCC overall. The presentation set out the results for each of the CED units and the action taken so far to address issues identified.

(2) Mr Hotson drew attention to the results for the Law and Governance Unit and acknowledged its success in terms of awards and income generation but he mentioned the issue of stress and appraisals.

(3) Ms Harrison stated that she thought that the overall results were excellent. She referred to the serious issue of stress and the financial costs awarded against Councils in the past who had not dealt with this issue properly. There was also a perceived lack of diversity training and she suggested that consideration should be given to making this training mandatory. Ms Beer stated that some staff felt they were not aware of what diversity training was available to them and that this was something that could easily be addressed. In relation to mandatory training it was important to get the balance right between mandatory and discretionary training, and to take a holistic approach to all the areas that were essential for staff, particularly managers, to undertake their roles effectively.

(4) The Chairman thanked Ms Whichelow for her energetic and committed presentation.

(5) RESOLVED that the presentation be noted.

128. Select Committees - update

(Item C1)

(1) This report updated Members on the Select Committee on Accessing Democracy and invited suggestions for future topic reviews.

(2) RESOLVED that:-

(a) the update on the Select Committee on Accessing Democracy be noted; and

(b) suggestions for potential Select Committee Topic Reviews for consideration by the Policy Overview Co-ordinating Committee at its meeting on 28 April 2009 be invited.