

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 Friday, 25 January 2008.

PRESENT: Ms A Harrison (Vice-Chairman), Mr R H C Bliss, Mr B R Cope, Mr J A Davies, Mrs T Dean, Mr C G Findlay, Mr J I Muckle, Mr R J Parry, Mr J E Scholes, Mr J D Simmonds, Mr D Smyth and Mrs P A V Stockell (Substitute for Mr R B Burgess)

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

IN ATTENDANCE: Ms D Fitch (Assistant Democratic Service Manager (Policy Overview)), Mr P D Wickenden (Overview, Scrutiny and Localism Manager), Peter Gilroy (Chief Executive) and Mr A Wood (Head of Financial Management)

UNRESTRICTED ITEMS

77. Minutes of the meeting held on 8 November 2007

(Item A3)

RESOLVED that the Minutes of the meeting held on 8 November 2007 are correctly recorded and that they be signed by the Chairman subject to Minute No 68 (Financial Monitoring Report) being amended by the addition of the following:-

“Ms Harrison expressed concern that the Financial Monitoring reports were a number of months out of date. She requested that when next years timetable for Policy Overview Committees was drawn up it take better account of the timetable for financial monitoring reports”.

78. Notes of the meeting of the IMG on Property Disposal held on 16 November 2007

(Item A4)

RESOVLED that the notes of the meeting of the IMG on Property Disposal held on 16 November 2007 be approved

79. Financial Monitoring Report : Corporate Services 2007/08

(Item B1)

(1) Mr Wood introduced the second of the regular reports to this Committee on the forecast outturn against the budget for the Chief Executive's Department and Financing Items Budget. Attached as an annexe were the monitoring reports for the second quarter. The covering report contained updated information to reflect the very latest position, particularly on the Financing Items budget. Mr Wood then highlighted the major variations in this.

(2) In addition to the items identified in the report Mr Wood, reported an underspend in capital for Kent TV. There was a budget of £200,000 for studios etc

and it was anticipated that there would be an £100,000 underspend in the current financial year.

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

- It was confirmed that the EuroKent facility was a joint venture between Thanet District Council and KCC. It was an opportunity to make a substantial capital gain and to regenerate by getting an access road built at an earlier stage.
- Kent Works – (Page B1:5) – it was the newly establish 14-24 Innovation Unit would be involved with delivering the work experience programme to ensure that it was fit for purpose. The aim was to make work experience part of the school year, like the 14-16 apprenticeships. The lead for this was Ms P Smith who was working with Ms Wainwright in CF&E directorate.
- Property disposal shortfall – it was stated that there was still an expectation that the latest MTP target for 2007/08 for property disposals would be achieved by the end of the financial year. However, if it was not, the officers did not believe that this would cause a significant cash flow issue.
- The Leader highlighted the impact that the increasingly complex planning process had upon achieving capital receipt from the release of assets. There had been a dedicated team established to drive through these capital receipts as quickly as possible to achieve maximum value.

(3) RESOLVED That the projected outturn figures for the Directorate as at the at the second quarter be noted.

80. Budget 2008/09 Medium Term Financial Plan 2009-11 - to follow
(Item B2)

(Report by Mr P Carter, Leader, Mr A King, Deputy, Deputy Leader, Mr N Chard, Cabinet Member for Finance, Mr G Gibbens, Cabinet Member for Health, Mr P Gilroy, Chief Executive and Mr A Wood, Head of Financial Management)

1. The Committee considered the Chief Executive's Directorate Draft Budget proposals as set out in the Draft Budget 2008-09 and the Draft Medium Term Plan 2008-2011 and also the report which was circulated specifically relating to the key areas of these documents for the Chief Executives Department.

2. Mr Carter, Mr Chard, Mr Gilroy, Mr Wood and Mr Wale answered questions from Members which included the following issues:-

(a) Public Health Budget

3. In a response to a question from Mr Smyth, Mr Wood explained that there was funding for LINKs (Local Involvement Networks) in the Area Based Grant and the increase in public health in the Medium Term Plan was shown on page 105 as a base budget adjustment. Mr Gilroy clarified that £492,000 would be received from

Government to establish a contract for the LINKs and the administration had put £300,000 in the budget for signposting Health Watch.

(b) European Affairs Group

4. In response to a question from Mr Smyth, Mr King confirmed that the funding for the European Affairs Group included all international activities such as those relating to China and the USA that KCC were currently aware of.

(c) Dedicated School Grant

5. Mr Wood in response to a question from Mr Smyth explained that a proportion of the dedicated school grant went to the Corporate Centre to cover the support that it gave the Children, Families and Education Directorate, and therefore schools in a variety of ways. This was at the same rate as last year.

(d) Strengthening Communications

6. In response to a question from Mr Smyth, Mr Wood explained that the £175,000 pressure for strengthening and enhancing communication on page 106 in the Medium Term Plan related to the line on Corporate Communications on page 39 of the Budget book which showed an increase in budget from 07/08 to 08/09.

(e) Gateways

7. In response to a question from Mr Simmonds, Mr Gilroy explained that the Gateways Programme was being evaluated as it was rolled out and that it was developed as a 50/50 split between KCC and the district councils with involvement from 40 other partners.

8. Mr Gilroy offered produce a report for the March meeting on Gateways setting out data on their effectiveness and the way that they were evaluated. He also issued an invitation to Members to contact him if they would like to visit one of the Gateways and be shown around.

(f) Localism

9. In response to a question from Mrs Dean relating to the £345,000 in the draft budget for supporting localism, Mr Carter referred to the enhanced Local Strategic Partnerships (LSP's) and the Local Area Agreement and emphasised the importance of making sure that there was real partnership working and in order to do that it was necessary to have appropriate officer support. There would be fundamental review of localism and how it was supported.

Mr Wale referred to the visits that the Leader had made to each District Council to discuss localism with their Chief Executive and Leader. He expressed the view that the localism agenda could continue to be delivered by Local Boards or a derivative of them such as Neighbourhood Forums or other ways that District Councils would be happy with.

(g) Reserves

11. In response to a question from Mrs Dean on the adequacy of the levels of reserves, Mr Chard referred Members to the last sentence in Appendix F, page 133 of the Medium Term Plan and stated that the Director of Finance was not recommending any changes in the level of general reserves and the reasons for this were set out in the Medium Term Plan.

(h) Development of Savings for Corporate Support

12. In a response to a question from Ms Harrison, Mr Wood stated that year upon year it became harder to deliver the 3% efficiency savings. What had been done in Corporate Support was to look at a range of savings in line with the request put to the Policy Overview Committee in November. It had been decided that to assist the process of identifying savings, a peer review of each of the budget areas would be carried out with a peer from another service area looking at an area within Corporate Services with the Financial Support Unit providing data. The process had worked very well and helped to shape savings across the Directorate. The peer review also looked at possibilities of income generation within business units.

13. Mr Gilroy referred to Mr Wild's success with income generation in Legal Services. In the current year he was on track to generate £1m of income.

15. Mr Gilroy explained in more detail about the peer reviews that had been carried out across the authority as part of the building of the budget and invited Members to come and see him if they would like him to explain this in more detail. He also reminded Members that a full "root and branch" review of the authority had been carried out during the restructuring three years ago.

16. RESOLVED:-

- (1) that the Budget 2008-09 and the Medium Term Plan 2008-09 to 2010-11 for the Chief Executives Directorate be noted along with the responses made to the questions from Members;
- (2) that it be noted that a report giving data for the effectiveness of Gateways would be submitted to the March meeting of the Committee.

81. Half Yearly Monitoring - 2007/08

(Item B3)

(Mrs S Garton, Head of Corporate Performance was present for this item)

(1) Mrs Garton presented a report which summarised the corporate element of the 2007/08 half yearly monitoring results for the KCC Annual Plan 2007/08, the Annual Business Unit Operation Plans and the Best Value Performance Indicators (BVPI's). The report also included a summary by the Chief Executive of progress to date.

(2) Members were given the opportunity to ask questions and raise issues on this report which included the following:-

- Payment of invoices – Mr Wood confirmed that there was a robust process in place to follow up with Managers why invoices were not paid on time.
- In relation to a question on what was being done to address the shortfalls of the Oracle System, Mr Wood stated that they were doing all that they could to achieve a positive outcome, but that we had to recognise that Local Government was a small proportion of Oracle's client base, and getting system upgrades for public sector accounting issues does often take some time.
- LAA2 - the Leader stated that good progress was being made with District colleagues to achieve this by the end of the financial year.
- Information was requested on the apprenticeship opportunities and where this fitted in with the national work of Sir Roy Gardner, Chairman of the Apprenticeship task force, officers undertook to ensure that Ms Harrison received a written response.

(3) RESOLVED that the report and comments made by Members be noted.

82. Information and Communications Technology (ICT) Infrastructure

(Item B4)

(Mr P Bole, Head of ICT Commissioning and Mr D Cockburn, Director of Business Solutions and Policy were present for this item)

(1) Mr King and Mr Bole introduced a report on the status of the current ICT operation, contribution of technology towards delivery of the Council's strategic objectives and an update on the ICT Medium Term Investment Programme.

(2) Progress in establishing a Kent Public Services Network in partnership with all 12 district council's, Medway Unitary Council, Kent Police and Kent Fire and Rescue Services was highlighted. Tender evaluation had confirmed that all major objectives for the programme would be realised, enabling a contract to be concluded in March 2008 as identified in the project plan.

(3) Members were invited to ask questions which included the following issues:-

- It was confirmed that only limited use was made of consultants in relation to ICT because of the financial implications. An example of this targeted use of external support was the employment of a network contract consultant specialising in legal issues, on the advice of our own legal services unit.
- Mr Cockburn confirmed that all current projects were on time and were within budget.
- In relation to the integrated child services system, Members were informed that this had been successfully implemented two weeks ago in

line with statutory obligations, resolving problems arising from the inability of the previous supplier to deliver the specified system. Progress had also been made as part of a joint initiative with other councils to get improved benefits from remaining systems sourced from the former supplier.

- In response to a question about the 3% efficiency savings it was explained that the bulk of technology costs were recovered from income, although the unit continued to take every opportunity to identify efficiency savings, a strategy having delivered a 34% reduction in overheads over the past 5 years.
- In relation to IT support for the services from partner organisations being provided at the Gateways, Members were assured that there were discussions at IT officer level across the different organisations to ensure that their systems were compatible.
- Mr Cockburn referred to the major culture change that had taken place in ISG which had resulted in a number of outcomes including an award for the “Best Place to Work in IT” last year.

(4) RESOLVED that the report and comments made by Members be noted.

83. The Future of Democratic Services and Local Leadership

(Item B5)

(Mr G Wild, Director of Law and Governance was present for this item)

(1) Mr Wild submitted a paper which set the pressures for the Unit in meeting the savings target and how this had been rolled out over the year. He paid tribute to Mr Wale and Mr Ballard who had been professional throughout and thanked them for their support.

(2) The issue of the lack of consultation with Members, as key stakeholders in the changes to Democratic Services was raised as was the issues of ensuring that they received the information that they needed to carry out their role as elected Members. Mr Wild stated that part of the drive for modernising Democratic Services was savings driven and referred to the new Committee Management System which would improve service efficiency and provide easier access to data and information.

(3) In relation to the Localism Agenda, it was unclear yet how the relationship would develop with Local Strategic Partnerships and what level of support would be required.

(4) A Member raised the issue of the importance of parity of esteem between the Executive and Overview and Scrutiny as illustrated by the in research staff in the Overview and Scrutiny area.

(5) It was decided that this report be referred to the Selection and Members Services Committee.

- (6) RESOLVED that
- (a) That the report and comments made by members be noted; and
 - (b) That this report be referred to the Selection and Member Services Committee for consideration.

84. Local Petitions and Call for Action

(Item B6)

(Mr P Wickenden, Overview, Scrutiny and Localism Manager was present for this item)

- (1) The Committee received a report informing them that the Department of Communities and Local Government had recently published a consultation document "Local Petitions and Calls for Action" which was attached as an appendix to the report. The Cabinet would be considering a response to the consultation at their meeting on 17 March 2008 and it was suggested that an Informal Member Group be established to inform the Cabinet's response.
- (2) RESOLVED that an Informal Member Group be established to prepare a proposed response to the consultation for the Cabinet's consideration on 17 March 2008.

85. Select Committees - update

(Item C1)

- (1) The Committee considered a report which updated them on the current Alcohol Misuse Select Committee and the Select Committee work programme. The Select Committee on Accessing Democracy had held their inaugural meeting on 23 January 2009. A copy of the proposed Terms of Reference as agreed by the Select Committee was tabled.
- (2) RESOLVED that:-
 - (i) the progress of the Select Committees on Alcohol Misuse and the update on the new Select Committee Topic Review Programme be noted; and
 - (iii) the terms of reference for the Select Committee on Accessing Democracy be endorsed.