



## AGENDA

### CORPORATE POLICY OVERVIEW COMMITTEE

**Friday, 25 January 2008 at 10.00 am**  
**Darent Room, Sessions House, County Hall,**  
**Maidstone**

Ask for: **Denise Fitch**

Telephone **01622 694269**

*Tea/Coffee will be available 30 minutes before the meeting*

#### **Membership (15)**

Conservative (10): Mr E E C Hotson (Chairman), Mr R H C Bliss, Mr R B Burgess,  
Mr B R Cope, Mr J A Davies, Mr C G Findlay, Mr R J Parry,  
Mr J E Scholes and Mr J D Simmonds

Labour (3): Ms A Harrison (Vice-Chairman), Mr J I Muckle and Mr D Smyth

Liberal Democrat (1): Mrs T Dean

#### **UNRESTRICTED ITEMS**

*(During these items the meeting is likely to be open to the public)*

#### **Item No**

##### **A. COMMITTEE BUSINESS**

- A1 Substitutes
- A2 Declaration of Interests by Members in items on the Agenda for this meeting.
- A3 Minutes of the meeting held on 8 November 2007 (Pages 1 - 12)
- A4 Notes of the meeting of the IMG on Property Disposal held on 16 November 2007 (Pages 13 - 16)

##### **B. ITEMS FOR CONSIDERATION**

- B1 Financial Monitoring Report : Corporate Services 2007/08 (Pages 17 - 32)
- B2 Budget 2008/09 Medium Term Financial Plan 2009-11 - to follow (Pages 33 - 38)  
(Could Members please bring their copy of the draft budget circulated on 21 January 2008)
- B3 Half Yearly Monitoring - 2007/08 (Pages 39 - 52)

- B4 Information and Communications Technology (ICT) Infrastructure (Pages 53 - 68)
- B5 The Future of Democratic Services and Local Leadership (Pages 69 - 78)
- B6 Local Petitions and Call for Action (Pages 79 - 100)

**C. SELECT COMMITTEE WORK**

- C1 Select Committees - update (Pages 101 - 102)

**EXEMPT ITEMS**

*(At the time of preparing the agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public)*

Stuart Ballard  
Head of Democratic Services

**Thursday, 17 January 2008**

*Please note that any background documents referred to in the accompanying papers maybe inspected by arrangement with the officer responsible for preparing the relevant report.*

**KENT COUNTY COUNCIL**

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**CORPORATE POLICY OVERVIEW COMMITTEE**

MINUTES of a meeting of the Corporate Policy Overview Committee held at Sessions House, County Hall, Maidstone on Thursday 8 November 2007.

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

ALSO PRESENT: Mr P Carter, Leader, Mr N Chard, Cabinet Member for Finance, Mr A King, Cabinet Member for Policy and Performance and Mr G Gibbens, Cabinet Member for Public Health

IN ATTENDANCE: Mr J Wale, Assistant to the Chief Executive, Ms D Fitch, Assistant Democratic Services Manager (Policy Overview)

**UNRESTRICTED ITEMS**

**66. Minutes**

RESOLVED that the Minutes of the meeting held on 27 September 2007 are correctly recorded and that they be signed by the Chairman subject to the word 'all' being deleted from the first bullet point in Minute 65, paragraph (2).

**67. Dates of meetings 2008**

RESOLVED that the following meeting dates for 2008 be noted:-

25 January 2008  
27 March 2008  
28 May 2008  
26 September 2008  
14 November 2008

**68. Financial Monitoring Report: Corporate Services 2007/08**

*(Item B1)*

*(Mr A Wood, Head of Financial Management and Mr D Honey, Finance Manager CED were present for this item)*

(1) Mr Wood introduced the report and explained that this was the first time that the Financial Monitoring Report had been brought to the Policy Overview Committees. Financial Monitoring reports would now be submitted to each Policy Overview Committee, broadly on a quarterly basis to give Members good base information to help them in their budget process considerations. It was intended that the Policy Overview Committees would receive the latest quarterly monitoring report that had been received by the Cabinet.

(2) Mr Wood stated that the Chief Executive's Directorate Budget was a low risk Budget despite there being significant income attached to this Budget. Unlike the Budgets of Directorate such as Adult Social Services it was not subject to the vagaries of demand. He highlighted the variations to the Budget within his report.

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

- Regular quarterly monitoring reports to all the Policy Overview Committees were welcomed.
- In response to a question on how confident we were that we would achieve a reasonable level of Capital Receipts and avoid the risk that the 5% top slice of those actually achieved would be insufficient to meet the capitalised revenue costs of property groups disposal activity Mr Wood stated that £14 million would be needed to meet this 5% cost. However, if they were below £14 million then there would be a need to look at how to fund the deficit in the current year.
- Members were informed that at the auction in September some properties sold and some did not. However, KCC had taken a realistic but cautious approach to property disposal.
- It was confirmed that the receipts forecast was still on target.
- Members were informed that the home computer initiative issue was a technical accounting issue and not a real funding problem.
- Regarding outdoor advertisements the contract was about to be signed, this would enable the use of our roundabouts and libraries etc for advertisements and it was a contract that Commercial Services were negotiating on behalf of the County Council.
- In relation to computing it had been said at a staff conference in Ashford that only half of KCC staff had access to PCs in work time. The Leader confirmed that work in progress to address this and a report on investment in technology would be submitted to the next meeting of this Policy Overview Committee before it was considered by the Cabinet.
- An explanation was sought for the underspend in public health which was apparently due to a delayed start. It was explained that in relation to Health Check there was a need to re-tender at the end of the first two year contract. A delay in re-tendering had been caused by the need to evaluate the first scheme. It was agreed that an explanation would be circulated to all Members of the Policy Overview Committee on how this delay in re-tendering had occurred.
- It was confirmed that the underspend for public health would be spent, part of the issue was working in partnership with two Primary Care Trusts and the logistics of drawing resources together. There were exciting activities

planned for the next year and therefore it would be good to have money to roll forward. Mr Gibbens undertook to inform the Policy Overview Committee Members how the additional £150,000 rolled forward would be spent.

- Although Policy Overview Committees would now be receiving their own quarterly monitoring reports for their specific POC Members felt that there was still a need for the Budget Issues IMG to meet on a more regular basis to look at the County Council's budget as a whole.

(4) RESOLVED that :-

- (a) the projected out-term figures for Chief Executive's Directorate as at the first quarter and the comments made by Members be noted; and
- (b) a report would be submitted to the next meeting of the Policy Overview Committee on ISG Technology Investment

**69. Medium Term Plan 2008-09 to 2010-11**

*(Item B2)*

*(Mr A Wood, Head of Financial Management and Mr D Honey, Finance Manager CED were present for this item)*

(1) Mr Wood presented a paper which updated the Committee on the autumn budget statement report to Cabinet on 17 September 2007 and any later announcements by government departments. In addition it provided Members of the Committee with an opportunity to consider suggested service pressures and to develop savings proposals for the Directorate.

(2) All Policy Overview Committees were being asked to consider what they would recommend should be done if the County Council had to deliver 1%, 2% or 3% of savings on the assumption that efficiency savings will be required.

(3) The Leader, Cabinet Members and officers answered questions from Members on issues including:-

- Gateways – whether there was any scope within Gateways, which were an excellent facility, to be subject to possible ongoing minor cutbacks if necessary.
- The impact of Kent TV on the amount of paperwork sent out and produced by the County Council. In relation to rationalising the amount of publications that KCC produces there was now a dedicated post in Corporate Communications to look at this particular issue. A report on progress and potential saving should be available in 6-9 months time.
- Accommodation savings at County Hall resulting from increased hot-desking and home working by staff
- In relation to the 3% efficiency targets it was confirmed that negotiations with government were around the ability of authorities to carry forward any

additional efficiencies above the 3% to count towards the following year's efficiency savings.

- It was explained that the new pressure figure on pay of £2.8m for 2010/11 as set out on page B2:3 was an estimate for pay award of £0.8m and a possible re-evaluation of pension fund contributions of £2m, to increase the employer contribution. Confirmation that this re-evaluation would not be required was anticipated but could not be guaranteed.
- A note on the Kent Renewal Scheme will be provided.
- It was emphasised that Members should receive a copy of the draft Budget in January before it was issued at the press conference.
- When the mobile Gateway was sited outside County Hall it was noticeable that there was nothing on the outside of the Gateway to explain what it was.
- Concern was expressed that by using advertising on Kent TV and in Kent on Sunday (Kent Highways) KCC information was being delivered to a more limited audience. It was important to focus on giving people information in the way that they wanted to receive it.
- It was suggested that Members should be part of the discussion on the new Corporate Communications Unit. The Leader undertook to share the job description for the Head of Corporate Communications with Mrs Dean and Dr Eddy.
- Health inequalities should be one of KCC's top priorities.
- In response to a statement that Kent was the 7<sup>th</sup> largest borrowing authority it was stated that this was to do with a number of factors including its massive growth agenda.
- It was agreed that there would be an item to the next meeting of the Corporate Policy Overview Committee on proposals for Corporate Communications over the next five years.

(4) RESOLVED that:-

- (a) the national and local context within which this Medium Term Plan would be set be noted; and
- (b) the comments made by Members as set out above be noted
- (c) there would be an report to the next meeting of the Corporate Policy Overview Committee on proposals for Corporate Communications over the next five years.

## **70. CED Risk Register**

*(Item B3)*

*(Mr A Wood, Head of Financial Management was present for this item)*

(1) Mr Wood presented a report on the 2007/08 Chief Executive Department's Risk Register which had been presented to the Governance and Audit Committee on 7 March 2007.

(2) Members were given the opportunity to ask questions on the Risk Register which covered the following issues:-

- Confirmation that bespoke systems were being removed or upgraded to supportable levels across the authority.
- In relation to Item 6 – Reputation – Corporate Inspection for CPA in Jan/Feb 2008 it was confirmed that the likelihood of KCC getting a poor result was perceived as low but that if we did the impact would be high.
- It was suggested that in future rather than listing a named officer the post should be listed instead.
- Regarding risk 3 – Property Portfolio – it was confirmed that there would be an oral update at the meeting of Children, Families and Education Policy Overview on the adequacy of the schools maintenance budget, Members requested that this be a written update if possible.

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

## **71. European Affairs Update**

*(Item B4)*

*(Mrs M Danecourt-Cavener was present for this item)*

(1) Mrs Danecourt-Cavener presented a report which provided an overview of benefits to Kent of previous European Structure Funds in 2000-06, an update on the development of the new structure funds programmes (2007-13) including current issues around these, overview of other EU funding opportunities from “thematic programmes” and an update on actions regarding the issue of Eurostar stops at Ashford.

(2) Mr King and Mrs Danecourt-Cavener then answered questions from Members on issues which included the following:-

- There was a request for a briefing for Members on EU/International Affairs as they related to Kent. Mr King stated that he would be happy to arrange this but would want to be assured that there was enough interest/availability of Members to make this worthwhile. It was suggested

that if a seminar was held on the EU, this be recorded so that Members who could not attend could access it.

- It would be helpful to have a very simple guide for Members on how KCC's work in Europe and internationally benefits our residents was requested so that Members could champion KCC's international role.
- It was noted that the KM Business News Supplement carried a spread in its August/September/October editions about the work that KCC was doing internationally.
- The European Office produced a by-weekly newsletter which Members could have on request.
- Concern was expressed about the proposed reduction by the EU of the number of local Interreg Officers who would work with project leaders to develop good quality projects.
- It was noted that the EU Commission had raised the ceiling for funding to 75% which was a response to pressures from the UK and French Governments.
- The possibility of other operators using the lines that Eurostar currently use when the monopoly goes in 2010 was something that KCC would watch with interest.
- It was confirmed that in relation to influence on the Selection Committee for funding, KCC had a high level of influence because of all the work they had been doing in the EU and were resisting any attempts to take away local authority responsibility for projects.
- It was confirmed that any Member who happened to be in Brussels would be very welcome to visit the International office.
- Mrs Dean would be supplied with information outside of the meeting on the progress made to transfer freight from road to rail and the prospect of any international funding for this.

(3) RESOLVED That:-

- (a) the report and comment made by Members be noted.
- (b) the actions taken so far be endorsed and the ongoing work to resolve the key issues outlined in the report be supported; and
- (c) a report be submitted to a future meeting detailing the progress made on key points contained within this report.
- (d) an update on KCC's relations with Indo/China be submitted to the next meeting of the Committee.

## 72. Strategy for Staff – Update

(Item B6)

(Ms A Beer, Director of Personnel and Development was present for this item)

(1) Ms Beer presented a paper which provided background information on the next stage of development of KCC Strategy for Staff, a draft of the revised strategy was attached to the paper. Ms Beer gave a presentation to the Committee which put the staff strategy in context.

(2) Ms Beer then answered questions from Members on the draft strategy which included the following issues:-

- It was confirmed that a good indicator of whether KCC's staff strategy was effective was that recruitment and retention rates were good, which they were.
- In relation to a question on ensuring adequate breaks for people using PC's all day, Ms Beer assured Members that KCC had an aggressive health and safety process to ensure that Kent was a safe place to work, there were regular equipment checks and training sessions for staff.
- On page B.66 last bullet point under Communication and Engagement, it was suggested that it be amended to read:-

“maintain a constructive relationship with **Trade Unions** and recognised employee representatives”.

Ms Beer undertook to take this suggestion back to the Workforce Strategy Board.

- It was confirmed that the New Leadership Programme, was open to all Members *and Ms Beer undertook to provide the costs for this to Members.*
- In relation to the apprentice scheme, the difficulties of somebody who was receiving other benefits, such as child benefits, who would lose these if they went onto an apprentice scheme was emphasised.
- *Information was requested possibly by postcode, to provide a reassurance that apprenticeships were being offered and taken up in areas of deprivation. Ms Beer undertook to liaise with the Supporting Independence Programme to provide this information.*
- It was confirmed that a lot of work had been done to get rid of the requirement for a basic level of qualification for applicants for posts on Kent Scale 1-6 unless the business need required this.

- It was confirmed the most common reasons for people leaving KCC were personal reasons, for example, partner moving to a job in another area, or to further their career prospects, although within such a large organisation as KCC, it was hoped that most people would be able to find career development within the organisation.
- It was suggested that Members or a Member should be involved in inductions for new staff. It was confirmed that Democratic Services gave a presentation on Governance and the Democratic Process to officers the suggestion of having a Councillor at these inductions would be taken forward.

(3) Ms Beer confirmed that the Staff Strategy would be considered at the Workforce Strategy Board next week and the final draft would then go to Cabinet and Personnel Committee.

(4) RESOLVED that the Draft Staff Strategy and the comments made by Members be noted.

### **73. Vice-Chairman in the Chair**

In the absence to the Chairman, Ms A Harrison took the Chair for the remainder of the meeting.

### **74. Equality Strategy**

*(Item B5)*

*(Ms A Beer, Director of Personnel and Development and Mr C Lever, Equalities Officer, were present for this item)*

(1) The Committee received a report which gave the background to the Equalities Strategy which had been approved by Cabinet by 16 April 2007 and asked Members to consider particularly how this strategy was being implemented within the Chief Executives Department.

(2) Ms Beer and Mr Lever answered questions from Members on the strategy

(3) In relation to a question on what would be needed to achieve Level 4 or 5 rather than our current Level 3, Members were informed that that Level 4 was about how we monitored the results of the impact of the strategy and assessed the effects in some parts of the organisation. Level 5 was about how we acted on what we had learnt following the introduction of the strategy and related to the monitoring process.

(4) Regarding the training of Managers in diversity issues in relation to recruitment and selection process (page B5:18), Members were reminded that it had been agreed at Personnel Committee that this training would also include elected Members who were involved in recruitment and selection. This was noted by Ms Beer who undertook to inform the Strategic Equalities Board.

(3) RESOLVED that Members comments on the new Equalities Strategy to inform the evolution of the Strategy and Action Plan be noted.

## **75. Local Involvement Network in Kent (LINK)**

*(Item B7)*

*(Mr M Ayre, Senior Policy Manager and Ms R Gardner, Kent Graduate Programme Management Trainee were present for this item)*

(1) Mr Gibbens presented a report which informed Members of the work being done on developing the Local Involvement Network for Kent (LINK). The LINK was due to be established from April 2008 and it would replace the Patient and Public Involvement Forums which had been set up to look at the Health Service since 2004. The remit of the LINK would include looking at both healthcare and social care. He emphasised that KCC's role in LINK was to issue a tender document and therefore it was essential that KCC ensured that this tender document was robust and met the requirements of the people of Kent. The report set out a précis of the current situation and sought Members views as stakeholders on the possible attributes for creating a successful LINK and the right to host organisation to support it.

(2) In response to a question from a Member Mr Gibbens confirmed that the priority was to get the tender document right even if that meant that the 1 April 2008 deadline was not achieved.

(3) Mr Ayre gave some background to the development of LINKs and also brought Members up to date with the current situation. He stated that it would be very challenging to achieve the set up of the LINK by 1 April 2008. It was helpful to have provision within the Act to set out a fall back date if necessary. Members would be kept informed of progress and notified if the implementation date was to slip.

(4) Ms Gardner gave details of the draft Residents Panel Survey which was being compiled and ways that feedback and views were being sought to inform the establishment of LINKs. The importance of getting the views of hard to reach or seldom heard groups, in relation to the establishment of the LINK was emphasised by Members.

(5) Members were invited to ask questions and give their views. These included the following points:-

- Although officers had looked at the nine early adopter authorities and would adopt any best practice that could be relevant to the Kent setting, the early adopter programmes were very diverse and internal advice in relation to procurement was different between different authorities. It was too early to assess how well the early adopters had performed as most had not set up their LINKs yet.
- It was confirmed there was no role for Members as part of the LINKs although could have a role as an individual on a LINK.
- It was essential to have host organisation for the LINKs who had a track record of listening to others.

- Concern was expressed that due to the short timescale, there was a danger that it would not be possible to encourage a wider spread of people to get involved with LINKs.
- It was confirmed that LINKs would have the power of entry and viewing which the PPIF previously had. The power of inspection would still rest with the Healthcare Commission.
- It was suggested that as LINKs would also have social care responsibilities, the questionnaire which was being sent out should also go to social care organisations.
- Officers would attempt to produce a simple short document for Members about LINKs before the first of the district-based meetings were held.

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

## **76. KCC Health Inequalities Action Plan**

*(Item B8)*

*(Mrs D Smith, Policy Officer was present for this item)*

(1) Mrs Smith introduced a paper which invited Members to discuss and make comments on the KCC Health Inequalities Action Plan which was currently being developed to support the Kent County Council's Public Health Strategy. A copy of the latest draft of the Health Inequalities Action Plan 2007 was circulated with the papers.

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

- Page B8:6 – “reduce the number of poorer people who smoke” - should there be some definition of “poorer”? It was confirmed that this was intended to relate to people in deprived wards.
- Regarding air quality a Member pointed out that this was usually measured over a 24 hour period and therefore very rarely showed dangerous levels which may occur for a very short period of time during that 24 hour period.
- In relation to working with health authority colleagues it was confirmed that some Choosing Health money and Department of Health money did go to the local authority to work in partnership. KCC would like to see the emphasis on this money being used in the community and not for treatment.
- B8:27 – car sharing – it was important for Members to lead by example and when a number of Members are going to a meeting outside of County Hall they should where possible car share.
- It should be recognised that even within affluent wards there were pockets of deprivation and it was important that help was given to address this

inequality. Often, if areas of deprivation were contained within affluent wards, it was difficult to access funding for these areas. It was confirmed that KCC were obtaining real and appropriate data from within wards to identify these pockets of deprivation.

- It was acknowledged that partnership was essential to delivering the health inequalities agenda.
- It was essential that references to housing were strengthened and that evidence was obtained from district councils about what they were doing to improve their housing stock and access to it.
- Although the document was very aspirational it was also important to have set outcomes from this.
- One emerging outcome from the Alcohol Misuse Select Committee was that £9 out of every £10 spent on assisting addiction was targeted to drug addiction. There was a need for this to be refocused to be 50:50 between alcohol and drug addiction support.
- More mention needed to be made of the role of the Youth Service in working with young people to help with health inequalities.

RESOLVED that the comments made by Members on this Action Plan be noted.

## **76. Select Committees update**

(1) The Committee received a report which updated them on the current Alcohol Misuse Select Committee and the Select Committee Topic Review Work Programme following the meeting of the Policy Overview Co-ordinating Committee on 5 November 2007.

RESOLVED that:-

- (a) the progress of the Select Committee on Alcohol Misuse and the extension of its timescale be noted;
- (b) the update on the new Select Committee Topic Review Work Programme be noted; and
- (c) if necessary the Overview and Scrutiny Manager in consultation with the Chairman, Vice Chairman and Liberal Democrat Spokesman on the Policy Overview Committee be given delegated authority to approve the Terms of Reference of the Select Committee on Accessing Democracy.

Chairman.....

Date – 25 January 2008

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## KENT COUNTY COUNCIL

### Corporate Policy Overview Committee

#### PROPERTY DISPOSAL STRATEGY INFORMAL MEMBER GROUP

**NOTES** of a meeting of an Informal Member Group to consider Kent's Property Disposal Strategy held on Friday, 16 November 2007 in Sessions House, County Hall, Maidstone.

PRESENT: Mr E Hotson (Chairman), Mr T J Birkett and Mr I Chittenden.

ALSO PRESENT: Mr P Carter (Leader) and Mr D Brazier (Lead Member for Finance).

OFFICERS IN ATTENDANCE: Mr M Austerberry, Director of Property, Mr N Brown, Manager, Estates Team, Ms D Fitch, Assistant Democratic Services Manager (Policy Overview), Mr J Wale, Assistant to Chief Executive and Ms E Walker, Strategic Asset & Enterprise Fund Manager.

#### 1. Property Disposals

(1) Mr Austerberry presented a paper which gave a brief overview of property disposals and the processes involved.

(2) Mr Austerberry reminded Members that there were two types of capital receipts which were accounted for differently. Firstly, the largest capital receipt were from direct operational properties and the sum was usually immediately reinvested by that directorate in the service providing the project, e.g., a school might sell off some of its land and the money be reinvested in capital developments at schools. These types of disposals tended to be in the public domain for a long time and typically they got into the Forward Plan as they were projects that were worth more than £1 m. The second type of capital receipt was that from Property Enterprise sites, which tended to be for the sale of smaller pockets of land. This was where KCC identified the sites it owned which were of a non-operational nature and there was an opportunity to release a capital receipt for reinvestment. In the case of the monies raised from the sale of this land, alternative uses for this funding would be identified. In relation to both types of capital receipts, there were protocols.

(2) Mr Birkett stated that his group did not have any problems with sale of land but that he would like to be assured that there were audit trails in place showing where the money was spent, which could be accessed by Members.

(4) In response to a question on whether it was advantageous to seek planning permission prior to offering land for sale Mr Austerberry replied that in relation to the larger sites it would be cost effective to obtain planning permission prior to selling the land. However, in the case of smaller sites the bidders usually factored in the likelihood of getting planning permission and therefore it was not financially viable for KCC to get planning permission prior to disposal in those cases. This tended to be the case with Property Enterprise sites.

(5) Mr Chittenden asked how far in advance local Members were informed before land was put up for sale and was there an opportunity for local Members to have an influence. Mr Austerberry stated that in relation to larger sites, officers consulted via the directorate as part of their capital project. The Property Group consulted when the final decision was made through the budget process. Under all circumstances, local Members were given a minimum of 6 weeks' notice before the conclusion of the sale. Mr Chittenden questioned whether this was not a very short time even for a small project where it might be necessary to involve community groups who might wish to express an interest in the property.

(6) Mr Brazier informed the Group that the six week's notification period to the local Member had not proved to be a problem, as a lot of sites were not the subject of any further debate. It tended to be the case that large valuable pieces of land were known about locally and the potential for development was debated over a period of time.

(7) Mr Austerberry confirmed that each sale was looked at on an individual basis and there had been situations where community representations had been successful. However, it was the Property Group's role to maximise the cash value of the site but not at the expense of other interest. It was a decision for the Cabinet Member for Finance whether to sell the land and whether to take into account any community interest.

(8) Mr Brazier stated that in several instances where a piece of land was disposed off by the County Council, the community had suggested an alternative use and an accommodation had been reached. He confirmed that in relation to the six weeks' notice period, if circumstances warranted further consideration of interests expressed, then that could be extended. It was a minimum period. Mr Austerberry confirmed that the only time when there was a fixed end time was if the property was going to be auctioned but even in that situation, it could be withdrawn from one auction.

(9) The Leader explained that if the local Member(s) had a view on where money should be spent from, for example, the sale of school land, then they should lobby the Cabinet Members and officers to have this identified in the priorities for the budget.

(10) Mr Austerberry confirmed that it was the role of the Property Group to generate receipts but not to say how they were spent.

(11) In response to a Member, Mr Austerberry referred to the Quirk Review whose recommendations were around to trying to find a way for community groups to take over public assets which would otherwise fall into ruin. There were two critical factors. Firstly, the Community Group must be a group of standing and able to support Capital and Revenue project and secondly where the local authority could demonstrate a sound alternative use for the site which supports the objectives of the Council, they were under no obligation to make it available for community use.

(12) Mr Austerberry undertook to let Mr Chittenden have a list of sales over the last 12 months showing those which had been influenced by community representations.

(13) Mr Chittenden stated that he assumed that in relation to the sale of school sites, eg. playing fields, that the local Member would be involved as this can be a very emotive issue locally. Mr Brown replied that if part of a school was to be sold and this resulted in playing fields being disposed of then formal notification under Section 77 of the School Standards and Framework Act 1988 were sent to local Members when formal public consultation was required. Where parts of schools were to be sold and they did not fall within the full remit of the Section 77 of the above Act and no public consultation was necessary then local Members were not consulted.

(14) Mr Hotson mentioned that there was a time when it was difficult to get information from directorates and to get them to release land that they were holding. Mr Brazier confirmed that this situation had changed and Directorates did not hold onto land for long periods without having a specific use for it. The Property Group were ensuring that there was a comprehensive list of land and that Directorates were encouraged to release any that were surplus. Mr Brazier stated that they were now aware of all redundant and surplus property and there were regular meetings between the Directorates and the Leader to examine these and see if any of these could be released for sale.

(15) The Leader stated that there was a database tracking system for land and therefore the authority knew where their assets were. Mr Austerberry explained that there had been a marked change and Directorates had now worked out that if they released an asset, they got something back. Part of the problem had been getting directorates who were holding onto land for a specific project which was not coming to fruition to acknowledge the fact that this project was not progressing.

(16) Mr Hotson referred to the land that had been released in the Stone Street area which had been removed from blight and would make an important contribution to regeneration and this was something that could happen in other areas which would have a major benefit.

(17) Mr Birkett stated that he understood from the report that in relation to sales of land, if there was a receipt from sale of education land then the funding would go to education. He asked if the same principle was applied to the sale of surplus highway widening land, i.e. would the money generated go into the budget for Highway.

(18) It was confirmed that in relation to Highways land, the majority of it were just small pieces of land that would only be of use to frontages and would create minimal capital receipts. There were also a couple of acres of field, eg., next to Thanet Way which would be rural plots so again would not have a great value of the larger plot so only one or two that had development potential.

(19) Mr Birkett asked whether, if we were selling land that could be used by another local authority, or for community needs, did we sell this at a lower price. Ms Walker replied that local councils both Parish and District were notified at the same time as the local Member, i.e., Parish Councils, District Councils were given six weeks notice. If they had an initiative or a use for it, they were invited them to give us details and this would be

taken into consideration when the Cabinet Member made the decision on the sale of the land. Mr Brazier gave the example of a piece of redundant land in Sevenoaks where a price had been agreed with the Town Council for the purchase of the land which was probably not as much as could have been gained in auction but everybody was satisfied. The Leader confirmed that this was a delicate balance and if the local community had an alternative use for the land, it would have to be a reasonable use and we would have to be assured that the community use was viable.

(20) It was agreed that there would be an update in six months' time to the Corporate Services Policy Overview Committee setting out property disposal and the broader issues relating to the Property Groups service.

By: Paul Carter, Leader  
Alex King, Deputy Leader  
Nick Chard, Cabinet Member for Finance  
Graham Gibbens, Cabinet Member for Health  
Peter Gilroy, Chief Executive  
Andy Wood, Head of Financial Management

To: Corporate Policy Overview Committee - 25 January 2008

Subject: Corporate Services Budget Monitoring 2007/08

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Classification: Unrestricted

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For Information

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## 1. Introduction

- 1.1 This report is the second of what will be a regular report to this Committee on the forecast outturn against budget for the Chief Executive's Department and the Financing Items budget.

## 2. Background

- 2.1 Policy Overview Committees consider the draft Medium Term Financial Plan at their November and January meetings. To enable a more informed discussion, three reports will be presented to the Committee on a regular basis:

- a) Budget Monitoring reports  
A detailed quarterly budget monitoring report is presented to Cabinet, usually in September, December and March, and a draft final outturn report in June. A report for each directorate is annexed to the summary report, and the annex for the CED and Financing Items will be presented to this Committee at the meetings following those Cabinet meetings. This will help inform this POC about current trends, pressures and management actions in advance of the next year's budget setting
- b) Performance data  
This will be reported at least half-yearly to this Committee
- c) Outturn report  
Effectively an amalgam of the above two reports, the outturn report will summarise both the financial and performance information for the whole of the preceding year

## 3. Second Quarter monitoring report

- 3.1 Attached are the monitoring reports for the second quarter. The narrative below has been updated from the attached annex to reflect the very latest

position, particularly on the financing Items budget. The main points to highlight are:

a) Chief Executive's Department

As stated in the first report on this subject to the November meeting of this committee, compared to service directorate budgets, the CED budget is relatively low risk. There are not large demand-led budgets that can change significantly in-year, although large parts of the Legal Services, ISG, Property and P&D budgets are reliant upon income from our own service directorates, schools and external customers. The service levels provided by that income are generally agreed as part of the annual budget process, and while there will always be in-year variations, they are normally managed without problems. The annex to this report shows that the only overspend of note is that on Kent Works. A review of service is nearing completion, with the expectation of a business plan being presented that is self-financing for 2008/09 and future years.

On the capital programme expenditure, the main variations are:

- 1) an underspend by Commercial Services, as they continue their strategy to lease vehicles rather than purchase them.
- 2) a small re-phasing of capital spend on Gateways into 2008/09, mainly due to the Maidstone project.
- 3) re-phasing of the power up-grade to the Sessions House machine room, which will be necessary as part of the WAN replacement
- 4) an underspend on works to properties awaiting disposal, as the disposals are now expected in 2008/09

On the capital funding, we are closely monitoring the delivery of capital receipts, upon which a significant element of our capital programme is dependant, as well as an element of the Property Unit revenue budget.

b) Financing Items

The net budget on this is large; £96m. However, the net debt charge (i.e. the sum we have to pay against our outstanding borrowing) and interest received budget is £97m, against which we are forecasting an underspend of £4.8m, mainly due to increased interest income received due to higher average bank balances caused by the re-phasing of the capital programme, and the bank base rate is likely to be on average above the budgeted rate. The other forecast variation, an overspend of £250k, is a consequence of a delay in letting a contract for outdoor advertising. The attached annex provides the breakdown of the budget and forecast outturn for the Financing Items budget.

## 4 Recommendations

- 4.1 Members of the POC are asked to note the projected outturn figures for the directorate as at the second quarter

**Officer Contact:**

**Andy Wood, Head of Financial Management. Ext 4622**



# CHIEF EXECUTIVES DIRECTORATE SUMMARY OCTOBER 2007-08 FULL MONITORING REPORT

## 1. FINANCE

### 1.1 REVENUE

1.1.1 All changes to cash limits are in accordance with the virement rules contained within the constitution, with the exception of those cash limit adjustments which are considered “technical adjustments” ie where there is no change in policy, including:

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- Cash limits have been adjusted since the last full monitoring report to reflect a number of technical adjustments to budget.

1.1.2 **Table 1** below details the revenue position by Service Unit:

Budget Book Heading	Cash Limit			Variance			Comment
	G £'000s	I £'000s	N £'000s	G £'000s	I £'000s	N £'000s	
<b>OR&amp;S (CFE)</b>							
Kent Works	825	-825	0	101	149	250	Higher costs & lower income than expected
<b>Regeneration &amp; Supporting Independence</b>							
Supporting Independence	604	0	604	0	0	0	
<b>Public Health portfolio</b>							
Kent Department of Public Health	312	0	312	-50	0	-50	R/fwd to support promotion activities in 2008-09
<b>Corporate Support portfolio</b>							
Personnel & Development	10,065	-3,945	6,120	425	-500	-75	Delayed start to Health Checks
Business Solutions & Policy (inc Information Systems)	21,657	-5,782	15,875	1,858	-1,858	0	
Democratic Services	4,101	-93	4,008	38	-38	0	
Legal	4,546	-4,853	-307	950	-950	0	
Corporate Management & Strategic Development	2,851	-250	2,601	-112	42	-70	Delays on Gateways construction/opening.
Dedicated Schools Grant	0	-2,789	-2,789	0	0	0	
<b>Total CS&amp;H</b>	<b>43,220</b>	<b>-17,712</b>	<b>25,508</b>	<b>3,159</b>	<b>-3,304</b>	<b>-145</b>	
<b>Policy &amp; Performance portfolio</b>							
Policy & Performance	1,236	-209	1,027	187	-187	0	
Kent Partnerships	368	0	368	177	-177	0	
International Affairs Group	375	-77	298	72	-72	0	
Corporate Communications	1,506	-92	1,414	5	-5	0	
<b>Total P&amp;P</b>	<b>3,485</b>	<b>-378</b>	<b>3,107</b>	<b>441</b>	<b>-441</b>	<b>0</b>	
<b>Finance Portfolio</b>							
Strategic Management	1,619	-110	1,509	80	-80	0	
Finance Group	8,390	-3,320	5,070	265	-265	0	
Property Group	16,612	-10,108	6,504	228	-228	0	
<b>Total Finance</b>	<b>26,621</b>	<b>-13,538</b>	<b>13,083</b>	<b>573</b>	<b>-573</b>	<b>0</b>	
<b>Total Directorate Controllable</b>	<b>75,067</b>	<b>-32,453</b>	<b>42,614</b>	<b>4,224</b>	<b>-4,169</b>	<b>55</b>	

1.1.3 **Major Reasons for Variance:** [provides an explanation of the 'headings' in table 2]

Table 2, at the end of this section, details all forecast revenue variances over £100k. Each of these variances is explained further below:

O,R&S (CFE) - Despite efforts to reduce costs and increase income to achieve a sustainable position the Kent Works operation is having to report a potential overspend of £250k this year. Any reduction to costs must consider the Operation's obligations under the contract with the Learning and Skills Council and actual income for services provided to schools is still forecast to be significantly short of that originally planned.

**Table 2: REVENUE VARIANCES OVER £100K IN SIZE ORDER**

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
OR&S (CFE)	Kent Works - higher costs & reduced income	+250			
		+250			-0

1.1.4 **Actions required to achieve this position:**

N/A

1.1.5 **Implications for MTFP:**

OR&S (CFE) - A review of the Kent Works operation is currently in progress, the outcomes of which will determine any implications for the MTFP.

1.1.6 **Details of re-phasing of revenue projects:**

**Public Health Portfolio:** -£50k will need to be re-phased into 2008/09 to help fund the continued support and promotional activity within the Kent Department of Public Health to successfully promote healthy living for Kent's residents.

**Corporate Support Portfolio:**

Personnel: -£75k will need to be re-phased into 2008/09 as there was a delayed start to the Health Checks programme resulting in part-year costs in 2007/08 and 2008/09.

Strategic Development: -£70k will need to be re-phased into 2008/09 as the construction of the Maidstone Gateway project has been delayed, therefore delaying it's opening until 2008/2009.

Excluded from the forecast position is the Home Computing Initiative which, due to the accounting treatment, will require a scheduled overspend of £255k to roll forward into 2008/09 to be met from staff salary deductions.

### 1.1.7 Details of proposals for residual variance:

With the underspends reported in 1.1.6 being proposed as roll-forwards there is a residual variance, relating to Kent Works, of +£250k. The review of the Kent Works operation, agreed by the 14-24 Innovation Board, includes addressing this year's overspend, evaluation of quality and provision and recommending short and medium term actions to deliver the LSC contract and services to schools. The review will be completed by the end of December but at the moment no additional management action has been identified.

## 1.2 CAPITAL

1.2.1 All changes to cash limits are in accordance with the virement rules contained within the constitution and have received the appropriate approval via the Leader or relevant delegated authority.

Cash limits have been adjusted since the last full monitoring report to reflect:

2007-08  
£000s

#### Policy & Performance portfolio:

- Virement of Small Community Capital Grant budget to the Communities portfolio in respect of Herne Bay Youth & Community Centre -5

1.2.2 **Table 3** below provides a portfolio overview of the latest capital monitoring position.

	Prev Yrs Exp	2007-08	2008-09	2009-10	Future Yrs	TOTAL
	£000s	£000s	£000s	£000s	£000s	£000s
<b>Corporate Support Portfolio</b>						
Revised Budget per Sept Cabinet	2,680	3,995	4,757	1,239	497	13,168
Additions:						
-						0
Revised Budget	2,680	3,995	4,757	1,239	497	13,168
Variance		-669	-344	900	13	-100
<b>split:</b>						
- real variance		-100	0	0	0	-100
- re-phasing		-569	-344	+900	+13	0
<b>Policy &amp; Performance Portfolio</b>						
Revised Budget per Sept Cabinet		506	500			1,006
Adjustments:						
- virement of SCCG budget		-5				-5
-						0
Revised Budget	0	501	500	0	0	1,001
Variance		0	0	0	0	0
<b>split:</b>						
- real variance		0	0	0	0	0
- re-phasing		0	0	0	0	0
<b>Finance Portfolio</b>						
Revised Budget per Sept Cabinet	1,103	6,527	4,344	4,079	9,185	25,238
Additions:						
-						0

Revised Budget	1,103	6,527	4,344	4,079	9,185	25,238
Variance		-1,413	+40	0	0	-1,373
<b>split:</b>						
- real variance		-1,373	0	0	0	-1,373
- re-phasing		-40	+40	0	0	0
<b>Directorate Total</b>						
Revised Budget	3,783	11,023	9,601	5,318	9,682	39,407
Variance	0	-2,082	-304	900	13	-1,473
<b>Real Variance</b>		<b>-1,473</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1,473</b>
<b>Re-phasing</b>		<b>-609</b>	<b>-304</b>	<b>+900</b>	<b>+13</b>	<b>0</b>

### 1.2.3 Main Reasons for Variance

Table 4 below, details all forecast capital variances over £250k in 2007-08 and identifies these between projects which are:

- part of our year on year rolling programmes e.g. maintenance and modernisation;
- projects which have received approval to spend and are underway;
- projects which are only at the approval to plan stage and
- projects at initial planning stage.

The variances are also identified as being either a real variance i.e. real under or overspending which has resourcing implications, or a phasing issue i.e. simply down to a difference in timing compared to the budget assumption.

Each of the variances in excess of £1m which is due to phasing of the project, excluding those projects identified as only being at the initial planning stage, is explained further in section 1.2.4 below.

All real variances are explained in section 1.2.5, together with the resourcing implications.

**Table 4: CAPITAL VARIANCES OVER £250K IN SIZE ORDER**

portfolio	Project	real/ phasing	Project Status			
			Rolling Programme	Approval to Spend	Approval to Plan	Initial Planning Stage
			£'000s	£'000s	£'000s	£'000s
<b>Overspends/Projects ahead of schedule</b>						
			<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>
<b>Underspends/Projects behind schedule</b>						
FIN	Commercial Services Vehicles, Plant & Equipment	Real	-1,373			
CS	Gateways	Phasing			-336	
			<b>-1,373</b>	<b>0</b>	<b>-336</b>	<b>0</b>
			<b>-1,373</b>	<b>0</b>	<b>-336</b>	<b>0</b>

#### 1.2.4 Projects re-phasing by over £1m:

N/A

#### 1.2.5 Projects with real variances, including resourcing implications:

##### Corporate Support Portfolio

There is an underspend of £100k on Kent TV Pilot station, which will result in £100k less prudential borrowing.

##### Finance Portfolio

An underspend of -£1,373k on Commercial Services Vehicle, Plant & Equipment replacement is largely due to continuing the trend adopted last year of leasing vehicles rather than purchasing outright. This will be matched by a reduced contribution to their Renewals Fund.

#### 1.2.6 General Overview of capital programme:

(a) Risks

N/A

(b) Details of action being taken to alleviate risks

N/A

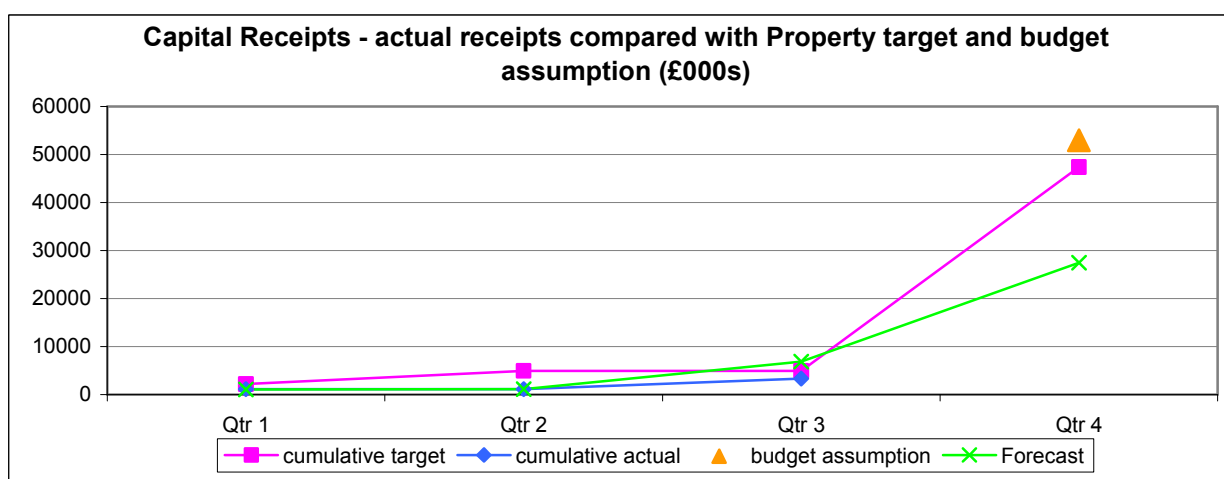
## 2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

### 2.1 Capital Receipts – actual receipts compared to budget profile:

	2007-08			
	<i>Budget funding assumption</i> £000s	Cumulative Target profile £000s	Cumulative Actual receipts £000s	Forecast receipts £000s
April - June		2,150	1,148	1,072
July - September		4,929	1,148	1,148
October - December		4,929	**3,288	6,866
January - March		47,359		27,450
<b>TOTAL</b>	<b>*52,958</b>	<b>47,359</b>	<b>3,288</b>	<b>27,450</b>

\* figure updated from 2007-08 budget assumption to reflect roll forward from 2006-07

\*\*actuals to 31 October 2007



**Comments:**

- The gap shown in the graph between the budget assumption and the Property target is due to a timing issue. The capital receipts need to be looked at over the three year span of the Medium Term Plan (MTP), in conjunction with the funding assumption, as shown in the table below. The current forecast for capital receipts over the 2007-10 MTFP now shows a potential deficit of £1.107m. This is being reviewed as part of the 2008-11 MTFP process to ensure that we set a balanced capital programme.
- The table below shows a deficit of £21.518m of capital receipts against a cash limit of £52.958m of projects funded by capital receipts in the current year. However, table 5 of section 4.3.3 of the executive summary identifies that £30.732m of the -£91.159m current variance against the overall capital budget for 2007/08 relates to capital receipt funded projects. Therefore, despite a delay in the timing of realising these receipts, the capital spend has also re-phased and we are currently expecting to have sufficient capital receipts to fund current forecast spend.
- If a reasonable level of capital receipts is not achieved this financial year there is also a risk that the 5% top slice on those actually achieved will be insufficient to meet the capitalised revenue costs of Property Group's disposal activity, creating a pressure upon Property Group's revenue budget.
- With the high percentage of the current year's receipts forecast to be delivered in the final quarter, there is an obvious risk that the actual receipts banked by 31 March 2008 are lower than projected.

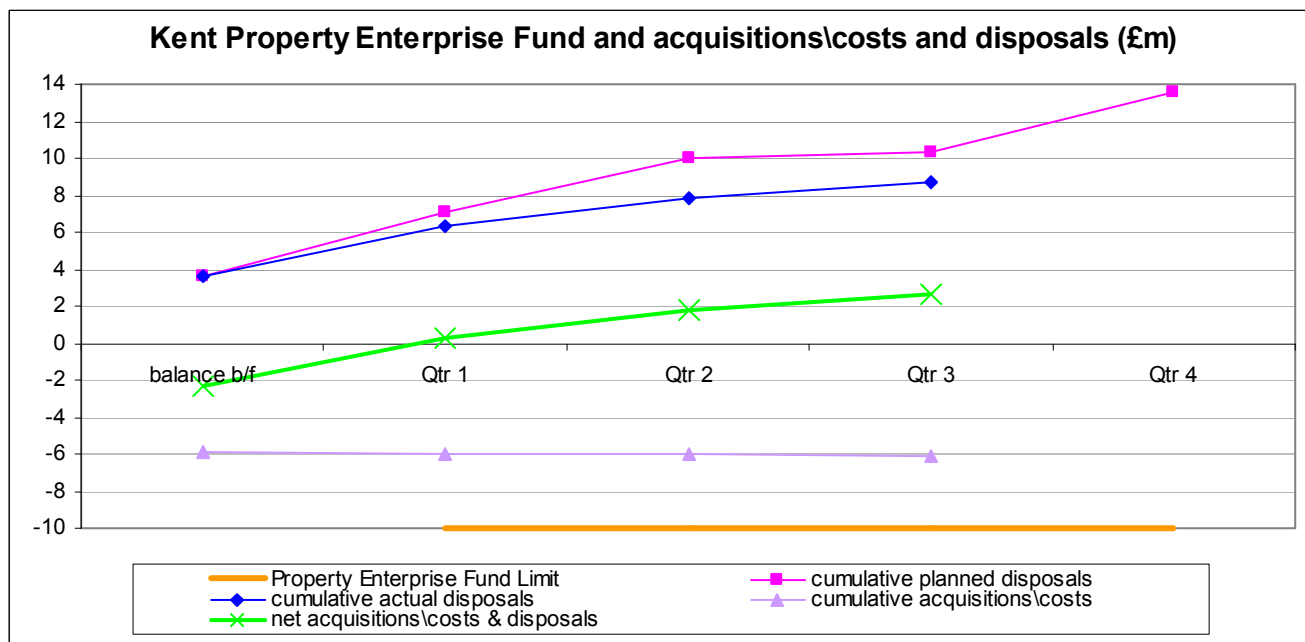
	2007-08 £'000	2008-09 £'000	2009-10 £'000	Total £'000
Capital receipt funding per 2007-10 MTP	47,973	71,943	50,424	170,340
Capital receipt roll forward changes	4,985	-9,110	113	-4,012
	<b>52,958</b>	<b>62,833</b>	<b>50,537</b>	<b>166,328</b>
Property Group's forecast receipts	27,450	60,675	22,800	110,925
Receipts banked in previous years for use	2,208	256		2,464
Receipt funding from other sources	1,782	1,500	4,500	7,782
<b>Potential Surplus\Deficit (-) Receipts</b>	<b>-21,518</b>	<b>-402</b>	<b>-23,237</b>	<b>-45,157</b>
Sites identified by Directorates for Property to work up for disposal*				<b>44,050</b>
<b>Overall Potential Deficit</b>				<b>-1,107</b>

\* Timescale for delivery uncertain until worked up by Property Group

## 2.2 Capital Receipts – Kent Property Enterprise Fund:

	<i>Kent Property Enterprise Fund Limit</i> £m	Cumulative Planned Disposals (+) £m	Cumulative Actual Disposals (+) £m	Cumulative Actual Acquisitions\Costs (-) £m	Cumulative Net Acquisitions\Costs (-) & Disposals (+) £m
Balance b/f		3.606	3.606	-5.918	-2.312
April - June	-10	7.088	6.280	-6.013	0.267
July – September	-10	9.973	7.798	-6.040	1.758
October – December *	-10	10.371	8.749	-6.084	2.665
January – March	-10	13.555			

\* reflects position to the end of October



### Comments:

- County Council approved the establishment of the Property Group Enterprise Fund, with a maximum permitted deficit of £10m, but self-financing over a period of 10 years. The cost of any temporary borrowing will be charged to the Fund to reflect the opportunity cost of the investment. The aim of this Fund is to maximise the value of the Council's land and property portfolio through:
  - the investment of capital receipts from the disposal of non operational property into assets with higher growth potential, and
  - the strategic acquisition of land and property to add value to the Council's portfolio, aid the achievement of economic and regeneration objectives and the generation of income to supplement the Council's resources.

Any temporary deficit will be offset as disposal income from assets is realised. It is anticipated that the Fund will be in surplus at the end of the 10 year period.

### Balance brought forward

In 2005-06, £0.541m of capital receipts were realised from the disposal of non-operational property. The associated disposal costs of £0.054m were funded from these receipts, leaving a balance of £0.487m available for future

investment in the Kent Property Enterprise Fund. In 2006-07, £3.065m of capital receipts were realised from the disposal of non-operation property giving a balance of £3.606m for investment. The Fund was used to acquire land at Manston Business Park. Together with the costs of acquisition and disposal, costs in the year totalled £5.864m, leaving a deficit of £2.312m to be temporarily funded from the £10m borrowing facility.

The balances brought forward have been amended to account for receipts that have subsequently been confirmed as non-earmarked (disposals increased by £0.433m and costs increased by £0.030m).

### Planned Disposals

At the start of 2007-08 Property Group identified £9.949m worth of potential non-earmarked receipts to be realised this financial year.

Disposals to date this year have been encouraging but there are signs that the market is hardening affecting the ability to achieve the original target. A recent review of the receipts currently being worked up for disposal has determined a revised working target of c.**£7.75m**.

### Actual Disposals

As at the end of October 2007 the Fund had realised £5.143m of capital receipts this financial year through the sale of 40 non-operational properties.

### Acquisitions\Costs

At present there are no committed acquisitions to report, however forecast outturn for costs of disposals (staff and fees) is currently estimated at **£0.608m**.

### Other Fund Commitments

The 2007-08 revenue budget includes income of £3.3m of receipts to be generated by the Fund in the current year.

The Fund has been earmarked to provide funding of £5.4m for the Eurokent Access Road scheme in Ramsgate, Thanet, with £2.4m currently forecast for 2007-08, subject to formal decision.

### Forecast Outturn

Taking all the above into consideration the Fund is expected to be in a deficit position of £0.870m by the end of this financial year.

<b>Opening Balance</b>	-£2.312m
Planned Receipts	£7.750m
Costs	-£0.608m
Acquisitions	-
Other Fund Commitments:	
- revenue budget support	-£3.300m
- Eurokent Access Road	-£2.400m
<b>Closing Balance</b>	<b>-£0.870m</b>

## Revenue Implications

Approximately £0.075m of low value revenue receipts are currently forecast for this financial year but, with the need to fund both costs of borrowing (£0.163m) against the overdraft facility and the cost of managing properties held for disposal (£0.213m), the PEF is forecasting a £0.301m deficit on revenue which will be rolled forward to be met from future income streams.

# FINANCING ITEMS SUMMARY

## OCTOBER 2007-08 FULL MONITORING REPORT

### 1. FINANCE

#### 1.1 REVENUE

1.1.1 All changes to cash limits are in accordance with the virement rules contained within the constitution, with the exception of those cash limit adjustments which are considered “technical adjustments” ie where there is no change in policy, including:

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- Cash limits have been adjusted since the last full monitoring report to reflect a number of technical adjustments to budget.

1.1.2 **Table 1** below details the revenue position by Service Unit:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
<b>Corporate Support portfolio</b>							
Contribution to IT Asset Maintenance Reserve	2,433		2,433			0	
PFI Grant		-683	-683			0	
<b>Total Corporate Support</b>	<b>2,433</b>	<b>-683</b>	<b>1,750</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Finance Portfolio</b>							
Insurance Fund	3,479		3,479			0	
County Council Elections	255		255			0	
Workforce Reduction	1,359		1,359			0	
Environment Agency Levy	331		331			0	
Joint Sea Fisheries	252		252			0	
Audit Fees & Subscriptions	800		800			0	
Interest on Cash Balances / Debt Charges	103,544	-6,297	97,247	-1,353	-456	-1,809	debt restructuring & increased base rates
Contribution from Commercial Services		-5,010	-5,010		250	250	delay in letting outdoor advertising contract
Public Consultation	100		100			0	
Provision for Kent Scheme Revision	18		18			0	
Local Priorities	682		682			0	
Local Scheme spending recommended by Local Boards	722		722			0	
Local Boards - Member Community Grants	38		38			0	
Transferred Services Pensions	22		22			0	
PRG & Capital Reserves		-2,159	-2,159			0	
Income from Kings Hill		-1,000	-1,000			0	
LABGI income		-3,200	-3,200			0	
Margate's Big Event	10		10			0	
Kent Celebration of Youth Event	5		5			0	
<b>Total Finance</b>	<b>111,617</b>	<b>-17,666</b>	<b>93,951</b>	<b>-1,353</b>	<b>-206</b>	<b>-1,559</b>	
<b>Total Controllable</b>	<b>114,050</b>	<b>-18,349</b>	<b>95,701</b>	<b>-1,353</b>	<b>-206</b>	<b>-1,559</b>	

1.1.3 **Major Reasons for Variance:** [provides an explanation of the 'headings' in table 2]

Table 2, at the end of this section, details all forecast revenue variances over £100k. Each of these variances is explained further below:

1.1.3.1 Financing Costs:

Interest on Cash Balances

- There have been 2 base rate rises since the budget was set and market pessimism has made investment returns higher than originally forecast.
- Longer term callable deposits have been restructured to give an improved interest return.
- Balances have increased with the receipt of grants earlier than we had profiled at the time of setting the budget.

Debt Charges

- No new borrowing has yet been taken in 2007-08 thereby saving against interest costs.
- Restructuring of £184.9m of existing debt has made further savings against the budget.

1.1.3.2 Commercial Services:

Due to delays in letting the contract for outdoor advertising and sponsorship, we will not achieve all of the expected £500k in the current year.

**Table 2: REVENUE VARIANCES OVER £100K IN SIZE ORDER**

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
FIN	Commercial Services - delay in letting outdoor advertising contract	+250	FIN	savings resulting from debt restructuring & higher investment income due to cash balances and increased interest rates	-1,809
		+250			-1,809

1.1.4 **Actions required to achieve this position:**

N/A

1.1.5 **Implications for MTFP:**

N/A

1.1.6 **Details of re-phasing of revenue projects:**

N/A

1.1.7 **Details of proposals for residual variance:**

N/A

**1.2 CAPITAL**

N/A

**2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING**

N/A

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Item No. B2

By: Paul Carter, Leader  
Alex King, Deputy Leader  
Nick Chard, Cabinet Member for Finance  
Graham Gibbens, Cabinet Member for Health  
Peter Gilroy, Chief Executive  
Andy Wood, Head of Financial Management

To: Corporate Policy Overview Committee – 25 January 2008

**Subject: MEDIUM TERM PLAN 2008-09 TO 2010-11**

Classification: Unrestricted

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Summary:	The purpose of this report is to consult the Committee on budget proposals for the Chief Executive's Directorate, with reference to the KCC published consultation paper issued on 21 January 2008.  Members are invited to comment on the key issues on the proposed funding changes for the services provided by the Chief Executive's Directorate.
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## 1. Introduction

- 1.1 The Autumn Budget Statement report by the Leader, Cabinet Member for Finance, Chief Executive and Director of Finance to Cabinet on 17 September 2007 set out the national and local context for KCC's Medium Term Plan (MTP) for the period 2008-09 to 2010-11.
- 1.2 The report 'Update on CSR 07 and the Local Government provisional finance settlement' to Cabinet on 14 January 2008 updated the overall budget position to reflect the provisional local government finance settlement for the years 2008-2011. As reported, the provisional grant settlement was better than expected and has provided a small degree of flexibility for the overall proposed budget package.
- 1.3 We reported the national and local context to the last Policy Overview Committee meeting and outlined the existing MTP priorities.
- 1.4 Since that meeting there have been a number of further developments that have resulted in the budget proposals being presented for consultation. Members are invited to comment on the key issues for the services provided by the Chief Executive's Directorate so that these can

be taken into account at the budget meetings of Cabinet on 6 February and County Council on 19 February 2008.

## **2. Background**

- 2.1 The budget consultation papers include a summary of the proposed Portfolio budgets for 2008-09, showing the amounts proposed for each service within the Portfolios. This identifies the gross expenditure, income and net expenditure.
- 2.2 The papers also include the proposed capital investment programme and the medium term revenue and capital plan for 2008-09 to 2010-11 expressed as figures and Portfolio priorities. All papers are presented in a consistent format for all Portfolios and reflect the recently announced changes in the Leader and Deputy Leader Portfolios.
- 2.3 Copies of the draft Budget Book and Medium Term Plan have been distributed to all Members (on 21 January). You are asked to ensure you bring those to this meeting.
- 2.4 The MTP and Budget Book reflect the new Portfolio responsibilities for Corporate Support & External Affairs and the Policy & Performance Portfolios. Some further adjustments may be necessary as the changes are worked through in detail.

## **3. Revenue Budget 2008-09**

- 3.1 The overall direction for the CED directorate is now well established, and the current Medium Term Service Priorities for CED are included in Section 3 of the draft MTP.
- 3.2 Members will appreciate that the financial framework for the medium term will be tough for all Directorates, and comes at a time when demand for services has never been higher, both because more people need services and because of greater public expectations. This affects the CED directorate, as service directorates want and need more of what we provide.
- 3.3 Areas of spending priority for which significant additional funding is required are:

**Financing Costs; £4,316k** — this reflects the expected cost of repaying new borrowing required to fund the proposed capital programme. Any changes to the borrowing requirement as a result of changes to the approved capital programme will impact on this pressure

**Pay; £1,185k** – this reflects a provision of 2.5% for the 2008 pay award.

**Gateway; £500k** across the 3 years – being revenue funding for the running costs to compliment the current capital funding included in the investment plan to provide 8 Gateways across the County, and the additional allocation of capital funding to provide for a further 3 by 2012.

**Supporting Localism; £345k** – provision has been made for an additional 9 FTEs who will support the future Localism Structure in Kent.

**Healthwatch; £300k** – this will be used to gather, record and communicate public opinion about the NHS in Kent. The current proposal is to use the KCC Contact Centre and as such this budget is likely to transfer to another Portfolio as and when the precise level and type of spend is agreed.

**Debt servicing to support capital investment; £282k** - this sum reflects the decision by CED to fund capital investment from within the CED revenue budget. The majority of this relates to the WAN / LAN network improvements

**Strengthening Communication; £175k** – this reflects an intention to ensure all of Kent’s residents have access to knowledge, news and information about the Council and its services, via the whole range of available media. In doing this in a more co-ordinated way, we expect to be able to make savings from other areas of spend on communicating with the public.

3.4 The position can be summarised as follows:

	2008-09	2009-10	2010-11
	£'000	£'000	£'000
<b>Budget increased for:</b>			
Pay	1,185	863	880
Prices	406		
Legislative	90		
Demand	8	100	-63
Towards 2010	150	150	200
Service Improvements*	3,900	18,069	19,486
<b>Total</b>	<b>5,739</b>	<b>19,182</b>	<b>20,503</b>

*\* the much higher figure in 2009-10 and 2010-11 reflects the current projected increase in net debt, although this figure often reduces as the combination of capital outturn and treasury management come together.*

3.5 Provisional cash limits for each Portfolio have been set, and therefore to balance to those cash limits, given the pressures outlined above, we will need to deliver savings, efficiencies and new income streams to deliver a balanced budget. The three-year financial plans, shown in Appendix A of the MTP detail the proposed savings required in 2008-09.

3.6 Whilst the Directorate is implementing modernisation changes that will increase efficiency and effectiveness, there does need to be awareness of the need to consider some potentially difficult decisions affecting not only the directorate, but the wider County Council, in the medium term

3.7 Efficiencies and other savings

3.7.1 A total of £9.5m savings have been proposed across the board in Year 1, the details of which are in Appendix 1 of the MTP papers. Of the total, £7.0m relates to Financing Items including debt re-phasing and increasing investment income. Savings of close to £2.0m relating to the provision of corporate support services are also proposed. The implications have been discussed and agreed with service directorates as part of the Service Level Agreement process. A further £0.450m will be found from efficiencies through the cross directorate drive for improved procurement.

3.8 Income Generation

3.8.1 A further £1.7m of net income is to be generated by CED Units in Year 1. The majority (£1.2m) will come from the increasing expansion and efficiency of Commercial Services, but the income from other CED Units should not be overlooked. Kent TV expects to generate sponsorship of up to £200k, which will increase in future years as the Station becomes self-financing. There will also be savings from a thorough review of our spend on publications as more use of Kent TV is made to promote our strategies, such as community safety, early year's provision and waste minimisation. The Legal, EIS and Schools Personnel teams will all increase their net income target during 2008/09.

Within the income generation heading is a 'positive' figure of £2.6m. This is the part reversal of a one-off contribution from Property in 2007-08 of £2.6m, relating to asset disposals.

3.9 The resulting change in cash limits on a like for like basis for each Portfolio for 2008-09 are:

Portfolio	Cash limit percentage change
Public Health	46.3%*
Corporate Support & External Affairs	-0.8%
Policy & Performance	4.5%
Finance	-2.9%

\* Public Health includes £792k increase on a base of £100k relating to LINKs and Healthwatch funding that will be transferred to other portfolios in due course.

The overall cash limit increase for Kent in 2008-09 is 4.0%.

- 3.10 The cash limits present a real challenge to the Chief Executive's Directorate but are based on the need to continue to provide value for money support to service directorates, helping to protect funding to front-line services, whilst developing its strategic role to influence modernisation and innovation.

#### **4. Capital Budget**

- 4.1 The starting point for the capital programme is the existing published capital programme for 2007-10. This is adjusted for re-phasing of schemes from 2007-08, changes to the total cost or funding of schemes, and new schemes. The detail of the proposed capital programme is provided in the draft budget book on pages 41, 43 and 46.
- 4.2 The capital programme reflects the Council's and the directorate's capital strategy, and accessibility to public services is a key theme. The programme will provide for the replacement of the Wide Area Network infrastructure to provide a resilient, accessible consolidated public service network. It will also ensure the continued roll-out of the Gateway model across Kent enhancing public access to public services.

#### **5. Recommendation**

- 5.1 Members are asked to note and comment on the above proposals.

#### **Background documents:**

Cabinet, Item 4, Autumn Budget Statement, 17 September 2007  
Corporate Policy Overview Committee, Item B2, 8 November 2007  
Cabinet, Item 3, Update on CSR 07 and the Local Government provisional finance settlement, 14 January 2008  
Draft Budget Book 2008-09 and Medium Term Plan 2008-11

Officer contact:

Andy Wood, Head of Financial Management, Ext 4622

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**Item No B3**

By: Paul Carter, Leader  
Peter Gilroy, Chief Executive

To: Corporate Policy Overview Committee – 25 January 2008

Subject: Half-year monitoring 2007/08  
Unrestricted

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**SUMMARY**

This report summarises the corporate element of the 2007/08 half-year monitoring results for the *KCC Annual Plan 2007/08*, the Annual Business Unit Operating Plans and the Best Value Performance Indicators (BVPIs) and includes a summary by the Chief Executive of progress to date.

**FOR INFORMATION**

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**1. INTRODUCTION**

**1.1** The Directorates and Chief Executive's Department have completed the half-year monitoring of the priorities set out within the *KCC Annual Plan 2007/08*, the Annual Business Unit Operating Plans and their BVPIs. The results of the monitoring were reported to the Chief Officers Group (COG) on 7 November 2007 and Cabinet Members on 19 November 2007. This report covers the corporate element of the half-year monitoring.

**2. SUMMARISED OUTCOMES****2.1. KCC Annual Plan**

The Chief Executives Department strategic objectives are consistent with the priorities for improvement published in Section 2 of the *2007/08 KCC Annual Plan*. Progress against all of them was checked as part of this year's half year monitoring process and all were categorised as either 'On course' or 'Done and ongoing'. Progress is outlined in Appendix 1.

**2.2. Annual Business Unit Operating Plans**

As part of the half-year monitoring, progress was checked against each of their unit business plans. The Chief Executive's statement outlining progress is included in Appendix 2.

Most of the projects/developments/key actions set out in the 2007/08 Annual Unit Business Operating Plans are 'on course' or 'done and ongoing'. Only 3% of these actions

are 'not on target' to complete this financial year. These are reported below. The unit's response is also included (in lighter text)

### Personnel & Development

**'Develop database for tracking and reporting Job Evaluation information for all jobs, accessed by all Directorates'**

*As a result of competing budget and staff resource pressures moved to next year.*

**'Design and deliver OD interventions to improve business performance through the realisation for potential of the workforce; Drive and lead a programme of cultural development to embed core values and enhanced performance'**

*Rolled forward to 2009.*

**'Provide a high quality customer service continuing to improve through consultation and by investing in key business processes and people. Provide professional advice that enables schools to achieve their outcomes through effective people management'**

- **Re-organisation of Sheppey from 3 to 2 tier plus Academy**
- **Implementation of Primary Strategy including additional bespoke service to staff at risk of redundancy**

*Underway but completion rolled forward to 2008/09.*

### Corporate Finance

**'Develop fixed assets solution with automatic calculation and charging of depreciation and capital charges, linking to Property database and new accounting requirements'**

*There are fundamental changes to the accounting in relation to Fixed Assets this year and it has become apparent through other users of Oracle FA that the module is not up to the required accounting standards that are due to be implemented. Therefore on a risk assessment basis we have decide to continue for the immediate future with the system that we currently use.*

### **3. BVPIs**

Mid year positions and full year forecasts for all the corporate statutory BVPIs are provided in Appendix 3, along with commentaries where variances from target exist.

Last year there was concern about how many targets were being missed for BVPIs and management action was taken to ensure a more robust target setting process for the current year. Results this year in general show good performance against target and this is a significant improvement on last year.

### ANNUAL PLAN PRIORITIES 2007/08

The following table sets out the priorities for 2007/08 as published in this year's KCC Annual Plan. The half-year status is given using the following key and a comment only if the status is RED:

Red	More progress needed
Amber	On course
Green	Done and ongoing

#### Delivering Improved Services and Transforming KCC

Priority	Annual Plan page	Monitoring links if applicable	Status (red/amber/green)	Comment (only if status is RED or green is exceptional)
<b>Supporting Independence Programme</b> <ul style="list-style-type: none"> <li>▪ Significant focus on improving partnership working and a focused approach to effective actions and measurable outcomes at a local and strategic level.</li> <li>▪ In conjunction with the Kent Public Service Board, the Kent Partnership and the Kent Business Forum, we will assist in providing positive and effective strategic direction to the innovative services and support required across the county.</li> <li>▪ Specific Towards 2010 targets will promote the importance of independent living and create the framework for exciting new initiatives with central/local government agencies, Kent Partnership and the local private and voluntary sector.</li> <li>▪ Strategic overview of education and employment initiatives to</li> </ul>	Page 11		Green	
	Page 33		Green	
				Amber

Priority	Annual Plan page	Monitoring links if applicable	Status (red/amber/green)	Comment (only if status is RED or green is exceptional)
<p>ensure that individuals within our county have access to a greater number of flexible and more meaningful job opportunities and career paths.</p> <ul style="list-style-type: none"> <li>▪ Development of vocational education in schools in addition to promoting a wider selection of opportunities post-16 will ensure that young people are given the ability and support they need to choose the right route into further education and employment.</li> <li>▪ Improved careers advice and an increase in apprenticeship opportunities.</li> </ul> <p>Work with Jobcentre Plus and the Department of Work and Pensions as SIP drives forward a wide range of initiatives to secure an increased number of flexible work opportunities for individuals currently relying on welfare benefits.</p> <ul style="list-style-type: none"> <li>▪ SIP will ensure real solutions are developed to tackle issues of social exclusion and dependency at a community and individual level.</li> <li>▪ SIP will ensure that KCC and partner agencies make progress towards truly empowering and supporting individuals within the county to lead positive and fulfilling lives.</li> </ul>	<p>Page 33</p> <p>Page 33</p> <p>Page 12</p>		<p>Amber</p> <p>Amber</p> <p>Green</p> <p>Green</p> <p>Green</p>	

Page 42

Priority	Annual Plan page	Monitoring links if applicable	Status (red/amber/green)	Comment (only if status is RED or green is exceptional)
<p><b>Commitment</b></p> <ul style="list-style-type: none"> <li>Build upon the strong working relationships already in place between KCC and the districts and continue to put the residents and service users at its heart.</li> <li>Publish an action plan to deliver on its target outcomes to be published in 2007.</li> </ul>	Page 12		Amber  Amber	
<p><b>Kent Agreement</b></p> <ul style="list-style-type: none"> <li>Develop a new Local Area Agreement, <i>the Kent Agreement 2</i>, with the wider Kent Partnership and agreed with the Government.</li> </ul>	Page 12		Amber	
<p><b>Partnership working</b></p> <ul style="list-style-type: none"> <li>Work even more closely with partners to build on the continuing improvement in public services build upon the work of the Kent Partnership.</li> <li>Improve two-tier working and the recognise the Kent Partnership in driving new ways of working that are challenging, innovative and unlock new opportunities.</li> <li>Focus on developing the second Kent Agreement, aligned to the vision for Kent, other Sustainable Community Strategies and partner strategies.</li> <li>Develop Community Engagement.</li> </ul>	Page 12		Amber  Amber  Amber  Amber	

Priority	Annual Plan page	Monitoring links if applicable	Status (red/amber/green)	Comment (only if status is RED or green is exceptional)
<ul style="list-style-type: none"> <li>The PSB to facilitate a more cohesive approach to partnership working, reflecting the needs of the new agreement as well as the emerging national direction from the Local Government White Paper.</li> </ul>			Amber	
<p><b>Customer Care</b></p> <ul style="list-style-type: none"> <li>Make sure we understand what our customers need by consulting them, encouraging communities involvement and developing our services around their expectations.</li> <li>Re-launch the customer charter and standards.</li> <li>Respond positively and promptly to compliments and complaints, using feedback to learn from any mistakes and improve and modernise our service.</li> </ul>	Page 12-13		Amber  Amber Amber	

Priority	Annual Plan page	Monitoring links if applicable	Status (red/amber/green)	Comment (only if status is RED or green is exceptional)
<p><b>Personalising services</b></p> <p>Continue to innovate and improve by:</p> <ul style="list-style-type: none"> <li>• Giving individuals and communities a stronger voice in the design and transformation of services.</li> <li>• Ensuring that we continue to improve access through innovative projects and the self assessment website so that services are accessible to all.</li> <li>• Continuing to find new and innovative ways of offering more choice and individual control in order to meet and surpass public expectations.</li> <li>• Making the most of technological innovations to personalise services.</li> <li>• Getting the simple things right first time and ensuring an excellent customer experience for all.</li> </ul>	Page 13		<p>Amber</p> <p>Amber</p> <p>Amber</p> <p>Amber</p> <p>Amber</p>	
<p><b>Information and communications technology (ICT)</b></p> <ul style="list-style-type: none"> <li>• The county will continue to expand the capability of ICT systems and will support innovative and modern flexible working practices such as wireless networking, remote access and home working as</li> </ul>	Page 13-14		Green	

Priority	Annual Plan page	Monitoring links if applicable	Status (red/amber/green)	Comment (only if status is RED or green is exceptional)
<p>a priority.</p> <ul style="list-style-type: none"> <li>• Kent TV, a digital broadband channel available through the internet.</li> <li>• The Children’s disability Register – a system that will have information on all registered children with disabilities.</li> <li>• Web-jam – an on-line public/staff consultation system.</li> <li>• Support provided to Kent Adult Social Services’ Whole Systems Demonstrator project, which aims to extend Telecare and Telehealth services in support of some of the most vulnerable members of our society.</li> </ul> <p>Work with Kent Connects partners to find opportunities to deliver shared ICT services between multiple agencies. Potential benefits include virtual call centres, disaster recovery arrangements and procurements.</p>			<p>Green</p> <p>Green</p> <p>Green</p>	

Priority	Annual Plan page	Monitoring links if applicable	Status (red/amber/green)	Comment (only if status is RED or green is exceptional)
<p><b>Equality and Diversity</b></p> <ul style="list-style-type: none"> <li>Equality of opportunity and freedom from discrimination is a fundamental right that the county council will exercise leadership and commitment in promoting.</li> </ul>	Page 14		Green	
<p>Page 47</p> <p><b>Our staff</b></p> <ul style="list-style-type: none"> <li>Delivering the Strategy for Staff will remain a key priority.</li> </ul>	Page 14		Green	
<p><b>International Agenda</b></p> <ul style="list-style-type: none"> <li>Raise the proportion of successful bids and maximise the amount of funding that is actually secured.</li> </ul>	Page 15		Amber	



## **Chief Executive's Statement – Corporate Department Annual Business Unit Operating Plans Half Year Monitoring 2007-8**

Kent is a high performing county with a reputation for excellence, innovation and efficiency, delivered by excellent people. It has maintained high performing services whilst making significant efficiency savings and achieving high levels of public satisfaction. In meeting increasingly diverse and personalised service demands, our journey of transformation will continue, driven in major part by the Chief Executive's Department.

Overall the Chief Executive's Department is making good progress in delivering its key priorities. For example, we continues to modernise the democratic process and increase awareness and understanding of KCC's role and services at the same time increasing and improving access.

All the main Council meetings are now webcast for the general public and schools have taken part via the webcast in debates involving County Council Members and the Youth County Council.

The launch of Kent TV has been completed successfully. Figures just released for the first six weeks show that there have been 59,453 visits to Kent TV and 198,604 page views with people viewing several pages over an average of five minutes. This includes page views from all over the UK, Europe, China, Australia and the US. There are already 164 films on the site and many more in production with at least 28 commissioned from Kent production companies films. Kent TV will showcase information about KCC and other public sector services, as well as information about tourism, arts, events, business, leisure, education, and public health.

The Ashford Gateway has now achieved a weekly footfall of 5000 and the mobile Gateway which will operate in more rural parts of Kent is now in operation raising awareness of the service.

In terms of the promotion of Public Health, KCC has now launched its Public Health strategy and is working on a range of initiatives to improve public health in Kent.

Our key focus in the coming months will be to ensure that the County Council retains its current status through the forthcoming CPA Corporate Assessment. This is a high priority for the County Council not just for maintaining its reputation but in recognition of the excellent standard of the County Council's staff who deliver its services.



Performance Indicator	Business Unit/Division	Good Performance is :	Actual 2006/07	Mid Year 2007/08	Forecast 2007/08	Target 2007/08	Change from previous year	Progress to target
<b>Corporate Indicators</b>								
BV 8 : The percentage of invoices for commercial goods which were paid within 30 days (or other agreed terms)	Corporate Finance	High	93.9%	93.9%	94.0%	100.0%	Improved Result	Behind Target
Comment on progress to target: <b>Unrealistic national target of 100%. Results maintained but needs to improve further to remain Upper Quartile – all units being asked to focus on improvement.</b>								
BV 2a : The level of the Equality Standard for Local Government achieved by KCC	Personnel & Development	High	2	2	3	2	Improved Result	Ahead of Target
BV 2b : Score against a checklist of best practice for the KCC Race Equality Scheme	Personnel & Development	High	84.2%	84.2%	84.2%	84.2%	No Change	On Target
BV 11a : Of the top 5% of earners, the percentage that are women (excluding staff in schools)	Personnel & Development	High	46.5%	47.1%	47.0%	47.0%	Improved Result	On Target
BV 11b : Of the top 5% of earners, the percentage that are from black and minority ethnic communities (excluding staff in schools)	Personnel & Development	High	2.2%	2.1%	2.2%	2.2%	No Change	On Target
BV 11c : Of the top 5% of earners, the percentage that are disabled under DDA (excluding staff in schools)	Personnel & Development	High	1.8%	2.9%	2.9%	2.2%	Improved Result	Ahead of Target
BV 12 : Average number of working days / shifts lost to sickness absence per full time equivalent member of staff	Personnel & Development	Low	8.0	4.1	7.9	7.6	Improved Result	Behind Target
Comment on progress to target: <b>Additional management action is being taken and a reduction is expected in relation to long-term sickness issues and absence monitoring being addressed during the second half of the year.</b>								

Performance Indicator	Business Unit/Division	Good Performance is :	Actual 2006/07	Mid Year 2007/08	Forecast 2007/08	Target 2007/08	Change from previous year	Progress to target
BV 14 : Percentage of employees in the local government pension scheme retiring early (excluding ill-health retirements)	Personnel & Development	Low	0.11%	0.14%	0.30%	0.20%	Worse Result	Behind Target
Comment on progress to target: <b>The majority of early retirements in the first half of the year were in schools. Fewer early retirements are expected in the latter half of the year.</b>								
BV 15 : Percentage of employees in the local government pension scheme retiring on grounds of ill-health retirements	Personnel & Development	Low	0.11%	0.04%	0.20%	0.30%	Worse Result	Ahead of Target
BV 16a : The percentage of staff declaring they are disabled under the DDA 1995 definition (as a percentage of staff responding to a survey)	Personnel & Development	High	1.8%	1.8%	1.9%	2.0%	Improved Result	Behind Target
Comment on progress to target: <b>Improvement made but behind target– action plan in place.</b>								
BV 17a : The percentage of staff who are from ethnic minority communities	Personnel & Development	High	2.5%	2.6%	2.6%	2.6%	Improved Result	On Target
BV 156 : The percentage of KCC buildings open to the public, in which all public areas are suitable for and accessible to disabled people	Property Group	High	76.9%	76.9%	78.0%	78.0%	Improved Result	On Target

**Item No B4**

By: Alex King – Deputy Leader of the Council

To: Corporate Policy Overview Committee – 25/01/08

Subject: Information and Communications Technology (ICT) Infrastructure Investment

Classification: Unrestricted

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Summary: A report on the status of current ICT operation, contribution of technology in delivery of the council's strategic objectives, and an update on the ICT medium term investment programme.

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## **1. Operational Status**

### **1.1 Background**

- 1.1.2 The approach to the development and delivery of ICT services has evolved from an extensive review and restructuring exercise undertaken in 2002/3.
- 1.1.3 ICT services in 2002/3 had emerged from the multiple departmental ICT units that were combined following local government reorganisation. By 2002/3 the pressing issues had largely been addressed with the successful replacement of discrete departmental units, service desk functions and desktop environments with a single corporate service and standards.
- 1.1.4 It was recognised that further improvement would most readily be achieved through a radical overhaul of delivery, business model and organisational structures. The subsequent programme to develop professional and efficient ICT services has provided the foundation for the strategic initiatives outlined in this report.
- 1.1.5 From the outset the objectives for the unit were revised to identify the fundamental shift in the vision and aspirations for ICT.

*“Delivery of significant business change, improvement and focus core strategic units at the centre of the organisation, whilst maintaining excellence in ICT provision, seeing through an ambitious technology programme in a climate of financial constraint. Alongside this seeking and taking opportunities to provide local benefit from our strategic partnerships for people in Kent.”*

- 1.1.5 Continuing improvement in efficiency targets have been maintained throughout with benchmarking showing year on year improvement and strong

fiscal control of operating costs. Within the context of scale of infrastructure supported, ICT costs are 34% less for 2007/8 than during 2002/3.

1.1.6 Extensive changes invariably impact on the staff group. Morale and staffing strategies were a clear area of focus in recognition of the importance of staff to the process. The successful response to these concerns was demonstrated by the unit achieving recognition through a National “Best Place to Work” award for 2006/7.

1.1.7 The initial objectives established were to introduce a structure based on best practice. Project services having already adopted the Prince methodology the next focal point was the adoption of ITIL (Information technology Infrastructure Library) based service delivery. Subsequent initiatives saw the introduction of an Enterprise Architecture methodology in development of ICT Strategy. As with all local authority change processes efficiency and value for money were and remain key considerations.

## 1.2 Performance

1.2.1 Progress towards the objectives established for the unit is illustrated by the council’s performance and standing in the CIO 100. This is a cross industry ranking of the top 100 users of technology within the UK (that highlights those organisations with ‘extensive, strategic and wide scale use of technology throughout their activities). With profiles considering innovation, value for money and ability to exploit technology, in addition to scale of activity, this allows organisations to improve relative standings over time. Kent’s ranking on this measure has improved year on year from the outset of the change programme, rising 59 positions to the current years ranking of 38 (in terms of relative positioning with some of our Local Government peers – Surrey are 85<sup>th</sup>, West Sussex 67<sup>th</sup>, Essex 62<sup>nd</sup> and Birmingham 58<sup>th</sup>).

1.2.2 Similarly benchmarking against government and industry wide indicators invariably shows the council’s ICT to be well placed against value for money indicators, with unit costs for support and desktop devices consistently being amongst the best performing councils.

1.2.3 Support costs per Workstation

Survey Yr	Shire Counties	Shire Districts	English Unitaries	All	KCC
2002/3	£205	£217	£180	£202	£285
2004/5	£160	£220	£192	£184	£162
2006/7	£170	£251	£229	£193	£134

Source: SOCITM Benchmarking ICT services Annual figures:

1.2.4 The high value for money rating is achieved by careful setting of ICT service priorities with senior managers from service directorates. This has informed the approach that places emphasis on availability of infrastructure, as any disruption in these services would be likely to have an immediate impact on capacity of entire units of directorates to sustain direct service.

1.2.5 Availability for the year to date:

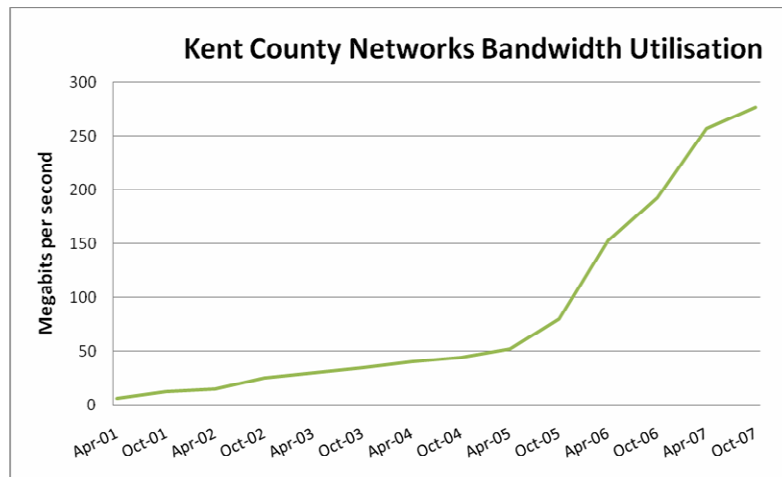
Service	Target Availability	Current period	Year to Date
Devices	99.4%	>99.9%	99.95%
Access	99.0%	99.98%	99.8%
Systems	99.0%	>99.99%	>99.99%

Service is measured against a base of 1.8 million computing hours each month.

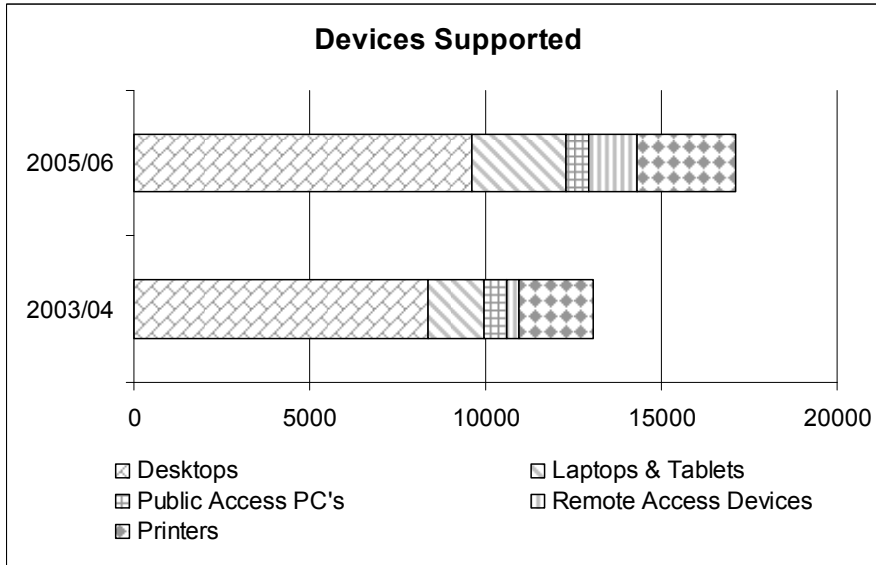
1.2.6 To maintain this level of success alongside strong performance against value for money indicators does inevitably require compromise. This is reflected in support levels and response times for individual users, where reliance is placed on peer support within the work place. With more mobility anticipated, dependence on technology will increase as will the impact of the loss of technology services on the productivity of individual members of staff. It will be important that this issue is reviewed as changes to working practice are developed.

1.2.7 Performance of the councils ICT function is heavily influenced by the rate of change in the use of technology. Use of network capacity, quantity of equipment deployed and supported utilisation of storage and number of email transactions all provides useful evidence of the increasing use of technology in the delivery of service:

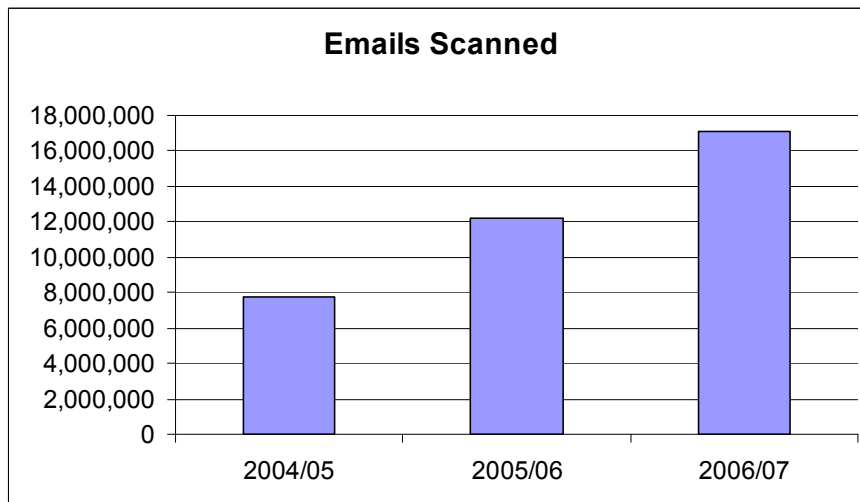
Networks



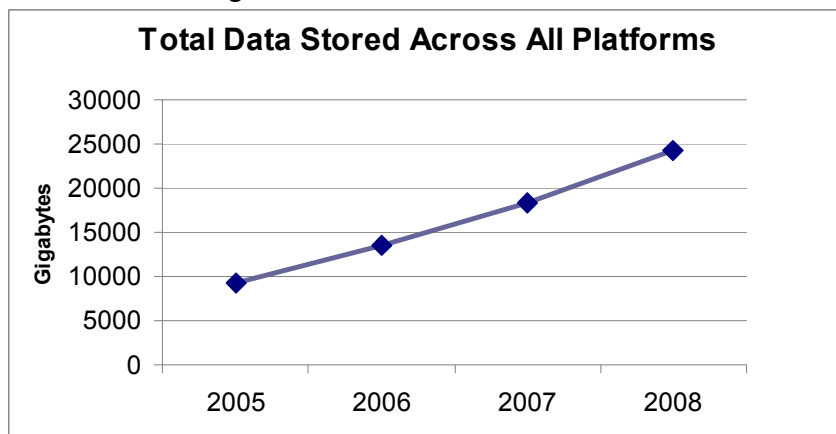
## Devices



## External Email



## Electronic Storage



1.2.8 Efficiency in the deployment and utilisation of ICT is not about a narrow approach to reducing cost, it must also be about deriving increased value

throughout the business from investment in the application of technology to deliver these broader benefits. ICT, in the way it is being currently deployed, is designed to allow the organisation to leverage the expertise of professional staff to maximise the focus at the point of delivery of public services, moving away from rigid hierarchies based around fixed structures and service points/buildings. Full deployment of an ICT infrastructure is an enabler for change in respect of freeing up service managers through greater flexibility and innovation in service 'front-line' activity based around providing them with the right tools for the job:-

- Freeing up professional time for front line specialist staff;
- Flexible working, providing a better work – life balance;
- Automating routine tasks;
- Allowing greater mobility and speed of response.

1.2.9 The scale and extent of the County Council's core operations provide the opportunity to secure added value for both the organisation itself and Kent as a whole through the utilisation of the investment KCC makes in its information and technology systems and networks (and the impact of that on the local environment) as a policy tool to support KCC's core objectives in developing Kent. Examples include successful completion of the Next Four Years target for broadband access – current coverage in excess of 98% of households delivered ahead of the rest of the South East.

### **1.3 Directorate Support**

1.3.1 The enhancement and development of directorate services that make use of technology remains a key aspect of the ICT service. The project portfolio managed by ICT, comprises the major corporate and directorate projects referenced in the annual ICT status report, plus a continuous throughput of medium sized projects initiated by service directorates.

1.3.2 There are currently 42 active projects in the portfolio including:

- Technology element of Kent Highways Programme
- Connection of KCC Network to new NHS N3 national network
- ICT infrastructure for Children's centres
- Integrated Children's Services (ICS) System
- CFE Billing System for Contracted Services

1.3.3 Projects waiting approval include:

- Library Systems Renewal
- Upgrade of call management systems (Telephony)
- KHS Mobile Working Project
- KASS Mobile Working Project
- Replacement of County Planning System

## **2. ICT Strategy**

- 2.1 The council's ICT strategy recognises the requirement for change and the need to build the capability to both innovate and identify new and more effective methods of delivering public services. The essential backdrop to achieving this outcome must be an understanding of the core areas of service where technology will have a substantial impact.
- 2.2 Development of ICT strategy is directly informed by the objectives of the council and the approach to ICT is an integral part of the council's strategy for the delivery of Vision for Kent and Towards 2010 and is supported by the new structures now in place to govern our ICT. The strategy process has enabled us to progress towards outcomes which support our business colleagues and our communities, whilst remaining agile enough to benefit from many of the latest technological advances. The principles behind our strategy are to enable business flexibility and drive up the benefits derived from investment in ICT while reducing cost and risk.
- 2.3 The use of technology to directly benefit and enhance the communities served by the council is now reflected in the medium term planning process and has been embedded as part of the ICT strategy and targets. Opportunities for shared services, and particularly partnerships, form an important part of our IS strategy in terms of how ICT infrastructure might best be aggregated across public services to the benefit of all – a clear example of this is in the work of Kent Connects and the new Kent Public Service Network. KPSN is explained further in Section 3.5.
- 2.4 A further key element in our strategy is responding directly to the requirement to support the agenda for service transformation within KCC, ensuring that our ICT infrastructure and strategy supports the strategies of our various businesses. A crucial part of this is delivering economically viable ICT services. This is underpinned by our determination to deliver transparency of the total cost of ownership of IT systems, and the means to measure these costs against industry benchmarks
- 2.5 This approach was developed in parallel with the strategic thinking represented within 'Towards 2010' and reconciles ICT direction with the targets outlined in 'Towards 2010', 'The Vision for Kent', 'The Kent Agreement' as well as the annual planning process.
- 2.6 The 'Towards 2010' strategy defines 6 basic areas on which the application of ICT must focus:
- (1) Innovation in services, service delivery and new ways of working
  - (2) Capability development
  - (3) Driving Public value
  - (4) Democratic engagement
  - (5) Partnership working and service delivery and accessibility
  - (6) Neighbourhood and community development and engagement

### **3. Key Areas for Investment**

3.1 The 'Towards 2010' priorities are fully reflected within the principle areas for ICT infrastructure investment

#### **3.2 Connecting Kent.**

3.2.1 Building on the successful programme of priming and influencing private sector investment (approximately £34M to date) in Kent's ICT infrastructure

3.2.2 The council's broadband project was initiated in October 2004 to ensure that all 135 Kent exchanges were broadband enabled. The last 3 Kent telephone exchanges were upgraded in spring 2007.

3.2.3 Subsequent activity has focused on pressing telecommunications suppliers to resolve access problems for properties and businesses outside of individual exchange broadband range, so called "not spots". In addition regular review of broadband provision is required to ensure that increasing demand within the community is met.

3.2.4 Having identified major "not spots" through use of data from BT and influenced by direct contact from affected residents and business, a response from suppliers received in December 2007 has identified potential solutions for areas of highest priority, including potential pump-priming grant, of £25-£40K, for a regional pilot of infrastructure upgrade.

#### **3.3 Improving Service Accessibility - Connecting with Kent**

3.3.1 Maintaining and extending the profile and accessibility of the services provided by the council through electronic channels to individual citizens, business, public and private sector partners and voluntary agencies.

3.3.2 As the strategic authority the council has taken on direct support for public agencies with insufficient capacity to develop and sustain their own services, including website development and support for parish council's and voluntary agencies.

3.3.3 A web casting solution for public meetings has been implemented with the service accessed on over 21,181 occasions since its inception.

3.3.4 A collaboration portal to facilitate multi agency working is being built. The proof of concept has been developed in support of the Whole System Demonstrator programme a joint initiative between Department of Health, the council, East Kent PCT and West Kent PCT.

3.3.5 The same project has also made extensive use of the video conference facilities installed in Sessions House. This has avoided the extensive national travel that would have otherwise been required, between the other demonstrator sites in Newham and Cornwall and the Department of Health team based in Leeds. The same resources also contribute to the council's ability to develop and sustain international relationships.

### **3.4 Technology Refresh**

- 3.4.1 The scope of this project is the refresh of the email, file and data hardware and software infrastructure including replacement of 9,000 personal computers.
- 3.4.2 The terms of reference for the project required a solution for infrastructure provision that removes technology constraints and realises vision of technology as an enabler. Continuous renewal of hardware and software environments that avoids creating a dependence on obsolete technology. A flexible approach to allow integration of emerging technologies, enable support of diverse business practice and facilitate technology tailored to individual users. Replace current infrastructure with a cost-effective solution designed to deliver efficiency savings through reduced unit prices and lower support overheads.
- 3.4.3 The programme being implemented delivers a common, core IT infrastructure while incorporating the flexibility for service units to tailor local technology provision to meet specific business needs and objectives. Devices are rented allowing refresh on a three year cycle as well as achieving a 30% saving other previous sourcing methods. Phased implementation, allows maximum return on investment in existing devices and a fixed cost profile able to be aligned with business planning processes. Rollout commenced with the replacement of 151 servers (computers supporting multiple users) including the 12 servers supporting email services, is 66% complete with the initial 3 year cycle due for completion in December 2008.
- 3.4.4 Provision of appropriate computing equipment, matched to business requirement and benefit, has allowed other underlying technologies to be developed in parallel. Initiatives include wireless technologies, secure remote access, Blackberries and internet based access. Availability of these solutions are becoming increasingly critical to the successful implementation of new working practice.

### **3.5 Network Infrastructure**

- 3.5.1 This is the largest single programme within the ICT portfolio.
- 3.5.2 The contracts for all three networks currently managed by the council end between 2008 and 2009. The exponential increase in bandwidth requirements, deregulation of the telecommunications market and the introduction of new national network topologies, make this an ideal time to establish new provision.
- 3.5.3 The existing networks provide the backbone over which all of the council's electronic transactions and communication is carried. There are dedicated links to 360 establishments at which staff are based, 600 further locations on the schools network as well as links to other public agencies in Kent
- 3.5.4 The starting point for the replacement programme is the aggregation of all existing provision to procure a single Kent Public Service Network (KPSN).

All Kent local authorities are participating, as well as Kent Police and Kent Fire and Rescue Services. Canterbury and Thanet councils are intending to incorporate all of their internal network requirements, as well as inter authority connectivity, from the outset. Other authorities will consider this approach as they reach the end of current contract commitments.

3.5.5 The council is now in the final stages of procurement through a competitive dialogue process. The two remaining suppliers submitted best and final offers on 14 January 2008, which are currently being evaluated. Both bids are compliant, capable of acceptance and meet the service objectives of the programme:

- (1) Between ten and fifty fold expansion in bandwidth requirement to meet increasing service demands placed on technology infrastructure.
- (2) A scalable solution capable of expanding in response to unpredictable demands resulting from the development of new technologies and services at reasonable cost.
- (3) Architecture that incorporates and aggregates existing network provision to make maximum use of current infrastructure investment
- (4) Consolidation of council networks, increasing total capacity and ensuring corporate, education and partnership networks merge to deliver consistent and sustainable infrastructure across all services.
- (5) To provide single public service network solution open to participation by all public agencies across Kent.
- (6) Leverage of contractual process to address rural network provision, where there is little or no commercial incentive for private sector investment.
- (7) Capacity to implement feature rich on-line services for both organisational use and public access.
- (8) Implementation of MPLS (Multi-protocol Label Switching) compliant technology to support shared services and inter-agency working.
- (9) Improved potential for partnership working, leading to reduced costs through economies of scale.
- (10) Opportunities for income generation through shared use of public service network from 2009.
- (11) Continued health of Kent's macro economy.

#### **4. Conclusion**

4.1 The combination of the development of professional ICT services informed by directorate service requirements, together with an ICT strategy aligned to business objectives and investment programmes measured against service outcomes is delivering the essential infrastructure to support direct service.

4.2 ICT infrastructure development based on sustainable service based models such as the technology refresh programme and the multi agency approach of the Kent Public Service Network are the building blocks for future service.

4.3 Opportunities for both direct services and organisational development are strongly linked to the potential of technology. Current initiatives range from web casting as means of increasing democratic engagement, an innovation

entirely reliant on the introduction of broadband, to mobile and flexible working necessitating electronic access to central data by staff in the field.

- 4.4 Internal infrastructure investment has been structured to support opportunities for productivity gains and deliver dividends through reduction in office capacity. Contracts and technology is designed to be flexible and to scale in line with future business needs.

## **5. Recommendation**

- 5.1 The Policy Overview Committee Members are asked to note the report.

### Appendix 1 – Restricted: Status Report on Kent Public Service Network (KPSN) Procurement

The annual ICT status report referenced in section 1.3.1 is published in full on KNet. <http://knet2/directorates/chief-executive-s-department/teams-and-units/business-solutions-and-policy/information-services-group-isg/ict-strategy-1>

The “Vision for Kent” and “Towards 2010” are published on the council’s website [www.kent.gov.uk](http://www.kent.gov.uk)

Hardcopy available on request from:

Contact:

Peter Bole  
Head of ICT Commissioning

Extension 1910

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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By: Geoff Wild, Director of Law and Governance  
 To: Corporate Policy Overview Committee - 25 January 2008  
 Subject: **The Future of Democratic Services and Localism**

**1. Analysing the savings cuts**

1.1 In July 2006, Democratic Services were charged with making savings of £500k over the next 2 years. This was later revised in October 2006 to £450k (£250k in 2007/08; £200k in 2008/09). The Leader asked for an Issues Paper on how this could be achieved.

1.2 The following was submitted:

<b>Democratic Services cost centres</b>	<b>2006/07 net cash limit £k</b>
Secretariat (Committee Teams and most Member Support)	£1467.0
Members (Member Allowances and other costs related directly to Members)	£2248.1
Lord Chancellor's (appointment process for Magistrates – all costs reimbursed by Lord Chancellor's Department)	0
<b>Total net cash limit 2006/07</b>	<b>£3715.1</b>
LESS Member's Allowances (Basic, SRA, mileage and fares)	<u>£1953.8</u>
<b>Net cash limit 2006/07 excluding Member's Allowances</b>	<b>£1761.3</b>
Less reduction made during 2006/07 through the transfer of Cabinet Member Secretaries and an Assistant Staff Officer to Directorates	-£137.6
<b>Updated cash limit 2006/07 excluding Members' Allowances</b>	<b>£1623.7</b>

1.3 Savings of £450k represented 27.74% of the updated cash limit. It seemed that the reduction made in the budget during 2006/07 through the transfer of staff to other Directorates was not taken into account when the savings target was set.

1.4 There were three ways in which savings of the magnitude of £450k could be achieved:

- radical modernisation of services (which would require an element of 'invest to save')
- major reductions in the services provided
- a combination of the two

## **1.5 Modernisation**

**1.5.1 Greater use of technology.** Electronic publication of committee agendas, etc, could save a significant proportion of the current printing bill (£57.6k last year). Work was already in progress to allow Democratic Services to publish agendas, reports, etc direct to the website. Once completed this should allow a major saving to be made in the printing bill (say £40k in 2007/08 and future years).

Of course, electronic publishing requires a change of culture amongst both Members and officers. They have to accept that agendas, etc, are normally only be accessible on-line and not in paper form.

This was agreed.

Since then, we have introduced direct publishing to the website in Autumn 2007. We are progressively moving towards greater electronic publication of committee agendas, minutes, correspondence with Members, etc, to reduce the current annual printing and postage bill of £68k. Operating on the principle of "less paper" rather than "paperless".

### **Anticipated savings: £30k**

**1.5.2 Partnership working.** Kent District Councils could be approached about working together in various areas in order to allow savings to be made by both KCC and the districts. For example, a jointly agreed KCC/District Overview and Scrutiny programme could be negotiated to pool and share the costs of O&S research staff. A joint Member Training programme could also be developed. This is still being explored.

**1.5.3 Income Generation.** There might be scope for carrying out Overview and Scrutiny research on behalf of districts (as an alternative to the partnership arrangements suggested above) or neighbouring counties. There might also be scope in assisting NHS bodies in Kent with their democratic processes.

This is still being explored.

**1.5.4 Merger of Committee staff with Local Boards staff.** Committee staff already worked closely with the Community Liaison Managers (CLMs) (who were not within Democratic Services), and there were a number of developments taking place (such as the Lyons Inquiry, preparation of the Local Government White Paper, and the preliminary thinking, which eventually led to the Local Government and Public Involvement in Health Act 2007 (LGPIHA). This suggested that closer working or a merger would be beneficial by helping to focus resources on developing KCC's neighbourhood agenda, something which was encouraged by Lyons, the White Paper, and the LGPIHA.

A merger of the Democratic Services Unit with the CLM team would also provide savings in staff over the short to medium-term.

This was agreed and the merger of Democratic Services and the Local Boards Team to form the new Democratic Services and Local Leadership Unit will take effect from 1 April 2008.

## **Anticipated savings: £175k**

### **1.6 Reductions**

1.6.1 Apart from one post which was being deliberately held vacant, there was no spare capacity in the Unit. Thus, any savings would require reducing or stopping completely the provision of particular services or facilities. Note that, in most cases, savings from staff reductions would be offset by redundancy costs. Savings have in fact been achieved through vacancy management and running cost efficiencies.

## **Anticipated savings: £10k**

**1.6.1 Committee Teams.** One member of staff who left earlier in 2006 had not been replaced. The intention was not to seek a permanent replacement but instead to employ a temporary clerical assistant for the six months of the education admission appeal season each year (February to August).

This was agreed. Since then, we have filled the full time committee post with temporary cover during the education admission appeals season each year.

## **Anticipated savings: £15k**

1.6.2 An alternative option would be for Members to agree a rationalisation and reduction of committees, e.g. the abolition of the Cabinet Scrutiny Committee (with call-in powers exercised instead by the Policy Overview Committees), Selection Committee, Advisory Boards to Cabinet, Children's Champions Board, etc. This would result in a real reduction in the number of meetings, and allow the number of Democratic Services' staff to be reduced.

This was not agreed and, of course, the LGPIHA is likely to require more Member meetings to undertake overview and scrutiny of public services and this would, in any case, have reduced the scope for such a reduction.

**1.6.3 Overview and Scrutiny Research.** While the Topic Review Programme has been very successful both in public relations terms, and in engaging backbench Members, there is no statutory requirement to carry out topic reviews. It was therefore suggested that the resources devoted to Topic Reviews could be reduced or even removed altogether.

If it was decided to cease Topic Reviews altogether staffing could be reduced by 2 FTE Research Officers; 1 ADP placement funded by Democratic Services; and 1 Democratic Services Officer, offering a saving of c£140k. Alternatively, a smaller saving could be achieved by reducing, rather than completely ceasing, Topic Reviews.

Because the Topic Review programme has been so successful in allowing backbench Members to make a contribution to policy development, any cutback in it was likely to be unpopular with Members from all political groups.

Research Officers would be required to handle more than one Topic Review at any given time. CLMs would also be required to become involved in supporting Research Officers with Topic Reviews.

Abolition of the Topic Review programme was not agreed, but the staffing resources were reduced by about 50%, leaving 1.5 fte Research Officers for general reviews and 1 Research Officer for NHS Overview and Scrutiny.

**Anticipated savings: £53k**

**1.6.4 Member Support Staff.** A number of options (some mutually exclusive) were suggested for rationalising or reducing the officer support provided by Democratic Services' staff to Members:

(a) Both the Labour and Liberal Democrat Groups have one Staff Officer each. One option considered was for both opposition groups to share a Staff Officer. It was recognised that there would be political objections to this on the basis that sharing a Staff Officer would reduce the effectiveness of the opposition as a whole, and might create tensions between the two opposition groups, but it would allow savings of £50k.

This was not agreed.

(b) The Labour and Liberal Democrat Group also have one PA (FTE) each. One option was to combine these PAs with the Conservative's general Members' Secretary, and possibly the Chairman's PA as well, to create a Members' Secretariat for non-Cabinet Members from all parties. This would allow overall staff numbers to be reduced. Whilst it was recognised that there might be political opposition to this, it was noted that pre-1993, the Members' Secretariat did operate successfully on a cross-party basis.

This was not agreed.

(c) PA support to the Liberal Democrat Group was provided by two part-time staff, one of whom was due to retire within the next year. If this part-time appointment was not filled, a saving of 0.5 fte (£16.6k) could be achieved.

This was agreed with the Leader of the Liberal Democrat Group and has been actioned.

**Anticipated savings: £17k**

(d) Until September 2006, the Members' Secretariat comprised 5 FTE posts. Four of these posts transferred to Directorates leaving 1 general Member's Secretary for the Conservative Group within Democratic Services. Selection Committee in July agreed in principle that a second general Conservative Members' Secretary should be recruited. If such an appointment was made, it would result in an additional cost of £26.5k pa but funding has not, so far, been made available.

The position was that the general Conservative Members' Secretary was not being fully utilised and had considerable spare capacity. It was therefore suggested that this Secretary should be relocated to Room 1.65 in order to allow her and the Cabinet Member PAs to provide mutual cover and balance out their overall workload. It was also suggested that no action should be taken to recruit a second general Conservative Members' Secretary unless and until the workload justified it.

This was agreed.

(e) It was suggested that it might be possible to merge the Members' Desk with the Main Reception Desk, but it was pointed out that the Members' Desk receptionists provided valuable clerical support to the Democratic Services Unit as a whole, as well as providing support to Members. This work would still need to be undertaken so the opportunities for real savings here were very limited.

This was not agreed.

(f) If Member support staff and Member facilities were reduced, there might be an opportunity to rationalise the management of those staff, leading to further savings of up to **£50k**.

This was agreed and the Member Services Manager post has been made redundant with effect from 31 January 2008.

**1.6.5 Member Facilities.** A number of options were suggested for savings in this area, such as:

(a) Considerable savings had already been achieved on the Members' car service over recent years through the use of sessional drivers, instead of permanently-employed chauffeurs. With the transfer of the last chauffeur to administrative duties, further savings of **£7k** could be made.

One option was to reduce or remove entirely the Member car fleet. This option would only be worthwhile in the longer-term because the cars are leased; the leases had three years to run; and the penalties for early termination were high. However, after three years, if the cars were not replaced, then, as well as the savings in car leasing costs (**£20k**), there would be related savings in running costs (**£13.5k**) and in the employment of chauffeurs (**£40k**). However, these savings would be offset by increases in mileage claims or taxi fares by those Members who currently made use of the car fleet.

An alternative option was to transfer the running of the car fleet to Kent Top Travel (an arms-length company set up by Commercial Services). Such an option appeared to offer the possibility of savings. However, this was explored but ultimately rejected because operation of the Member Cars did not fit into Kent Top Temps' business model.

It was agreed to reduce the Member car fleet by one vehicle (fortuitously, one car had recently been written off in a flood and this allowed us to terminate the leasing arrangements with immediate effect) and introduce a more restrictive protocol governing car usage by Members and officers, resulting in a reduction in leasing, running and driver costs. The Leader was given a cost benefit analysis comparing costs of retaining a fourth car with potential additional taxi costs incurred by having only three cars. The Leader was also given confirmation that Members could make use of the Car Club cars.

**Anticipated savings: £7k**



### 3. What Proportion (%) of Total Budget the savings Represented

07/08 target of £190k = 5% of net budget of £3,798k

08/09 target of £166k = 4.6% of net budget of £3,615k

### 4. How this Compares with Savings Targets set for other parts of CED

07/08 target of £14288k = 10.8% of net budget of £132,073k for CED, ranging from:

- £4,375k from Property = 41.8% of net budget of £10,458k
- £455k from IS = 3% of net budget of £15,276k

### 5. The measures required to be taken to meet those targets, including loss of key staff

The above actions requires a loss of 5.5 FTEs over 2 years

### 6. Alternative savings proposals for 2008/09 and subsequent years rejected by the Leader

1	Reduction or complete cancellation of Member and Local Schemes Grants, comprising: Member Community Grants £840k Small Community Capital Grants £500k Local Schemes Grants £400k <i>Complete cancellation would run counter to localism agenda and would be unpopular with backbench Members, but reduction (e.g., scrapping of Local Schemes Grants) may be acceptable.</i>	Up to £1.740m
2	3% pa reduction in Members' Allowances and Expenses <i>This area was excluded from the budget cuts originally imposed on Democratic Services. The next major review of Members' Allowances is expected to take place at the time of the May 2009 election.</i>	£200k
3	Scrap Local Boards and all Member Support from Community Liaison Managers Potentially 6 FTE redundancies <i>Runs counter to localism agenda and could affect CPA/CAA.</i>	£330k
4	Reduce or remove staff support from Opposition Groups Potentially 5 FTE redundancies <i>Would be strongly opposed by opposition groups unless</i>	Up to £150k

	<i>proportionate cuts made in support for majority group. NB: budget for support staff for majority group split between Directorates, Policy Unit and Democratic Services.</i>	
5	<p>Further reduce or scrap Topic Review Programme (Select Committees) and NHS Overview and Scrutiny research</p> <p>Potentially 4 FTE redundancies</p> <p><i>Would be unpopular with backbench Members, would reduce KCC's excellent reputation in this area, and could affect CPA/CAA.</i></p>	Up to £150k
6	<p>Reduce or remove entirely Member Car Fleet</p> <p>(*NB savings would be offset by increased mileage claims or taxi fares by senior Members and Chief Executive)</p> <p><i>Would reduce reputation of KCC if Chairman had to drive him/herself to events. Possible loss of efficiency for senior Members and Chief Executive who can currently work on chauffeur-driven journeys.</i></p>	Up to £75k*
7	<p>Rationalisation of Committee structure</p> <p>Fewer Committees should result in fewer meetings and this might allow some savings in staff (potentially involving redundancies) and Members' travelling expenses.</p> <p><i>Proposals in the LGPIHA are likely to require additional Member meetings to allow KCC to fulfil its new responsibilities to scrutinise other public services. Failure to fulfil those new responsibilities could affect CPA/CAA.</i></p>	£?

## 7. The effect on staff of reorganisation

The way in which the unit was targeted for such savage cuts made staff feel that their contribution to the work of KCC was not valued. That and the prospect of significant cuts hanging over the unit's head for such a long period has inevitably reduced morale.

Redundancy costs for the three senior members of staff leaving KCC amount to £151k (£69.9k to be met corporately, £81.1k from Democratic Services). Recruitment costs to appoint new Head of Democratic Services and Local Leadership estimated at £10k.

Future developments and plans have been made to accommodate the reduction in resources, e.g. computerised committee management system (CMS), new combined unit synergies, etc.

Whilst the primary benefit of the CMS is to enable staff to work more effectively, it will also enable work levels to be maintained by fewer numbers of staff, thus freeing them up to undertake other tasks.

Opportunities for further savings may still be identified, e.g. transferring education appeals and scrapping Member cars, plus other savings proposals submitted recently

Jettisoning education appeals would just be a cost-shunt to CFE and would not represent a saving for KCC as a whole. It is also worth mentioning the additional pressures which Democratic Services is likely to face as a result of implementation of the LGPIHA – including scrutiny of Police and other public bodies; LINK; community call for action; processing of petitions, etc.

## **8. Future pressures**

The prospects of additional workloads and demands from Members exist in the areas of:

- Localism (increased decentralisation, partnership working and possible delegation of powers and budgets)
- Overview (increased select committee work and scrutiny role, increased number of meetings, etc)
- Scrutiny (LGPIHA implications and increased workload)
- Standards (the prospect of local investigations)

With the corresponding need for additional staffing and/or changes in staff responsibilities.

Somewhat ironically, after having gone through a difficult and tortuous restructuring process and implemented radical savings proposals, we have now received additional funding of £345k for Localism (equivalent to 7.3 FTEs) and £19k for Members' code of conduct training. There are also proposals for additional funding from 2008/09 to support health scrutiny and the general scrutiny process.

## **9. How current levels of resources, staffing, numbers of meetings, etc, compares with other similar authorities - using benchmarking data**

Unfortunately, data of this kind is extremely hard to capture. The problem has always been that every council's democratic services function is organised differently, and so meaningful comparisons are virtually impossible.

**Geoff Wild**

Director of Law & Governance

January 2008

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By: Overview, Scrutiny and Localism Manager  
To: Corporate Policy Overview Committee - 25 January 2008  
Subject: **Local Petitions and Call for Action**

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## Introduction

1. (1) The Department of Communities and Local Government has recently published a consultation document "Local Petitions and Calls for Action" attached as an appendix to this report.

(2) The consultation document raises a number of consultation questions and invites responses by 20 March 2008.

## Consultation Questions

2. (1) The Committee are invited to express their initial views on the consultation questions:-

### *Petitions*

(a) The Government believes there should be a statutory duty on local authorities to respond to local petitions. What conditions must be met before a local authority is required to respond formally to a petition? (*Paragraph 19*)

(b) In particular, how should we define the level of support required before a petition must get a formal, substantive response?

- By a fixed number of signatures
- By a percentage of the electorate in the area?
- By a hybrid of the two?
- or in some other way (*paragraph 25*)

### *Calls for Action*

(c) What if any matters should be excluded from the call for action? (*Paragraph 40*)

(d) What guidance should Government provide on the operation of the councillor call for action? (*Paragraph 41*)

### *Overall*

(e) Taken together, would petitions and calls for action sufficiently empower communities to intervene with their elected representatives? Should we contemplate other measures? (*Paragraph 43*)

(f) Do you have other views on the operation of the new duty to respond to petitions and the call for action?

### **Way Forward**

3. The Committee are asked to establish an Informal Member Group (5:2:1) to prepare a response for the Cabinet's consideration on 17 March 2008.

### **Recommendations**

4. The Committee are asked to express its initial views on the consultation questions and are invited to establish an Informal Member Group to prepare a proposed response to the consultation for the Cabinet's consideration on 17 March 2008.

Paul Wickenden  
Overview, Scrutiny and Localism Manager  
Email [paul.wickenden@kent.gov.uk](mailto:paul.wickenden@kent.gov.uk)  
Telephone 01622 694486

Background Information: *Nil*

## Local petitions and Calls for Action Consultation





## Local petitions and Calls for Action Consultation

Communities and Local Government  
Eland House  
Bressenden Place  
London  
SW1E 5DU  
Telephone: 020 7944 4400  
Website: [www.communities.gov.uk](http://www.communities.gov.uk)

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# Preface

This Government is determined to breathe new life into local democracy. That means giving elected local councillors the space to show a lead: less red tape from Whitehall and more freedom to spend money on local priorities. But it also means giving local people new opportunities to set the agenda for themselves, to have their say about local services and get things done on the issues they care about. Whether it's improving housing, cleaning up the streets, or getting tough with anti-social behaviour, it's often local people themselves who understand the problem best and can come up with the best solutions.

We've taken big steps towards 'devolution to the doorstep' in recent years. The 2006 Local Government White Paper *Strong and Prosperous Communities* made clear that new discretion for town halls needed to go hand in hand with greater accountability to local people. The Local Government and Public Involvement in Health Act 2007 provided a vital framework – a duty on local authorities to inform, consult and involve local people in their decisions and services, and new powers for local councillors to call for action on a broad range of local issues.

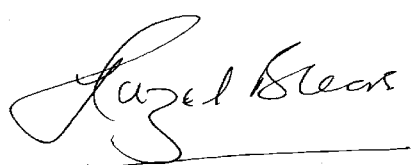
Today, we want to go further still. In *The Governance of Britain* the Prime Minister launched a national conversation about renewing our democracy, including at the local level; and in October, I published an *Action Plan for Community Empowerment*, setting out what my Department is doing to give people a real say over their neighbourhood.

This consultation takes forward one of the commitments in that plan – to look carefully at the idea of placing a duty on local authorities to respond constructively to the petitions they receive from local people.

We in the UK are some of Europe's biggest petition writers. People use petitions as a way to raise local issues they really care about – speed bumps, local shops, social care. Many local authorities already deal with petitions systematically, scrupulously and fairly.

But I want everyone, no matter where they live, to have the confidence of knowing that their concerns will be taken seriously. I believe that there is a case for acting to ensure that standards everywhere are brought up to those of the best, and am inclined to put all authorities on the same footing by providing a legislative framework for dealing with local petitions. I want to give people the chance to help shape that framework before reaching a conclusion on the best way forward.

I look forward to hearing your views.



**Rt Hon Hazel Blears MP,  
Secretary of State for Communities and Local Government**

# Chapter 1

## Introduction

1. The Governance of Britain Green Paper, published in July 2007, said that petitions can provide an important way for local communities to express their views collectively and generate local debate, and improve the connection between residents and local authorities. It added that the Government is considering the introduction of a duty requiring local authorities to consider and investigate petitions from local communities, and guarantee a response on the issues which have been raised.
2. In the Green Paper, the Government also announced its intention to consult on extending the right of people to intervene with their elected representatives through community rights to call for action.
3. This consultation paper seeks views on:
  - how the arrangements for local petitions can be strengthened and the details of how the new system might operate
  - the call for action introduced under the Local Government and Public Involvement in Health Act 2007.
4. This consultation does not cover petitions to the House of Commons or the Government, which are dealt with separately in paragraphs 157 to 163 of the Governance of Britain.

# Chapter 2

## The consultation criteria

5. The Government has adopted a code of practice on consultations. The criteria below apply to all UK national public consultations on the basis of a document in electronic or printed form. They will often be relevant to other sorts of consultation. Though they have no legal force, and cannot prevail over statutory or other mandatory external requirements (eg under European Community Law), they should otherwise generally be regarded as binding on UK departments and their agencies, unless ministers conclude that exceptional circumstances require a departure.
  - Consult widely throughout the process, allowing a minimum of 12 weeks for written consultation at least once during the development of the policy
  - Be clear about what your proposals are, who may be affected, what questions are being asked and the timescale for responses
  - Ensure that your consultation is clear, concise and widely accessible
  - Give feedback regarding the responses received and how the consultation process influenced the policy
  - Monitor your department's effectiveness at consultation, including through the use of a designated consultation co-ordinator
  - Ensure your consultation follows better regulation best practice, including carrying out a Regulatory Impact Assessment if appropriate.
6. The full consultation code may be viewed at: [http://bre.berr.gov.uk/regulation/consultation/consultation\\_guidance/index.asp](http://bre.berr.gov.uk/regulation/consultation/consultation_guidance/index.asp)
7. Are you satisfied that this consultation has followed these criteria? If not, or if you have any other observations about ways of improving the consultation process please contact:

Albert Joyce,  
 Communities and Local Government Consultation Co-ordinator  
 Zone 6/H10  
 Eland House  
 Bressenden Place  
 London SW1E 5DU

or by email to [albert.joyce@communities.gsi.gov.uk](mailto:albert.joyce@communities.gsi.gov.uk)

8. Please note that responses to the consultation itself should be sent to the contact shown within the main body of the consultation (page 17).
9. A summary of responses to this consultation will be published by 12 June 2008 (within three months of end of consultation period) at the address below.

[www.communities.gov.uk/corporate/publications/consultations/](http://www.communities.gov.uk/corporate/publications/consultations/)

Paper copies will be available on request.

10. Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).
11. If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.
12. The Department will process your personal data in accordance with the DPA and, in the majority of circumstances, this will mean that your personal data will not be disclosed to third parties.

# Chapter 3

## Local petitions

### Evidence for change

13. There is evidence that a formal process for handling petitions adds value to public life. In 2005, 38 per cent of respondents to the Citizenship Survey said they had undertaken a civic activity. 60 per cent of them claimed that they had signed a petition in the previous twelve months. Petitioning was the most commonly undertaken of the nine activities grouped under civic engagement for the purposes of this survey.
14. Qualitative research in 2006 found that participants felt that petitions were a good method for bringing issues to the attention of local government. However, they were sceptical about local government's ability or willingness to act on or be responsive to petitions<sup>1</sup>.
15. Overall, research indicates that responsiveness is a key element to petitions' political efficacy, whether in the form of a formal response from the governance body concerned, or of a referendum or ballot to decide the issue.
16. Petitioning is used in a number of countries as a trigger leading to electoral action, typically in the form of a referendum – Switzerland and the USA are typical examples. These can be either citizens' initiatives or popular referendums. In some instances, the referendums are binding. Petitions can also be used to initiate recall ballots. This system is used in the USA (at state and local/municipal levels), and in British Columbia, Canada.
17. Other jurisdictions, for example Scotland and Queensland, have formal petitioning systems which do not lead to ballots. Instead, the petitioner can expect a response from either the relevant committee or MP. In these examples, a response is not guaranteed.
18. Political parties and campaign groups in countries where petitioning is a well-established feature of the democratic landscape have become adept at using petitions to further their own agendas. They can also counteract a petition campaign, either through developing a counter proposal or by demobilising support for the petition. The evidence therefore indicates that petitioning (as a tool of direct democracy), can support representative democracy.

<sup>1</sup> BMG, 2006

## General principles underpinning a new duty

19. The Government believes that there should be a duty on local authorities to respond to petitions in the following circumstances:

**(a) The subject of the petition relates to the functions of the local authority, or other public services with shared delivery responsibilities with the local authority through the Local Area Agreement or other partnership arrangement**

20. Local authorities have a wide range of functions, which include the promotion of the social, environmental and economic wellbeing of the area and its people. They are the “place shapers” for their area, and this has been reinforced by provisions of the Local Government and Public Involvement in Health Act 2007, which require a long list of partner organisations to cooperate with the local authority in developing the Sustainable Community Strategy for the area, and in setting local improvement targets. The role of local authorities has also been reinforced by the Sub National Review published in July 2007.
21. The Government’s proposal is that local authorities should be required to respond to any petition that asks them to consider any issue which falls within their broad functions as outlined above. Petitions which would more properly be dealt with by another public body – and raise issues which relate neither to local improvement targets agreed by that body, nor to the area’s sustainable community strategy – would fall outside the proposed new duty.
22. An important example of this principle will arise in the context of education services. A local authority would not be required to respond to a petition which raises issues which can only be addressed substantively by the governors and head-teacher of a particular school. On the other hand, the duty would apply where the petition relates to the education functions of the local authority.

**(b) The petition has been organised by a local person**

23. It is proposed that there should be nothing to prevent local petitioners from invoking the help of national organisations having wider interests – but that the organiser-of-record of a local petition should be a local person. It is that person who should present the petition to the local authority. We would welcome views about how “local person” should be defined. Obvious options are:
- (a) a person appearing in the electoral register for the local authority’s area
  - (b) any adult who lives or works in the area at the time the petition is submitted, or
  - (c) any adult who has lived or worked in the area for at least a qualifying period of time before the petition is submitted.

24. Options (b) and (c) might both be extended to anyone who attends a school or college in the area, in order to make this form of engagement available to children. We would welcome respondents' views on that possibility.

**(c) The petition demonstrates a sufficient level of support from local people**

25. On the one hand, requiring local authorities to respond to all petitions, even those with a minimum level of support, could impose unnecessary processes and costs. On the other, setting a very high level of support as a requirement for a petition to receive a formal response would frustrate the underlying purpose of the policy. There are three possible approaches to setting a threshold of a sufficient level of support. They are to define:
- in absolute terms the number of relevant signatories that a qualifying petition must have (for example, "at least 250 signatures"); or
  - a qualifying petition as one that has the signatures of a given proportion of those whose signatures are regarded as relevant (for example, at least 1 per cent of the electorate of the area in question). This could make it difficult for the petition organiser to know how many signatures were required for the petition to be valid; or
  - an absolute number, or a given proportion of the population, whichever is the lower (for example. "200 signatures or 5 per cent of the population" would mean that communities of less than 4,000 people would have to find fewer than 200 signatures).

**Signatures**

26. In the above options, a "relevant" signature could be regarded as that either of:
- (a) an elector of the area; or
  - (b) anyone who lives or works in the area.

Support would have to be reasonably current (eg signature within the last 12 months).

27. We would, in either case, want to consider options for extending the range of relevant signatures to local children who either live in the area, or attend school there. We would welcome respondents' views on that possibility.
28. Support for petitions might take the traditional form (signature, date, and address), but we would want to allow for electronic petitions too, and would be glad to have respondents' views on how they might work.
29. We believe local authorities should be entitled to accept signatures without further validation if they have no reason to doubt them; but should be empowered to investigate if they felt it necessary, and to strike them out if appropriate.

**(d) The petition satisfies minimum requirements in relation to**  
**i) The manner in which it was submitted**  
**ii) its form**  
**iii) its content**

30. It is proposed that petitioners ought to be able to present their petitions either to the council, or to one of its councillors.
31. Councils and their councillors would be under a general duty to consider whether any request or document they receive is a petition. We would hope to avoid technicalities here. The word “petition” would, we hope, have a plain English meaning; we would probably not seek to define it in statute. Where a council or councillor is of the view that a document is a petition, that decision would trigger the petition provisions.
32. We take the view that a petition should at least contain:
- (a) the proposition which it promotes
  - (b) the name and address of the organiser
  - (c) the local authority from which a response is sought (and, if more than one, all the local authorities to which it has been submitted)
  - (d) the area to which it relates (ie the whole authority, or a defined area forming part of it)
  - (e) the names, addresses and signatures of those who support it (or, in the case of an electronic petition, their names, addresses and email addresses).

**Guidance**

33. We believe that the Secretary of State should have the power to issue guidance about all aspects of the process.

# Chapter 4

## Calls for action

### The Councillors' Call for Action

34. In the recent Local Government and Public Involvement in Health Act 2007, Parliament amended section 19 of the Police and Justice Act 2006 – before, indeed, it had come into force – to align it with the provision in section 119 of the 2007 Act. All councillors are thus empowered to refer local government matters and local crime and disorder matters for consideration by the relevant overview and scrutiny committees of their local authorities.
35. The result amounts to a **“councillor call for action”**. Any councillor will be able to refer a local matter affecting his or her ward or division to the appropriate overview and scrutiny committee of his or her authority. In the case of a local crime and disorder matter, that will be to the authority's crime and disorder committee.
36. The committee is required then to put the matter on its agenda, and discuss it at a meeting. It is not to be required to take any further action; but all the powers it has – to mount inquiries, to require information, and to make reports and recommendations – are to be available to it, if it decides to take the matter up.
37. The power to refer a matter is available only where the matter is of direct concern to the ward or division which the councillor represents. A councillor can refer a matter even if no citizen has asked him or her to consider it. There is no requirement for councillors in multi-member wards to agree – any of them can refer a matter.
38. A local government matter, in relation to a member of a local authority, is defined as a matter which:
  - (a) relates to the discharge of any function of the authority
  - (b) affects all or part of the electoral area for which the member is elected or any person who lives or works in that area, and
  - (c) is not an excluded matter.

A local crime and disorder matter, in relation to a member of a local authority, has been defined to mean a matter concerning:

- (a) crime and disorder (including in particular forms of crime and disorder that involve anti-social behaviour or other behaviour adversely affecting the local environment), or
- (b) the misuse of drugs, alcohol and other substances

that affects the electoral area represented by the member, or the people who live or work in that area.

39. It will no doubt happen that some local issues have implications in more than one field. The Government's view is that, in such a case, the councillor would be entitled to refer it to every overview and scrutiny committee which covers some aspect of the issue. In practice, committees will, no doubt, take the sensible decision to join forces in order to consider such matters in the round.

## Excluded matters

40. The Secretary of State has power to exclude by order specified descriptions of matter that would otherwise be "local government matters". This was included primarily so that confusion could be avoided between calls for action and well-defined statutory processes such as planning and licensing appeals. We now wish, as part of this consultation, to seek views about exactly what ought to be excluded, and why.

## Guidance

41. The Secretary of State is empowered to issue statutory guidance for local authorities, their committees, and their members. She intends to do so when these measures are brought into force. Respondents are invited to highlight the key issues on which guidance (whether statutory or not), would be helpful.

## Empowering communities to call for action

42. In the *Governance of Britain* green paper, Government highlighted its desire to achieve greater direct empowerment of communities, and undertook to consult on a number of areas, including "extending the right of people to intervene with their elected representatives through community rights to call for action".

43. Having established a *councillor* call for action (in law, if not yet in practice), we take the view that a duty on local authorities to respond to qualifying local petitions would amount to a *community* call for action – albeit a call made by a community of interest. We should, however, like to hear views on whether other steps should be considered as well.

# Chapter 5

## Consultation questions

44. We wish to take the views of citizens, local authorities, councillors and community organisations on all the details of the proposals set out in this document, but particularly on the following questions.

### Petitions

- (a) The Government believes there should be a statutory duty on local authorities to respond to local petitions. What conditions must be met before a local authority is required to respond formally to a petition? (*Paragraph 19*)
- (b) In particular, how should we define the level of support required before a petition must get a formal, substantive response?
- By a fixed number of signatures?
  - By a percentage of the electorate in the area?
  - By a hybrid of the two?
  - Or in some other way? (*Paragraph 25*)

### Calls for action

- (d) What if any matters should be excluded from the call for action? (*Paragraph 40*)
- (e) What guidance should Government provide on the operation of the councillor call for action? (*Paragraph 41*)

### Overall

- (f) Taken together, would petitions and calls for action sufficiently empower communities to intervene with their elected representatives? Should we contemplate other measures? (*Paragraph 43*)
- (g) Do you have other views on the operation of the new duty to respond to petitions and the call for action?

# Chapter 6

## How to submit your views

Responses from individuals and organisations may be submitted in writing to the Department for Communities and Local Government.

Comments should be received no later than 20 March 2008 and should be sent to:

Rosie Milner  
Communities and Local Government  
5th floor, Zone F8  
Eland House  
Bressenden Place  
London SW1E 5DU

or emailed to:

[petitions@communities.gsi.gov.uk](mailto:petitions@communities.gsi.gov.uk)

The consultation document and its response form can be downloaded from the consultations page on the Communities and Local Government website ([www.communities.gov.uk](http://www.communities.gov.uk)). For details of how to order hard copies see the inside front cover.

This consultation is available on request in alternative formats.

We may publish or make public the responses and comments received. If you do not consent to this, you must clearly request that your response be treated confidentially. Any confidentiality disclaimer generated by your IT system in email responses will not be treated as such a request.

If you wish your response, if published, to be unattributable, please let us know when you send it to us. Unattributable responses may also be included in any statistical summary of comments received and views expressed.

## Next steps

The consultation will run until 20 March 2008. Once this deadline has passed, Government will consider the responses received by that date and issue a report on the consultation by 12 June 2008.

## Regulatory Impact Assessment

An Impact Assessment has not been produced as the cost to the public sector is likely to be less than £5 million per annum and the impact on the private and third sectors is likely to be negligible and currently unquantifiable. We would welcome suggestions as to how such impacts might be determined and will consider the need for an Impact Assessment as we take this policy forward.

**Item C1  
Appendix**

**SELECT COMMITTEES – UPDATE**

**Select Committee: Accessing Democracy**

This new Select Committee on Accessing Democracy held its inaugural meeting on 23 January 2008. Mrs C Angell was elected Chairman and the Terms of Reference set out below were agreed.

- To understand why many people do not participate in and influence decision making in Kent
- To discover what would/could encourage more people to participate in and influence decision making in Kent
- To discover what KCC can do to increase participation

Recommendation

(3) That the terms of reference for the Select Committee on Accessing Democracy be endorsed.

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